SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement
   [✓] Definitive Information Statement

2. Name of Registrant as specified in its charter: **Del Monte Pacific Limited**

3. **British Virgin Islands**
   Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **N/A**

5. BIR Tax Identification Code **N/A**

6. **Craigmuir Chambers, PO Box 71 Road Town, Tortola, British Virgin Islands**
   Address of principal office — Postal Code

7. Registrant's telephone number, including area code **+65 6324 6822**

8. Date, time and place of the meetings of security holders:

	Annual General Meeting		**General Meeting**
Date:	15 April 2014	Date:	15 April 2014
Time:	10:00 A.M.	Time:	10:30 A.M.
Place:	Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908	Place:	Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **24 March 2014**

10. In case of Proxy Solicitations: **N/A**

    Name of Person Filing the Statement/Solicitor:
    Address and Telephone No.:

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common Shares	**1,296,600,071**

12. Are any or all of registrant's securities listed in a Stock Exchange?
    Yes ✓ No______

    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Singapore Exchange	**Common Shares**
Philippine Stock Exchange	**Common Shares**

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

1. **Date, Time and Place of Meeting of Security Holders.**

(a) The Annual General Meeting ("AGM") of Del Monte Pacific Limited (the "Company") shall be held on 15 April 2014 at 10.00 A.M, in Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908.

A General Meeting ("GM") of the Stockholders will also be held on the same day, 15 April 2014, at 10:30 A.M (or immediately following the conclusion of the AGM), in Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908.

The mailing address of the Company in Singapore is at c/o 17 Bukit Pasoh Rd, Singapore 089831 while its mailing address in the Philippines is at c/o 10th Floor, JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, 1634 Philippines.

(b) The approximate date on which the Information Statement shall be first sent and given to the security holders shall be on 24 March 2014.

2. **Dissenters' Right of Appraisal**

Not applicable.

3. **Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

(a) None of the Directors or officers of the Company, or any nominee to the Board of Directors or any association of the foregoing persons have any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the AGM and GM, other than election to office.

(b) None of the Directors have informed the Company in writing that he or she intends to oppose any of the matters to be acted upon either at the AGM or GM.

B. CONTROL AND COMPENSATION INFORMATION

4. **Voting Securities and Principal Holders Thereof**

(a) The Company has a total of 1,296,600,071 outstanding common shares as of the date of this Information Statement. Every shareholder shall be entitled to one vote for each share of stock held as of the established record date.

(b) All shareholders as of 11 April 2014 are entitled to attend and vote at the AGM and GM.

(c) Security Ownership of Certain Record and Beneficial Owners and Management

1) 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 Information Statement.

Title of Class	Name and Address of Record Owners	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Common Shares Held	% of Total Outstanding Shares
Common Shares	NutriAsia Pacific Limited[1] Trident Chambers, Road Town, Tortola, British Virgin Islands	NutriAsia Pacific Limited is the beneficial and record owner of the shares indicated	British Virgin Islands	869,315,246	67.05%
Common Shares	Lee Pineapple Company Pte. Ltd. 65 Chulia St, #44-01 OCBC Centre Singapore 049513	Lee Pineapple Company Pte. Ltd. is the beneficial and record owner of the shares indicated	Singapore	100,422,000	7.75%

2) Security Ownership of Management

The table below sets forth the security ownership of the Company's directors, executive officers and nominees as of the date of this Information Statement.

Title of Class	Name of Beneficial Owner and Position	Nature of Beneficial Ownership	Citizenship	No. of Shares Held	% of Total Outstanding Shares
Common	Joselito D. Campos, Jr. Managing Director and CEO	Direct	Filipino	5,104,800	0.39%
Common	Edgardo M. Cruz, Jr. Director	Direct	Filipino	2,362,900	0.18%
Common	Rolando C. Gapud Chairman	Direct	Filipino	980,000	0.08%
Common	Emil Q. Javier Director	Direct	Filipino	358,240	0.03%
Common	Luis F. Alejandro Chief Operating Officer	Direct	Filipino	3,681,000	0.28%
Common	Richard W. Blossom Senior Vice President	Direct	American	1,909,200	0.15%
Common	Ignacio C. O. Sison Chief Financial Officer	Direct	Filipino	723,200	0.06%
Common	Antonio E. S. Ungson Chief Legal Counsel and Chief Compliance Officer	Direct	Filipino	505,400	0.04%
Common	Ma. Bella B. Javier Chief Scientific Officer	Direct	Filipino	262,800	0.02%
Common	Tan Chooi Khim S&W General Manager	Direct	Malaysian	50,000	0.00%
Common	Raul C. Leonen Chief Manufacturing Officer	Direct	Filipino	20,000	0.00%
	Total Security Ownership of			**15,957,54**	**1.23%**

[1] NutriAsia Pacific Limited ("NPL") is a substantial and controlling shareholder of the Company, holding 869,315,246 shares therein. Its 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.

Title of Class	Name of Beneficial Owner and Position	Nature of Beneficial Ownership	Citizenship	No. of Shares Held	% of Total Outstanding Shares
	Directors and Management			0	

(d) Voting Trust Holders of 5% or More

There were 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 Information Statement.

(e) Changes in Control

There are no arrangements which may result in a change in control of the Company as of the date of this Information Statement.

5. **Directors and Executive Officers**

(i) Directors, Independent Directors and Executive Officers

1) Directors

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, two of whom are Executive Directors. Of the five Non-Executive Directors, four are Independent Directors.

As of the date of this Information Statement, the composition of the Board of Directors is as follows:

Name	Age	Citizenship	Position	Year Appointed	Year Last Elected
Rolando C. Gapud	72	Filipino	Chairman and Non-Executive Director	2006	2011
Joselito D. Campos, Jr.	63	Filipino	Executive Director	2006	2006
Edgardo M. Cruz, Jr.	58	Filipino	Executive Director	2006	2012
Benedict Kwek Gim Song	66	Singaporean	Lead Independent Director	2007	2011
Patrick L. Go	55	Singaporean	Independent Director	2001	2013
Dr. Emil Q. Javier	73	Filipino	Independent Director	2007	2013
Godfrey E. Scotchbrook	67	British	Independent Director	2000	2012

Rolando C. Gapud and Benedict Kwek Gim Song are incumbent directors of the Corporation who are due for re-election at this year's AGM.

As of the date of this Information Statement, the following are the Company's Senior Management:

Name	Age	Citizenship	Position	Year Position was Assumed
Joselito D. Campos, Jr.	63	Filipino	Managing Director and CEO	2006
Luis F. Alejandro	60	Filipino	Chief Operating Officer	2008
Ignacio C. O. Sison	49	Filipino	Chief Financial Officer	2006
Richard W. Blossom	65	American	Senior Vice President	2005
Tan Chooi Khim	52	Malaysian	General Manager, S&W	2009

			Fine Foods International Ltd.	
Antonio E.S. Ungson	42	Filipino	Chief Legal Counsel and Chief Compliance Officer	2008
Ma. Bella B. Javier	53	Filipino	Chief Scientific Officer	2009
Raul C. Leonen	59	Filipino	Chief Manufacturing Officer	2009
Nils Lommerin	49	American	CEO of Del Monte Foods, Inc.	2014

Management, together with the Board Committees, including the Audit Committee, Nominating Committee and Remuneration & Share Option Committee support the Board in discharging its responsibilities. The members of the Board Committees are as follows:

Audit Committee	
Benedict Kwek Gim Song	Chairman and Lead Independent Director
Edgardo M. Cruz, Jr.	Executive Director
Rolando C. Gapud	Non-Executive Director
Patrick L. Go	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	Non-Executive Director
Benedict Kwek Gim Song	Lead Independent Director
Patrick L. Go	Independent Director
Dr. Emil Q. Javier	Independent Director
Remuneration and Share Option Committee	
Godfrey E. Scotchbrook	Chairman and Independent Director
Edgardo M. Cruz, Jr.	Executive Director
Rolando C. Gapud	Non-Executive Director
Benedict Kwek Gim Song	Lead Independent Director
Patrick L. Go	Independent Director

The following is a brief description of the business experience of the Company's Board of Directors and Senior Management.

Rolando C. Gapud –72, Filipino
Chairman and Non-Executive Director

Appointed on 20 January 2006 and last elected on 29 April 2011

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 Del Monte Foods, Inc., DMPL'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. –63, 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 the Vice Chairman of Del Monte Foods, Inc., DMPL'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. 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. –58, Filipino
Executive Director

Appointed on 2 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 Del Monte Foods, Inc., DMPL'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 –66, Singaporean
Lead Independent Director

Appointed on 30 April 2007 and last elected on 29 April 2011

Mr. Benedict Kwek Gim Song is a Director and Chairman of the Audit Committee of NTUC Choice Homes. He is also a Director of Del Monte Foods, Inc., DMPL'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.

Patrick L. Go –55, Singaporean
Independent Director

Appointed on 19 April 2001 and last elected on 30 April 2013

Mr. Patrick L. Go is CEO of Paramount Life & General Insurance Corporation. Mr. Go has over 30 years of experience in corporate finance and private equity having worked for Credit Suisse First Boston, Bank of America Asia Ltd and Bankers Trust Company. He is a Director of Del Monte Foods, Inc., DMPL's U.S. subsidiary. He holds a Bachelor's degree in Economics from the Wharton School, University of Pennsylvania, and an MBA from the Darden School, University of Virginia.

Dr. Emil Q. Javier –73, 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 a Director of Del Monte Foods, Inc., DMPL'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 –67, 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 a Director of Del Monte Foods, Inc., DMPL's U.S. subsidiary.

Luis F. Alejandro –60, 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 Del Monte Foods, Inc., DMPL'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 –49, Filipino
Chief Financial 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.

Richard W. Blossom –65, American
Senior Vice President

Mr. Richard W. Blossom is President of GTL Limited, the Company's principal export arm, and is Managing Director of the Company's Singapore-based subsidiary, DMPL Management Services Pte. Ltd. He is also a Director of Del Monte Foods, Inc., DMPL's U.S. subsidiary. Mr. Blossom has over 30 years experience in general management, marketing, sales, distribution and logistics of fast moving consumer goods, having served as President of Pepsi Cola Asia Pacific, PepsiCo Foods Asia Pacific, Revlon Asia Pacific, and CEO of Dohler Asia and EAC Consumer Products. Mr. Blossom obtained his MBA in Marketing from New York University's Stern School of Business.

Tan Chooi Khim- 52, Malaysian
General Manager, S&W Fine Foods International Ltd.

Ms. Tan Chooi Khim has more than 20 years experience in the fast moving consumer goods industry spanning areas of general management, brand management, marketing and Technical. She started her career at Unilever where she spent more than 12 years growing a number of brands in various categories. With her achievements in brand management at Unilever Malaysia, she was expatriated to Unilever Japan and China. Ms. Tan then joined Sara Lee Malaysia as Marketing Director before moving to becoming General Manager of Sara Lee Thailand and most recently, President of Sara Lee Malaysia, Singapore and Vietnam. Ms. Tan holds a Master of Science in Chemistry from Purdue University, Indiana USA and a Bachelor of Science in Chemistry from Cumberland College, Kentucky USA.

Antonio E. S. Ungson –42, Filipino
Chief Legal Counsel and Chief Compliance Officer

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 Bachelor of Laws from the University of the Philippines College of Law and completed his undergraduate degree in Economics, cum laude and with a Departmental award at the Ateneo de Manila University.

Ma. Bella B. Javier – 53, Filipino
Chief Scientific Officer

Ms. Ma. Bella B. Javier has more than 30 years experience in R&D from leading FMCGs in the food industry. She spent 20 years at Kraft Foods, 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, USA. 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.

Raul C. Leonen – 59, Filipino
Chief Manufacturing Officer

Mr. Raul C. Leonen has more than 30 years experience in the Group's Philippine cannery operation, which is the single largest integrated pineapple cannery facility in the world. He has worked in all departments covering the entire pineapple processing operation. Prior to his assumption of Group Head Cannery Operation, he managed the entire can manufacturing process. To complement and augment his knowledge and experience in pineapple processing, he also spent four years in the Company's plantation operation giving him a complete understanding of the pineapple cycle. He started his professional career as a manufacturing management trainee in Procter & Gamble Philippines and worked in detergent manufacturing for four years. Mr. Leonen has a BS degree in Chemical Engineering from Adamson University.

Nils Lommerin - 49, American
Chief Executive Officer of Del Monte Foods, Inc.

Mr. Nils Lommerin is the Chief Executive Officer of Del Monte Foods, Inc., the subsidiary of the Company in the United States. He was the Executive Vice President and Chief Operations Officer of Del Monte Corporation. He joined Del Monte Corporation in March 2003 as Executive Vice President, Human Resources, was appointed Executive Vice President, Operations in July 2004 and Chief Operating Officer in January 2008. From March 1999 to July 2002, he was with Oxford Health Plans, Inc, a managed care company, where he most recently served as Executive Vice President, Operations and Corporate Services. From November 1991 to February 1999, Mr. Lommerin held a variety of senior Human Resources positions with PepsiCo, Inc., a consumer products company. From 1988 to 1991, he held manufacturing management positions with Kraft Foods Inc., a consumer products company.

2) Directorships in Other Listed Companies

The table sets forth the directorships in other listed companies, both current and in the past three (3) years:

Name	Position	Company	Date
Joselito D. Campos, Jr.	Independent Director	San Miguel Corporation	2010 – Present
Patrick L. Go	Independent Director	Pancake House, Inc.	2012 – Present

	Independent Director	Dynamic Holdings Ltd. (HK)	2013 – Present
Godfrey E. Scotchbrook	Independent Director	Boustead Singapore Ltd. (Singapore)	2000 – Present
	Independent Director	Convenience Retail Asia (HK)	2002 – Present

(ii) 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.

(iii)Family Relationships

On 26 February 2014, Ms. Jeanette B Naughton was appointed as a Non-Executive Director of Del Monte Foods, Inc. ("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.

(iv)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, bankruptcy or insolvency investigation or any other proceeding against him, except only the libel case pending between GMA Network and ABS-CBN Broadcasting Corp. where he was impleaded eight years ago as co-accused in his capacity as then President and Chief Operating Officer of ABS-CBN Broadcasting Corp.

(v) Certain Relationships and Related 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 transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

The Company and its subsidiaries have the following major transactions with related parties.

	Group		Company	
Expenses	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Management fees to a subsidiary, DMS	-	-	588	570
Management fees to a subsidiary, DMPI	-	-	210	210
Rental to DMPI Retirement	40	3	-	-
Rental to DMPI Provident Fund	4	3	-	-
Management fees from DMPI Retirement Fund	(5)	(5)	-	-
Shared IT Services from Nutri-Asia, Inc.	(87)	(65)	-	-
	(48)	(64)	798	780

For purposes of this section, 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 or common significant influence. Related parties may be individuals or other entities.

6. **Compensation of Directors and Executive Officers**

Information as to the aggregate compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the Company's CEO and other most highly compensated executive officers are as follows:

Name and principal position	Year	Salary (in PhP)	Other Income (in PhP)
A. Chief Executive Officer and most	2014 Est.	155,130,836	47,395,951
highly compensated executive	2013	151,326,204	55,071,632
officers*	2012	138,778,080	29,379,714
B. All other officers and directors as a	2014 Est.	111,016,665	37,558,290
group unnamed	2013	133,384,504	40,858,495
	2012	117,471,284	34,149,583

**The CEO and the Executive Officers of the Company are as follows: Managing Director and CEO, Joselito D. Campos, Jr. and the executives (in alphabetical order): Luis F. Alejandro, Richard W. Blossom, Ma. Bella B. Javier, Ignacio Carmelo O. Sison, Tan Chooi Khim and Antonio Eugenio S. Ungson.*

Standard Arrangement

Other than directors' fees or payment of reasonable per diem, there are no standard arrangements pursuant to which directors of the Corporation are compensated, or are to be compensated, directly or indirectly, for any services provided as a director for the last completed fiscal year and the ensuing year.

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.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

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.

Warrants and Options Outstanding: Repricing

The particulars of the options granted to Directors who held office at the end of the financial year are as follows:

	Direct interest in Options		
	At 01 January 2012	**At 31 December 2012**	**At 21 January 2013**
Options to subscribe for ordinary shares at S$0.627 per share between 07/03/2010 to 06/03/2018*			
Mr. Rolando C. Gapud**	400,000	400,000	400,000
Mr. Edgardo M. Cruz, Jr.**	200,000	200,000	200,000
Mr. Benedict Kwek Gim Song	250,000	250,000	250,000
Mr. Patrick L. Go	200,000	200,000	200,000
Dr. Emil Q. Javier**	200,000	200,000	200,000
Mr. Godfrey E. Scotchbrook	300,000	300,000	300,000

** Up to 60% of options granted may be exercised from 07 March 2010 onwards.*
Remaining 40% of options granted may be exercised from 7 March 2011 onwards.

Mr Edgardo M. Cruz, Jr. and Dr. Emil Q. Javier had exercised the 200,000 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 options he held on 28 March 2013, at a consideration of S$250,800.

The following Directors have outstanding options as of 03 March 2014.

Options to subscribe for ordinary shares*	No. of Outstanding Options at 03 March 2014
Godfrey E. Scotchbrook	360,000
Benedict Kwek Gim Song	300,000
Patrick L. Go	240,000
Total	**900,000**

* *At an exercise price of S$0.627 per share.*

Of the total outstanding options, 750,000 options were granted on 07 March 2008. The option periods for this batch of options are:

i. Up to 60% exercisable from 07 March 2010 to 06 March 2012;
ii. Up to 40% exercisable from 07 March 2012 to 06 March 2018.

Of the total outstanding options, 150,000 options were granted on 30 April 2013. The option period for this batch of option is 100% from 30 April 2013 to 06 March 2018.

Share Awards

On 22 August 2013, six Directors of the Company were granted share awards pursuant to the Company's Restricted Share Plan as follows:

Share Awards*	Number of Share Awards at 03 March 2014
Rolando C. Gapud	211,000
Benedict Kwek Gim Song	108,000
Godfrey E. Scotchbrook	108,000
Edgardo M. Cruz, Jr.	95,000
Patrick L. Go	95,000
Emil Q. Javier	71,000
Total	**688,000**

**Up to 60% of share awards granted may be released from 22 August 2013 to 21 August 2016. Remaining 40% of share awards granted may be released from 22 August 2016 to 21 August 2017.*

7. **Independent Public Accountants**

(a) The external auditor of the Company for the most recently completed fiscal year is KPMG LLP, which is the same accounting firm tabled for reappointment for the current year at the AGM of shareholders.

(b) Ms. Ong Chai Yan is the partner-in-charge from KPMG LLP for the audited financial statements of the Company for the year ended 31 December 2013. Representatives of KPMG LLP are expected to be present during the shareholders' meeting. The representatives may make statements if they desire to do so and will be available to respond to appropriate questions raised by the shareholders in the AGM.

(c) The aggregate annual external audit fees billed for each of the last two (2) fiscal years for the audit of the Company's annual financial statements or services that are normally provided by the external auditor are as follows:

	2013	2012
1. Audit, other Assurance and Related Fees	US$ 202,600	US$ 202,363
2. Tax Fees	US$ 3,682	US$ 3,600
3. All Other Fees	US$ 1,986,525	US$ 49,000

(d) During the Company's two (2) most recent fiscal years or any subsequent interim period:

1) No independent accountant who was previously engaged as the principal accountant expressed reliance in its respect regarding a significant subsidiary, has resigned (or indicated it has declined to stand for re-election after the completion of the current audit) or was dismissed; and

2) No new independent accountant has been engaged as either the principal accountant to audit the registrant's financial statements or as independent accountant on whom the principal accountant has expressed or is expected to express reliance in its report regarding a significant subsidiary.

8. Compensation Plans

No action shall be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed during the AGM or GM of the Company's shareholders.

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Authorization or Issuance of Securities Other than for Exchange

There is no issuance of shares at the AGM. However, there will be an authorisation / ordinary share issue mandate to be approved by the shareholders. This is a mandate that is given by shareholders to directors for the issuance of ordinary shares of up to 50% of the issued share capital less treasury shares for rights issue and up to 20% for share placement. The authority conferred to directors will expire at the Company's next AGM (or the date by which the next AGM of the Company is required by law to be held). Please refer to the Notice of Annual General Meeting, attached herein as Annex "A", under Resolution 6.

At the GM, an authorization / preference share issue mandate will be submitted for its shareholders' approval. This is a mandate that is given by shareholders to directors for the issuance of preference shares of up to a maximum subscription amount of US$500,000,000. The authority conferred to directors will expire at the Company's next AGM (or the date by which the next AGM of the Company is required by law to be held). Please refer to the Notice of General Meeting, attached herein as Annex "B", under Resolution 2.

For the details on the proposed preference share issue mandate, please refer to the Circular, attached herein as Annex "C".

10. Modification or Exchange of Securities

At the GM, the shareholders would be requested to approve: (i) the increase of the Company's authorized share capital; (ii) the amendment of the Company's existing Memorandum & Articles of Association to provide for the creation and issuance of new "preference" class of shares. Please refer to the attached Annex "B".

11. Financial and Other Information

The Management Report discussing the operational and financial information of the Company is attached herein as Annex "D". The consolidated audited financial statements of the Company as of 31 December 2013 are also attached herein as Annex "E".

12. **Mergers, Consolidations, Acquisitions and Similar Matters**

There are no actions to be taken in relation to any merger, acquisition or business combination.

13. **Acquisitions and Investments**

There are no matters to be taken with respect to any merger, consolidation, acquisition of any property.

14. **Restatement of Accounts**

There are no actions to be taken with respect to the restatement of any asset, capital or surplus account of the Company.

D. OTHER MATTERS

15. **Action with Respect to Reports and Other Items**

a. The following shall also be submitted for the shareholders' approval during the AGM:

(i) Receive and adopt the Directors' Report and the Audited Financial Statements for the year ended 31 December 2013.
(ii) Approve Re-election of Directors retiring pursuant to the Articles of Association.
(iii) Approve the Directors' fees for the financial year ended 31 December 2014 and for the same to be paid quarterly in arrears.
(iv) Authorize the Directors to fix, increase or vary emoluments of Directors.
(v) Approve re-appointment of Independent Auditors and to authorize the Directors to fix their remuneration.
(vi) Authorize the Directors to issue ordinary shares up to 50% of issued share capital less treasury shares allowed for rights issue, and of which, up to 20% allowed for share placement.
(vii) Authorize the Directors to allot and issue shares under ESOP, PSP and RSP.
(viii) Approve the Renewal of Shareholders' mandate on interested person transactions.

As stated in Annex "A" attached herein.

b. The following shall be submitted for the shareholders' approval during the GM:

(i) Approve the proposed increase of authorized share capital of the Company and the proposed amendments to the Company's Memorandum and Articles of Association.
(ii) Authorize the proposed specific preference share issue mandate.

As stated in Annex "B" attached herein.

16. **Matters Not Required to be Submitted**

There are no actions to be taken in the AGM or GM with respect to any matter which is not required to be submitted to a vote of security holders.

17. **Amendment of Charter, Bylaws or Other Documents**

Please refer to Item No. 15 above.

18. **Other Proposed Action**

There are no actions on any matter, other than the ones stated under Item No. 15 are proposed to be taken, except matters of incidence that may properly arise either during the AGM or GM.

19. **Voting Procedures**

a) As to vote required:

For "Ordinary Resolutions", a simple majority of votes of the shares which were present at the meeting and entitled to vote thereon and were voted on, and not abstained.

For "Special Resolutions", the following rules shall apply:

i. A majority of not less than three-fourths of the votes of the shares which were present at the meeting and entitled to vote thereon and were voted and not abstained; OR
ii. A majority of not less than three-fourths of the votes of each class or series of shares which were present at the meeting and entitled to vote thereon as a class or series and were voted and not abstained; OR
iii. A resolution consented to in writing by (1) a majority of not less three-fourths of the votes of shares entitled to vote thereon; or (2) a majority of not less than three-fourths of the votes of each class or series of shares entitled to vote thereon as a class or series.

b) As to method: Voting is carried out via electronic polling.

c) The Scruitineers will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at the AGM or GM of the stockholders, in the presence of the Company's external auditor.

Upon the written request of a stockholder, the Company undertakes to furnish said stockholder with a copy of the Company's Annual Report on SEC Form 17-A free of charge. Any written request shall be addressed the following:

SIGNATURE PAGE

To the best of our knowledge and belief, we certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Taguig on 20 March 2014.

Del Monte Pacific Limited

....
Issuer

By:

....
Ignacio Carmelo O. Sison
Chief Financial Officer

....
Antonio Eugenio S. Ungson
Chief Compliance Officer

ANNEX "A"

DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability on 27 May 1999)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **Del Monte Pacific Limited** (the "Company") will be held at Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908, on Tuesday, 15 April 2014 at 10.00 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2013 together with the Auditors' Report thereon. **[Resolution 1]**

2. To re-elect the following Directors retiring pursuant to Article 88 of the Company's Articles of Association:

Mr Rolando C Gapud	(Retiring under Article 88)	**[Resolution 2]**
Mr Benedict Kwek Gim Song	(Retiring under Article 88)	**[Resolution 3]**

Mr Benedict Kwek Gim Song will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee and as a member of the Nominating Committee and the Remuneration and Share Option Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

3. (a) To approve the payment of Directors' fees of US$513,000 for the financial year ending 31 December 2014 (FY2013: US$513,000), to be paid quarterly in arrears, computed based on the fee structure set out below:

- Board Chairman: US$79,200 per annum
- Directors: US$43,200 per annum
- Audit Committee Chairman: US$19,800 per annum
- Remuneration and Share Option Committee Chairman: US$9,900 per annum
- Nominating Committee Chairman: US$9,900 per annum
- Audit Committee Members: US$10,800 per annum
- Remuneration and Share Option Committee Members: US$5,400 per annum
- Nominating Committee Members: US$5,400 per annum

[Resolution 4(a)]

(b) To authorise the Directors to fix, increase or vary the emoluments of Directors with respect to services to be rendered in any capacity to the Company.
[See Explanatory Note (i)] **[Resolution 4(b)]**

4. To re-appoint KPMG LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **[Resolution 5]**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Share Issue Mandate**

That pursuant to Article 15(3)(b) of the Company's Articles of Association and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, authority be given to the Directors of the Company to issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

(a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company (the "Shareholders") shall not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company;

(b) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) of the Company as at the date of the passing of this Resolution, after adjusting for:

(i) new Shares arising from the conversion or exercise of convertible securities;

(ii) new Shares arising from exercising Share Options or vesting of Share Awards outstanding or subsisting at the time this Resolution is passed; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares;

(c) and that such authority shall, unless revoked or varied by the Company at a general meeting, continue in force (i) until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier; or (ii) in the case of Shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of such convertible securities.

