


General Announcement::Minutes of Annual General Meeting held on 30 August 2016**Issuer & Securities**

Issuer/ Manager	DEL MONTE PACIFIC LIMITED
Securities	DEL MONTE PACIFIC LIMITED - VGG270541169 - D03
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Announcement Details

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Submitted By (Co./ Ind. Name)	Antonio E S Ungson
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	<p>Please refer to the announcement dated 30 August 2016 under reference ID: SG160808MEETCZJM.</p> <p>Please refer to the attached Minutes of Annual General Meeting held on 30 August 2016.</p>
Attachments	 DMPL_Minutes_of_AGM_2016.pdf Total size =409K

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DEL MONTE PACIFIC LIMITED
(Incorporated in the British Virgin Islands)

MINUTES OF ANNUAL GENERAL MEETING

PLACE	:	Anson Room 3, Level 2 of M Hotel, 81 Anson Road, Singapore 079908
DATE	:	Tuesday, 30 August 2016
TIME	:	10.00 a.m.
PRESENT	:	Please see Attendance List attached hereto.
IN ATTENDANCE	:	Please see Attendance List attached hereto.
EXECUTIVE CHAIRMAN	:	Mr Rolando C Gapud

QUORUM

A quorum was present and the Chairman declared the meeting open at 10.00 a.m.

INTRODUCTION

The Chairman introduced the Directors, Management and professional advisors present at the meeting and apologised for those absent.

NOTICE

The Notice convening the meeting was taken as read.

The meeting was informed that the Chairman had been appointed as proxy by some shareholders and would be voting in accordance with their instructions.

VOTING BY WAY OF A POLL

Shareholders were informed that in accordance with the Rule 730A of the Singapore Exchange Securities Trading Limited's Listing Manual, all motions tabled at this meeting would be voted on by way of a poll.

The poll was conducted electronically for shareholders voting in Singapore. The poll in the Philippines was conducted through the completion of poll sheets. The votes cast in Singapore and the Philippines were aggregated, tabulated and announced at the end of the meeting.

ORDINARY BUSINESS:

AUDITED FINANCIAL STATEMENTS AND REPORTS OF DIRECTORS AND AUDITORS – RESOLUTION 1

The Chairman proceeded to put the motion to vote.

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That the Directors’ Report and the Audited Financial Statements of the Company, together with the Auditors Reports thereon, for the financial year ended 30 April 2016 (“**FY2016**”) be received and adopted.”

The Chairman invited questions from the shareholders in relation to the tabled resolution.

To the question raised by the first shareholder on when the US-dollar denominated perpetual preference shares will be issued and listed on the Philippine Stock Exchange (“**PSE**”), the Chairman replied that the Company plans to issue and list the perpetual preference shares on the PSE in 3Q 2016, subject to regulatory approvals and market conditions.

The first shareholder also asked whether there was any boycott on the Group’s products after the South China Sea ruling. The Chairman replied that, as far as he was aware, there was minimal impact on the sales of the Group’s products in China. It was noted that the governments from China and Philippines were looking into resolving the South China Sea ruling diplomatically and amicably.

A second shareholder noted that the Group registered a profit of US\$54 million for FY2016 and wanted to know how much profit did Del Monte Foods, Inc (“**DMFI**”) contribute to the Group. Mr Parag Sachdeva, Chief Financial Officer, replied that DMFI contributed approximately US\$26 million to the Group’s profit inclusive of a one-off gain arising from the working capital settlement from the seller of DMFI.

The second shareholder commented that while the Group had performed well, the share price had fallen after the acquisition of DMFI. The Chairman replied that DMFI’s ongoing restructuring and streamlining initiatives which started in 2015 would continue on to 2017. The Chairman assured that DMFI is in good hands and the management team is very focused in strengthening and growing the business of DMFI.

The second shareholder then asked for the reasons why after two years of acquisition of DMFI, the debt of US\$1.8 billion had not been settled. The Chairman replied that as part of the Group’s deleveraging plan, the Company intends to issue the US dollar-denominated perpetual preference shares to bring down the debt.

The second shareholder further enquired if future dividend payout would be increased. The Chairman responded that the payment of dividend depends on many factors, amongst others, the overall performance of the Group. The Chairman added that the Board hopes to continue to pay decent dividend to reward the shareholders for their support.

A third shareholder suggested that at each Annual General Meeting (“**AGM**”), the Group CEO should deliver a corporate presentation to update the shareholders on the Group’s overall business, strategy and performance, and operation over the past financial year. The Chairman thanked the third shareholder for his feedback and it would be considered by the Board.

The third shareholder then referred to page 176 of the Annual Report, and highlighted that the Company gave a breakdown of the segmented revenue by geographical segments but did not disclose DMFI’s profit before tax. He suggested that for clarity, a clear segmentation should be

provided in the Annual Report to indicate the flow of profit especially for DMFI. In addition, the segment liabilities for DMFI were recorded as US\$1.5 billion which was extremely high as compared to US\$765 million in Asia Pacific. He praised the Company for performing well on its operation but the liabilities were far too high. He wanted to know the approach which would be undertaken by the Group to minimise the liabilities.