[See Explanatory Note (ii)] **[Resolution 6]**

7. **Authority to allot and issue Shares under the Del Monte Pacific Executive Stock Option Plan 1999, Del Monte Pacific Restricted Share Plan and the Del Monte Pacific Performance Share Plan**

That approval be and is hereby granted to the Directors of the Company, acting through its Remuneration and Share Option Committee, to allot and issue from time to time such Shares in the capital of the Company as may be allotted and issued pursuant to the exercise of (i) Market Price Options in accordance with the provisions of the Del Monte Pacific Executive Stock Option Plan 1999, as amended, ("ESOP"); and (ii) the vesting of Share Awards in accordance with the provisions of the Del Monte Pacific Restricted Share Plan and the Del Monte Pacific Performance Share Plan (the "Share Plans"), provided always that the aggregate number of Shares to be allotted and issued pursuant to the ESOP and the Share Plans shall not exceed ten percent (10%) of the total issued share capital of the Company from time to time.

[See Explanatory Note (iii)] **[Resolution 7]**

8. **Renewal of Shareholders' Mandate for Interested Person Transactions**

That for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited:

(a) approval be given for the renewal of the mandate for the Company, its subsidiaries and target associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions as set out on page 6 of the Company's information memorandum ("Information Memorandum") with any party who is of the class of Interested Persons described in the Information Memorandum, provided that such transactions are carried out in the normal course of business, at arm's length and on commercial terms and in accordance with the guidelines of the Company for Interested Person Transactions as set out in the Company's Information Memorandum (the "Shareholders' Mandate");

(b) the Shareholders' Mandate shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting; and

(c) authority be given to the Directors to complete and do all such acts and things (including executing all such documents as may be required) as they may consider necessary, desirable or expedient to give effect to the Shareholders' Mandate as they may think fit.

[See Explanatory Note (iv)] **[Resolution 8]**

By Order of the Board

Yvonne Choo
Secretary

Singapore, 21 March 2014

Explanatory Notes to Resolutions to be passed –

(i) The Ordinary Resolution 4(a) proposed in item 3 above, is to approve the payment of Directors' fees for the financial year ending 31 December 2014 ("FY2014") in accordance with the proposed fee structure. The fee structure is based on guidelines recommended by the Singapore Institute of Directors and disclosed in the Corporate Governance Report in this Annual Report. The proposed Directors' fees for FY2014 are commensurate with the onerous responsibilities placed on the Directors and in particular, to better reflect the time and contribution of each Director towards the improved performance of the Company. The Ordinary Resolution 4(a) if passed, will authorise the payment of Directors' fees for FY2014 in accordance with the fee structure amounting to approximately US$513,000 on the assumption that there is no change in the size or composition of the Board.

The Ordinary Resolution 4(b) if passed, will also authorise the Directors to fix, increase or vary the emoluments of Directors in respect of services to be rendered in any capacity to the Company. This would provide flexibility for the Company to engage or procure the specialist services of Directors as appropriate and as may be required by the Company.

(ii) The Ordinary Resolution 6 proposed in item 6 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding fifty percent (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to twenty percent (20%) may be issued other than on a pro-rata basis.

For the purpose of this Resolution, the total number of issued Shares (excluding treasury shares) is based on the Company's total number of issued Shares (excluding treasury shares) at the time this proposed Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities, the exercise of Share Options or the vesting of Share Awards outstanding or subsisting at the time when this proposed Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(iii) The Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the Directors of the Company, to allot and issue Shares in the Company of up to a number not exceeding in total ten percent (10%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time pursuant to (i) the exercise of options under the ESOP; and (ii) the vesting of Share Awards under the Share Plans.

(iv) The Ordinary Resolution 8 proposed in item 8 above, if passed, will authorise the Interested Person Transactions as described in the Information Memorandum accompanying the 2013 Annual Report and recurring in the year; and will empower the Directors to do all acts necessary to give effect to the Shareholders' Mandate. This authority will, unless previously revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

A. Notes for Singapore Shareholders:

1. A Shareholder entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. If a Depositor wishes to appoint a proxy/proxies to attend the AGM, then he/she must complete and deposit the Depositor Proxy Form at the office of the Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, at least forty-eight (48) hours before the time of the AGM.

3. If the Depositor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

B. Notes for Philippines Shareholders:

1. As electronic poll voting is not available to Philippines Shareholders, they will not be able to vote at the AGM. Shareholders wishing to attend the AGM in Singapore however, would be able to participate in the electronic poll voting. To facilitate registration, please bring a valid government-issued ID.

2. Philippines Shareholders wishing to vote may only do so by appointing a proxy to attend the meeting in Singapore. He/she must complete the enclosed proxy form and submit the same on or before 11 April 2014 at 10.00 am to the Company's Philippine Stock Transfer Agent, BDO Unibank Inc., at its office address at the BDO Stock Transfer Department, 15th Floor South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726, Philippines for the attention of Ms. Adora A. Yanga, Vice-President.

3. Proceedings of the AGM will be made available to Philippines Shareholders via a videoconference facility at the 1st Floor, JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, Philippines.

4. Only Shareholders at record date at the close of business on 11 April 2014 are entitled to attend and vote at the AGM.

5. Philippines Shareholders may also be entitled to appoint not more than two (2) proxies to attend in his/her stead. A proxy need not be a Member or Shareholder of the Company.

6. Validation of proxies shall be held on 14 April 2014 at the office of the Philippine Stock Transfer Agent.

DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability on 27 May 1999)

PROXY FORM

The undersigned, being a shareholder of DEL MONTE PACIFIC LIMITED (the "Company"), whose name is in the Register of Members as at 11 April 2014 ("Cut Off Date") hereby constitutes and appoints:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or in their incapacity or absence, the Chairman of the meeting, as proxy, to represent, act and vote in his/her name and stead at the Annual General Meeting of the Company to be held at M Hotel Singapore, Anson Room 3, Level 2, 81 Anson Road, Singapore 079908 on Tuesday, 15 April 2014 at 10:00 a.m., as fully and to all intents and purposes as the undersigned might do if present and acting in person.

(Please indicate your vote "For" or "Against" or "Abstain" with a tick [√] within the box provided.)

No.	**Resolutions relating to:**	**For**	**Against**
1	Directors' Report and Audited Financial Statements for the year ended 31 December 2013		
2	Re-election of Mr Rolando C Gapud as a Director		
3	Re-election of Mr Benedict Kwek Gim Song as a Director		
4(a)	Approval of Directors' fees for FY2014		
4(b)	Authority to fix and/or vary emoluments of Directors		
5	Re-appointment of KPMG LLP as Auditors		
6	Share Issue Mandate		
7	Authority to allot and issue shares pursuant to ESOP, RSP and PSP		

No.	Resolutions relating to:	For	Against
8	Renewal of Shareholders' Mandate for Interested Person Transactions		

Printed Name of Shareholder

Signature of Shareholder

Number of Shares Held

Date/Place

NOTICE OF GENERAL MEETING

DEL MONTE PACIFIC LIMITED

(incorporated in the British Virgin Islands with limited liability)

(the "**Company**")

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting ("**GM**") of the Company will be held at Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908, on Tuesday, 15 April 2014 at 10:30 a.m. (or immediately following the conclusion of the Annual General Meeting to be held on the same day), for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions as set out below.

Terms used in this Notice of GM which are not defined herein shall have the same meanings ascribed to them in the Circular dated 21 March 2014 to Shareholders ("**Circular**").

RESOLUTION 1:

AS A SPECIAL RESOLUTION

THE PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL OF THE COMPANY AND THE PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY

THAT:-

(a) approval be and is hereby given for the Proposed Increase of Authorised Share Capital of the Company and the Proposed Amendments to the Memorandum and Articles of the Company, details of which are set out in the Circular;

(b) the Directors be and are hereby authorised to prepare, finalise, approve and execute any instruments, filings, notices, announcements, agreements and other documents and do all acts and things which they may in their absolute discretion consider necessary desirable or expedient for the purposes of or in connection with the Proposed Increase of Authorised Share Capital of the Company and the Proposed Amendments to the Memorandum and Articles and/or to give effect to this resolution.

RESOLUTION 2:

AS AN ORDINARY RESOLUTION

THE PROPOSED SPECIFIC PREFERENCE SHARE ISSUE MANDATE UP TO A MAXIMUM SUBSCRIPTION AMOUNT OF US$500,000,000 TO FUND THE ACQUISITION OF THE CONSUMER FOOD BUSINESS IN THE UNITED STATES

THAT:-

Subject to and contingent upon the passing of Resolution 1, and pursuant to Article 15 of the Company's Articles of Association and the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), authority be and is hereby given to the Board as follows:

(a) approval be and is hereby given for the Proposed Specific Preference Share Issue Mandate including, without limitation, for the Board to issue Preference Shares referred to in the Memorandum and Articles in one or more series pursuant to the Proposed Specific Preference Share Issue Mandate and whether by way of rights, bonus or otherwise;

(b) the Proposed Specific Preference Share Issue Mandate be for such amount up to the authorised number of Preference Shares by resolution of directors, at such time, in such amounts, on such terms and conditions, to such persons and for such consideration as may be determined by resolution of directors from time to time without any further approval of the members including, without limitation, any approval of the members that would be required pursuant to Clause 15; provided that the issue of any Preference Shares shall be subject to such limitation thereof as may be prescribed by the Designated Stock Exchange;

(c) to make or grant offers, agreements or options that might or would require Preference Shares referred to in sub-paragraph (a) above to be issued, not being Ordinary Shares to which any authority for a general share issue mandate previously granted by the members in general meeting relates at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, and (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Preference Shares referred to in sub-paragraph (a) above in pursuance of any offers, agreements or options made or granted by the Directors while this Resolution was in force, and (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier; and/or

(d) the Directors be and are hereby authorised to prepare, finalise, approve and execute any instruments, filings, notices, announcements, agreements and other documents and do all acts and things which they may in their absolute discretion consider necessary desirable or expedient for the purposes of or in connection with the Proposed Specific Preference Share Issue Mandate and/or to give effect to this resolution.

By Order of the Board
Yvonne Choo
Company Secretary
21 March 2014
Singapore

A. Notes for Singapore Shareholders:

1. A Shareholder entitled to attend and vote at the GM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. If a Depositor wishes to appoint a proxy/proxies to attend the GM, then he/she must complete and deposit the Depositor Proxy Form at the office of the Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, at least forty-eight (48) hours before the time of the GM.

3. If the Depositor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

B. Notes for Philippines Shareholders:

1. As electronic poll voting is not available to Philippines Shareholders, they will not be able to vote at the GM. Shareholders wishing to attend the GM in Singapore however, would be able to participate in the electronic poll voting. To facilitate registration, please bring a valid government-issued ID.

2. Philippines Shareholders wishing to vote may only do so by appointing a proxy to attend the meeting in Singapore. He/she must complete the enclosed proxy form and submit the same on or before 11 April 2014 at 10:30 a.m. to the Company's Philippine Stock Transfer Agent, BDO Unibank Inc., at its office address at the BDO Stock Transfer Department, 15th Floor South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726, Philippines for the attention of Ms. Adora A. Yanga, Vice-President.

3. Proceedings of the GM will be made available to Philippines Shareholders via a videoconference facility at the 1st Floor, JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, Philippines.

4. Only Shareholders at record date at the close of business on 11 April 2014 are entitled to attend and vote at the GM.

NOTICE OF GENERAL MEETING

5. Philippines Shareholders may also be entitled to appoint not more than two (2) proxies to attend in his/her stead. A proxy need not be a Member or Shareholder of the Company.

6. Validation of proxies shall be held on 14 April 2014 at the office of the Philippine Stock Transfer Agent.

DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability on 27 May 1999)

PROXY FORM

The undersigned, being a shareholder of DEL MONTE PACIFIC LIMITED (the "Company"), whose name is in the Register of Members as at 11 April 2014 ("Cut Off Date") hereby constitutes and appoints:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or in their incapacity or absence, the Chairman of the meeting, as proxy, to represent, act and vote in his/her name and stead at the General Meeting of the Company to be held at M Hotel Singapore, Anson Room 3, Level 2, 81 Anson Road, Singapore 079908 on Tuesday, 15 April 2014 at 10.30 a.m., as fully and to all intents and purposes as the undersigned might do if present and acting in person.

(Please indicate your vote "For" or "Against" or "Abstain" with a tick [√] within the box provided.)

No.	**Resolutions relating to:**	**For**	**Against**
SPECIAL RESOLUTION:			
1	Proposed Increase of Authorised Share Capital of the Company and Proposed Amendments to the Memorandum of Association and Articles of Association of the Company		
ORDINARY RESOLUTION:			
2	Proposed Specific Preference Share Issue Mandate Up to a Maximum Subscription Amount of US$500,000,000 to Fund the Acquisition of the Consumer Food Business		

Printed Name of Shareholder

Signature of Shareholder

Number of Shares Held

Date/Place

ANNEX "C"

CIRCULAR DATED 21 MARCH 2014

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Unless otherwise stated, the capitalised terms on this cover are defined in this Circular under the section titled "**Definitions**".

If you have sold or transferred all your Shares in the capital of Del Monte Pacific Limited ("**Company**"), you should forward this Circular, the Notice of General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability)

CIRCULAR TO SHAREHOLDERS

in relation to

(a) THE PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY AND THE PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL OF THE COMPANY; AND

(b) THE PROPOSED SPECIFIC PREFERENCE SHARE ISSUE MANDATE UP TO A MAXIMUM SUBSCRIPTION AMOUNT OF US$500,000,000 TO FUND THE ACQUISITION OF THE CONSUMER FOOD BUSINESS IN THE UNITED STATES.

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	13 April 2014 at 10:30 a.m.
Date and time of General Meeting	:	15 April 2014 at 10:30 a.m. (or soon thereafter as the Annual General Meeting of the Company convened on the same day and at the same place at 10:00 a.m. shall have concluded or shall have been adjourned)
Place of General Meeting	:	Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908

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In this Circular, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

GENERAL

"Act" or **"Companies Act"**	:	The Companies Act (Cap. 50) of Singapore, as may be amended, varied or supplemented from time to time
"Acquiror"	:	Del Monte Foods, Inc (formerly known as Del Monte Foods Consumer Products, Inc), a corporation organised under the laws of Delaware, U.S.A., a subsidiary of the Group
"Acquisition"	:	The acquisition by the Group of the Consumer Food Business from Del Monte Corporation in accordance with the terms and conditions of the Purchase Agreement
"Acquisition Circular"	:	The circular to Shareholders dated 27 January 2014 on the acquisition
"AGM"	:	The annual general meeting of the Company
"Articles"	:	The articles of association of the Company
"BDO Loan Facility"	:	The bridging loan facility in the amount of US$350,000,000 obtained on 14 January 2014 by the Company from BDO Unibank, Inc, a leading Philippines bank which has a tenor of up to one year and bears interest at the rate of 3.5% per annum plus LIBOR for a period comparable to the interest period (three months or any other period agreed between the Company and BDO Unibank, Inc as agent) and which in no case shall be below zero
"Board" or **"Board of Directors"**	:	The board of directors of the Company as at the date of this Circular
"BVI"	:	Means the British Virgin Islands
"BVI Act"	:	The Business Companies Act, 2004 of the British Virgin Islands, as may be amended, varied or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited or its nominee(s) as the case may be
"Circular"	:	This circular to Shareholders dated 21 March 2014 (including the appendices hereto)
"Company" or **"DMPL"**	:	Del Monte Pacific Limited, the shares of which are listed on the Main Board of the SGX-ST and The Philippine Stock Exchange, Inc.
"Consideration"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"Consumer Food Business"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"Del Monte Corporation" or **"Vendor"**	:	Del Monte Corporation, a corporation organised under the laws of Delaware, U.S.A.

"Directors"	:	The directors of the Company as at the date of this Circular
"FY"	:	Financial year ended 31 December
"FY2013"	:	Financial year ended 31 December 2013
"GM"	:	The general meeting of the Company, notice of which is set out on pages 34 to 36 of this Circular
"Group"	:	The Company and its subsidiaries
"Latest Practicable Date"	:	18 March 2014, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
"Memorandum"	:	The memorandum of association of the Company
"Notice of GM"	:	The notice of GM as set out on pages 34 to 36 of this Circular
"Ordinary Resolution"	:	The ordinary resolution as set out in the Notice of GM on pages 34 to 36 of this Circular
"Ordinary Shares"	:	The ordinary shares of US$0.01 par value each in the share capital of the Company
"Preference Shares"	:	The non-voting perpetual preference shares of US$1.00 par value each in the capital of the Company, the basic terms of which are set out in Appendix A
"Proposed Amendments to the Memorandum and Articles"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"Proposed Transactions"	:	Means (1) the Proposed Amendments to the Memorandum of Association and Articles of Association of the Company and the Proposed Increase of Authorised Share Capital of the Company; and (2) the Proposed Specific Preference Share Issue Mandate up to a maximum subscription amount of US$500,000,000 to fund the acquisition of the Consumer Food Business in the United States
"Proposed Increase of Authorised Share Capital"	:	The proposed increase of authorised share capital of the Company, details of which are described in Section 2 of this Circular
"Proposed Specific Preference Share Issue Mandate"	:	The proposed Preference Share issue to enable the Company to issue Preference Shares up to a maximum subscription amount of US$500,000,000 to fund the repayment of any or several debt financing (including the full repayment of the BDO Loan Facility) obtained by the Company for the Acquisition
"Proxy Form"	:	The enclosed proxy form in respect of the GM

"Purchase Agreement"	:	The purchase agreement entered into between the Acquiror, the Company and the Vendor on 10 October 2013* * 9 October 2013, U.S. EST
"Register of Members"	:	Register of members of the Company
"Securities Account"	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"SFA"	:	The Securities and Futures Act (Cap. 289) of Singapore as may be amended, varied or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share Transfer Agent"	:	Boardroom Corporate & Advisory Services Pte Ltd
"Shareholders" or **"Members"**	:	The registered holder/holders of the Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the persons named as depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders' Securities Account
"Shares"	:	Shares of par value US$0.01 and US$1.00 each in the capital of the Company, including without limitation, the Ordinary Shares and the Preference Shares respectively
"Special Resolution"	:	The special resolution as set out in the Notice of GM on pages 34 to 36 of this Circular
"Subsidiary"	:	Has the meaning ascribed to it in Section 5 of the Companies Act
"Substantial Shareholder"	:	Has the meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA

CURRENCIES, UNITS AND OTHERS

"%"	:	Percentage or per centum
"S$" and **"S cents"**	:	Singapore dollars and cents respectively
"US$" and **"US cents"**	:	United States dollars and cents respectively

The words "**Depositor**" and "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Unless the context otherwise requires, words denoting the masculine gender shall include the feminine and neuter genders and words denoting the singular shall include the plural and vice-versa. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancy in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, the totals of the data presented in this document may vary slightly from the actual arithmetic totals of such information.

DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability)

Directors:

Mr Rolando C Gapud (Non-Executive Chairman)
Mr Joselito D Campos, Jr (Managing Director and Chief Executive Officer)
Mr Edgardo M Cruz, Jr (Executive Director)
Mr Benedict Kwek Gim Song (Lead Independent Director)
Mr Patrick L Go (Independent Director)
Dr Emil Q Javier (Independent Director)
Mr Godfrey E Scotchbrook (Independent Director)

Registered Office:

Craigmuir Chambers
PO Box 71 Road Town,
Tortola,
British Virgin Islands

21 March 2014

To: The Shareholders

Dear Sir/Madam,

(1) THE PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY AND THE PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL OF THE COMPANY; AND

(2) THE PROPOSED SPECIFIC PREFERENCE SHARE ISSUE MANDATE UP TO A MAXIMUM SUBSCRIPTION AMOUNT OF US$500,000,000 TO FUND THE ACQUISITION OF THE CONSUMER FOOD BUSINESS IN THE UNITED STATES.

1 INTRODUCTION

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the above said matters and to seek Shareholders' approval for the resolutions in respect thereof to be tabled at the GM, as set out in the Notice of GM on pages 34 to 36 of this Circular.

The SGX-ST assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL

2.1 Introduction

The authorised share capital of the Company is US$20,000,000 divided into 2,000,000,000 Shares, of which, as at the Latest Practicable Date, 1,297,500,491 Shares have been issued and fully paid up.

The Proposed Increase of Authorised Share Capital involves the increase of the authorised share capital of the Company from US$20,000,000 divided into 2,000,000,000 Ordinary Shares to US$630,000,000 divided into 3,000,000,000 Ordinary Shares with a par value of US$0.01 each and 600,000,000 Preference Shares with a par value of US$1.00 each.

The Proposed Increase of Authorised Share Capital of the Company is conditional upon the Shareholders approving the same by way of passing of the Special Resolution in that regard at the GM and no Shareholder is required to abstain from voting in respect of such resolution.

2.2 Approvals and other procedures required for the Proposed Increase of Authorised Share Capital

The implementation of the Proposed Increase of Authorised Share Capital is subject to Shareholders' approval, which will be proposed as a Special Resolution at the GM.

The Proposed Increase of Authorised Share Capital will become effective upon the passing of the Special Resolution at the GM.

Pursuant to section 13 of the BVI Act, a filing is required to be made at the BVI Registrar of Corporate Affairs following the passing of the Special Resolution by Shareholders at the GM together with a filing fee of US$25. However, the above procedural steps do not impact the effective date of the Proposed Increase of Authorised Share Capital.

2.3 Rationale

The Proposed Increase of Authorised Share Capital is necessary to cater for the new Preference Shares to be issued in view of the Proposed Specific Preference Share Issue Mandate. The Proposed Increase of Authorised Share Capital will also enable the Company to undertake future fund raising or other corporate exercises that require the issue of new Shares, Preference Shares or other securities.

Accordingly, the Board considers the Proposed Increase of Authorised Share Capital to be in the interest of the Company and Shareholders as a whole.

2.4 Financial Effects

As the Proposed Increase of Authorised Share Capital involves only an increase of the Company's authorised share capital and does not involve any changes to the issued share capital of the Company, there is no impact on the financial position of the Group.

3. THE PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY

3.1 Background and introduction

On 11 October 2013, the Company announced that the Company and the Acquiror (a subsidiary of the Company) had on 10 October 2013 entered into a purchase agreement with Del Monte Corporation to (1) acquire all of the shares of certain subsidiaries of the Vendor; and (2) acquire certain assets, and assume certain liabilities (collectively the "**Consumer Food Business**"), in each case, 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 at a purchase consideration of US$1.675 billion, subject to net working capital adjustment as provided in the Purchase Agreement ("**Consideration**").

As stated in section 2.5 of the Acquisition Circular, the Consideration will be funded through a combination of equity, including equity contributed to the Acquiror by the Company, and institutional debt financing.

The Company had on 19 February 2014 announced that the Acquisition was completed on 18 February 2014. The Company had utilized short term debt financing (including but not limited to the BDO Loan Facility) to partially fund the Acquisition.

As stated in the Acquisition Circular, the Company intends to repay the BDO Loan Facility through the issuance of the Preference Shares. However, the Company intends to seek Shareholders' approval to issue Preference Shares up to an aggregate subscription amount of US$500,000,000 to fund the repayment of any or several short term debt financing (including the BDO Loan Facility) that the Company obtained for the Acquisition. This is to enable the Company to maintain the flexibility and the option if the Board having regarded all circumstances deems it in the interest of the Company and the Shareholders to repay some or all of the short term debt financing obtained to fund the Acquisition.

Pursuant to Appendix 2.2 of the Listing Manual, no company shall allot any preference shares unless its memorandum or articles of association sets out the rights of the holders of such preference shares with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends, voting and priority of payment of capital and dividends in relation to other shares or other classes of preference shares. Accordingly, the Company proposes to amend its Memorandum and Articles to provide for the issue of Preference Shares in compliance with the BVI Act and the Listing Manual. Further, the Company propose to amend certain articles so as to align it with the provisions of the BVI Act and/or the Listing Manual. The above said amendments are collectively referred to as the "**Proposed Amendments to the Memorandum and Articles**".

3.2 Summary and rationale of key amendments to the Memorandum of Association and Articles of Association

The text of the Proposed Amendments to the Memorandum and Articles is set out in Appendix A on pages 16 to 33 of this Circular. Appendix A also contains a comparison between the relevant new Articles against their corresponding existing Articles, showing the rationale and implication on Shareholders with regards to the alterations made to the existing Articles.

A narrative of the summary and rationale of the key Proposed Amendments to the Memorandum and Articles is set out below:

(a) Clause 7 of the Memorandum of Association

The existing Clause 7 relates to, *inter alia*, the authorised share capital of the Company being made up of one class of shares divided into 2,000,000,000 ordinary shares. In view of the Proposed Specific Preference Share Issue Mandate, the Company proposes to amend Clause 7 of the Company's Memorandum to increase the Company's authorised capital from US$20,000,000.00 divided into 2,000,000,000 Ordinary Shares to US$630,000,000.00 and allowing for two classes of shares (i.e. Ordinary Shares and Preference Shares), the new authorised share capital to be divided into 3,000,000,000 Ordinary Shares with a par value of US$0.01 each and 600,000,000 Preference Shares with a par value of US$1.00 each, in compliance with Appendix 2.2 of the Listing Manual and BVI law.

(b) *Clause 8A of the Memorandum of Association*

This is a proposed insertion of a new Clause 8A which relates to, *inter alia*, the basic rights attaching to the proposed Preference Shares. Pursuant to Appendix 2.2 of the Listing Manual, no Company shall allot any preference shares unless its memorandum or articles of association sets out certain of the rights of the holders attaching to such preference shares. The Company proposes to insert Clause 8A to provide for the issuance of new Preference Shares to reflect compliance with Appendix 2.2 of the Listing Manual and the terms and conditions set out in the Proposed Specific Preference Share Issue Mandate.

Shareholders are to refer to amendment no. 3 of Appendix A for the terms and conditions of the Preference Shares.

(c) Clause *48(1) of the Articles of Association*

The existing Clause 48(1) provides that the Board may, in its absolute discretion, refuse to register a transfer of any share to more than four joint holders or a transfer of which on which the Company has a lien. The Company proposes to amend Clause 48(1) to provide for the exception in the case of executors or trustees of a deceased shareholder. The proposed amendment is proposed to reflect compliance with Appendix 2.2 of the Listing Manual.

Shareholders are to note that the above contains only a summary of the key Proposed Amendments to the Memorandum and Articles. Shareholders are advised to refer to Appendix A for the complete set of Proposed Amendments to the Memorandum and Articles.

4. THE PROPOSED SPECIFIC PREFERENCE SHARE ISSUE MANDATE UP TO A MAXIMUM SUBSCRIPTION AMOUNT OF US$500,000,000 TO FUND THE ACQUISITION OF THE CONSUMER FOOD BUSINESS IN THE UNITED STATES

4.1 Introduction

The Company is seeking a specific Shareholders' mandate for the Proposed Specific Preference Share Issue Mandate to fund the acquisition of the Consumer Food Business to be given to the Directors to issue new Preference Shares and/or to make or grant offers, agreements or options that might or would require such Preference Shares to be issued up to the aggregate subscription amount of US$500,000,000 to fund the repayment of debt financing obtained for the Acquisition as the Directors may deem fit.

The Company is currently in discussions with investment banks to negotiate and finalise the terms of the Preference Shares and is also exploring the possibility of listing the Preference Shares on a stock exchange. As at the Latest Practicable Date, the terms of the Preference Shares, the listing and venue of such listing (if a listing is determined) have not been finalised.

4.2 Rationale for the Proposed Specific Preference Share Issue Mandate

The Proposed Specific Preference Share Issue Mandate to fund the acquisition of the Consumer Food Business is to enable the Company to repay one or several of the debt financing facilities (including the BDO Loan Facility) that the Company obtained for the Acquisition. Seeking a specific mandate which enables the Company to issue Preference Shares up to an aggregate subscription amount of US$500,000,000 will enable the Company to maintain the flexibility and the option if the Board having regard to all circumstances deems it in the interest of the Company and the Shareholders to repay some or all of the debt financing obtained to fund the Acquisition.

The Board of Directors will exercise the powers given to it under the Proposed Specific Preference Share Issue Mandate in the best interests of the Company and the Shareholders taken as a whole and will ensure that Preference Shares issued pursuant to the Proposed Specific Preference Share Issue Mandate are issued in accordance with the Listing Manual.

4.3 Validity Period for the Proposed Specific Preference Share Issue Mandate

If approved by the Shareholders at the GM, the authority conferred by the Proposed Specific Preference Share Issue Mandate will continue to be in force until the next annual general meeting of the Company is held or required by law to be held, whichever is the earlier (whereupon it will lapse, unless renewed at such meeting) or until it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the next annual general meeting).

4.4 Summary of the Preference Shares

The following is a summary of the principal terms and conditions of the Preference Shares that may be issued pursuant to the Proposed Specific Preference Share Issue Mandate:

Preference Shares

Issue in One or More Series	:	The Preference Shares may be issued in one or more series, as may be determined by the Board by one or more resolutions of directors.
Issue Price	:	The issue price of each Preference Share shall be an amount to be prescribed by the Board prior to issuance.

Preference Dividend	:	The right to a fixed cumulative preferential dividend at such rate to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares (the "**Preference Dividend**"), but to no further or other dividend.
Ranking	:	The Preference Shares shall rank as regards participation in profits in priority to the Ordinary Shares and *pari passu* with all other shares in the capital of the Company to the extent that they are expressed to rank *pari passu* therewith.
Dividends Payment	:	Subject to the limitations and qualifications described in the Articles, Preference Dividends will be payable on payment dates to be prescribed by the Board prior to issuance of the Preference Shares.
Redemption Rights	:	The Preference Shares are perpetual securities with no maturity date and may be redeemable at the option of the Company if prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any Preference Shares.
Voting Rights	:	The holders of Preference Shares, subject to the limitations and qualifications described in the Articles, shall have the right 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.

If, a general meeting of the Company is convened for the purpose of:

(i) reducing the Company's authorised or issued share capital;

(ii) winding up the Company;

(iii) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Company; or

(iv) where the proposal to be submitted to the general meeting directly affects their rights and privileges of holders of the Preference Shares,

the holders of Preference Shares shall have the right to attend, speak and to vote at such general meetings of the Company.

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 Preference Dividend that has been duly declared by the Board has not been paid in full when due and payable and remains unpaid for six months.

Liquidation Preference : The Preference Shares will enjoy a preferential right over the Ordinary Shares to receive a return of their original issue price and any accrued but unpaid dividends upon any liquidation of the Company, *pari passu* with all other shares in the capital of the Company to the extent that they are expressed to rank *pari passu* therewith but shall not otherwise participate in any distribution of the residual assets of the Company.

Governing Law : The laws of the British Virgin Islands.

4.5 Conditionality of the approval on the Proposed Transactions

The Proposed Specific Preference Share Issue Mandate is conditional upon Shareholders' approval of Special Resolution, being the Proposed Increase of Authorised Share Capital as set out in Section 2 of this Circular and the Proposed Amendments to the Memorandum and Articles as set out in Section 3 of this Circular. Accordingly, the Ordinary Resolution for the Proposed Specific Preference Share Issue Mandate shall not be passed if the Special Resolution for the Proposed Increase of Authorised Share Capital and the Proposed Amendments to the Memorandum and Articles is not approved.

However, Special Resolution, being the Proposed Increase of Authorised Share Capital as set out in Section 2 of this Circular and the Proposed Amendments to the Memorandum and Articles as set out in Section 3 of this Circular is not conditional upon approval of the Ordinary Resolution, being the Proposed Specific Preference Share Issue Mandate.

5. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

5.1 Interest of Directors and Substantial Shareholders

The shareholdings of the Directors and Substantial Shareholders as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders (based on notifications received from the respective Directors and Substantial Shareholders) as at the Latest Practicable Date were as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Mr Benedict Kwek Gim Song	Nil	Nil	Nil	Nil	Nil	Nil
Mr Edgardo M Cruz, Jr	2,362,900	0.182	Nil	Nil	2,362,900	0.182
Dr Emil Q Javier	358,240	0.027	Nil	Nil	358,240	0.027
Mr Godfrey E Scotchbrook	Nil	Nil	Nil	Nil	Nil	Nil
Mr Joselito D Campos, Jr	5,104,800	0.393	869,315,246	67.046	874,420,046	67.439
Mr Patrick L Go	Nil	Nil	Nil	Nil	Nil	Nil
Mr Rolando C Gapud	980,000	0.075	Nil	Nil	980,000	0.075
Substantial Shareholders						
NutriAsia Pacific Ltd	869,315,246	67.046	Nil	Nil	869,315,246	67.046
NutriAsia Holdings Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046
NutriAsia Inc	Nil	Nil	869,315,246	67.046	869,315,246	67.046
Well Grounded Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046
Golden Chamber Investment Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046
Star Orchid Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046
HSBC Trustee (Hong Kong) Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046
HSBC International Trustee Limited	Nil	Nil	869,315,246	67.046	869,315,246	67.046

	Direct Interest Number of Shares	%	Deemed Interest Number of Shares	%	Total Interest Number of Shares	%
HSBC Private Banking Holdings (Suisse) SA	Nil	Nil	869,315,246[5]	67.046	869,315,246	67.046
HSBC Finance (Netherlands)	Nil	Nil	869,315,246[5]	67.046	869,315,246	67.046
HSBC Holdings Plc	Nil	Nil	869,315,246[5]	67.046	869,315,246	67.046
Mr Joselito D Campos, Jr	5,104,800	0.393	869,315,246[2]	67.046	874,420,046	67.439
Lee Foundation	Nil	Nil	100,422,000[6][9]	7.745	100,422,000	7.745
Lee Foundation, States of Malaya	Nil	Nil	100,422,000[7][9]	7.745	100,422,000	7.745
Lee Pineapple Company (Pte) Limited	100,422,000	7.745	6,432,000[8][9]	0.496	106,854,000	8.241

Notes:

(1) *The percentage of issued capital is calculated based on 1,296,600,071 issued Shares (excluding 900,420 treasury shares).*

(2) *NutriAsia Pacific Limited ("NPL") is a substantial and controlling shareholder of the Company, holding 869,315,246 shares in the Company. Mr Joselito D Campos, Jr ("JDC") being an associate of NPL is deemed to be interested in the shares held by NPL.*

(3) *NutriAsia Inc ("NI") owns 57.8% of NutriAsia Holdings Limited ("NHL"), which in turn owns 100% of NPL. NI is therefore deemed to be interested in the shares held by NPL.*

(4) *NPL holds 869,315,246 shares in the Company. NPL is wholly owned by NHL. NHL is therefore deemed interested in the shares held by NPL.*

NHL is in turn majority owned by NI (57.8%) and partly owned by Well Grounded Limited ("WGL") (42.2%). NI and WGL are therefore deemed interested in the shares held by NPL.

NI is in turn majority owned by Golden Chamber Investment Limited ("GCIL") (65.4%) and WGL is in turn wholly owned by Star Orchid Limited ("SOL"). GCIL and SOL are therefore deemed interested in the shares held by NPL.

(5) *GCIL and SOL are wholly owned by two separate trusts (Twin Palms Pacific Trust and the Star Orchid Trust respectively) for which HSBC Trustee (Hong Kong) Limited acts as trustee ("HKL"). HKL is therefore deemed interested in the shares of the listed company held by NPL. The beneficiaries of the Star Orchid Trust are beneficially owned by the Campos family.*

HKL is in turn, wholly owned by HSBC International Trustee Limited. HSBC International Trustee Limited is therefore deemed interested in the shares held by NPL.

HSBC International Trustee Limited is wholly owned by HSBC Private Banking Holdings (Suisse) SA. HSBC Private Banking Holdings (Suisse) SA is therefore deemed interested in the shares held by NPL.

HSBC International Trustee Limited is the trustee of the Twin Palms Pacific Trust, the beneficiaries of which are JDC and his children. HSBC Holdings Plc, HSBC International Trustee Limited, HKL and GCIL are therefore deemed to be interested in the shares held by NPL.

HSBC Private Banking Holdings (Suisse) SA is in turn, wholly owned by HSBC Finance (Netherlands). HSBC Finance (Netherlands) is therefore deemed interested in the shares held by NPL.

(6) *Lee Foundation, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.*

(7) *Lee Foundation, States of Malaya, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.*

(8) *Lee Pineapple Company (Pte) Limited is deemed interested in the 6,432,000 shares held by its wholly-owned subsidiary, Pineapples of Malaya Private Limited.*

(9) *Due to the completion of the bonus issue by the Company announced on 18 April 2013, the 83,685,000 shares held by Lee Pineapple Company (Pte) Limited has increased to 100,422,000 shares and similarly, Lee Pineapple Company (Pte) Limited's deemed interest in the 5,360,000 shares held by its wholly-owned subsidiary, Pineapples of Malaya Private Limited has increased to 6,432,000 shares.*

5.2 Interests of Directors and Substantial Shareholders in the Proposed Transactions

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company have any interests, direct or indirect, other than as Shareholders of the Company, in the Proposed Transactions.

6. DIRECTORS' RECOMMENDATIONS

6.1 Proposed Increase of Authorised Share Capital and the Proposed Amendments to the Memorandum and Articles

After having considered the rationale for the Proposed Increase of Authorised Share Capital as set out in Section 2 and the terms and rationale for the Proposed Amendments to the Memorandum and Articles as set out in Appendix A of this Circular, the Directors are of the opinion that the Proposed Increase of Authorised Share Capital and the Proposed Amendments to the Memorandum and Articles are each in the best interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Special Resolution relating thereto.

6.2 Proposed Specific Preference Share Issue Mandate

The Directors are of the opinion that the Proposed Specific Preference Share Issue Mandate is in the best interests of the Company and accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating thereto.

Shareholders are to note that the Proposed Specific Preference Share Issue Mandate is conditional on the obtaining of the approval of the Shareholders at the GM for Special Resolution, being the Proposed Increase of Authorised Share Capital and the Proposed Amendments to the Memorandum and Articles.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

A Shareholder who is unable to attend the GM and wishes to appoint a proxy to attend and vote on his behalf should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the office of the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not later than 48 hours before the time fixed for the GM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the GM in place of his proxy should he subsequently wish to do so.

A Depositor is not regarded as a Shareholder entitled to attend the GM and to speak and vote thereat unless his name appears on the Depository Register as certified by CDP, not less than 48 hours before the GM.

8. RESPONSIBILITY STATEMENT OF THE DIRECTORS

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosures of all material facts about the Proposed Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources, or as the case may be, reflected or reproduced in this Circular in its proper form and context.

Shareholders are advised to read this Circular in its entirety and for any Shareholder who may require advice in the context of his specific investment, to consult his bank manager, stockbroker, solicitor, accountant or other professional adviser.

9. GENERAL MEETING

The GM, notice of which is set out in this Circular, will be held at Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908, on Tuesday, 15 April 2014 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the resolutions set out in the Notice of GM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

A Shareholder who is unable to attend the GM and wishes to appoint a proxy to attend and vote on his behalf should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the office of the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not later than 48 hours before the time fixed for the GM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the GM in place of his proxy should he subsequently wish to do so.

A Depositor is not regarded as a Shareholder entitled to attend the GM and to speak and vote thereat unless his name appears on the Depository Register as certified by CDP, not less than 48 hours before the GM.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the offices of the Company's Share Transfer Agent in Singapore and Manila during normal business hours from the date of this Circular up to and including the date of the GM:

(a) the Memorandum of Association and Articles of Association of the Company; and

(b) the annual report of the Company for FY2013.

Yours faithfully

For and on behalf of
the Board of Directors of Del Monte Pacific Limited
Rolando C Gapud
Chairman

APPENDIX A
PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

In this Appendix A, the following definitions (to be proposed to be amended at this GM) as extracted from the Articles apply throughout except where the context otherwise requires or it is otherwise stated:

"Designated Stock Exchange"	:	The ~~Stock Exchange of Singapore Limited~~ Singapore Exchange Securities Trading Limited and such other stock exchanges for so long as the Ordinary Shares or Preference Shares ~~shares~~ of the Company are listed or quoted on such stock exchanges, or the Singapore Exchange Securities Trading Limited ~~Stock Exchange of Singapore Limited~~.

The Proposed Amendments to the Memorandum and Articles are set out below. For ease of reference, the existing clause of the Memorandum and Articles and the proposed new text for such clause is set out in the table below. The proposed amendments in the table are denoted with strikethroughs for deletion and underlined for insertions.

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
1.	Clause 7 of the Memorandum The authorized capital is made up of one class and one series of shares divided into 2,000,000,000 ordinary shares (the "shares") of US$0.01 par value.	Clause 7 of the Memorandum The authorized ~~capital is made up of one class and one series of shares~~capital of the Company is US$630,000,000.00 divided into ~~2,000,000,000~~two classes of shares, 3,000,000,000 ordinary shares (~~the "shares") of US$0.01 par value~~"**Ordinary Shares**") with a par value of US$0.01 each and 600,000,000 preference shares ("**Preference Shares**") with a par value of US$1.00 each which may be issued in one or more series, each such class of shares having the rights and restrictions appearing in the Memorandum.	The existing Clause 7 of the Memorandum to be deleted. The proposed amendment is to reflect compliance with Appendix 2.2 of the Listing Manual.
2.	Clause 8 of the Memorandum All shares shall (a) have one vote each; (b) be subject to redemption, purchase or acquisition by the Company on such terms at such price (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	Clause 8 of the Memorandum ~~All shares shall~~ Subject to any special rights conferred by this Memorandum or the Articles on the holders of the Preference Shares, each Ordinary Share shall: (a) have one vote each; (b) be subject to redemption, purchase or acquisition by the Company on such terms at such price (which may be less than fair value) as the directors of the Company may determine,	The existing Clause 8 of the Memorandum to be amended to note the addition of new Clause 8A, setting out the rights of the holders of the Preference Shares.

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
	the Designated Stock Exchange, to the rules of the Designated Stock Exchange; and (c) have the same rights with regard to dividends and distributions upon liquidation of the Company.	subject always, for so long as the shares of the Company are listed on the Designated Stock Exchange, to the rules of the Designated Stock Exchange; and (c) have the same rights with regard to dividends and distributions upon liquidation of the Company.	
3.	–	<u>Clause 8A of the Memorandum</u> "(1) In this Clause 8A, if not inconsistent with the subject or context: "**Accounting Event**" shall occur if an opinion of a recognized person authorized to provide auditing services of such jurisdiction to be determined by the Board has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Preference Shares may no longer be recorded as "equity" pursuant to the IFRS/PFRS, or such other accounting standards, or such other accounting standards which succeed IFRS/PFRS, applied by the Company for drawing up its consolidated financial statements for the relevant financial year; "**Act**" means the BVI Business Companies Act, 2004 (No. 16 of 2004) and includes the regulations made under the Act;	The proposed insertion of new Clause 8A is to provide for the rights of holders of such preference shares. This is to reflect compliance with Appendix 2.2 of the Listing Manual.

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		"**Business Day**" means a day other than a Saturday or Sunday on which banks in London are generally open for normal banking business "**Dividend Period**" means the period from (and including) the Issue Date to (but excluding) the first Semi-Annual Date and each successive period thereafter from (and including) a Semi-Annual Date to (but excluding), the next succeeding Semi-Annual Date; "**Final Payment Date**" means the effective date of the liquidation, dissolution or winding-up of the Company; "**IFRS**" means the International Financial Reporting Standards issued by the International Accounting Standards Board; "**Issue Date**" means, in relation to the Preference Shares, the date of their original issue; "**Issue Price**" means, in relation to each Preference Share in issue by the Company, the price to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares; "**Optional Redemption Date**" has the meaning ascribed to it Clause 8A(2)(c)(A);	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		"**PFRS**" means Philippines Financial Reporting Standards issued by the Financial Reporting Standard Council; "**Preference Redemption Price**" in respect of any Preference Share to be redeemed, means an amount equal to the aggregate of (i) the Issue Price in respect of such Preference Share; plus (ii) 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 Redemption Date; "**Redemption Date**" has the meaning ascribed to it at Clause 8A(2)(c)(E); "**Semi-Annual Date**" means such two dates in each year to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares on which the Preference Dividend shall be payable semi-annually when, as and if declared by the Board, and, where any such date is not a Business Day, the next Business Day and the first Semi-Annual Date shall commence on such date to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares;	

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		"**Tax Event**" shall occur if any payment to be made by the Company to the holders of the Preference Shares becomes subject to any new tax 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. (2) The 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 Designated Stock Exchange, and be issued in such series as the Board may, from time to time, by resolution of directors, determine and for greater certainty, shall have such rights, privileges, restrictions and conditions as set out below: (a) <u>Dividend Rights</u> The right to a fixed cumulative preferential dividend at such rate to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares (the "**Preference Dividend**"). Provided that the declaration of any Preference Dividend will be subject to the sole and absolute discretion of the Board and will be made only to the extent permitted by law.	

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		The Board may specify the nature in which any Preference Dividend shall accrue and be paid in a resolution of directors adopted prior to the initial allotment and issue of any series of the Preference Shares. However, in so specifying the Board shall adopt the following terms: (A) Provided that, unless the Preference Shares are redeemed by the Company on the Optional Redemption Date (as such term is defined below), the Preference Dividend shall be adjusted thereafter in such manner as shall be specified by the Board in a resolution of directors adopted prior to the initial allotment and issue of any series of the Preference Shares. (b) Ranking The 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 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. (c) Redemption Terms (A) Subject to the Act, the Company may if declared by the Board in a resolution of directors, either (i) on a date to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares (the "First Optional Redemption Date"); or	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		(ii) on a date to be prescribed by the Board in a resolution of directors prior to the initial allotment and issue of any series of the Preference Shares (the "Second Optional Redemption Date" and together with the First Optional Redemption Date, the "Optional Redemption Dates"); or (iii) on any Semi-Annual Date following the Optional Redemption Dates; or (iv) at any time prior to the Optional Redemption Dates if an Accounting Event, or Tax Event has occurred and is continuing (the "Early Redemption Date"); redeem and cancel all or any Preference Shares without the consent of the holder(s) of such Preference Shares. Any such redemption shall be on the terms of this Clause 8A(b) provided that 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 Preference Shares and will not involve any material cost to the Company or the holders of the Preference Shares, the Company shall pursue that measure in lieu of redemption due to the occurrence of an Accounting Event.	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		(B) Any redemption of Preference Shares pursuant to this Clause 8A(c): (i) may only occur on one of the Optional Redemption Dates or any Semi-Annual Date following such dates or on the Early Redemption Date; (ii) may only occur if the Company has provided the holder(s) of the relevant 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 made at a price equal to the Preference Redemption Price. (C) With respect to any redemption of Preference Shares made pursuant to the foregoing provisions on the basis of a Tax Event having occurred, prior to the delivery of any notice of redemption pursuant to the foregoing sub-clause (B), the Company shall deliver to the Company's registrar and transfer agent: (i) a certificate signed by two Directors of the Company stating that the Company is entitled to effect such redemption; and	

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		(ii) 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. (D) With respect to any redemption of Preference Shares made pursuant to the foregoing provisions on the basis of an Accounting Event having occurred, prior to the delivery of any notice of redemption pursuant to the foregoing sub-clause (B), the Company shall deliver to the Company's registrar and transfer agent: (i) a certificate signed by two Directors of the Company stating that the Company is entitled to effect such redemption; and (ii) 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. (E) With effect from the date upon which the redemption of Preference Shares occurs (the "**Redemption Date**"), the holder(s) of the Preference Shares concerned shall cease to be entitled to any rights in respect of the redeemed Preference Shares, except for the right to receive the Preference Redemption Price in accordance with this Memorandum.	

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		(F) The Preference Redemption Price shall be payable to the former holder(s) of the redeemed Preference Shares within 10 Business Days of the Semi-Annual Date upon which the redemption occurs. (G) The payment of the 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 Preference Shares has against the Company for the Preference Redemption Price and any Preference Dividends. (H) Any Preference Shares redeemed pursuant to this Clause 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. (I) For greater certainty, (i) the Company shall not establish a sinking fund for the redemption of any of the Preference Shares; and any redemption of the Preference Shares pursuant to this Clause (c) shall not prejudice the rights of holders of Preference Shares whose Preference Shares were so redeemed to receive any accrued but unpaid Preference Dividends on their Preference Shares on the Redemption Date.	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		(d) Repurchase at Company's Option If declared by the Board in a resolution of directors adopted prior to the initial allotment and issue of any series of the Preference Shares, the Company may purchase Preference Shares at any time in the open market or by public tender or by private contract at any price through any stock exchange in which the Preference Shares are listed. Any Preference Share so repurchased may either be redeemed and cancelled or may be held as a treasury share. (e) Perpetual The Preference Shares shall be perpetual securities with no maturity date. (f) Liquidation (i) Liquidation Rights of the Company 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 US dollars out of the Company's assets available for distribution to members, together with the holders of any other 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	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		made to holders of any class of the Company's shares ranking after the Preferred Shares as regards repayment of capital in the aforesaid events of the Issue Price on the Preference Share 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**"). (ii) Pro Rata Liquidation Distribution If, upon any return of capital in the Company's liquidation, dissolution or winding up as set out in Clause 8A(e)(i) of the Memorandum above, 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. (iii) No Further Rights to Participate in Assets After payment of the full amount of the Liquidation Distribution to which they are entitled, the holders of the Preference Shares will	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		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. (g) <u>Voting Rights</u> Without prejudice to Clause 9 of this Memorandum, the holders of Preference Shares 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 general meetings of the Company, but the holders of Preference Shares shall not be entitled to (i) attend, speak or to 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 to vote on any resolution proposed at a general meeting of the Company convened for the purpose of: (i) reducing the Company's authorised or issued share capital; (ii) winding up the Company; (iii) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Company; or (iv) where the proposal to be submitted to the general meeting directly affects their rights and privileges of holders of the Preference Shares; and	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		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 Preference Dividend that has been duly declared by the Board has not been paid in full when due and payable and remains unpaid for six months. (h) No Pre-emptive Rights No pre-emptive rights shall apply to any of the Preference Shares, including, without limitation, as contemplated by Section 46 of the Act. (i) Issue of Additional Shares The Company may issue the Preference Shares in one or more series from time to time by resolution of the directors and any series of Preference Shares may ranking equally with or in priority to any issued Preference Shares of any other series; provided that the issue of any Preference Shares shall be subject to such limitation thereof as may be prescribed by the Designated Stock Exchange. The rights conferred upon the Preference Shares shall not be deemed to be varied by the creation or issue of further shares ranking pari passu therewith, or senior thereto. The authorization or the issuance of additional shares of the Company in accordance with this Memorandum and the Articles having certain rights, preferences or privileges in priority over or relative to other class (or classes) of shares of the Company, including, without limitation, shares that are senior and have preference and priority rights upon liquidation, dissolution, winding-up or liquidation or dividend when compared to the Preference Shares shall not be	

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
		deemed to be modifying or abrogating the rights, powers and privileges attached to any previously issued Preference Shares. Subject to the provisions of this Memorandum and the Articles, any amendment of this Memorandum and the Articles which may have an economic impact on existing 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.	
4.	<u>Clause 13 of the Articles</u> If at any time the authorized share capital is divided into different classes or series of shares, the rights attached to any class or series (unless otherwise provided by the terms of issue of the shares of that class or series) may, whether or not the Company is being wound up, be varied either with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or series and of the holders of not less than three-fourths of the issued shares of any other class or series of shares which may be affected by such variation or with the sanction of a special resolution of members passed at a separate general meeting of the holders of the shares of that class or series and of a special resolution of members passed at a separate general meeting of the holders of shares of any other class or series of shares which may be affected by such variation (but not otherwise). The	<u>Clause 13 of the Articles</u> If at any time the authorized share capital is divided into different classes or series of shares, the rights attached to any class or series (unless otherwise provided by the terms of issue of the shares of that class or series) may, whether or not the Company is being wound up, be varied either with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or series and of the holders of not less than three-fourths of the issued shares of any other class or series of shares which may be affected by such variation or with the sanction of a special resolution of members passed at a separate general meeting of the holders of the shares of that class or series and of a special resolution of members passed at a separate general meeting of the holders of shares of any other class or series of shares which may be affected by such variation (but not otherwise). The foregoing provisions of this Regulation shall apply to the variation of the special rights attached to some only of the shares of any class or series as if each group of shares of the class or series differently treated formed a separate class	The existing Clause 13 of the Articles is proposed to be amended is to include Preference Shares into the Clause 13 of the Articles and to reflect compliance with Appendix 2.2 of the Listing Manual.

NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
	foregoing provisions of this Regulation shall apply to the variation of the special rights attached to some only of the shares of any class or series as if each group of shares of the class or series differently treated formed a separate class or series the special rights whereof are to be varied.	or series the special rights whereof are to be varied, provided that in the case of any Preference Shares, the foregoing requirements shall not apply and any such variation may only be made pursuant to a special resolution of the holders of the Preference Shares concerned adopted at a meeting of such holders convened for such purpose, provided always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the Preference Shares concerned within two months of such meeting.	
5.	Clause 15(1)(b) of the Articles (b) subject to any direction to the contrary that may be given by the members in general meeting, any issue of shares for cash to members holding shares of any class or series shall be offered to such members in proportion as nearly as may be to the number of shares of such class or series then held by them and the provisions of the second sentence of Regulation 15(2) with such adaptations as are necessary shall apply; and	Clause 15(1)(b) of the Articles ~~(b) subject to any direction to the contrary that may be given by the members in general meeting, any issue of shares for cash to members holding shares of any class or series shall be offered to such members in proportion as nearly as may be to the number of shares of such class or series then held by them and the provisions of the second sentence of Regulation 15(2) with such adaptations as are necessary shall apply; and~~	The existing Clause 15(1)(b) of the Articles is to be deleted. BVI law does not require such provision to be included in the Articles.

APPENDIX A
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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
6.	Clause 15(2) of the Articles Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Board may dispose of those shares in such manner as they think most beneficial to the Company. The Board may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Board, be conveniently offered under this Regulation.	Clause 15(2) of the Articles ~~Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Board may dispose of those shares in such manner as they think most beneficial to the Company. The Board may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Board, be conveniently offered under this Regulation.~~	The existing Clause 15(1)(b) of the Articles is to be deleted. BVI law does not require such provision to be included in the Articles.
7.	Clause 48(1) of the Articles The Board may, in its absolute discretion, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share on which the Company has a lien.	Clause 48(1) of the Articles The Board may, in its absolute discretion, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share on which the Company has a lien, except in the case of executors or administrators or trustees of the estate of a deceased member.	The existing Clause 48 of the Articles is to be amended to reflect compliance with Appendix 2.2 of the Listing Manual.

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NO.	EXISTING TEXT	PROPOSED NEW TEXT	RATIONALE
8.	Clause 48(5) of the Articles Save as provided in these Articles there shall be no restriction on the transfer of fully paid up shares (except where required by law, or the listing rules of the Designated Stock Exchange).	Clause 48(5) of the Articles ~~Save as provided in these Articles~~For so long as any shares are listed on the Designated Stock Exchange, there shall be no restriction on the transfer of fully paid up shares, ~~(~~except where otherwise required by any applicable laws or the ~~listing~~ rules of the Designated Stock Exchange~~)~~.	The existing Clause 48(5) of the Articles is to be amended. The proposed amendment is to reflect compliance with Appendix 2.2 of the Listing Manual.
9.	–	Clause 90(3) of the Articles If a director becomes prohibited by law from acting as a director, he shall be removed from office by an ordinary resolution of members or a resolution of directors or shall resign immediately from the Board.	The proposed new Clause 90(3) is to provide that a Director shall resign if disqualified from acting as a director in any jurisdiction. This is to reflect compliance with Appendix 2.2 of the Listing Manual.
10.	Clause 147 of the Articles The Company may by an ordinary resolution of members call for the directors to prepare periodically a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for the financial period and a true and fair view of the state of affairs of the Company as at the end of the financial period. The interval between the close of the financial year of the Company and the issue of accounts relating thereto shall not exceed six (6) months.	Clause 147 of the Articles The Company may by an ordinary resolution of members call for the directors to prepare periodically a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for the financial period and a true and fair view of the state of affairs of the Company as at the end of the financial period. The interval between the close of the financial year of the Company and the issue of accounts relating thereto shall not exceed ~~six (6)~~ four (4) months (or such other periods as may be prescribed by rules of the Designated Stock Exchange from time to time).	The existing Clause 147 of the Articles is to be amended to reflect compliance with Appendix 2.2 of the Listing Manual.

ANNEX "D"

MANAGEMENT REPORT

A. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Review of Operating Performance for FY 2013

Group turnover for 2013 grew by 7% to a record US$492.2 million from US$459.7 million driven by better performance for the Del Monte brand in the Philippines and the Indian subcontinent, as well as S&W in Asia and the Middle East.

Sales in the Philippine market rose 4% due to favourable mix, better prices and higher volume. Major product categories registered growth, most notably the processed fruit and canned beverage segments.

The S&W branded business delivered sales growth of 16% led by the fresh segment's strong expansion of 30%, and driven by market expansion into the Middle East and continued growth in North Asia.

The non branded business generated sales of US$155.7 million, 12% higher year on year, on improved sales of processed pineapple and tropical mixed fruit products.

Gross profit rose 2% to US$115.6 million due to better prices, sales mix, and volume improvements. Tinplate and sugar costs were lower.

Operating profit dropped to US$27.5 million from US$49.7 million due to one-off transaction fees of US$25.3 million relating to the acquisition of the consumer food business of Del Monte Corporation in the United States, which has been renamed Del Monte Foods, Inc. Adding back these non-recurring fees plus the one-off US$1.2 million of listing fees in the Philippines, operating profit would have been US$54.2 million, or 9% higher than prior year.

Net profit declined to US$16.1 million from US$32.0 million due to the one-off transaction fees of US$16.6 million net of tax. Adding back these non-recurring fees and the one-off US$1.0 million of listing fees in the Philippines, net profit would have been US$33.9 million, or 6% higher than prior year.

Operating cash flow was lower at US$27.8 million compared to US$19.5 million in the prior year period as a result of changes in working capital.

Capital expenditures were US$24.7 million, higher than prior year's US$17.3 million due to new projects such as the expansion of the canned juice line in the Philippines. The Group also spent for revenue enhancement, cost and operations improvement, as well as for regulatory and sustainability objectives.

Variance from Prospect Statement

The full year 2013 results – without the non recurring expenses - were in line with earlier guidance that the Group's 2013 profits are expected to be better compared to that of the same period last year.

Subsequent Event – Acquisition of the Consumer Food Business of Del Monte Corporation

On 18 February 2014, Del Monte Pacific Ltd (DMPL or the Group) completed the purchase of the consumer food business from Del Monte Corporation for US$1.675 billion subject to working capital adjustments. The U.S. consumer food business has been renamed Del Monte Foods, Inc (DMFI).

This acquisition will transform DMPL into a global branded food and beverage company, quadrupling sales from the current US$500 million level to more than US$2 billion. The branded business will then generate 80% of the enlarged group's turnover.

This acquisition adds significant scale and reach into new market segments for the Company, a longtime supplier of processed pineapple to the US market, through a strong portfolio of leading packaged consumer food brands. DMFI's portfolio of iconic brands – Del Monte, S&W, Contadina and College Inn - includes No. 1 market position in the branded canned fruits and vegetables market and No. 2 position in the canned tomato and broth categories in the United States. In fiscal year 2013, the portfolio generated US$1.8 billion in sales and US$164 million in EBITDA.

The deal was financed partly by bridging loans for the closing. The final financing structure provides for a total equity investment of US$705 million into DMFI of which US$605 million are in the form of fresh capital and the balance from loans.

Business Outlook

The Group expects to generate higher earnings on a recurring basis in the first quarter of 2014 but expects to report a lower non-recurring net income due to one-off transaction fees in closing its US$1.675 billion acquisition. The U.S. business will be consolidated from the acquisition closing onwards, i.e. from 18 February 2014. DMPL plans to align its fiscal year with that of Del Monte Foods, Inc (May to April financial year), which is expected to account for about 80% of the Enlarged Group's sales.

Group earnings will improve in the new financial year 2015 (May 2014-April 2015) as it drives both topline growth across its key markets in the USA, the Philippines and rest of Asia, optimises synergies and manages cost actively.

Review of Turnover, Gross Profit and Operating Profit

Branded
For the full year ended 31 December 2013

In US$'000	Branded		
	2013	2012 (Restated)	% Chg
Turnover	336,434	320,868	4.9
Gross Profit	101,281	96,859	4.6
Gross Margin (%)	*30.1*	*30.2*	*(0.1ppt)*
Operating Profit - recurring	50,107	44,254	13.2
Operating Margin (%)	*14.9*	*13.8*	*1.1ppts*
Operating Profit – non recurring	31,828	44,254	(28.1)
Operating Margin (%)	*9.5*	*13.8*	*(4.3ppts)*

Turnover in the branded business, which accounted for 68% of the Group's turnover in 2013, grew 5% to US$336.4 million from US$320.9 million on higher sales in all major categories in the Philippines as well as improved S&W sales.

Turnover in the Philippines rose 4% due to favourable mix, better prices and higher volume. Major categories registered growth, especially the processed fruit and canned beverage.

The S&W branded business delivered sales of US$40.6 million, up by 16% led by the fresh segment's strong expansion of 30%, and driven by market expansion into the Middle East and continued growth in North Asia.

Due to higher volume, improved pricing and mix as well as cost improvements, gross profit for the branded segment improved by 5% to US$101.3 million, while recurring operating profit rose 13% to US$50.1 million. Operating margin increased to 14.9% from 13.8% in the prior year.

Non Branded

For the full year ended 31 December

In US$'000	Non Supply Contract						Supply Contact			Total		
	Asia Pacific			Europe and North America						Non Branded Business		
	2013	2012 (Restated)	% Chg	2013	2012 (Restated)	% Chg	2013	2012 (Restated)	% Chg	2013	2012 (Restated)	% Chg
Turnover	**25,076**	21,747	15.3	**71,038**	56,073	26.7	**59,629**	61,023	(2.3)	**155,743**	138,843	12.2
Gross Profit	**6,265**	5,128	22.2	**1,631**	6,509	(74.9)	**6,433**	4,303	49.5	**14,329**	15,940	(10.1)
Gross Margin (%)	**25.0**	23.6	1.4ppt	**2.3**	11.6	(9.3ppts)	**10.8**	7.1	(3.7ppts)	**9.2**	11.5	(2.3ppts)
Op Profit – recurring	**3,318**	3,223	2.9	**(2,275)**	2,287	nm	**3,067**	(96)	nm	**4,110**	5,414	(24.1)
Op Margin (%)	**13.2**	14.8	1.6ppts	**(3.2)**	4.1	nm	**5.1**	nm	nm	**2.6**	3.9	(1.3ppts)
Op Profit – non recurring	**1,955**	3,223	39.3	**(6,134)**	2,287	nm	**(173)**	(96)	(80.2)	**(4,352)**	5,414	nm
Op Margin (%)	**7.8**	14.8	(7.0ppts)	**nm**	4.1	nm	**nm**	nm	nm	**(2.8)**	3.9	nm

The Group's turnover of non branded business accounted for 32% of Group sales in 2013, up from 30% in 2012. Turnover for non branded segment increased by 12% to US$155.7 million from US$138.8 million due to higher sales of processed pineapple and tropical mixed fruit products. However, gross profit was down 10% to US$14.3 million and recurring operating profit lower by 24% to US$4.1 million mainly due to weakness of the cyclical pineapple juice concentrate price.

Financial Resources and Liquidity

Cash and cash equivalents comprise cash balances and restricted cash. As at 31 December 2013, the Company has US$ 132.9 million, higher than prior year's US$ 24.6 million. Higher cash is mainly coming from borrowings. The Company deposited US$100 million into an escrow account, which could be released to Del Monte Corporation ("DMC") in the event that the Company does not complete the Acquisition under certain circumstances. The Acquisition was completed on 18 February 2014 (Note 35) and this amount forms part of the purchase consideration in the Acquisition.

Trade and Other Receivables amount to US$115.1 million, higher than 2012 by US$12.7 million, which is mainly due to timing of collection of receivables. Increase may be further broken down into the following: increase by US$7.0 million from trade receivables and increase by US$5.7 million due to deposits, prepayments and other receivables.

Inventories declined from US$113.5 million in 2012 to US$98.2 million in 2013. Said decrease is mainly due to timing of purchase.
Biological assets, including non-current portion, increased from US$108.1 million in 2012 to US$111.5 million in 2013 due to higher cycled growing crop costs from increased acreage and increase in population of livestock.

Consolidated total assets reached US$617.6 million as at 31 December 2013.

Trade and Other Payables increased by US$10.5 million from prior year's US$94.0 million to US$104.5 million in 2013. Increase is mainly driven by accrued expenses, advances from suppliers and other payables.

Non-current financial liabilities declined to US$12.3 million from 2012's US$15.7 million due to lower borrowings from repayment of loans. Current financial liabilities increased to US$265.4 million from prior year's US$125.9 million due to working capital requirements and new loans related to the purchase of Del Monte Foods, Inc.

Consolidated total liabilities as at 31 December 2013 is US$389.3 million.

Share Capital

Total shares outstanding remain at 1,296,600,071 as of 31 December 2013 (31 December 2012: 1,080,222,494). Share capital remains at US$13.0 million (31 December 2012: US$10.8 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

Date of Grant	Options	Share Awards	Recipient(s)
7 March 2008	1,550,000	1,725,000	Key Executives
20 May 2008	-	1,611,000	CEO
12 May 2009	-	3,749,000	Key Executives
29 April 2011	-	2,643,000	CEO
21 November 2012	-	67,700	Non-Executive Director

30 April 2013	150,000	486,880	Key Executives
22 August 2013	-	688,000	Executive/Non-Executive Directors

The number of shares outstanding includes 900,420 shares held by the Company as treasury shares as at 31 December 2013 (31 December 2012: 1,558,700). Please refer to the table below for the purchase and transfers of treasury shares in 2012 and 2013. However, there was no sale, disposal and cancellation of treasury shares during the period and as at 31 December 2013.

	Movement of Treasury Shares	Treasury Shares
As at 31 Dec 2012	Beginning balance	1,558,700
28 February 2013	Purchase of treasury shares	2,104,000
1 March 2013	Purchase of treasury shares	123,000
4 March 2013	Purchase of treasury shares	199,000
13 March 2013	Transferred in connection with the exercise of share options	(200,000)
22 March 2013	Transferred in connection with the exercise of share options	(200,000)
1 April 2013	Transferred in connection with the exercise of share options	(400,000)
6 May 2013	Purchase of treasury shares	254,000
7 May 2013	Purchase of treasury shares	125,000
14 May 2013	Purchase of treasury shares	258,000
14 May 2013	Transferred in connection with the vesting of 1,057,200 shares out of the 2,643,000 shares awarded on 29 April 2011 plus the bonus shares of 211,440 granted on 30 April 2013.	(1,268,640)
14 May 2013	Transferred in connection with the vesting of 1,377,200 shares out of the 3,749,000 shares awarded on 12 May 2009 plus the bonus shares of 275,440 granted on 30 April 2013.	(1,652,640)
At 31 Dec 2013	**Ending balance**	**900,420**

Dividends

On 12 August 2013, the Board declared an interim dividend of US$0.0062 per share which represents a 50% payout of 2013 net profit. With the acquisition in the US, the Board adopted a prudent approach and will not be declaring a final dividend for 2013.

Interested Person Transactions

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

In US$'000 **For the three months and for the year ended 31 Dec**	**Aggregate value of all IPTs (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**		**Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**	
	2013	2012	2013	2012
	NIL	NIL	NIL	NIL

B. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company has been listed on the Singapore Stock Exchange (SGX) for nearly 14 years since 1999. DMPL was successfully listed on the Philippine Stock Exchange (PSE) on 10 June 2013, making the DMPL the first company to be dual listed on SGX and PSE.

Dividends

Subject to any limitations or provisions to the contrary in its Memorandum or Articles of Association, a 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.

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. The dividend payout has been 75% per year since 2006. There is, however, no guarantee that the Company will pay any dividends in the future.

The Company has declared dividends in the past, the last of which was a cash dividend of US$0.0062 per Share declared in , payable on 04 September 2013 with a book closure date of 21 August 2013.

Del Monte Pacific Share Price Highlights

	in PSE* (Php)	in SGX (S$)				
	2013	2013	2012	2011	2010	2009
Low	22.50	0.58	0.43	0.41	0.35	0.37
High	33.45	0.96	0.66	0.54	0.44	0.65
End of Period	22.70	0.61	0.62	0.50	0.44	0.40
Average	26.83	0.81	0.50	0.46	0.39	0.50

**DMPL shares were listed on the Philippine Stock Exchange on 10 June 2013.*

The Company has an authorized capital stock of US$ 20.0 million consisting of 2,000,000,000 Common Shares, each with a par value of US$ 0.01. Out of the authorized capital stock, 1,296,600,071 Common Shares are outstanding.

As at 03 March 2014, the 20 largest shareholders of the Company own an aggregate of 1,202,555,544 or 92.76% of outstanding common shares.

Name	No. of Shares	%
1. NutriAsia Pacific Limited	869,315,246	67.05

2. Lee Pineapple Company Pte Ltd	100,422,000	7.75
3. Deutsche Bank Manila-Clients A/C	43,471,971	3.35
4. DBS Nominees (Private) Limited	36,463,800	2.81
5. HSBC (Singapore) Nominees Pte Ltd	23,386,928	1.80
6. The Hongkong And Shanghai Banking Corp. Ltd. - Clients' Acct.	22,213,848	1.71
7. Banco De Oro - Trust Banking Group	18,113,000	1.40
8. Citibank Nominees Singapore Pte Ltd	15,656,300	1.21
9. Wee Poh Chan Phyllis	14,084,000	1.09
10. Raffles Nominees (Pte) Limited	12,824,351	0.99
11. United Overseas Bank Nominees (Private) Limited	11,874,000	0.92
12. Pineapples of Malaya Private Limited	6,432,000	0.50
13. Government Service Insurance System	5,872,700	0.45
14. Joselito Jr Dee Campos	5,104,800	0.39
15. DBS Vickers Securities (Singapore) Pte Ltd	4,144,600	0.32
16. Luis Francisco Alejandro	3,681,000	0.28
17. BNP Paribas Nominees Singapore Pte Ltd	2,899,000	0.22
18. ABN AMRO Nominees Singapore Pte Ltd	2,288,000	0.18
19. Morgan Stanley Asia (Singapore) Securities Pte Ltd	2,168,000	0.17
20. DB Nominees (Singapore) Pte Ltd	2,140,000	0.17
Total	**1,202,555,544**	**92.76**

Executive Stock Option Plan

The Del Monte Pacific Executive Stock Option Plan 1999 ("ESOP") of the Company was approved and amended by its shareholders at general meetings 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.

ANNEX "E"

Del Monte Pacific Limited
and its subsidiaries

Annual Report 2013
Financial Section

Directors' Report

(Amounts in United States Dollar unless otherwise stated)

The Directors are pleased to present their report to the members together with the audited financial statements of Del Monte Pacific Limited (the "Company") and its subsidiaries (collectively, the "Group") comprising the statements of financial position, income statements, statements of comprehensive income and statements of changes in equity of the Company and the Group and the cash flow statements of the Group and Company for the financial year ended 31 December 2013.

Directors

The Directors in office at the date of this report are as follows:

Mr Rolando C Gapud
Mr Joselito D Campos, Jr
Mr Edgardo M Cruz, Jr
Mr Patrick L Go
Dr Emil Q Javier
Mr Benedict Kwek Gim Song
Mr Godfrey E Scotchbrook

Arrangements to enable Directors to acquire shares or debentures

Except as disclosed under the "Share Option and Incentive Plans" section of this report, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company, its subsidiaries or any other body corporate.

Directors' interests

According to the registers kept by the Company, particulars of interests of Directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares in the Company are as follows:

Directors' Interest in Shares:

	Direct interest			Deemed interest		
	As at 1 Jan 2013	**As at 31 Dec 2013**	**As at 21 Jan 2014**	**As at 1 Jan 2013**	**As at 31 Dec 2013**	**As at 21 Jan 2014**
<u>The Company</u>						
Ordinary shares of US$0.01 each						
Mr Rolando C Gapud	–	980,000	980,000	–	–	–
Mr Joselito D Campos, Jr	3,196,800	5,104,800	5,104,800	849,429,372	869,315,246	869,315,246
Mr Edgardo M Cruz, Jr	–	1,962,900	2,362,900	–	250,000	–
Mr Patrick L Go	–	–	–	–	–	–
Dr Emil Q Javier	67,700	358,240	358,240	–	37,000	–
Mr Benedict Kwek Gim Song	–	–	–	–	–	–
Mr Godfrey E Scotchbrook	–	–	–	–	–	–

Directors' Interest in Options:

	Direct interest			Deemed interest		
	As at 1 Jan 2013	As at 31 Dec 2013	As at 21 Jan 2014	As at 1 Jan 2013	As at 31 Dec 2013	As at 21 Jan 2014
Options to subscribe for ordinary shares at S$0.627 per share between 07/03/2010 to 06/03/2018						
Mr Rolando C Gapud*	400,000	–	–	–	–	–
Mr Joselito D Campos, Jr	–	–	–	–	–	–
Mr Edgardo M Cruz, Jr*	200,000	–	–	–	–	–
Mr Patrick L Go	200,000	240,000	240,000	–	–	–
Dr Emil Q Javier*	200,000	–	–	–	–	–
Mr Benedict Kwek Gim Song	250,000	300,000	300,000	–	–	–
Mr Godfrey E Scotchbrook	300,000	360,000	360,000	–	–	–

* *Mr Edgardo M Cruz, Jr and Dr Emil Q Javier had exercised the 200,000 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 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 that of the options granted on 7 March 2008.

Directors' Interest in Share Awards:

	Direct interest			Deemed interest		
	As at 1 Jan 2013	As at 31 Dec 2013	As at 21 Jan 2014	As at 1 Jan 2013	As at 31 Dec 2013	As at 21 Jan 2014
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	1,057,200	–	–	–	–	–

** *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			Deemed interest		
	As at 1 Jan 2013	As at 31 Dec 2013	As at 21 Jan 2014	As at 1 Jan 2013	As at 31 Dec 2013	As at 21Jan 2014
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	211,000	–	–	–
Mr Joselito D Campos, Jr	–	–	–	–	–	–
Mr Edgardo M Cruz, Jr	–	95,000	95,000	–	–	–
Mr Patrick L Go	–	95,000	95,000	–	–	–
Dr Emil Q Javier	–	71,000	71,000	–	–	–
Mr Benedict Kwek Gim Song	–	108,000	108,000	–	–	–
Mr Godfrey E Scotchbrook	–	108,000	108,000	–	–	–

*** *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.*

Except as disclosed in this report, no Director who held office at the end of the financial year had interests in shares, debentures, warrants, share options or share-based incentives of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Directors' contractual benefits

Except for salaries, bonuses and fees and those benefits that are disclosed in this report and in notes 28 and 34 to the financial statements, since the end of the last financial year, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Share option and incentive plans

The Del Monte Pacific Executive Stock Option Plan 1999 ("ESOP") of the Company was approved and amended by its shareholders at general meetings 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 general meeting 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.

The ESOP and Share Plans are administered by the Remuneration and Share Option Committee ("RSOC") comprising of the following members:

Mr Godfrey E Scotchbrook	(Chairman and Independent Director)
Mr Edgardo M Cruz, Jr	(Executive Director)
Mr Rolando C Gapud	(Non-Executive Director)
Mr Patrick L Go	(Independent Director)
Mr Benedict Kwek Gim Song	(Lead Independent Director)

Other information regarding the ESOP is set out below:

Under the ESOP, 2 types of options were granted:

- Initial Public Offering Options ("IPO Options")
- Market Price Options

<u>IPO Options</u>

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 US$0.504 each. None of the IPO Options granted were exercised and all IPO Options granted have since lapsed.

Market Price Options

(a) A Market Price Option confers the right to subscribe for shares granted under the ESOP one year after the Listing Date.

(b) A Market Price Option may be granted only after the lapse of one year from the Listing Date.

(c) 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.

(d) 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 NutriAsia Pacific Ltd in January 2006.

On 7 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 7 March 2008.

Other information regarding the Del Monte Pacific RSP is set out below:

(a) No minimum vesting periods are prescribed.

(b) 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.

(c) 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 7 March 2008, three employees of related companies were granted an aggregate of 1,725,000 share awards at the market price of S$0.615 per share.

On 20 May 2008, 1,611,000 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 Annual General Meeting 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 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 Annual General Meeting of the Company held on 29 April 2011.

On 21 November 2011, 67,700 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 211,440 share awards at a 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.

As at the date of this report, no share awards had been granted to Directors or employees of related companies.

Other information regarding the Del Monte Pacific PSP is set out below:

(a) Vesting periods are not applicable.

(b) 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.

(c) 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 report, no share awards have been granted pursuant to the Del Monte Pacific PSP.

At the end of the financial year, details of the options granted under the ESOP on the unissued ordinary shares of the Company, are as follows:

Date of Grant	Exercise Price S$	Number of options outstanding at 1 January 2013	Options granted	Options exercised	Options forfeited/ exercised	Number of options outstanding at31 December 2013	Number of option holders at 31 December 2013	Exercise period
07/03/2008	0.627	1,550,000	150,000	800,000	–	900,000	3	Up to 60%: 07/03/2010 – 06/03/2011 40%: 07/03/2011 – 06/03/2018

At the end of the financial year, details of share awards granted under the Del Monte Pacific RSP are as follows:

Date of grant	Market price on date of grant S$	Number of share awards granted as at 31 December 2013	Number of share award holders at 31 December 2013	Vesting period
07/03/2008	0.615	1,725,000	3	Up to 60%: 07/03/2010 – 06/03/2011 40%: 07/03/2011 – 06/03/2012
20/05/2008	0.680	1,611,000	1	Up to 60%: 20/05/2010 – 19/05/2011 40%: 20/05/2011 – 19/05/2012
12/05/2009	0.540	3,749,000	6	Up to 60%: 12/05/2011 – 11/05/2012 40%: 12/05/2012 – 11/05/2013
29/04/2011	0.485	2,643,000	1	Up to 60%: 12/05/2011 – 11/05/2012 40%: 12/05/2012 – 11/05/2013
21/11/2011	0.455	67,700	1	No vesting period imposed, shares were released to the grantee on 12 December 2011
30/04/2013	0.810	486,880	6	No vesting period imposed, shares were released to the grantee on 12 May 2013.
22/08/2013	0.840	688,000	6	Up to 60%: 22/08/2013 – 21/08/2016 40%: 22/08/2016 – 21/08/2017
		10,970,580		

Details of options granted to Directors of the Company under the ESOP are as follows:

Name of Director	**Options granted in financial year ended 31 December 2013**	***Aggregate options granted since commencement of ESOP to 31 December 2013**	***Aggregate options exercised since commencement of ESOP to 31 December 2013**	**Aggregate options outstanding as at 31 December 2013**
Mr Rolando C Gapud	–	400,000	400,000	–
Mr Edgardo M Cruz, Jr	–	200,000	200,000	–
Mr Patrick L Go	40,000	240,000	–	240,000
Dr Emil Q Javier	–	200,000	200,000	–
Mr Benedict Kwek Gim Song	50,000	300,000	–	300,000
Mr Godfrey E Scotchbrook	60,000	360,000	–	360,000
	150,000	1,700,00	800,000	900,000

* *Excludes options granted prior to the mandatory conditional cash offer by NutriAsia Pacific Ltd in January 2006, all of which have either been exercised or have lapsed.*

Details of share awards granted to Directors of the Company under the Del Monte Pacific RSP are as follows:

Name of Director	**Share awards granted in financial year ended 31 December 2013**	**Aggregate share awards granted since commencement of Del Monte Pacific RSP**	**Aggregate share awards outstanding at as 31 December2013**
Mr Rolando C Gapud	211,000	211,000	211,000
Mr Joselito D Campos, Jr	211,440	4,465,440	–
Mr Edgardo M Cruz, Jr	95,000	95,000	95,000
Mr Patrick L Go	95,000	95,000	95,000
Dr Emil Q Javier	71,000	138,700	71,000
Mr Benedict Kwek Gim Song	108,000	108,000	108,000
Mr Godfrey E Scotchbrook	108,000	108,000	108,000

Except as disclosed above, no options or share awards have been granted to the controlling shareholders of the Company or their associates and no participant under the ESOP and Del Monte Pacific RSP has been granted 5% or more of the total options available under the ESOP and Del Monte Pacific RSP.