The Chairman replied that the acquired subsidiaries in the US are still under a transitional period and no record is provided in the book for the time being. However, a specific program would be adopted in DMFI to boost the profitability and cash flow generation. Mr Nils Lommerin, President and CEO of DMFI, added that the profit segmentation was not disclosed in the Annual Report so as to ensure that the profit segmentation are kept confidential to the customers in the US. It is not practical in US to disclose profit per segment. He further provided an affirmative reply that an excess of US\$100 million would be generated from cash flow to reduce the debt. DMFI would also address these issues systematically and resolve it with a precautionous approach especially for debt reduction.

The third shareholder clarified that he was referring to whether the profit segmentation for geographies could be highlighted in the Annual Report instead of segmentation by products. The Chairman provided an affirmative reply.

The Chairman also explained that it is vital to look at the broad picture where the Group was able to acquire the business in the US worth US\$1.8 billion using only US\$150 million from equity. To deal with the de-leveraging issue, it would be more efficient to issue perpetual preference shares in the Philippines which would improve the leverage ratios. Indeed, dividend would not be paid to the preference shareholders if the Company does not have sufficient profit or retained earnings and this is also to safeguard the interest of the ordinary shareholders. On the other hand, the Company could issue the perpetual preference shares any time and also call for redemption from its internal resources at a reasonable time.

Referring to page 87 of the Annual Report, the third shareholder enquired about the average cost of fund. Mr Parag Sachdeva, Chief Financial Officer, replied that the average cost of fund was approximately 5% to 6%. The Chairman added that the interest rate for the perpetual preference shares in the Philippines was about 6.5%.

A fourth shareholder asked why the upper limit of the Executive Directors and Top Five Key Management Personnel remuneration was left open; he suggested to consider, for good corporate governance, that their remuneration in bands of S\$1 million and above be disclosed moving forward. The Chairman thanked the fourth shareholder and would consider his recommendation.

The fourth shareholder followed-on to enquire when the perpetual preference shares will be issued and listed on the PSE. The Chairman reiterated that the target date to issue and list the US dollar-denominated perpetual preference shares on the PSE would be in 2016, subject to regulatory approvals and market conditions.

Responding to another question raised by the fourth shareholder, the Chairman replied that any delay in the issuance of the US-dollar denominated perpetual preference shares would impact the repayment of the bridging loan expiring in February 2017. Target issue date is around 3Q 2016, subject to regulatory approvals and market conditions.

A fifth shareholder referred to Note 20 of page 157 of the Annual Report and wanted to know if the proceeds from the issuance of the perpetual preference shares will be used to repay any loan. The Chairman replied that the proceeds would be used to pay down the unsecured bridge loan of US\$350 million.

The fourth shareholder then asked whether the Secured Second lien term Loan of US\$260 million with higher of Libor +7.25% or 8.25% can be reduced. Management plans to reduce this loan via internal cash flow funding, where feasible, by end of 2016.

The Chairman thanked and noted a fifth shareholder's feedback that the page number on the Annual Report be printed in larger font size.

Referring to Note 13 of the Annual Report, the fifth shareholder wanted to know why inventories for finished and semi-finished goods were broken down into "at cost" and "at net realisable value". Mr Parag Sachdeva explained that some inventories were valued at cost, whereas, others were valued at net realisable value.

In response to another question on why the loans and borrowings had increased significantly, the Chairman explained that the increase was mainly due to higher inventories in fiscal year 2016 as sales to USDA declined. Mr David Meyers, the Chief Administrative Officer of DMFI, added that DMFI plans to balance the inventories level in fiscal year 2017.

The Chairman referred to the fifth shareholder's third question on whether the Company has obligations to the preference shareholders to pay off the loan liabilities since they have priority on dividend payment over the ordinary shareholders. The Chairman elaborated that the Company does not have obligations to neither the preference shareholders nor the ordinary shareholders to pay off the loan. In addition, no dividend would be paid if the Company has insufficient retained earnings or profits.

The fifth shareholder further queried if it would jeopardise the interest of ordinary shareholders, in case of redemption. The Chairman replied that it would not hinder the interest of ordinary shareholders as the main purpose for the issuance of preference shares is to reduce the debt liabilities.

The Chairman responded to the fifth shareholder's query on loan financing for the issuance of preference shares and explained that the loan would be financed by a subordinated loan so as to reduce debt liabilities.

After dealing with the questions from the Shareholders, the Chairman proceeded with the poll voting process.

Based on the poll results of Resolution 1 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,405,401,793	99.99	183,900	0.01	1,405,585,693

RE-ELECTION OF DIRECTOR: DR EMIL Q JAVIER – RESOLUTION 2

The meeting was informed that Dr Emil Q Javier, who was retiring pursuant to Article 88 of the Company's Articles of Association, had consented to continue in office.

Dr Emil Q Javier would, upon re-election as a Director of the Company, remain as member of the Audit and Risk Committee, Nominating Committee and Remuneration and Share Option Committee and will be considered independent.