The options granted by the Company do not entitle the holders of the options, by virtue of such holding, to any rights to participate in any share issue of any other company.

No options or share awards have been granted to other employees of the holding company or its related companies under the ESOP and Del Monte Pacific RSP, except for the 6 employees of related companies, who were granted an aggregate of 5,474,000 on 7 March 2008 and 12 May 2009. 306,000 share awards lapsed in February 2012 following the resignation of an employee, pursuant to the rules of the Del Monte Pacific RSP.

On 30 April 2013, the Company approved the grant of 486,880 share awards to 6 employees of related companies, representing a 20% adjustment to the number of unvested share awards. As at 31 December 2013, all share awards granted to the said employees had fully vested and been released to grantees.

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries at the end of the financial year.

Audit Committee

The Audit Committee ("AC") comprises five board members, four of whom are Non-Executive Directors. A majority of members, including the chairman, are independent. Members of the AC in the financial year and at the date of this report are:

Mr Benedict Kwek Gim Song	(Chairman and Lead Independent Director)
Mr Edgardo M Cruz, Jr	(Executive Director)
Mr Rolando C Gapud	(Non-Executive Director)
Mr Patrick L Go	(Independent Director)
Mr Godfrey E Scotchbrook	(Independent Director)

The AC held five (5) meetings since the last Directors' report. The AC reviews the effectiveness of the systems of internal controls in the Group, its accounting policies, annual financial statements and quarterly reports, the effectiveness of the internal audit function, and the findings of both the external and internal auditors. The AC may also examine whatever aspects it deems appropriate regarding the Group's financial affairs, its internal and external audits and its exposure to risks of a regulatory or legal nature. Furthermore, all interested person transactions are subject to regular periodic reviews by the AC to ensure that they are carried out on arm's length commercial terms consistent with the Group's usual business practices and policies and are not be prejudicial to the Company's minority shareholders.

In performing its functions, the AC reviewed the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. The AC met with the internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company and the Group's system of internal controls. The AC also reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2013 as well as the external auditors' report thereon.

The AC has full access to and cooperation of Management and the internal auditors. It also has full discretion to invite any Director or executive officer to attend its meetings. The Chief Financial Officer attends meetings of the AC. The auditors have unrestricted access to the AC. The AC has reasonable resources to enable it to discharge its functions properly.

Internal controls

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the Audit Committee and the Board are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks, were adequate as at 31 December 2013.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Mr Rolando C Gapud
Director

Mr Joselito D Campos, Jr
Director

18 March 2014

Statement by Directors

In our opinion:

(a) the financial statements set out on pages FS1 to FS74 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of the results, changes in equity and cash flows of the Group and the Company for the year then ended in accordance with International Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Mr Rolando C Gapud
Director

Mr Joselito D Campos, Jr
Director

18 March 2014

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Independent auditors' report

Members of the Company
Del Monte Pacific Limited

Report on the financial statements

We have audited the accompanying financial statements of Del Monte Pacific Limited (the "Company") and its subsidiaries (collectively the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2013, the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS74.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Group and of the Company are properly drawn up in accordance with International Financial Reporting Standards to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of the results, changes in equity and the cash flows of the Group and of the Company for the year then ended on that date.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
18 March 2014

Statements of financial position
As at 31 December 2013

	Note	Group			Company		
		As at 31 December 2013	As at 31 December 2012 (Restated)*	As at 31 December 2011 (Restated)*	As at 31 December 2013	As at 31 December 2012	As at 31 December 2011
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Non-current assets							
Property, plant and equipment	4	99,465	93,350	85,412	–	–	–
Subsidiaries	5	–	–	–	85,442	85,442	85,442
Joint venture	6	20,193	21,507	24,022	–	–	–
Intangible assets	7	14,862	15,433	16,004	–	–	–
Deferred tax assets	8	10,555	1,831	2,834	–	–	–
Other assets	9	13,208	14,466	12,219	–	–	–
Biological assets	10	1,685	1,598	1,052	–	–	–
		159,968	148,185	141,543	85,442	85,442	85,442
Current assets							
Inventories	11	98,162	113,458	89,381	–	–	–
Biological assets	10	111,489	108,067	90,739	–	–	–
Trade and other receivables	12	115,104	102,388	82,926	110,927	80,159	45,048
Cash and cash equivalents	15	132,921	24,555	20,877	100,293	232	211
		457,676	348,468	283,923	211,220	80,391	45,259
Total assets		617,644	496,653	425,466	296,662	165,833	130,701
Equity							
Share capital	16	12,975	10,818	10,818	12,975	10,818	10,818
Reserves	17	217,681	241,777	216,022	90,587	100,432	93,540
Equity attributable to owners of the Company		230,656	252,595	226,840	103,562	111,250	104,358
Non-controlling interests		(2,273)	(1,939)	(1,474)	–	–	–
Total equity		228,383	250,656	225,366	103,562	111,250	104,358
Non-current liabilities							
Financial liabilities	18	12,296	15,679	5,916	–	–	–
Employee benefits	19	1,876	5,208	6,283	–	–	–
		14,172	20,887	12,199	–	–	–
Current liabilities							
Trade and other payables	20	104,539	94,029	80,300	193,100	54,583	26,343
Financial liabilities	18	265,404	125,907	105,006	–	–	–
Current tax liabilities		5,146	5,174	2,595	–	–	–
		375,089	225,110	187,901	193,100	54,583	26,343
Total liabilities		389,261	245,997	200,100	193,100	54,583	26,343
Total equity and liabilities		617,644	496,653	425,466	296,662	165,833	130,701

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Income statements
Year ended 31 December 2013

	Note	Group 2013	Group 2012 (Restated)*	Group 2011 (Restated)*	Company 2013	Company 2012	Company 2011
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue	21	492,177	459,711	425,235	25,000	35,000	25,000
Cost of sales		(376,567)	(346,912)	(323,810)	–	–	–
Gross profit		115,610	112,799	101,425	25,000	35,000	25,000
Distribution and selling expenses		(33,980)	(31,537)	(25,113)	–	–	–
General and administrative expenses		(52,248)	(28,211)	(26,339)	(5,283)	(4,794)	(5,505)
Other expenses		(1,906)	(3,383)	(5,400)	(1,796)	(550)	(633)
Results from operating activities		27,476	49,668	44,573	17,921	29,656	18,862
Finance income		395	824	1,460	–	–	–
Finance expense		(5,478)	(3,883)	(3,057)	–	–	–
Net finance expense	23	(5,083)	(3,059)	(1,597)	–	–	–
Share of loss of joint venture, net of tax		(4,908)	(6,090)	(10,589)	–	–	–
Profit before taxation		17,485	40,519	32,387	17,921	29,656	18,862
Tax	24	(1,710)	(9,030)	(5,594)	–	–	–
Profit for the year	22	15,775	31,489	26,793	17,921	29,656	18,862
Profit attributable to:							
Non-controlling interests		(334)	(465)	(850)	–	–	–
Owners of the Company		16,109	31,954	27,643	17,921	29,656	18,862
Earnings per share							
Basic earnings per share (US cents)	25	1.24	2.47	2.14			
Diluted earnings per share (US cents)	25	1.24	2.46	2.12			

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Statements of comprehensive income
Year ended 31 December 2013

	Group			Company		
	2013	2012 (Restated)*	2011 (Restated)*	2013	2012	2011
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Profit for the year	15,775	31,489	26,793	17,921	29,656	18,862
Other comprehensive income						
Items that will not be reclassified to profit or loss:						
Remeasurement of retirement plan, net of tax	2,057	1,167	296	–	–	–
Gain on property revaluation, net of tax	5,912	–	226	–	–	–
Items that are or may be reclassified subsequently to profit or loss:						
Currency translation differences	(20,408)	15,398	(1,670)	–	–	–
Other comprehensive income/(loss) for the year, net of tax	(12,439)	16,565	(1,148)	–	–	–
Total comprehensive income for the year	3,336	48,054	25,645	17,921	29,656	18,862
Total comprehensive income attributable to:						
Non-controlling interests	(334)	(465)	(850)	–	–	–
Owners of the Company	3,670	48,519	26,495	17,921	29,656	18,862

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity
Year ended 31 December 2013

Group	Note	Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'000	Remeasurement of retirement plan US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
		← Attributable to owners of the Company →										
2011												
At 1 January 2011, as previously stated		10,818	68,687	(38,693)	3,368	–	2,076	(824)	176,486	221,918	(624)	221,294
Impact of changes in accounting policy*		–	–	–	–	(4,149)	–	–	(25)	(4,174)	–	(4,174)
At 1 January 2011 as restated*		10,818	68,687	(38,693)	3,368	(4,149)	2,076	(824)	176,461	217,744	(624)	217,120
Total comprehensive income for the year												
Profit for the year, restated		–	–	–	–	–	–	–	27,643	27,643	(850)	26,793
Other comprehensive income												
Currency translation differences		–	–	(1,670)	–	–	–	–	–	(1,670)	–	(1,670)
Remeasurement of retirement plan		–	–	–	–	296	–	–	–	296	–	296
Net loss on revaluation of property, plant and equipment, net of tax		–	–	–	226	–	–	–	–	226	–	226
Total other comprehensive income		–	–	(1,670)	226	296	–	–	–	(1,148)	–	(1,148)
Total comprehensive income for the year		–	–	(1,670)	226	296	–	–	27,643	26,495	(850)	25,645
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Dividends to owners of the Company	26	–	–	–	–	–	–	–	(16,846)	(16,846)	–	(16,846)
Acquisition of treasury shares		–	–	–	–	–	–	(1,797)	–	(1,797)	–	(1,797)
Share-based payment transactions		–	386	–	–	–	(953)	567	–	–	–	–
Value of employee services received for issue of share options	28	–	–	–	–	–	1,244	–	–	1,244	–	1,244
Total contributions by and distributions to owners		–	386	–	–	–	291	(1,230)	(16,846)	(17,399)	–	(17,399)
At 31 December 2011		10,818	69,073	(40,363)	3,594	(3,853)	2,367	(2,054)	187,258	226,840	(1,474)	225,366

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity (continued)
Year ended 31 December 2013

Group	Note	← Attributable to owners of the Company: Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'000	Remeasurement of retirement plan US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total US$'000 →	Non-controlling interests US$'000	Total equity US$'000
2012												
At 1 January 2012, as previously stated		10,818	69,073	(40,363)	3,594	–	2,367	(2,054)	187,081	230,516	(1,474)	229,042
Impact of change in accounting policy*		–	–	–	–	(3,853)	–	–	177	(3,676)	–	(3,676)
At 1 January 2012 as restated*		10,818	69,073	(40,363)	3,594	(3,853)	2,367	(2,054)	187,258	226,840	(1,474)	225,366
Total comprehensive income for the year												
Profit for the year, restated		–	–	–	–	–	–	–	31,954	31,954	(465)	31,489
Other comprehensive income												
Currency translation differences		–	–	15,398	–	–	–	–	–	15,398	–	15,398
Remeasurement of retirement plan		–	–	–	–	1,167	–	–	–	1,167	–	1,167
Total other comprehensive income		–	–	15,398	–	1,167	–	–	–	16,565	–	16,565
Total comprehensive income for the year		–	–	15,398	–	1,167	–	–	31,954	48,519	(465)	48,054
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Dividends to owners of the Company	26	–	–	–	–	–	–	–	(23,370)	(23,370)	–	(23,370)
Share-based payment transactions		–	470	–	–	–	(2,020)	1,550	–	–	–	–
Value of employee services received for issue of share options	28	–	–	–	–	–	606	–	–	606	–	606
Total contributions by and distributions to owners		–	470	–	–	–	(1,414)	1,550	(23,370)	(22,764)	–	(22,764)
At 31 December 2012		10,818	69,543	(24,965)	3,594	(2,686)	953	(504)	195,842	252,595	(1,939)	250,656

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity (continued)
Year ended 31 December 2013

Group	Note	Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'000	Remeasurement of retirement plan US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
		← Attributable to owners of the Company →										
2013												
At 1 January 2013, as previously stated		10,818	69,543	(24,965)	3,594	–	953	(504)	195,801	255,240	(1,939)	253,301
Impact of change in accounting policy*		–	–	–	–	(2,686)	–	–	41	(2,645)	–	(2,645)
At 1 January 2013, restated*		10,818	69,543	(24,965)	3,594	(2,686)	953	(504)	195,842	252,595	(1,939)	250,656
Total comprehensive income for the year												
Profit for the year		–	–	–	–	–	–	–	16,109	16,109	(334)	15,775
Other comprehensive income												
Currency translation differences		–	–	(20,408)	–	–	–	–	–	(20,408)	–	(20,408)
Gain on property revaluation		–	–	–	5,912	–	–	–	–	5,912	–	5,912
Remeasurement of retirement plan		–	–	–	–	2,057	–	–	–	2,057	–	2,057
Total other comprehensive income		–	–	(20,408)	5,912	2,057	–	–	–	(12,439)	–	(12,439)
Total comprehensive income for the year		–	–	(20,408)	5,912	2,057	–	–	16,109	3,670	(334)	3,336
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Share bonus issue		2,157	–	–	–	–	–	–	(2,157)	–	–	–
Dividends to owners of the Company	26	–	–	–	–	–	–	–	(24,319)	(24,319)	–	(24,319)
Acquisition of treasury shares		–	–	–	–	–	–	(2,188)	–	(2,188)	–	(2,188)
Share options exercised		–	225	–	–	–	(76)	255	–	404	–	404
Share-based payment transactions		–	(563)	–	–	–	(1,245)	1,808	–	–	–	–
Value of employee services received for issue of share options	28	–	–	–	–	–	494	–	–	494	–	494
Total contributions by and distributions to owners		2,157	(338)	–	–	–	(827)	(125)	(26,476)	(25,609)	–	(25,609)
At 31 December 2013		12,975	69,205	(45,373)	9,506	(629)	126	(629)	185,475	230,656	(2,273)	228,383

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
Year ended 31 December 2013

	Share capital US$'000	Share premium US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total equity US$'000
Company						
2011						
At 1 January 2011	10,818	68,826	2,076	(824)	21,999	102,895
Profit for the year/Total comprehensive income for the year	–	–	–	–	18,862	18,862
Transactions with owners of the Company recognised directly in equity						
Contributions by and distributions to owners						
Value of employee services received for issue of share options (Note 28)	–	–	1,244	–	–	1,244
Acquisition of treasury shares	–	–	–	(1,797)	–	(1,797)
Share-based payment transactions	–	386	(953)	567	–	–
Dividends (Note 26)	–	–	–	–	(16,846)	(16,846)
Total contributions by and distributions to owners of the Company	–	386	291	(1,230)	(16,846)	(17,399)
At 31 December 2011	10,818	69,212	2,367	(2,054)	24,015	104,358
2012						
At 1 January 2012	10,818	69,212	2,367	(2,054)	24,015	104,358
Profit for the year/Total comprehensive income for the year	–	–	–	–	29,656	29,656
Transactions with owners of the Company recognised directly in equity						
Contributions by and distributions to owners						
Value of employee services received for issue of share options (Note 28)	–	–	606	–	–	606
Share-based payment transactions	–	470	(2,020)	1,550	–	–
Dividends (Note 26)	–	–	–	–	(23,370)	(23,370)
Total contributions by and distributions to owners of the Company	–	470	(1,414)	1,550	(23,370)	(22,764)
At 31 December 2012	10,818	69,682	953	(504)	30,301	111,250

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity (continued)
Year ended 31 December 2013

	Share capital US$'000	Share premium US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total equity US$'000
2013						
At 1 January 2013	10,818	69,682	953	(504)	30,301	111,250
Profit for the year/Total comprehensive income for the year	–	–	–	–	17,921	17,921
Transactions with owners of the Company recognised directly in equity						
Contributions by and distributions to owners						
Value of employee services received for issue of share options (Note 28)	–	–	494	–	–	494
Acquisition of treasury shares	–	–	–	(2,188)	–	(2,188)
Exercise of share options	–	225	(76)	255	–	404
Share-based payment transactions	–	(563)	(1,245)	1,808	–	–
Bonus issue	2,157	–	–	–	(2,157)	–
Dividends (Note 26)	–	–	–	–	(24,319)	(24,319)
Total contributions by and distributions to owners of the Company	2,157	(338)	(827)	(125)	(26,476)	(25,609)
At 31 December 2013	12,975	69,344	126	(629)	21,746	103,562

The accompanying notes form an integral part of these financial statements.

Statements of cash flows
Year ended 31 December 2013

	Group			Company		
	2013	2012 (Restated)*	2011 (Restated)*	2013	2012	2011
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cash flows from operating activities						
Profit for the year	15,775	31,489	26,793	17,921	29,656	18,862
Adjustments for:						
Amortisation of intangible assets	571	571	571	–	–	–
Depreciation of property, plant and equipment	18,826	15,081	12,957	–	–	–
Recognition/(reversal) of impairment loss on trade receivables	2,971	1,626	(35)	–	–	–
Recognition of impairment loss on inventory	1,259	4,066	5,134	–	–	–
(Reversal)/recognition of impairment loss on property, plant and equipment	(313)	267	(283)	–	–	–
(Gain)/loss on disposal of property, plant and equipment	(141)	(136)	26	–	–	–
Equity-settled share-based payment transactions	494	606	1,244	494	606	677
Share of loss of joint venture, net of tax	4,908	6,090	10,589	–	–	–
Dividend income	–	–	–	(25,000)	(35,000)	(25,000)
Finance income	(395)	(824)	(1,460)	–	–	–
Finance expense	5,478	3,883	3,057	–	–	–
Tax expense	1,710	9,030	5,594	–	–	–
	51,143	71,749	64,187	(6,585)	(4,738)	(5,461)
Changes in:						
Other assets	188	(3,130)	(118)	–	–	–
Inventories	5,970	(22,145)	(17,080)	–	–	–
Biological assets	(12,182)	(11,537)	(10,145)	–	–	–
Trade and other receivables	(20,971)	(17,398)	(3,527)	1	(2)	13
Trade and other payables	15,470	8,233	13,421	(103)	(112)	–
Amounts due to subsidiaries (non-trade)	–	–	–	38,620	28,352	23,739
Amounts due from subsidiaries (non-trade)	–	–	–	(5,769)	(109)	(215)
Employee benefits	(1,004)	(72)	(1,449)	–	–	–
Operating cash flows	38,614	25,700	45,289	26,164	23,391	18,076
Taxes paid	(10,846)	(6,180)	(7,189)	–	–	–
Net cash flows from operating activities	27,768	19,520	38,100	26,164	23,391	18,076
Cash flows from investing activities						
Interest received	370	578	498	–	–	–
Proceeds from disposal of property, plant and equipment	444	192	72	–	–	–
Purchase of property, plant and equipment	(24,739)	(17,322)	(18,478)	–	–	–
Additional investment in joint venture	(3,594)	(3,575)	(1,116)	–	–	–
Deposit to escrow account related to the Acquisition (Note 15 and 35)	(100,000)	–	–	(100,000)	–	–
Net cash flows used in investing activities	(127,519)	(20,127)	(19,024)	(100,000)	–	–
Cash flows from financing activities						
Interest paid	(3,644)	(4,096)	(4,077)	–	–	–
Proceeds from borrowings	1,107,203	1,268,396	533,567	–	–	–
Repayment of borrowings	(956,638)	(1,245,912)	(526,511)	–	–	–
Loans from subsidiaries	–	–	–	100,000	–	–
Proceeds from exercise of share options	404	–	–	404	–	–
Acquisition of treasury shares	(2,188)	–	(1,797)	(2,188)	–	(1,230)
Dividends paid	(24,319)	(23,370)	(16,846)	(24,319)	(23,370)	(16,846)
Net cash flows from/(used in) financing activities	120,818	(4,982)	(15,664)	73,897	(23,370)	(18,076)
Net increase/(decrease) in cash and cash equivalents	21,067	(5,589)	3,412	61	21	–
Cash and cash equivalents at beginning of year	24,555	20,877	17,506	232	211	211
Effect of exchange rate changes on balances held in foreign currency	(12,701)	9,267	(41)	–	–	–
Cash and cash equivalents at end of year (Note 15)	32,921	24,555	20,877	293	232	211

* *see Note 2.5 (iii)*

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 18 March 2014.

1. Domicile and activities

Del Monte Pacific Limited (the "Company") was incorporated in the British Virgin Islands on 27 May 1999 under the International Business Companies Ordinance, Chapter 291 of the laws of the British Virgin Islands, as an international business company. On 2 August 1999, the Company was admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 10 June 2013, the Company was also listed on the Philippine Stock exchange ("PSE"). The registered office of the Company is located at Craigmuir Chambers, Road Town, Tortola, 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 concentrate, tropical mixed fruit, tomato-based products, and certain other food products mainly under the brand names of "Del Monte" and "S&W". The details of the Company's subsidiaries and their principal activities are set out in Note 5.

The immediate holding company is NutriAsia Pacific Limited whose ultimate shareholders are NutriAsia Inc and Well Grounded Limited which at 31 December 2013 hold 57.8% and 42.2% (2012: 57.8% and 42.2%), respectively, through their intermediary companies. NutriAsia Pacific Limited, NutriAsia Inc and Well Grounded Limited are incorporated in the British Virgin Islands.

The financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in United States ("US") dollars, which is the Company's functional currency. All financial information presented in US dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment within the next financial year are included in the following notes:

Note 4 – Useful lives of property, plant and equipment
Note 6 – Recoverability of investment in joint venture
Note 7 – Recoverability of intangible assets
Note 10 – Measurement of biological assets
Note 11 – Net realisable values of inventories
Note 13 – Recoverability of trade receivables
Note 19 – Measurement of retirement benefit obligations
Note 24 – Measurement of tax
Note 28 – Measurement of share option and incentive plans

2.5 Changes in accounting policies

(i) Presentation of Items of Other Comprehensive Income (*Amendments to IAS 1, Presentation of Financial Statements*)

From 1 January 2013, as a result of the amendments to IAS 1, the Group has modified the presentation of items of other comprehensive income in its consolidated statement of comprehensive income to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has also been re-presented accordingly.

The adoption of the amendment to IAS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

(ii) IAS 19, *Employee Benefits*

From 1 January 2013, as a result of IAS 19 (2011), the Group has changed its accounting policy with respect to the basis for determining the income or expense related to defined benefit plans, the costs of managing plan assets and definition of employee benefits as short-term or other long-term employee benefits.

A subsidiary, Del Monte Philippines Inc. ("DMPI"), has a funded, non-contributory defined benefit retirement plan covering substantially all of its officers and regular full-time employees. The benefits are based on a percentage of latest monthly salary and credited years of service.

IAS 19 (2011) has been applied retrospectively from 1 January 2011. As a result, expected returns on plan assets of the defined benefit plan are not recognised in profit or loss. Instead, interest on net defined benefit obligation is recognised in profit or loss, calculated using the discount rate used to discount the defined benefit obligation.

Also, unvested past service costs can no longer be deferred and recognised over the future vesting period. Instead, all past service costs are recognised at the earlier of when the amendment occurs and when the Group recognises related restructuring or termination costs. Until 2012, the Group's unvested past service costs were recognised as an expense on a straight-line basis over the average period until the benefits become vested. Upon transition to IAS 19 (2011), past service costs are recognised immediately if the benefits have vested immediately following the introduction of, or changes to, the retirement plan.The amendments were applied on a retrospective basis and comparative statements for 2011 have been restated to reflect the change in accounting policy.

Previously, the liability arising from the defined benefit plan was accounted for as a short-term employee benefit. Under IAS 19 (2011), the Group classifies the liability as a long-term employee benefit.

These amendments were applied retrospectively. The effect on the financial statements is set out in Note 2.5(iii).

(iii) Summary of quantitative impact arising from adoption of new standards or revisions to standards

The following tables summarise the material impacts resulting from the above changes in accounting policies with respect to the adoption of IAS19 (2011), *Employee Benefits* (see Note 2.5(ii)), on the Group's statement of financial position, income statement and statement of comprehensive income.

Consolidated statement of financial position

	Effect of changes in accounting policy		
	As previously reported US$'000	**Increase/ (decrease) US$'000**	**As restated US$'000**
As at 1 January 2012			
Deferred tax assets	1,259	1,575	2,834
Total assets	423,891	1,575	425,466
Employee benefits	1,032	5,251	6,283
Total liabilities	194,849	5,251	200,100
Reserves	219,698	(3,676)	216,022
Total equity	229,042	(3,676)	225,366
As at 31 December 2012			
Deferred tax assets	698	1,133	1,831
Total assets	495,520	1,133	496,653
Employee benefits	1,430	3,778	5,208
Total liabilities	242,219	3,778	245,997
Reserves	244,422	(2,645)	241,777
Total equity	253,301	(2,645)	250,656

Consolidated statement of financial position (continued)
As at 31 December 2013

	Effect of changes in accounting policy US$'000
Deferred tax assets	180
Overall increase in total assets at the end of the year	180
Employee benefits	599
Overall decrease in total liabilities at the end of the year	599
Reserves	(419)
Overall increase in total equity at the end of the year	(419)

Consolidated income statement and statement of comprehensive income
For the year ended 31 December 2011

	Effect of changes in accounting policy		
	As previously reported US$'000	Increase/ (decrease) US$'000	As restated US$'000
General and administrative expenses	26,627	(288)	26,339
Tax	5,508	86	5,594
Profit for the year	26,591	202	26,793
Remeasurement of retirement benefit	–	423	423
Tax effect of remeasurement of retirement benefit	–	(127)	(127)
Other comprehensive income for the year, net of tax	(1,444)	296	(1,148)
Total comprehensive income for the year	25,147	498	25,645

For the year ended 31 December 2012

	Effect of changes in accounting policy		
	As previously reported US$'000	Increase/ (decrease) US$'000	As restated US$'000
General and administrative expenses	28,017	194	28,211
Tax	9,088	(58)	9,030
Profit for the year	31,625	(136)	31,489
Remeasurement of retirement benefit	–	1,667	1,667
Tax effect of remeasurement of retirement benefit	–	(500)	(500)
Other comprehensive income for the year, net of tax	15,398	1,167	16,565
Total comprehensive income for the year	47,023	1,031	48,054

Consolidated income statement and statement of comprehensive income (continued)
For the year ended 31 December 2013

	Effect of changes in accounting policy Increase/ (decrease) US$'000
General and administrative expenses	(241)
Tax	72
Profit for the year	169
Remeasurement of retirement benefit	2,939
Tax effect of remeasurement of retirement benefit	(882)
Other comprehensive income for the year, net of tax	2,057
Total comprehensive income for the year	2,226

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combination

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations* as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:
- the fair value of consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase option is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on a transaction-by-transaction basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(iii) Acquisition under common control

The formation of the Group in 1999 was accounted for as a reorganisation of companies under common control using merger accounting. The financial statements therefore reflect the combined financial statements of all companies that form the Group as if they were a Group for all periods presented. The assets and liabilities of Del Monte Pacific Resources Limited and its subsidiaries contributed to the Company have been reflected at predecessor cost in these financial statements.

(iv) Investments in joint venture (equity-accounted investees)

The Group's interest in equity-accounted investees is comprised of an interest in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interest in the joint venture is accounted for using the equity method. It is initially recognised at cost, which includes transactions costs. Subsequent to the initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of the equity-accounted investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to US dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to US dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes on only part of its investment in joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

3.3 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables (see Note 12) and cash and cash equivalents (see Note 15).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and restricted cash.

(ii) Non-derivative financial liabilities

The Group initially recognises financial liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities comprise loans and borrowings and trade and other payables.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses except for freehold land, which are stated at its revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated impairment losses. Revaluation is carried out by independent professional valuers regularly such that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in the revaluation amount is recognised in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value of the same asset that was recognised in profit or loss. A decrease in value is recognised in profit or loss where it exceeds the increase previously recognised in the revaluation reserve. Upon disposal, any related revaluation reserve is transferred from other comprehensive income to revenue reserves and is not taken into account in arriving at the gain or loss on disposal.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the cost of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss. When revalued assets are sold, any related amount included in the revaluation reserve is transferred to retained earnings.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Construction-in-progress represents plant and properties under construction and is not depreciated until such time as the relevant assets are completed and become available for use.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is recognised in profit or loss on a straight-line basis over their estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Buildings on freehold land	-	15 to 45 years
Buildings, land improvements and leasehold improvements	-	3 to 45 years
Machinery and equipment	-	3 to 30 years
Dairy and breeding herd	-	3½ years to 6 years

Dairy and breeding herd relates to livestock (cattle) being reared for milking and breeding purposes.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.5 Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets and is measured at cost less accumulated impairment losses. Goodwill arising on the acquisition of joint ventures is presented together with investments in joint venture. Goodwill is tested for impairment as described in Note 3.9(ii).

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iv) Amortisation

Amortisation is based on the cost of an asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Trademarks	-	40 years
Label development costs	-	10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.6 Biological assets

Biological assets comprise growing crops and livestock.

Biological assets (growing crops), for which fair values cannot be measured reliably, are measured at cost less accumulated impairment losses. Expenditure on growing crops includes land preparation expenses and other direct expenses incurred during the cultivation period of the primary and ratoon crops. These expenditures on growing crops are deferred and taken into inventories based on the estimated total yield during the estimated growth cycle of three years.

The cost method of valuation was used since fair value cannot be measured reliably. The growing crops have no active markets and no similar assets are available in the relevant markets. In addition, existing sector benchmarks are irrelevant and estimates necessary to compute for the present value of expected net cash flows comprise a wide range of data which will not result in a reliable basis for determining the fair value. Growing crops are classified as current assets in the statement of financial position.

At the point of harvest, the fair value of the agricultural produce that are used in processed products can be estimated using a cost plus margin basis. The margin is the estimated average margin of the processed products (which comprise concentrates, sliced pineapples, etc.). The fair value of the remaining agricultural produce can be determined and the harvest crop are measured at fair value less cost to sell. The difference between estimated cost of the harvested agricultural produce and fair value less cost to sell is recorded in profit or loss in the period in which they arise. The fair value of the harvested agricultural produce is determined based on the market value of the agricultural produce at the point of harvest.

Biological assets (livestock) are measured at fair value less costs to sell, with any changes therein recognised in profit or loss. Costs to sell include all costs that would be necessary to sell the assets. Gains and losses arising from such measurement are included in profit or loss in the period in which they arise.

3.7 Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Group's statement of financial position.

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost of finished goods is based on the weighted average method, while the cost of production materials and storeroom items is based on the weighted moving average method. Cost of processed inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

3.9 Impairment

(i) Non-derivative financial assets

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Defined benefit pension plan

A defined benefit pension plan requires contributions to be made to separately administered funds. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(iv) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(v) Share-based payment transactions

The Group grants share awards and share options for the shares of the Company to employees of the Group. The fair value of incentives granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and accounted for as described below.

Share awards

The fair value, measured at grant date, is spread over the period during which the employees become unconditionally entitled to the shares.

Share options

The fair value, measured at grant date, is spread over the vesting period during which the employees become unconditionally entitled to the options. At each reporting date, the Company revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates in employee expense and in a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transactions costs are credited to share capital when the options are exercised.

3.11 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3.12 Revenue recognition

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measure reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

The timing of transfers of risks and rewards varies depending on the individual terms of the contract of sale but usually occurs when the customer receives the product.

(ii) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

3.13 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expenses, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so at to produce a constant periodic rate of interest on the remaining balance of the liability.

3.14 Finance income and finance costs

Finance income comprises interest income on funds invested and foreign currency gains. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance expense comprises interest expense on borrowings and foreign currency losses. All borrowing costs are recognised in profit or loss using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.15 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.16 Dividends

A liability to make dividend payments is recognised when the Group declares dividend payments to the shareholders. The proposed dividends are disclosed if the Group declares the dividends to the shareholders after the reporting date.

3.17 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise restricted share plan and share options granted to employees.

3.18 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Executive Committee to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

3.19 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

4. Property, plant and equipment

Group	<------	------	------ At cost ------	------	------>	Valuation	
	Buildings on freehold land US$'000	Buildings, land improvements and leasehold improvements US$'000	Machinery and equipment US$'000	Dairy and breeding herd US$'000	Construction -in-progress US$'000	Freehold land US$'000	Total US$'000
Cost/Valuation							
At 1 January 2012	19,012	8,863	133,192	233	15,857	8,290	185,447
Additions	161	95	4,148	–	12,918	–	17,322
Disposals	–	–	(2,202)	–	–	–	(2,202)
Reclassifications	427	938	8,060	–	(9,425)	–	–
Currency realignment	994	1,235	9,508	16	1,209	314	13,276
At 31 December 2012	20,594	11,131	152,706	249	20,559	8,604	213,843
At 1 January 2013	20,594	11,131	152,706	249	20,559	8,604	213,843
Additions	946	3,813	6,819	–	13,161	–	24,739
Disposals	(103)	(125)	(5,650)	–	–	–	(5,878)
Reclassifications	(595)	854	14,284	–	(15,661)	1,118	–
Surplus on revaluation	–	–	–	–	–	6,387	6,387
Currency realignment	(1,176)	(1,105)	(11,394)	(19)	(1,537)	(727)	(15,958)
At 31 December 2013	19,666	14,568	156,765	230	16,522	15,382	223,133

	At cost					Valuation	
	Buildings on freehold land US$'000	**Buildings, land improvements and leasehold improvements US$'000**	**Machinery and equipment US$'000**	**Dairy and breeding herd US$'000**	**Construction -in-progress US$'000**	**Freehold land US$'000**	**Total US$'000**
Accumulated depreciation and impairment losses							
At 1 January 2012	5,356	3,843	90,603	233	–	–	100,035
Charge for the year	945	1,044	13,092	–	–	–	15,081
Impairment loss	(2)	(73)	342	–	–	–	267
Disposals	–	–	(2,146)	–	–	–	(2,146)
Currency realignment	281	133	6,826	16	–	–	7,256
At 31 December 2012	6,580	4,947	108,717	249	–	–	120,493
At 1 January 2013	6,580	4,947	108,717	249	–	–	120,493
Charge for the year	648	2,352	15,826	–	–	–	18,826
Reversal of impairment loss	(26)	(23)	(264)	–	–	–	(313)
Disposals	(100)	(87)	(5,388)	–	–	–	(5,575)
Currency realignment	(434)	(117)	(9,193)	(19)	–	–	(9,763)
At 31 December 2013	6,668	7,072	109,698	230	–	–	123,668
Carrying amount							
At 1 January 2012	13,656	5,020	42,589	–	15,857	8,290	85,412
At 31 December 2012	14,014	6,184	43,989	–	20,559	8,604	93,350
At 31 December 2013	12,998	7,497	47,067	–	16,522	15,382	99,465

As at 31 December 2013, the net carrying amount of leased property, plant and equipment was US$171,000 (2012: US$353,000).

Impairment loss relating to machinery and equipment are recognised/(reversed) in "Other expenses" in the income statement.

At 31 December 2013, the Group has no legal or constructive obligation to dismantle any of its leasehold improvements as the lease contracts provide, among other things, that the improvements introduced on the leased assets shall become the property of the lessor upon termination of the lease.

Freehold land of the Group located in the Philippines as at 31 December 2013 is stated at fair value of US$6,871,000 (2012: US$5,941,000) based on an independent valuation by Cuervo Appraisers Inc, Pasig City, Philippines, on a sales comparison approach close to the reporting date.

Freehold land of the Group located in Singapore as at 31 December 2013 is stated at fair value of US$8,511,000 (2012: US$3,781,000) based on an independent valuation by CB Richard Ellis, Singapore, on a sales comparison approach close to the reporting date.

As at 31 December 2013, management recognised additional gain on revaluation of freehold land of $6,387,000 credited to "Other comprehensive income" in the equity portion of the statement of financial position.

The carrying amount of the freehold land would have been US$2,282,000 (2012: US$2,282,000) had the freehold land been carried at cost less impairment losses.

Source of estimation uncertainty

The costs of property, plant and equipment, except for freehold land, are depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment to be between 3 to 45 years. The Group reviews annually the estimated useful lives of property, plant and equipment based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned. A reduction in the estimated useful lives of property, plant and equipment would increase depreciation expense and decrease non-current assets.

5. Subsidiaries

	Company	
	2013	**2012**
	US$'000	**US$'000**
Unquoted equity shares, at cost	10,199	10,199
Amounts due from subsidiaries (non-trade)	75,243	75,243
	85,442	85,442

The amounts due from subsidiaries are unsecured and interest-free. Settlement of the balances are neither planned nor likely to occur in the foreseeable future as they are, in substance, a part of the Company's net investment in the subsidiaries. Accordingly, they are stated at cost less accumulated impairment losses.

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 2013 %	2012 %
Held by the Company				
Del Monte Pacific Resources Limited ("DMPRL") [4]	Investment holding	British Virgin Islands	100.00	100.00
DMPL India Pte Ltd ("DMPLI") [1]	Investment holding	Singapore	100.00	100.00
DMPL Management Services Pte Ltd ("DMS") [1]	Providing administrative support and liaison services to the Group	Singapore	100.00	100.00
GTL Limited ("GTL") [1]	Trading food products mainly under the brand names, "Del Monte" and buyer's own label	Federal Territory of Labuan, Malaysia	100.00	100.00
S&W Fine Foods International Limited ("S&W") [1]	Selling processed and fresh food products under the "S&W" trademark; Owner of the "S&W" trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe and Africa	British Virgin Islands	100.00	100.00
DMPL Foods Limited ("DMPLFL") [5]	Investment holding	British Virgin Islands	100.00	–
Del Monte Foods Holdings Limited ("DMPLFHL") [5]	Investment holding	British Virgin Islands	100.00	–
Del Monte Foods Inc. ("DMFI") [5]	Investment holding	State of Delaware, USA	100.00	–
Held by DMPRL				
Central American Resources, Inc ("CARI") [1]	Investment holding	Panama	100.00	100.00
Held by CARI				
Del Monte Philippines, Inc ("DMPI") [2]	Growing, processing and distribution of food products mainly under the brand names "Del Monte".	Philippines	100.00	100.00
Dewey Limited ("Dewey") [4]	Owner of trademarks in various countries; investment holding	Bermuda	100.00	100.00
Pacific Brands Philippines, Inc [4]	Inactive	State of Delaware, USA	100.00	100.00
Held by DMPLI				
Del Monte Foods India Private Limited ("DMFIPL") [4] [5]	Manufacturing, processing and distributing food, beverages and other related products	Mumbai, India	100.00	100.00
DMPL India Limited [3]	Investment holding	Mauritius	93.50	92.80

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 2013 %	2012 %
Held by DMPI				
Philippines Packing Management Services Corporation [2]	Management, logistics and support services	Philippines	100.00	100.00
Held by Dewey				
Dewey Sdn. Bhd. [3]	Owner of the "Del Monte" and "Today's" trademarks in the Philippines	Malaysia	100.00	100.00

(a) 0.1% held by DMPRL.
[1] Audited by KPMG LLP Singapore.
[2] Audited by member firm of KPMG International.
[3] Audited by other certified public accountants. Subsidiary is not significant under rule 718 of the SGX-ST Listing Manual.
[4] Not required to be audited in the country of incorporation.
[5] Newly incorporated entity not required to be audited during the current financial year.

A subsidiary is considered significant as defined under the SGX-ST Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

6. Joint venture

Details of the joint venture that is held by DMPL India Limited are as follows:

Name of company	:	FieldFresh Foods Private Limited ("FFPL") *
Principal activities	:	Production and sale of fresh and processed fruits and vegetables food products
Country of incorporation/business	:	India
Effective equity held by the Group	:	46.70% (2012: 46.40%)

* Audited by Deloitte Haskins & Sells, Gurgaon, India.

The summarised financial information of the joint venture, not adjusted for the percentage ownership held by the Group, is as follows:

	2013 US$'000	2012 US$'000
Assets and liabilities		
Non-current assets	22,985	26,744
Current assets	18,126	16,283
Total assets	41,111	43,027
Current liabilities	11,578	17,504
Non-current liabilities	28,935	23,011
Total liabilities	40,513	40,515
Net assets	598	2,512

	2013 US$'000	2012 US$'000
Results		
Revenue	47,080	39,360
Expenses	(56,896)	(51,539)
Loss after taxation	(9,816)	(12,179)

Deferred tax assets have not been recognised by the Joint Venture in respect of the following items:

	2013 US$'000	2012 US$'000
Deductible temporary differences	(585)	(2,766)
Tax losses	61,668	70,086
	61,083	67,320

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

Management has not recognised the deferred tax assets because a trend of profitable growth in the joint venture is not yet established. Once profitable growth can be clearly determined, the unrecognised deferred tax asset will be recognised by the Group, resulting in the Group's share of tax income of US$9,437,000 (2012: US$10,401,000).

In respect of the Group's investment in the joint venture, the joint venture is committed to incur capital expenditure of US$526,000 (2012: US$528,000), of which the Group's share of commitment is US$263,000 (2012: US$264,000). The Group is itself committed to incur capital expenditure of US$1,609,000 (2012: US$4,869,000) in relation to its interest in the joint venture, which is expected to be settled in 2014.

As at 31 December 2013, the joint venture no longer has an outstanding contingent liability in respect of a claim from Dole Fresh Fruit Europe OHG ("Dole") (2012: US$489,000) due to price variance arising from declines in market price of grapes in Europe. The claim has exceeded the three year period of limitation as prescribed by the Indian Limitation Act.

Source of estimation uncertainty

When the joint venture has suffered operating losses, a test is made to assess whether the investment in joint venture has suffered any impairment by determining the recoverable amount. This determination requires significant judgment. An estimate is made of the future profitability, cash flow, financial health and near-term business outlook of the joint venture, including factors such as market demand and performance. The recoverable amount will differ from these estimates as a result of differences between assumptions used and actual operations.

Since its acquisition, the Indian sub-continent trademark (Note 7) and the investment in FFPL were allocated to the Indian sub-continent cash-generating unit ("Indian sub-continent CGU"). The recoverable amount of Indian sub-continent CGU was estimated using the discounted cash flows based on five-year cashflow projections approved by FFPL's Board of Directors.

Key assumptions used in discounted cash flow projection calculations

Key assumptions used in the calculation of recoverable amounts are discount rates, revenue growth rates and terminal value growth rate. The values assigned to the key assumptions represented management assessment of future trends in the industries and were based on both external and internal sources.

Discount rate: 14.3%

The discount rate is a post-tax measure estimated based on past experience, and industry average weighted average cost of capital, which is based on a possible rate of debt leveraging of 57% at a market interest rate of 12.2%.

Revenue growth rate: 22% - 40%

Revenue growth rate is expressed as a compound annual growth rates in the initial five years of the plans used for impairment testing. In the first year of the business plan, revenue growth rate was projected at 40% based on the near-term business plan and market demand. The annual revenue growth included in the cash flow projections for the years 2015 to 2018 was projected at the range from 22% to 27% based on the historical growth in volume and prices and industry growth.

Terminal value growth rate: 5.00%

A long-term growth rate into perpetuity has been determined based on management's estimate of the long-term compound annual growth rate in EBITDA which management believed was consistent with the assumption that a market participant would make.

Sensitivity to changes in assumptions

The estimated recoverable amount exceeds its carrying amount of investment and trade mark (Note 7) and accordingly no impairment loss is recorded.

Management has identified two key assumptions for which there could be a reasonably possible change that could cause the carrying amount to exceed the recoverable amount. The impacts on the recoverable amounts at the end of reporting period as a result of a change in the respective assumptions are follows:

2013

- A 5% decrease in revenue growth rate for the years 2015 to 2018 would decrease the recoverable amount by 50%.
- A 10% increase in discount rate would decrease the recoverable amount by 25%.

2012

- A 10% decrease in forecast revenue would decrease the recoverable amount by 22%.
- A one percentage point increase in discount rate would decrease the recoverable amount by 15%.

This analysis assumes that all other variables remain constant.

7. Intangible assets

	Trademarks US$'000
Cost	
At 1 January 2012	22,310
At 31 December 2012	22,310
At 1 January 2013	22,310
At 31 December 2013	22,310
Accumulated amortisation	
At 1 January 2012	6,306
Amortisation	571
At 31 December 2012	6,877
At 1 January 2013	6,877
Amortisation	571
At 31 December 2013	7,448
Carrying amount	
At 1 January 2012	16,004
At 31 December 2012	15,433
At 31 December 2013	14,862

The amortisation is recognised under "Other expenses" in the income statement.

Trademarks

Indian sub-continent trademark

In November 1996, a subsidiary, DMPRL, entered into a sub-license agreement with an affiliated company to acquire the exclusive right to use the "Del Monte" trademark in the Indian sub-continent territories in connection with the production, manufacture, sale and distribution of food products and the right to grant sub-licences to others ("Indian sub-continent trademark"). This led to the acquisition of the joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the company's product under the "Del Monte" brand name.

The net carrying amount and the remaining amortisation period of the Indian sub-continent trademark as at 31 December 2013 are US$4,364,000 and 23 years (2012: US$4,554,000 and 24 years) respectively.

The Indian sub-continent trademark and the investment in FFPL were allocated to Indian sub-continent CGU. See Note 6 for the assessment of the recoverable amount of this CGU.

Philippines trademarks

A subsidiary, Dewey, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("Philippines trademarks"). The net carrying amount and the remaining amortisation period of the Philippines trademarks as at 31 December 2013 are US$1,924,000 and 17 years (2012: US$2,037,000 and 18 years) respectively.

Management has reviewed for indicators of impairment for the Philippines trademarks and concluded that no indication of impairment exist at the reporting date.

S&W trademark

In November 2007, a subsidiary, S&W Fine Foods International Limited, entered into an agreement with Del Monte Corporation to acquire the exclusive right to use the "S&W" trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe and Africa for a total consideration of US$10,000,000. The net carrying amount and the remaining amortisation period of the "S&W" trademark as at 31 December 2013 are US$8,493,000 and 34 years (2012: US$8,743,000 and 35 years) respectively.

Management has reviewed for indicators of impairment for the "S&W" trademark and concluded that no indication of impairment exist at the reporting date.

Source of estimation uncertainty

The trademarks and label development costs are assessed for impairment whenever there is an indication that the trademarks and label development costs may be impaired. The impairment assessment requires an estimation of the value-in-use of the cash-generating units to which the trademarks and label development costs are allocated.

Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and apply an appropriate suitable discount rate in order to calculate the present value of those cash flows. Actual cash flows will differ from these estimates as a result of differences between assumptions used and actual operations.

8. Deferred tax assets

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

Movements in deferred tax assets and liabilities of the Group during the year are as follows:

Group	At 1 January US$'000	Charged/ (credited) to profit or loss US$'000	Charged/ (credited) to other comprehensive income US$'000	Currency realignment US$'000	At 31 December US$'000
2013					
Deferred tax assets					
Provisions	4,964	7,885	(1)	(375)	12,473
Employee benefits	1,562	(14)	(882)	(104)	562
Impairment loss made on property, plant and equipment	92	169	–	(5)	256
Foreign exchange differences	114	772	–	–	886
	6,732	8,812	(883)	(484)	14,177
Deferred tax liabilities					
Revaluation of freehold land	(1,782)	17	(412)	117	(2,060)
Accelerated depreciation allowance	(719)	108	–	55	(556)
Growing crops	(2,400)	1,201	–	193	(1,006)
	(4,901)	1,326	(412)	365	(3,622)
Net deferred tax assets	1,831	10,138	(1,295)	(119)	10,555

Group	At 1 January US$'000	Charged/ (credited) to profit or loss US$'000	Charged/ (credited) to other comprehensive income US$'000	Currency realignment US$'000	At 31 December US$'000
2012					
Deferred tax assets (Restated)*					
Provisions	4,157	(13)	111	709	4,964
Employee benefits	1,885	45	(500)	132	1,562
Impairment loss made on property, plant and equipment	141	(51)	–	2	92
Foreign exchange differences	1,172	(1,000)	–	(58)	114
	7,355	(1,019)	(389)	785	6,732
Deferred tax liabilities					
Revaluation of freehold land	(1,563)	–	(111)	(108)	(1,782)
Accelerated depreciation allowance	(764)	86	–	(41)	(719)
Growing crops	(2,194)	(48)	–	(158)	(2,400)
	(4,521)	38	(111)	(307)	(4,901)
Net deferred tax assets	2,834	(981)	(500)	478	1,831

* *see Note 2.5 (m)*

The total amount of potential income tax consequences that would arise from the payment of dividends to the shareholders of the Company, resulting from a withholding tax of 15% on the total revenue reserve as at 31 December 2013 of a subsidiary based in the Philippines, is approximately US$17,163,000 (2012: US$14,084,000). No provision has been made in respect of this potential income tax as it is the Company's intention to permanently reinvest these reserves in the Philippines and not to distribute them as dividends.

9. Other assets

	Group 2013 US$'000	Group 2012 US$'000
Advances to growers	7,411	8,456
Advance rentals and deposits	2,970	1,129
Land expansion (development costs of acquired leased areas)	2,374	3,817
Others	453	1,064
	13,208	14,466

The advances to growers may be applied against the minimum guaranteed profits to growers.

Land expansion comprises development costs of newly acquired leased areas including costs such as creation of access roads, construction of bridges and clearing costs. These costs are amortised on a straight-line basis over the lease periods of 10 years (2012: 10 years).

Others comprise of land development costs incurred on leased land used for the cultivation of growing crops. These costs are amortised over a period of 10 years (2012: 10 years).

10. Biological assets

	Group 2013 US$'000	Group 2012 US$'000
Growing crops (at cost)		
At 1 January	108,067	90,529
Additions	82,831	83,910
Harvested	(71,329)	(72,614)
Currency realignment	(8,080)	6,242
At 31 December	111,489	108,067
Livestock (at cost)		
At 1 January	1,506	1,176
Purchases of livestock	488	717
Sales of livestock	(196)	(389)
Currency realignment	(113)	2
At 31 December	1,685	1,506
Livestock (at fair value)		
At 1 January	92	86
Purchases of livestock	–	305
Changes in fair value attributable to price changes (Note 22)	182	(9)
Sales of livestock	(266)	(383)
Currency realignment	(8)	93
At 31 December	–	92
Total biological assets	113,174	109,665
Non-current	1,685	1,598
Current	111,489	108,067

The fair value of agricultural produce harvested during the year amounted to US$83,167,000 (2012: US$82,630,000).

Growing crops

Estimated hectares planted with growing crops are as follows:

	Group 2013	Group 2012
Pineapples	14,744	14,968
Papaya	170	154

Estimated fruits harvested, in metric tons, from the growing crops are as follows:

	Group 2013	Group 2012
Pineapples	704,620	721,088
Papaya	4,668	7,274

Source of estimation uncertainty

Growing crops is stated at cost which comprises actual costs incurred in nurturing the crops reduced by the estimated cost of fruits harvested. The cost of fruits harvested from the Group's plant crops and subsequently used in production is the estimated cost of the actual volume of fruits harvested in a given period. An estimated cost is necessary since the growth cycle of the plant crops is beyond twelve months, hence actual growing costs are not yet known as of reporting date. The estimated cost is developed by allocating estimated growing costs for the estimated growth cycle of two to three years over the estimated harvests to be made during the life cycle of the plant crops. Estimated growing costs are affected by inflation and foreign exchange rates, volume and labour requirements. Estimated harvest is affected by natural phenomenon such as weather patterns and volume of rainfall. Field performance and market demand also affect the level of estimated harvests. The Group reviews and monitors the estimated cost of harvested fruits regularly. Increases in cost of harvested fruits increases the value of inventories in the statement of financial position and reduces the carrying amount of growing costs reflected as biological assets.