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

"That Dr Emil Q Javier be re-elected a Director of the Company."

Based on the poll results of Resolution 2 as set out below, the Chairman declared the resolution

carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,403,973,673	99.94%	790,400	0.06	1,404,764,073

RE-ELECTION OF DIRECTOR: MRS YVONNE GOH – RESOLUTION 3

The meeting was informed that Mrs Yvonne Goh, who was retiring pursuant to Article 92 of the Company's Articles of Association, had consented to continue in office.

Mrs Yvonne Goh would, upon re-election, remain as a member of the Audit and Risk Committee, Nominating Committee and Remuneration and Share Option Committee and will be considered independent.

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

"That Mrs Yvonne Goh be re-elected a Director of the Company."

Based on the poll results of Resolution 3 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,404,792,873	99.98	264,400	0.02	1,405,057,273

ANY OTHER BUSINESS

As no notice of any other ordinary business has been received by the Company Secretary, the meeting proceeded to deal with the special business of the meeting.

SPECIAL BUSINESS:

DIRECTORS' FEES – RESOLUTION 4

The Board had recommended the payment of a sum of up to US\$496,800/- as Directors' fees for the financial year ending 30 April 2017 ("FY2017") to be paid quarterly in arrears.

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

"That the payment of Directors' fees of up to US\$496,800/- as Directors' fees for FY2017 to be paid quarterly in arrears, computed based on the fee structure set out below, be approved for payment:

- Board Chairman: US\$79,200 per annum
- Directors: US\$43,200 per annum
- Audit and Risk 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 and Risk 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

Based on the poll results of Resolution 4 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,403,898,769	99.92	1,057,104	0.08	1,404,955,873

EMOLUMENTS OF DIRECTORS – RESOLUTION 5

The meeting was informed that the Company may from time to time require the specialist services of its Directors and approval of this authority would provide the flexibility for Management to engage the services of Directors, as appropriate.

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That the Directors of the Company be and are hereby authorised to fix, increase or vary the emoluments of Directors with respect to services to be rendered in any capacity to the Company.”

Based on the poll results of Resolution 5 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,320,501,436	99.94	771,200	0.06	1,321,272,636

RE-APPOINTMENT OF AUDITORS – RESOLUTION 6

The meeting was informed that the retiring Auditors, Ernst & Young LLP, had expressed their willingness to continue in office.

There being no other nomination and on a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That Ernst & Young LLP, Public Accountants and Chartered Accountants, be re-appointed as the Auditors of the Group at a remuneration to be determined by the Directors.”

Based on the poll results of Resolution 6 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Valid Votes Cast
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,404,383,373	99.99	135,700	0.01	1,404,519,073

RE-APPOINTMENT OF PHILIPPINE AUDITORS – RESOLUTION 7

The meeting was informed that the retiring Philippine Auditors, Sycip Gorres Velayo & Co. (Ernst & Young Philippines), had expressed their willingness to continue in office.

There being no other nomination and on a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That Sycip Gorres Velayo & Co. (Ernst & Young Philippines), Certified Public Accountants, be re-appointed as the Philippine Auditors of the Group at a remuneration to be determined by the Directors.”

Based on the poll results of Resolution 7 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Valid Votes Cast
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,403,788,183	99.96	560,200	0.04	1,404,348,383

AUTHORITY TO ISSUE SHARES – RESOLUTION 8

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That pursuant to Article 15(2) of the Company’s Articles of Association and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) 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) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to Shareholders of the Company shall not exceed 15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the

passing of this Resolution, after adjusting for:

- (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

Based on the poll results of Resolution 8 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,386,456,700	98.67	18,698,883	1.33	1,405,155,583

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 – RESOLUTION 9

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“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 as may be allotted and issued pursuant to the exercise of (i) Options in accordance with the provisions of the Del Monte Pacific Executive Stock Option Plan 1999 (“**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 number of issued Shares (excluding treasury shares) in the capital of the Company from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

Based on the poll results of Resolution 9 as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
1,296,376,849	98.11	25,009,187	1.89	1,321,386,036

RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS – RESOLUTION 10

On a proposal by the Chairman which was seconded by a shareholder, it was RESOLVED:

“That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- (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 “**IPT 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 AGM; 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.”

Based on the poll results of Resolution 10¹ as set out below, the Chairman declared the resolution carried:

FOR		AGAINST		Total No. of Shares Represented by Votes For and Against
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	
241,353,017	99.90	248,000	0.10	241,601,017

CONCLUSION

There being no other business to transact, the Chairman declared the AGM of the Company closed at 11.00 a.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings Held:

(SIGNED)

Rolando C Gapud
Executive Chairman

¹ NutriAsia Pacific Limited, a controlling shareholder of the Company, holding 1,155,030,190 ordinary shares in the Company, being interested in Resolution 10 had abstained in the voting thereof; and Mr Joselito D Campos Jr, being deemed interested in the shares held by NutriAsia Pacific Limited had also abstained in the voting of Resolution 10.