Livestock

Livestock comprises growing herd and cattle for slaughter and is stated at fair value. The fair value is determined based on the actual selling prices approximating those at year end less estimated point-of-sale costs.

Source of estimation uncertainty

The fair value of cattle for slaughter is based on the market prices from the various relevant markets. Fair value of the cattle for slaughter is measured on initial recognition and at each reporting date, with changes in fair value recognised in profit or loss. The fair value is based on market prices of mature cattle ready for slaughter. Since market prices used as the basis for fair value refer to mature cattle, the market price for immature cattle already identified for slaughter is adjusted to account for the growing cost to be incurred for the immature cattle for slaughter to mature.

11. Inventories

	Group	
	2013	**2012**
	US$'000	**US$'000**
Finished goods		
- at cost	11,892	24,172
- at net realisable value	14,794	5,725
Semi-finished goods		
- at cost	1,244	20,912
- at net realisable value	8,620	234
Raw materials and packaging supplies		
- at net realisable value	61,612	62,415
	98,162	113,458

In 2013, raw materials, consumables and changes in finished goods and semi-finished goods recognised as cost of sales amounted to US$277,123,000 (2012: US$256,097,000, 2011: US$ 252,957,000).

Inventories are stated after allowance for inventory obsolescence. Movements in the allowance for inventory obsolescence during the financial year are as follows:

	Group	
	2013	**2012**
	US$'000	**US$'000**
At 1 January	12,156	8,788
Allowance for the year (Note 22)	1,259	4,066
Write-off against allowance	(4,565)	(1,331)
Currency realignment	(982)	633
At 31 December	7,868	12,156

Source of estimation uncertainty

The Group recognises allowance on inventory obsolescence when inventory items are identified as obsolete. Obsolescence is based on the physical and internal condition of inventory items. Obsolescence is also established when inventory items are no longer marketable. Obsolete goods when identified are charged to income statement and are written off. In addition to an allowance for specifically identified obsolete inventory, estimation is made on a group basis based on the age of the inventory items. The Group believes such estimates represent a fair charge of the level of inventory obsolescence in a given year. The Group reviews on a monthly basis the condition of its inventory. The assessment of the condition of the inventory either increases or decreases the expenses or total inventory

12. Trade and other receivables

		Group		Company	
	Note	**2013**	**2012**	**2013**	**2012**
		US$'000	**US$'000**	**US$'000**	**US$'000**
Trade receivables	13	90,358	83,403	–	–
Deposits, prepayments and other receivables	14	24,746	18,985	3	4
Amounts due from subsidiaries (non-trade)		–	–	110,924	80,155
Trade and other receivables		115,104	102,388	110,927	80,159
Prepayments		(12,702)	(8,898)	–	–
Downpayment to contractors		(9,167)	(6,359)	–	–
Loans and receivables		93,235	87,131	110,927	80,159

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

The increase in amounts due from subsidiaries of US$25,000,000 (2012: US$35,000,000) relates to dividends declared but not yet paid by a subsidiary.

The ageing of loans and receivables at the reporting date is:

	Group			
	2013		2012	
	Gross US$'000	Impairment losses US$'000	Gross US$'000	Impairment losses US$'000
Not past due	75,771	(11)	70,946	(129)
Past due 0 - 60 days	15,090	–	10,925	–
Past due 61 - 90 days	1,163	–	1,854	–
Past due 91 - 120 days	270	–	168	–
More than 120 days	7,452	(6,500)	7,221	(3,854)
	99,746	(6,511)	91,114	(3,983)

The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

13. Trade receivables

	Group	
	2013 US$'000	2012 US$'000
Trade receivables	96,869	87,386
Less: Allowance for doubtful receivables (trade)	(6,511)	(3,983)
	90,358	83,403

Source of estimation uncertainty

Under the supply contract with Del Monte Corporation, the Group is entitled to price adjustments arising from the difference between the actual and initial billing prices. Since the actual billing price cannot be determined at each reporting date, a probable price is estimated based on factors which include, but are not limited to, known market factors and preliminary discussions and negotiations.

The maximum exposure to credit risk for trade receivables at the reporting date (by geographical region) is:

	Group	
	2013 US$'000	2012 US$'000
Asia Pacific	66,017	63,309
Europe and North America	24,341	20,094
	90,358	83,403

Movements in allowance for doubtful receivables (trade) during the financial year are as follows:

	Group 2013 US$'000	Group 2012 US$'000
At 1 January	3,983	1,871
Allowance recognised for the year (trade) (Note 22)	2,971	1,626
Write-off against allowance	(185)	(60)
Currency realignment	(258)	546
At 31 December	6,511	3,983

Source of estimation uncertainty

The Group maintains allowance for doubtful accounts at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's relationship with debtors, their payment behaviour and known market factors. The Group reviews the age and status of receivables, and identifies accounts that are to be provided with allowance on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Group made different judgment or utilised different estimates. An increase in the Group's allowance for doubtful accounts would increase the Group's recorded operating expenses and decrease current assets.

14. Deposits, prepayments and other receivables

	Group		Company	
	2013 US$'000	2012 US$'000	2013 US$'000	2012 US$'000
Prepayments	12,702	8,898	–	–
Downpayment to contractors	9,168	6,359	–	–
Other recoverables	2,876	2,996	3	4
Deposits	–	732	–	–
	24,746	18,985	3	4

15. Cash and cash equivalents

	Group		Company	
	2013 US$'000	2012 US$'000	2013 US$'000	2012 US$'000
Cash and cash equivalents	132,921	24,555	100,293	232
Less: Restricted cash	(100,000)	–	(100,000)	–
Cash and cash equivalents in the statement of cash flow	32,921	24,555	293	232

Cash and cash equivalents comprise cash balances and restricted cash. Certain of the cash and bank balances earn interest at floating rates based on daily bank deposit rates ranging from 0.4% to 4.5% (2012: 1.0% to 2.5%) per annum.

The Company deposited US$100 million into an escrow account, which could be released to Del Monte Corporation ("DMC") in the event that the Company does not complete the Acquisition under certain circumstances. The Acquisition was completed on 18 February 2014 (Note 35) and this amount forms part of the purchase consideration in the Acquisition.

16. Share capital

	2013		2012	
	No. of shares	US$'000	No. of shares	US$'000
Authorised:				
Ordinary shares of US$0.01 each	2,000,000,000	20,000	2,000,000,000	20,000
Issued and fully paid:				
Ordinary shares of US$0.01 each	1,297,500,491	12,975	1,081,781,194	10,818

On 19 April 2013, US$2,157,000 or 215,719,000 shares were granted as bonus shares to the shareholders of the Company.

The Company has also issued share awards under the Del Monte Pacific Restricted Share Plan ("Del Monte Pacific RSP") (Note 28) during the current financial year.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital comprises its share capital and reserves. The Board of Directors monitors the return on capital, which the Group defines as profit for the year divided by total shareholders' equity. The Board also monitors the level of dividends paid to ordinary shareholders.

There were no changes in the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

17. Reserves

	Group		Company	
	2013	2012	2013	2012
	US$'000	US$'000	US$'000	US$'000
Revaluation reserve	9,506	3,594	–	–
Remeasurement of retirement plan	(629)	(2,686)	–	–
Retained earnings	185,475	195,842	21,746	30,301
Reserve for own shares	(629)	(504)	(629)	(504)
Share premium	69,205	69,543	69,344	69,682
Share option reserve	126	953	126	953
Translation reserve	(45,373)	(24,965)	–	–
	217,681	241,777	90,587	100,432

The revaluation reserve relates to surplus on the revaluation of freehold land of the Group. The remeasurement of retirement plan relates to the actuarial gains and losses for the defined benefit plan.

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At 31 December 2013, the Group held 900,000 of the Company's shares (2012: 1,559,000).

Under the British Virgin Islands law in whose jurisdiction the Company operates, the Company's share premium and revenue reserve form part of the Company's surplus account that may be available for dividend distribution. The Group's share premium is shown net of a merger deficit of US$139,000, which arose from the acquisition of a subsidiary, Del Monte Pacific Resources Limited, under common control in 1999.

The share option reserve comprises the cumulative value of employee services received for the issue of share options.

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign entities.

18. Financial liabilities

	Group	
	2013	2012
	US$'000	US$'000
Current liabilities		
Unsecured short-term borrowings	265,404	125,907
Non-current liabilities		
Unsecured long-term borrowings	11,260	14,604
Accrued lease liabilities	810	688
Other payables	226	387
	12,296	15,679
	277,700	141,586

Unsecured short-term borrowings

The amounts are unsecured with weighted average effective interest rates of 1.32% to 3.50% (2012: 1.05% to 4.00%) per annum which are fixed throughout the term of the loans.

Unsecured long-term borrowings

The amounts are unsecured with weighted average effective interest rates of 1.81% to 3.50% (2012: 1.60% to 5.70%) per annum which reprice at intervals of 1 to 3 months.

Terms and debt repayment schedule

Terms and conditions of outstanding short-term loans and borrowings are as follows:

Group	Currency	Nominal interest rate %	Year of maturity	2013 Face value US$'000	2013 Carrying amount US$'000	2012 Face value US$'000	2012 Carrying amount US$'000
Unsecured bank loan	PHP	1.90 – 3.50	2014	87,824	87,824	31,731	31,731
Unsecured bank loan	USD	1.32 – 2.47	2014	177,580	177,580	94,176	94,176
				265,404	265,404	125,907	125,907

Terms and conditions of outstanding long-term loans and borrowings are as follows:

Group	Currency	Nominal interest rate %	Year of maturity	2013 Face value US$'000	2013 Carrying amount US$'000	2012 Face value US$'000	2012 Carrying amount US$'000
Unsecured bank loan	PHP	3-Y PDSTF + .95 / .25 (GRT)	2014	–	–	2,434	2,434
Unsecured bank loan	PHP	3-Mos PDSTF + 1 / .95 (GRT)	2015	11,260	11,260	12,170	12,170
				11,260	11,260	14,604	14,604

PDSTF – Philippine Dealing System Treasury Fixing Rate

GRT – Gross Receipt Tax

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments and excluding the impact of netting agreements:

Group	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-2 years US$'000	More than 5 years US$'000
2013					
Non-derivative financial liabilities					
Unsecured bank loans					
- Short-term	265,404	265,978	265,978	–	–
- Long-term	11,260	11,600	233	11,367	–
Accrued lease liabilities	810	810	–	–	810
Other payables	226	226	140	86	–
Trade and other payables	104,539	104,539	104,539	–	–
	382,239	383,153	370,890	11,453	810

Group	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-2 years US$'000	More than 5 years US$'000
2012					
Non-derivative financial liabilities					
Unsecured bank loans					
- Short-term	125,907	126,095	126,095	–	–
- Long-term	14,604	15,871	571	2,913	12,387
Accrued lease liabilities	688	688	–	3	685
Other payables	387	387	–	150	237
Trade and other payables	94,029	94,029	94,029	–	–
	235,615	237,070	220,695	3,066	13,309

Company	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-2 years US$'000	2-5 years US$'000
2013					
Non-derivative financial liabilities					
Trade and other payables	193,100	193,100	193,100	–	–
	193,100	193,100	193,100	–	–
2012					
Non-derivative financial liabilities					
Trade and other payables	54,583	54,583	54,583	–	–
	54,583	54,583	54,583	–	–

Fair values

Estimation of fair values

Other financial assets and liabilities

The carrying amounts of other financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables and short term borrowings) are assumed to approximate their fair values because of the short period to maturity.

19. Employee benefits

A subsidiary, DMPI, has a funded, non-contributory defined benefit retirement plan covering substantially all of its officers and regular full-time employees. The benefits are based on a percentage of latest monthly salary and credited years of service.

At 31 December, the amount recognised in the statement of financial position is as follows:

		Group	
	2013	2012 (Restated)*	2011 (Restated)*
	US$'000	US$'000	US$'000
Present value of funded obligations	42,275	43,297	39,147
Fair value of plan assets	(40,399)	(38,089)	(32,864)
(Surplus)/deficit in the plan	1,876	5,208	6,283

* *see Note 2.5 (iii)*

Plan assets

Plan assets comprise:

		Group	
	2013	2012	2011
	US$'000	US$'000	US$'000
Government bonds and foreign currencies	36,438	34,128	28,903
Property occupied by a lessee	3,931	3,931	3,931
Property occupied by the Group	30	30	30
	40,399	38,089	32,864

Movement in the present value of the defined benefit obligation

		Group	
	2013	2012 (Restated)*	2011 (Restated)*
	US$'000	US$'000	US$'000
Defined benefit obligation at 1 January	43,297	39,147	38,282
Benefits paid by the plan	(4,644)	(3,171)	(3,795)
Current service costs	2,335	2,544	2,256
Interest cost	3,428	3,550	3,341
Actuarial gains due to:			
- Experience adjustments	(1,725)	(1,751)	(1,267)
- Changes in financial assumptions	2,854	286	496
Currency realignment	(3,270)	2,692	(166)
Defined benefit obligation at 31 December	42,275	43,297	39,147

Movement in the fair value of plan assets

	2013	Group 2012	2011
		(Restated)*	(Restated)*
	US$'000	US$'000	US$'000
Fair value of plan assets at 1 January	38,089	32,864	29,423
Interest income included in net interest cost	3,183	3,165	2,738
Actual return on plan assets, excluding interest income	4,068	202	(347)
Contributions paid into the plan	2,627	2,778	4,940
Benefits paid by the plan	(4,644)	(3,171)	(3,795)
Currency realignment	(2,924)	2,251	(95)
Fair value of plan assets at 31 December	40,399	38,089	32,864

Expenses recognised in profit or loss

	Note	2013	Group 2012	2011
			(Restated)*	(Restated)*
		US$'000	US$'000	US$'000
Current service cost		2,335	2,544	2,256
Interest cost		245	385	603
Total pension expense	22	2,580	2,929	2,859
Recognised in:				
Included in inventories and expenditures on growing crops		1,004	1,269	859
Cost of sales		728	857	964
Distribution and selling expenses		495	442	605
General and administrative expenses		353	361	431
		2,580	2,929	2,859

* *see Note 2.5 (iii)*

Expenses recognised in other comprehensive income

	2013	Group 2012	2011
		(Restated)*	(Restated)*
	US$'000	US$'000	US$'000
Remeasurements of defined benefit obligation:			
Actuarial (gains)/losses arising from:			
Experience adjustments	(1,129)	1,465	770
Return on plan assets excluding interest income	4,068	202	(347)
Net retirement benefit	2,939	1,667	423

* *see Note 2.5 (iii)*

DMPI's annual contribution to the pension plan consists of payments covering the current service cost for the year plus payments towards funding the actuarial accrued liability, if any. The Group expects to pay US$2,419,000 in contributions to the pension plan in 2014.

Actuarial valuation

The funded obligations and plan assets are measured and valued with the advice of qualified actuary who carries out a full valuation annually. The last valuation of these obligations and plan was performed in 2013 wherein the results of these valuations form the basis of the fair value of the funded obligations and plan assets as at 31 December 2013.

The principal actuarial assumptions used for accounting purposes were:

	Group		
	2013	**2012**	**2011**
Discount rate (per annum)	5.08%	5.01%	5.70%
Future salary increases (per annum)	6.00%	6.00%	6.00%
Expected return on plan assets (per annum)	7.00%	9.00%	9.00%

The plan exposes the Group to market risk.

The Board of Directors reviews the level of funding required for the retirement fund. Such a review includes the asset-liability matching ("ALM") strategy and investment risk management policy. The Group's ALM objective is to match maturities of the plan assets to the retirement benefit obligation as they fall due. The Group monitors how the duration and expected yield of the investments match the expected cash outflows arising from the retirement benefit obligation.

The Board of Directors approves the percentage of asset to be allocated for fixed income instruments and equities. The retirement plan has set maximum exposure limits for each type of permissible investments in marketable securities and deposit instruments. The Board of Directors may, from time to time, in the exercise of its reasonable discretion and taking into account existing investment opportunities, review and revise such allocation and limits.

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumption set out above. The following table summarises how the impact on the defined benefit obligation at the end of reporting period would have increased (decreased) as a result of a change in the respective assumptions by one percent.

Group	**Defined benefit obligation**	
	1 percent increase US$'000	**1 percent decrease US$'000**
Discount rate (per annum)	(593)	690
Future salary increases (per annum)	2,523	(2,041)

The above sensitivities are based on the average duration of the benefit obligation determined at the date of the last full actuarial valuation at 31 December 2013 and are applied to adjust the defined benefit obligation at the end of the report period for the assumptions concerned. Whilst the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation to the sensitivity of the assumption shown.

The Group provides its regular employees, through the Supplementary Provident Plan, supplemental savings in the form of a lump sum payment at the time of retirement or separation from the Company. The employee who chooses to participate in the plan may, at his option, elect to contribute a fixed amount or a percentage equivalent to between one percent (1%) and thirty percent (30%) of his salary beginning on the date he joined the plan.

The Group contributes monthly to the Provident Fund an amount equal to forty percent (40%) of the members' monthly contribution which in no case shall exceed two percent (2%) of the member's salary.

Contributions to the Provident Fund amounted to US$498,000 (2012: US$528,000).

Unremitted contribution (employee and employer share) recognised as part of "Accounts payable and accrued expenses" amounted to US$344,000 (2012: US$291,000).

Source of estimation uncertainty

Pension expense and pension assets/liabilities are determined using certain actuarial estimates and assumptions relating to the discount rate used in valuing the subsidiary's defined benefit obligations and future experiences such as the rate of return on plan assets, future salary increases, retirement date or age, and mortality and turnover rate of covered employees. These estimates and assumptions directly influence the amount of the pension assets/liabilities and expense recognised in the financial statements.

20. Trade and other payables

	Group		Company	
	2013	2012 (Restated)*	2013	2012
	US$'000	US$'000	US$'000	US$'000
Trade payables	32,957	47,774	–	–
Accrued operating expenses	60,023	42,548	551	655
Accrued payroll expenses	4,054	2,567	–	–
Withheld from employees (taxes and social security cost)	1,287	1,140	–	–
Advances from suppliers	2,558	–		
Other payables	3,660	–	–	–
Amounts due to subsidiaries (non-trade)	–	–	192,549	53,928
	104,539	94,029	193,100	54,583

* *see Note 2.5 (iii)*

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

21. Revenue

	Group 2013 US$'000	Group 2012 US$'000	Group 2011 US$'000	Company 2013 US$'000	Company 2012 US$'000	Company 2011 US$'000
Sale of goods	492,177	459,711	425,235	–	–	–
Dividend income received and receivable from subsidiaries	–	–	–	25,000	35,000	25,000
	492,177	459,711	425,235	25,000	35,000	25,000

Revenue of the Group comprises gross invoiced sales, net of discounts and returns, and is recognised when goods are delivered, and title has passed to customers. All intra-group transactions have been excluded from Group revenue.

22. Profit for the year

The following items have been included in arriving at profit for the year:

	Note	Group 2013 US$'000	Group 2012 US$'000	Group 2011 US$'000	Company 2013 US$'000	Company 2012 US$'000	Company 2011 US$'000
Allowance for inventory obsolescence	11	1,259	4,066	5,134	–	–	–
Allowance recognised/ (reversed) for doubtful receivables (trade)	13	2,971	1,626	(35)	–	–	–
Amortisation of intangible assets	7	571	571	571	–	–	–
Audit fees							
- paid to the auditors of the Company		203	202	209	174	181	180
- paid to other auditors		133	128	124	–	–	–
Changes in fair value attributable to price changes of biological assets	10	182	(9)	(57)	–	–	–
Changes in fair value of agricultural produce harvested		11,838	10,016	7,706	–	–	–
Depreciation of property, plant and equipment	4	18,826	15,081	12,957	–	–	–

	Note	Group 2013 US$'000	Group 2012 US$'000	Group 2011 US$'000	Company 2013 US$'000	Company 2012 US$'000	Company 2011 US$'000
Impairment loss (reversed)/ made on property, plant and equipment	4	(313)	267	(283)	–	–	–
Legal expenses		–	101	3,967	–	–	–
(Gain)/loss on disposal of property, plant and equipment		(141)	(136)	26	–	–	–
Professional expenses related to the Acquisition							
- paid to the auditors of the Company	35	1,947	–	–	–	–	–
- paid to other professional	35	20,806	–	–	–	–	–
Non-audit fees							
- paid to the auditors of the Company (excluding professional expenses related to the Acquisition)		43	53	49	39	47	49
- paid to other auditors		31	25	20	8	2	–
Operating lease rentals		11,535	6,182	4,513	–	–	–
Research and development expenditure		2,188	3,808	2,963	–	–	–
Staff costs							
Pension costs – defined benefit pension plan	19	2,580	2,929	2,859	–	–	–
Pension costs – provident fund		655	659	559	–	–	–
Social security costs		1,547	1,583	1,552	–	–	–
Value of employee services received under share-based incentive plans	28	494	606	1,244	494	606	1,244
Wages and salaries		77,972	75,827	80,521	2,867	2,719	2,106
		83,248	81,604	86,735	3,361	3,325	3,350

* *see Note 2.5 (iii)*

23. Finance income/(expense)

Recognised in profit or loss	Group 2013 US$'000	Group 2012 US$'000	Group 2011 US$'000
Finance income			
Interest income from			
- bank deposits	395	552	531
- others	–	5	15
Foreign exchange gains	–	267	914
	395	824	1,460

Recognised in profit or loss	<------------ Group ------------> 2013 US$'000	2012 US$'000	2011 US$'000
Finance expense			
Interest expenses on			
- bills payable	(4,832)	(3,883)	(2,993)
- factoring	(646)	–	(64)
	(5,478)	(3,883)	(3,057)
Net finance expense	(5,083)	(3,059)	(1,597)

The above finance income and finance costs included in the following interest income and expenses in respect of assets/(liabilities) not at fair value through profit or loss:

Recognised in profit or loss	<------------ Group ------------> 2013 US$'000	2012 US$'000	2011 US$'000
Total interest income on financial assets	395	557	546
Total interest expense on financial liabilities	(5,478)	(3,883)	(3,057)

24. Tax

The Company

There is no tax expense for the Company as the income of the Company is exempt from all income taxes in the British Virgin Islands.

The Group

Group tax has been calculated on the estimated assessable profit for the year at the rates prevailing in the respective foreign tax jurisdictions. Details of provision for Group foreign income tax are as follows:

	<------------ Group ------------> 2013 US$'000	2012 (Restated)* US$'000	2011 (Restated)* US$'000
Current tax			
- current year	11,848	8,049	6,662
Deferred tax			
- current year	(10,138)	981	(1,068)
	1,710	9,030	5,594

	<----------- Group ----------->		
	2013	2012 (Restated)*	2011 (Restated)*
	US$'000	US$'000	US$'000
Reconciliation of effective tax rate			
Profit before taxation	17,485	40,519	32,387
Taxation on profit at weighted average of the applicable tax rates	(888)	7,509	2,959
Non-deductible expenses	2,598	1,521	2,635
	1,710	9,030	5,594

* *see Note 2.5 (iii)*

	<----------- Group ----------->		
	2013	2012	2011
Standard tax rates			
- Philippines (non-PEZA)	30%	30%	30%
- Philippines (PEZA)*	5%	5%	5%
- India	31%	31%	31%
- Singapore	17%	17%	17%
- United States of America	35%	–	–

* *based on gross profit for the year*

On 22 November 2007, DMPI's core production operations in Cagayan de Oro City, Philippines were approved as a Philippine Packing Agricultural Export Processing Zone. This new zone has been established in accordance with the policies of the Philippine Economic Zone Authority ("PEZA"). With this approval, DMPI enjoys certain fiscal and non-fiscal incentives including a 5% tax on gross profit in lieu of the current 30% (2012: 30%, 2011: 30%) on profit before tax, duty free importation of capital equipment, raw materials and supplies used in pursuit of its Ecozone-registered activities, among other incentives. The incentives will be available for as long as DMPI complies with PEZA's requirements which include exporting 70% of its production. DMPI has received PEZA approval for a second zone, the Bukidnon Agro-Resources Export Zone, for agri-development projects. This zone was granted Presidential approval on 8 September 2008 and renewed on 17 December 2012.

Sources of estimation uncertainty

The Group has exposure to income taxes in several foreign jurisdictions. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

25. Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	<------------ Group ------------>		
	2013	**2012 (Restated)**	**2011 (Restated)**
Basic earnings per share is based on:			
Profit for the year (US$'000)	16,109	31,954	27,643
Basic weighted average number of ordinary shares ('000):			
Issued ordinary shares at 1 January	1,081,781	1,081,781	1,081,781
Effect of own shares held	(11,236)	(8,614)	(4,871)
Effect of share options exercised	9,636	5,508	1,512
Effect of bonus shares; retrospectively adjusted (Note 16)	215,719	215,719	215,719
Weighted average number of ordinary shares at 31 December (basic)	1,295,900	1,294,394	1,294,141
Basic earnings per share (in US cents)	1.24	2.47	2.14

For the purpose of calculation of the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from ESOP and Del Monte Pacific RSP, with the potential ordinary shares weighted for the period outstanding.

The effect of ESOP and Del Monte Pacific RSP on the weighted average number of ordinary shares in issue is as follows:

	<------------ Group ------------>		
	2013	**2012 (Restated)**	**2011 (Restated)**
Diluted earnings per share is based on:			
Profit for the year (US$'000)	16,109	31,954	27,643
Diluted weighted average number of shares ('000):			
Weighted average number of ordinary shares at 31 December (basic)	1,295,900	1,294,394	1,294,141
Potential ordinary shares issuable under share options	881	2,434	7,726
Weighted average number of ordinary issued and potential shares assuming full conversion	1,296,781	1,296,828	1,301,867
Diluted earnings per share (in US cents)	1.24	2.46	2.12

26. Dividends

	Group and Company		
	2013	2012	2011
	US$'000	US$'000	US$'000
Tax-exempt final dividend paid in respect of the previous financial year of 1.51 US cents (2012: 1.45 US cents, 2011: 1.10 cents)	16,297	15,599	11,878
Tax-exempt interim dividend paid in respect of the current financial year of 0.62 US cents (2012: 0.72 US cents, 2011: 0.46 cents)	8,022	7,771	4,968
	24,319	23,370	16,846

27. Operating segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are based on whether the products are sold as branded or non branded. They are managed separately because they require different business development and growth strategies due to the differing market dynamics. For each of the strategic business units, the Group's Executive Committee (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's Executive Committee. Segment profit before income tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. The segment assets reviewed by the Group's Executive Committee relate to the trade receivables arising from the operations of the segment business.

- Branded Business
  - Includes sales of Del Monte and S&W branded products.

- Non Branded Business
  - Non-supply contract
    a. Asia Pacific – Includes sales of private label and non branded processed fruits, beverages and other processed products, fresh fruit and cattle in the Asia Pacific region and sales of private label processed fruits, beverages and other processed products, fresh fruit and cattle to a non-affiliated Del Monte company at market price in the Asia Pacific region.

    b. Europe and North America – Includes sales of private label and non branded processed fruits, beverages and other processed products in Europe and North America and sales of private label processed fruits, beverages and other processed products to a non-affiliated Del Monte company at market price in Europe and North America.

  - Supply contract – Includes sales of processed fruits, beverages and fresh fruit to non-affiliated Del Monte companies under the long term supply contracts.

In 2012, the operating segments were revised according to the changes made to the internal management reports prescribed to the Group's Executive Committee. The corresponding items of segment information for the periods presented were restated accordingly.

Information about reportable segments

	Branded			Non Branded – Non Supply Contract – Asia Pacific			Non Branded – Non Supply Contract – Europe and North America		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
External revenues	336,434	320,868	274,649	25,076	21,747	21,775	71,038	56,073	66,549
Depreciation and amortisation	10,370	9,040	6,611	889	730	805	4,377	2,791	3,176
Reportable segment profit before income tax, restated*	23,446	36,411	17,331	1,696	2,660	3,763	(6,868)	1,976	11,160
Other material non-cash items:									
- Impairment loss made/(reversed) on property, plant and equipment	(161)	147	(135)	(7)	32	(59)	(79)	40	(42)
- Allowance for inventory obsolescence	1,277	2,482	2,708	(25)	653	462	74	822	1,373
- Allowance made/(reversed) for doubtful trade receivables	3,050	1,322	(160)	(14)	185	91	(36)	119	34
Reportable segment assets	75,789	80,234	64,016	4,726	3,096	3,443	13,436	13,635	13,974
Capital expenditure	12,802	9,719	8,808	1,128	1,160	1,926	5,812	3,022	3,943

	Non Branded – Supply Contract			Total Non Branded			Total		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
External revenues	59,629	61,023	62,262	155,743	138,843	150,586	492,177	459,711	425,235
Depreciation and amortisation	3,761	3,091	2,936	9,027	6,612	6,917	19,397	15,652	13,528
Reportable segment profit before income tax, restated*	(789)	(528)	133	(5,961)	4,108	15,056	17,485	40,519	32,387
Other material non-cash items:									
- Impairment loss made/(reversed) on property, plant and equipment	(66)	48	(47)	(152)	120	(148)	(313)	267	(283)
- Allowance for inventory obsolescence	(67)	107	591	(18)	1,584	2,426	1,259	4,066	5,134
- Allowance made/(reversed) for doubtful trade receivables	(29)	–	–	(79)	304	125	2,971	1,626	(35)
Reportable segment assets	10,597	7,945	9,481	28,759	24,676	26,898	104,548	104,910	90,914
Capital expenditure	4,997	3,421	3,801	11,937	7,603	9,670	24,739	17,322	18,478

* *see Note 2.5 (iii)*

Reconciliations of reportable segment revenues, profit or loss, assets and other material items

	2013 US$'000	2012 US$'000	2011 US$'000
Revenue			
Total revenue for reportable segments/consolidated revenue	492,177	459,711	425,235
Assets			
Total assets for reportable segments	104,548	104,910	90,914
Other unallocated amounts	513,096	391,743	334,552
Consolidated total assets	617,644	496,653	425,466

Other material items 2013

	Reportable segment totals	Adjustments	Consolidated totals
Allowance for inventory obsolescence	1,259	–	1,259
Allowance for doubtful receivables	2,971	–	2,971
Capital expenditure	24,739	–	24,739
Depreciation and amortisation	19,397	–	19,397
Impairment loss made on property, plant and equipment and intangible assets	(313)	–	(313)

Other material items 2012

	Reportable segment totals	Adjustments	Consolidated totals
Allowance for inventory obsolescence	4,066	–	4,066
Allowance for doubtful receivables	1,626	–	1,626
Capital expenditure	17,322	–	17,322
Depreciation and amortisation	15,652	–	15,652
Impairment loss made on property, plant and equipment and intangible assets	267	–	267

Other material items 2011

	Reportable segment totals	Adjustments	Consolidated totals
Allowance for inventory obsolescence	5,134	–	5,134
Reversal of allowance for doubtful receivables	(35)	–	(35)
Capital expenditure	18,478	–	18,478
Depreciation and amortisation	13,528	–	13,528
Impairment loss reversed on property, plant and equipment and intangible assets	(283)	–	(283)

Geographical information

The Group's segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices primarily in Philippines, Singapore and India.

In presenting information on the basis of geographical segments, segment assets are based on the geographical location of the assets.

Non-current assets

	2013 US$'000	2012 US$'000
Philippines	110,467	101,916
Singapore	15,007	16,779
India	22,254	26,061
	147,728	144,756

Non-current assets presented consist of property, plant and equipment, intangible assets, joint venture and other assets.

Major customer

Revenue from a major customer of the Group's non branded segment amounted to approximately US$57,037,000 (2012: US$61,721,000, 2011: US$63,907,000), representing 12% (2012: 13%, 2011: 15%) of the Group's total revenue.

28. Share option and incentive plans

The ESOP of the Company was approved and amended by its members at general meetings 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 RSP and Del Monte Pacific PSP (collectively the "Share Plans"), at a general meeting 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.

Other information regarding the Del Monte Pacific RSP are as follows:

(a) No minimum vesting periods are prescribed.

(b) 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.

(c) 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 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 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 Annual General Meeting of the Company held on 29 April 2011.

On 30 April 2013, 211,440 shares were awarded to Joselito D Campos, Jr, and 275,440 shares to five employees of related companies, representing 20% adjustment to the number of unvested share awards previously granted, at the market price of S$0.810 per share.

On 22 August 2013, 688,000 shares were awarded at the market price of S$0.840 per share to each Group Non-Executive Director/Group Executive Director.

Other information regarding the Del Monte Pacific PSP is set out below:

(a) Vesting periods are not applicable.

(b) 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.

(c) 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 report, no share awards have been granted pursuant to the Del Monte Pacific PSP.

The RSOC is responsible for administering the ESOP and the share plans.

Details of the outstanding options granted to the Company's directors and employees under the ESOP and Del Monte Pacific RSP on unissued ordinary shares of Del Monte Pacific Limited at the end of the year, are as follows:

ESOP

Date of grant of options	Exercise period	Exercise price S$	Options outstanding 2013	2012
7 March 2008	Up to 60%: 7 March 2010 – 6 March 2012 40%: 7 March 2012 – 6 March 2018	0.627	750,000	1,550,000
30 April 2013	Up to 100%: 30 April 2013 – 6 March 2018	0.627	150,000	–
			900,000	1,550,000

* *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 that of the options granted on 7 March 2008.*

Accordingly, as at the date of this report, a total of 900,000 options remains outstanding.

Del Monte Pacific RSP

Date of grant of share awards	Vesting period	Market price on date of grant S$	Share awards granted	Share awards outstanding
12 May 2009	Up to 60%: 12 May 2011 – 11 May 2012 40%: 12 May 2012 – 11 May 2013	0.540	3,749,000	–
29 April 2011	Up to 60%: 12 May 2011 – 11 May 2012 40%: 12 May 2012 – 11 May 2013	0.485	2,643,000	–
30 April 2013	No vesting period imposed, shares were released to the grantee on 12 May 2013	0.810	486,880	–
22 August 2013	Up to 60%: 22 August 2013 – 21 August 2016 40%: 22 August 2016 – 21 August 2017	0.840	688,000	688,000
			7,566,880	688,000

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Fair value of share options and assumptions

Date of grant of options	7 Mar 2008	30 Apr 2013	12 May 2009	29 Apr 2011	30 Apr 2013	22 Aug 2013
	<------ *ESOP* ------>		<---------- *Del Monte Pacific RSP* ---------->			
Fair value at measurement date	US$0.12	US$0.18	US$0.37	US$0.40	US$0.18	US$0.65
Share price (Singapore dollars) at grant date	0.615	0.810	0.540	0.485	0.810	0.840
Exercise price (Singapore dollars)	0.627	0.627	–	–	–	–
Expected volatility	5.00%	2.00%	–	–	–	3.00%
Time to maturity	5 years	5 years	–	–	–	4 years
Risk-free interest rate	3.31%	1.51%	–	–	–	2.69%

The expected volatility is based on the historic volatility (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

Sources of estimation uncertainty

The fair value of share options granted is estimated using the Black-Scholes Model, which requires the Group to estimate the expected volatility of the Company's shares and expected life of the share options. The Group assesses the estimates whenever there is an indication of a significant change in these conditions. An increase in the fair value of share options granted will increase share option expense and share option reserve.

Expense recognised in profit or loss

	Note	2013 US$'000	Group 2012 US$'000	2011 US$'000
Share options granted in 2008		4	52	257
Share options granted in 2009		46	130	416
Share options granted in 2011		74	424	571
Share options granted in 2013		370	–	–
Total employee benefit expense recognised for share-based incentive plans	22	494	606	1,244

29. Financial risk management

The Group has exposure to the following risks:

- credit risk
- interest rate risk
- liquidity risk
- market risk

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit Committee is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Financial risk management objectives and policies

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Board continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Approximately 12% (2012: 13%, 2011: 15%) of the Group's revenue is attributable to sales transactions with a single international customer. However, geographically, there is no concentration of credit risk.

The Audit Committee has approved a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment or Letters of Credit basis.

Exposure to credit risk

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) at the reporting date by geographic region was:

	Group	
	2013	**2012**
	US$'000	**US$'000**
North America	17,590	12,432
Europe	6,757	7,842
Asia Pacific	78,055	73,216
	102,402	93,490

Impairment losses

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The ageing of trade and other receivables (excluding prepayments) that were not impaired at the reporting date was:

	Group	
	2013	2012
	US$'000	US$'000
Not past due	76,233	77,176
Past due 0 - 60 days	18,645	10,925
Past due 61 - 90 days	2,275	1,854
Past due 91 - 120 days	985	168
More than 120 days	4,264	3,367
	102,402	93,490

The Group sells its products through major distributors and buyers in various geographical regions. For the year ended 31 December 2013, the Group's major customers collectively accounted for 16% (2012: 16%) of its total revenue. 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. The Group monitors its outstanding trade receivables on an on-going basis. In addition, the Group also engages in sale of its trade receivables without recourse to certain financial institutions.

The percentages of cash and bank balances held in the following regions are:

	Group	
	2013	2012
	%	%
United States of America	75	–
Philippines	19	72
Hong Kong	5	24
Mauritius	1	4

Apart from the above, the Company and the Group have no significant concentration of credit risk with any single counterparty or group counterparties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Interest rate risk

The Group's cash balances are placed with reputable 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 Company's temporary excess liquidity in short-term low-risk securities from time to time. The Group obtains financing through bank borrowings and leasing arrangements. Funding is obtained from bank loan facilities for both short-term and long-term requirement. The Group's policy is to obtain the most favourable interest rate available without increasing its foreign currency exposure.

Sensitivity analysis

A 1% general increase in interest rates at the reporting date would increase/(decrease) profit or loss by the amounts shown below. There is no effect on equity. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

	Group Profit or Loss	
	2013	**2012**
	US$'000	**US$'000**
Unsecured short-term and long-term borrowings	(2,766)	(1,405)
	(2,766)	(1,405)

A 1% general decrease in interest rates would have the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

Liquidity risk

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. Currently, the Group is entitled to a total of US$489 million (2012: US$364 million) in credit lines, of which only 57% (2012: 38%) is availed. The lines are mostly for short term financing requirements, with US$14 million (2012: US$19 million) available for long term requirements. The Group constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

Foreign exchange risk

The Group is exposed to foreign exchange risk from its subsidiaries operating in foreign countries, which generate revenue and incur costs in foreign currencies, and from those operations of its local subsidiaries, which are in foreign currencies. The currency giving rise to this risk is primarily Philippine Peso.

The Company and its subsidiaries maintain their respective books and accounts in their functional currencies. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations, especially between the Philippine peso and US dollar. To a certain extent, the Group has a natural hedge between the latter two currencies due to its revenue and cost mix. It is the Group's policy to optimise its natural hedge.

At 31 December, the Group's remaining exposure to US dollar is as follows:

	Group	
	2013	**2012**
	US$'000	**US$'000**
Trade and other receivables	4,869	1,778
Cash and cash equivalents	3,597	7,550
Other non-current assets	27	–
Financial liabilities	(127,600)	(92,412)
Trade and other payables	(4,252)	(10,580)
	(123,359)	(93,664)

Sensitivity analysis

A 10% strengthening of the subsidiaries' foreign currency against the US dollar at the reporting date would increase profit or loss by US$12,336,000 (2012: US$9,366,000). This analysis assumes that all other variables, in particular interest rates, remain constant.

A 10% weakening of the subsidiaries' foreign currency against the US dollar would have the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

Commodity price risk

The Group is regularly engaged in the purchase of tinplates and fuel and is significantly exposed to commodity price risk related to tinplates and fuel. The Group ensures future supply of tinplates while minimising the impact of price movements by purchasing tinplates and fuel in advance of the production requirements. These purchase contracts are entered into for the purpose of receipt or delivery of tinplates and fuel in accordance with the expected usage requirements of the Group. There are no outstanding purchase contracts as at 31 December 2012 and 2013.

The Group also purchases large volumes of papaya fruits for production and is significantly exposed to commodity price risk related to papaya. The Group ensures long-term supply of papaya at stable prices by executing papaya supply agreements with farmers. The Group also subsidises some of the farmers' costs related to papaya to ensure long-term relationships with them.

Risk related to agricultural activities

The output of the plantation is subject to certain risk factors relating to weather conditions, crop yields, outgrowers and service providers' performance, and leasehold arrangements. To manage any impact from heavy rainfall and floods, plantings are done in various locations to minimise 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 the pineapple growing operations. Long-term land leases with staggered terms are also secured.

International business risk

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. Prices for pineapple juice concentrate are largely affected by the supply situation in Thailand and the demand situation in the international markets. Given that this is an industrial commodity product, prices are quite volatile. The Group is shifting production towards more branded ready-to-drink beverage to decommoditise its concentrate product.

Branded business risk

The Group's branded business in the Philippines and the Indian subcontinent through Del Monte, and in Asia and the Middle East through S&W, is affected by a number of factors, including, but not limited to competition, acceptance of new products, industry trends, distribution expansion, penetration and business partners' risks. The Group's exposure to these risks is managed through the following processes, among others:

- Focus on consumption-driven marketing strategies
- Shift to branded value-added, packaged products with emphasis on innovation, health and wellness, quality, competitiveness and consumer appeal
- Market and customer diversification
- Increased penetration of high-growth distribution channels and markets
- Building on closer working relationships with business partners

Operational risk

As an integrated producer of processed and fresh fruit products for the world market, the Group's earnings are inevitably subject to certain other risk factors, which include general economic and business conditions, change in business strategy or development plans, production efficiencies, input costs and availability, litigious counterparties, communist rebel activities and changes in government regulations, including, without limitation, environmental regulations. 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 pursues productivity-enhancing and efficiency-generating work practices and capital projects. To manage insurgency risks in its operating units in the Philippines, the Group has strengthened security measures.

Compliance

The Group closely monitors changes in legislation and government regulations affecting the Group's business. It has a compliance programme that aims to monitor and ensure the Group's compliance with laws and regulations. Compliance is a regular board agenda item.

30. Accounting classification and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Group	Note	Loans and receivables US$'000	Other financial liabilities within scope of IAS 39 US$'000	Total carrying amount US$'000	Fair value US$'000
31 December 2013					
Cash and cash equivalents	15	132,921	–	132,921	132,921
Loans and receivables	12	93,235	–	93,235	93,235
		226,156	–	226,156	226,156
Financial liabilities	18	–	277,700	277,700	277,700
Trade and other payables	20	–	104,539	104,539	104,539
		–	382,239	382,239	382,239
31 December 2012 (restated)*					
Cash and cash equivalents	15	24,555	–	24,555	24,555
Loans and receivables	12	87,131	–	87,131	87,131
		111,686	–	111,686	111,686
Financial liabilities	18	–	141,586	141,586	141,586
Trade and other payables	20	–	94,029	94,029	94,029
		–	235,615	235,615	235,615

* *see Note 2.5 (iii)*

Company	Note	Loans and receivables US$'000	Other financial liabilities within scope of IAS 39 US$'000	Total carrying amount US$'000	Fair value US$'000
31 December 2013					
Cash and cash equivalents	15	100,293	–	100,293	100,293
Loans and receivables	12	110,927	–	110,927	110,927
		211,220	–	211,220	211,220
Trade and other payables	20	–	193,100	193,100	193,100

	Note	Loans and receivables US$'000	Other financial liabilities within scope of IAS 39 US$'000	Total carrying amount US$'000	Fair value US$'000
31 December 2012					
Cash and cash equivalents	15	232	–	232	232
Loans and receivables	12	80,159	–	80,159	80,159
		80,391	–	80,391	80,391
Trade and other payables	20	–	54,583	54,583	54,583

31. Determination of fair values

Fair value hierarchy

Fair value and fair value hierarchy information on financial instruments are disclosed in Note 30.

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

Group	Note	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
31 December 2013					
Freehold land	4	–	15,382	–	15,382
Total property, plant and equipment		–	15,382	–	15,382
Livestock	11	–	–	–	–
Total biological assets		–	–	–	–
31 December 2012					
Freehold land	4	–	8,604	–	8,604
Total property, plant and equipment		–	8,604	–	8,604
Livestock	11	–	–	92	92
Total biological assets		–	–	92	92

The Group's policy is to recognise transfers out of Level 3 as of the end of the reporting period during which the transfer has occurred.

Valuation processes applied by the Group

The fair value of freehold land is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group's freehold land on a regular basis.

32. Commitments

Operating lease commitments

Based on the existing agreements, the future minimum rental commitments as at 31 December for all non-cancellable long-term leases of real property, offices and equipment and grower agreements (including the estimated rental on lands previously owned by National Development Corporation ("NDC") and submitted for land distribution in compliance with the Comprehensive Agrarian Reform Law ("CARL")) are as follows:

	Group	
	2013	**2012**
	US$'000	**US$'000**
Within one year	9,360	8,732
Between one to five years	38,560	34,403
More than five years	60,920	61,218
	108,840	104,353

Included in the above are commitments denominated in Philippine Peso of PHP 4,833 million, equivalent to US$108,840,000 (2012: PHP 4,055 million, equivalent to US$ 98,705,000.

The leases typically run for an initial period of 2 to 25 years, with an option to renew the lease after that date. Some of the leases contain escalation clauses but do not provide for contingent rents. Lease terms do not contain any restrictions on Group activities concerning dividends, additional debts or further leasing.

Future capital expenditure

	Group	
	2013	**2012**
	US$'000	**US$'000**
Capital expenditure not provided for in the financial statements		
- approved by Directors and contracted for	3,627	6,955
- approved by Directors but not contracted for	34,022	28,388
	37,649	35,343

Supply contracts

The Group currently has international supply contracts with entities, which have exclusive rights to the Del Monte trademarks in their respective territories or product categories. The Group has such agreements in respect of processed foods with Del Monte Corporation (three-year notice of termination was served by the Group in November 2011) in North America (except Canada), Mexico and the Caribbean, and Del Monte Asia Pte Ltd in certain Asia Pacific countries (excluding the Philippines, the Indian subcontinent, Myanmar and Japan). The Group also has a supply contract for fresh pineapples with Del Monte Fresh Produce International Inc which will expire on 31 December 2017. These supply contracts are generally terminable by prior written notice with periods ranging between 18 to 36 months (from certain pre-agreed dates onwards).

33. Contingencies

As at 31 December 2013, a subsidiary, DMPL India Limited has a contingent liability amounting to INR 611 million (2012: INR 619 million) or an equivalent of US$9.8 million (2012: US$11.1 million) in the form of a letter of undertaking securing 50% of the obligations of FieldFresh Foods Private Limited under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

34. Related parties

Related party transactions

For the purposes of these financial statements, 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 or common significant influence. Related parties may be individuals or other entities.

Other than disclosed elsewhere in the financial statements, transactions with related parties are as follows:

	Group			Company		
	2013 US$'000	2012 US$'000	2011 US$'000	2013 US$'000	2012 US$'000	2011 US$'000
Expenses						
Management fees to a subsidiary, DMS	–	–	–	588	570	581
Management fees to a subsidiary, DMPI	–	–	–	210	210	210
Purchases from Nutri-Asia, Inc	–	–	28	–	–	–
Rental to DMPI Retirement	40	3	–	–	–	–
Rental to DMPI Provident Fund	4	3	–	–	–	–
Management fees from DMPI Retirement Fund	(5)	(5)	(5)	–	–	–
Shared IT Services from Nutri-Asia, Inc	(87)	(65)	–	–	–	–
	(48)	(64)	23	798	780	791

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.

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Directors of the Company are considered as key management personnel of the Group.

The key management personnel compensation is as follows:

	Group			Company		
	2013 US$'000	2012 US$'000	2011 US$'000	2013 US$'000	2012 US$'000	2011 US$'000
Directors:						
Fees and remuneration	2,250	2,000	1,796	1,898	1,357	1,179
Share-based payments	921	712	284	921	712	284
Key executive officers (excluding Directors):						
Short-term employee benefits	4,529	3,772	3,514	983	1,012	763
Post-employment benefits	264	237	235	–	–	–
Share-based payments	887	838	283	887	838	283

Certain management personnel of the Group are entitled to post-employment benefits as defined under a subsidiary's defined benefit plan. The benefits are based on a percentage of latest monthly salary and credited years of service (Note 19).

35. Subsequent events

On 10 October 2013, the Company's wholly owned subsidiary, Del Monte Foods, Inc (formerly Del Monte Foods Consumer Products, Inc) entered into a purchase agreement with Del Monte Corporation ("DMC") to acquire all of the shares of certain subsidiaries of DMC and acquire certain assets and assume certain liabilities related to DMC's consumer food business (the "Acquisition").

The Consumer Food Business relates to the business of developing, manufacturing, marketing, distributing and selling food and beverage products under the following brands – *Del Monte, Contadina, S&W, College Inn* and others. DMC's Consumer Food Business holds the Del Monte brand rights for packaged food and beverage products in the USA and South America.

The Company engaged an independent valuer to value the Consumer Food Business. Based on the Valuation Report dated 27 January 2014, the indicative fair value of the Consumer Food Business of DMC was in the range of US$1.53 billion to US$1.75 billion as at 31 July 2013.

The Company completed its purchase of the Consumer Food Business on 18 February 2014 for a purchase consideration of US$1.675 billion and is subject to working capital adjustments. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are recognised to profit or loss as incurred. The Group recognised professional fees related to the Acquisition of US$22.8 million in "general and administrative expenses" in the income statement for the year ended 31 December 2013 (Note 22).

The initial accounting for the acquisition of the Consumer Food Business is incomplete for the purchase price allocation as the determination of the fair values to be assigned to the indentifiable assets, liabilities and contingent liabilities and the cost of acquisition is still in progress as at the date of the report.

As a result of the acquisition, the Company expects to gain access to a well-established, attractive and profitable branded consumer business in the world's leading market, ie, the US. The Company anticipates generating significant value creation opportunities in the US market through the expansion of the Consumer Food Business' current product offering to include beverage and culinary products. Furthermore, with greater access for its products, the Company expects to realise synergies by leveraging its vertical integration, benefiting from economies of scale and value-added expansion and optimising operations over time.

Subsequent to 31 December 2013, the Group has entered into the following equity and institutional debt financing arrangement to finance the Acquisition and the related costs.

a) bridging facility amounting to US$350 million obtained by the Company from BDO Unibank, Inc issued on 14 January 2014 and a bridging facility amounting to US$165 million obtained by the Company from Bank of Philippine Islands on 14 January 2014;

b) a senior secured variable rate first lien term loan amounting to US$710 million obtained by DMFI from institutional lenders in the US on 18 February 2014;

c) a senior secured second lien variable rate term loan amounting to US$260 million obtained by DMFI from institutional lenders in the US on 18 February 2014;

d) equity investment of US$74.5 million for new shares in a subsidiary, DMPL Foods Limited from certain minority shareholders pursuant to subscription agreements dated 4 February 2014;

e) US$15.6 million bridge loan obtained by the Company from Metrobank Bank & Trust Company on 12 February 2014;

f) US$100 million obtained by the Group from various existing facilities; and

g) DMFI entered in to an ABL Credit Agreement up to US$350 million for working capital needs and general corporate purposes of DMFI on 18 February 2014.

Del Monte Pacific Limited

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **DEL MONTE PACIFIC LIMITED**, is responsible for the preparation and fair presentation of the financial statements as at and for the years ended December 31, 2013 and 2012, including the additional components attached therein, in accordance with the prescribed financial reporting framework indicated therein. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements and submits the same to the stockholders.

KPMG LLP, the independent auditors appointed by the stockholders, has audited the financial statements of DEL MONTE PACIFIC LIMITED in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature ____________________________
Rolando C Gapud, Director

Signature ____________________________
Joselito D Campos, Jr, Director

Signature ____________________________
Ignacio Carmelo O Sison, Chief Financial Officer

Signed this 18th day of March 2014

A C K N O W L E D G M E N T

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

Before me, a Notary Public in and for Makati City, personally appeared on this MAR 21 2014 day of March, 2014 the following persons:

Name	Passport No.	Date/Place of Issue
Joselito D. Campos,Jr	EB7219075	23 Jan 2013/Manila, Phils.
Ignacio C. O. Sison	EB5161687	17 Apr 2012/Manila, Phils.

who were identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal on the date and at the place first above-written.

ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPOINTMENT NO. M-35
UNTIL DECEMBER 31, 2014
ROLL OF ATTORNEY 43348
MCLE COMPLIANCE NO. IV-0016333
IBP NO. 706713 – LIFETIME MEMBER
PTR. NO. [illegible] JAN 2, 2014
EXECU[illegible] CENTER
MAKATI [illegible] JUPITER

Doc. No. 414;
Page No. 85;
Book No. 218;
Series of 2014.

Del Monte Pacific Limited

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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The Board of Directors reviews and approves the financial statements and submits the same to the stockholders.

KPMG LLP, the independent auditors appointed by the stockholders, has audited the financial statements of **DEL MONTE PACIFIC LIMITED** in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature ______________________
Rolando C Gapud, Director

Signature ______________________
Joselito D Campos, Jr, Director

Signature ______________________
Ignacio Carmelo O Sison, Chief Financial Officer

Signed this 18th day of March 2014

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