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

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

Del Monte Pacific Limited

NOTICE

DEL MONTE PACIFIC LIMITED
Initial Offer of 15,000,000 Series A-1 Preference Shares
with an Oversubscription Option of up to 10,000,000 Series A-1 Preference Shares
at an Offer Price of U.S.$10.00 per Series A-1 Preference Share
to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.

Please be advised that the SEC Form 17-Q (Quarterly Report) of Del Monte Pacific Limited (the "**Company**") for the nine months ended 31 January 2017 is available at The Philippine Stock Exchange, Inc.'s ("**PSE**") Electronic Disclosure Generation Technology ("**EDGE**"), http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=642/.

The said quarterly report, and all disclosures, reports, and filings of the Company after the date of the Prospectus and the Offer Supplement (the "**Company Disclosures**"), and submitted to the Securities and Exchange Commission and/or the PSE pursuant to applicable rules and regulations are hereby incorporated by reference in the Prospectus and the Offer Supplement for the Series A-1 Preference Shares. Copies of the Company Disclosures may be viewed at the PSE EDGE or at the website of the Company at http://www.delmontepacific.com/. The Company Disclosures contain material and meaningful information relating to the Company and investors should review all information contained in these Company Disclosures.

21 March 2017, Taguig City, Philippines.

DEL MONTE PACIFIC LIMITED

By:

Parag Sachdeva
Chief Financial Officer

Del Monte Pacific Limited

(incorporated in the British Virgin Islands with limited liability)

Shelf Registration in the Philippines of up to 36,000,000 Series A Preference Shares
to be offered within a period of three (3) years

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

The date of this Prospectus is 20 March 2017

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

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

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

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

The Series A Preference Shares will be issued in tranches within a period of three (3) years from the effectivity of the registration statement, subject to applicable regulations (the "**Shelf Period**"), at an offer price of U.S.$10.00 per Offer Share (the "**Offer Price**"). The determination of the Offer Price is further discussed on page 93 of this Prospectus. The specific terms of the Series A Preference Shares for each tranche will be determined by the Company considering the prevailing market conditions and provided in an Offer Supplement to be issued at the time of the relevant offering.

For each offer of the Series A Preference Shares, an Offer Supplement will be issued by the Company along with this Prospectus. The relevant Offer Supplement will contain the final terms for a particular offer of the Series A Preference Shares subject of the offer and must be read in conjunction with this Prospectus and the other related documents. Full information on the Company and such offer of the Series A Preference Shares is only available on the basis of the combination of this Prospectus, the relevant Offer Supplement and the other related documents. All information contained in this Prospectus are deemed incorporated by reference in the relevant Offer Supplement.

The initial offer size will consist of 15,000,000 Series A Preference Shares which will be denominated as "Series A-1 Preference Shares", and in the event of an oversubscription, the Underwriters, with the consent of the Company, reserve the right to increase the size of the initial offer by up to 10,000,000 Series A Preference Shares (the "**Oversubscription Option**", and the Series A Preference Shares pertaining to such option, the "**Oversubscription Option Shares**"), for an aggregate issue size of up to 25,000,000 Series A Preference Shares (this offer, the "**Initial Offer**", and the Series A Preference Shares subject of the Initial Offer, the "**Offer Shares**" or "**Series A-1 Preference Shares**"). The remaining balance of 11,000,000 Series A Preference Shares will be issued in tranches within the Shelf Period (the "**Subsequent Offers**"). However, in case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period (as defined below) for the Initial Offer, the remaining Series A Preference Shares under shelf registration will be automatically increased by such number of Oversubscription Option Shares that will not be taken up or exercised. Hence, after the Initial Offer, the remaining Series A Preference Shares under shelf registration may potentially revert up to 21,000,000 Series A Preference Shares, which may be issued in tranches within the Shelf Period. The specific terms and conditions of the Initial Offer are set out in the Offer Supplement dated 20 March 2017 and in the relevant sections of this Prospectus. Upon listing with the PSE, the Series A-1 Preference Shares (or the Offer Shares which are subject of the Initial Offer) will be traded under the symbol "**DMPA1**".

As of the date of this Prospectus, the Company has an authorized capital stock of U.S.$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.$1.00. Out of the authorized capital stock, 1,943,214,106 Ordinary Shares are outstanding. The number of

Ordinary Shares outstanding excludes 1,721,720 Ordinary Shares held by the Company as treasury shares. The total issued shares are 1,944,935,826 Ordinary Shares, including treasury shares. Following the Initial Offer and Subsequent Offers, the Company will have (i) 1,943,214,106 Ordinary Shares, and (ii) up to 36,000,000 Series A Preference Shares outstanding.

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

The total proceeds to be raised by the Company from the sale of the Series A Preference Shares will be up to U.S.$360,000,000.00. The use of proceeds for each tranche of the Offer will be set out in the relevant Offer Supplement. For a more detailed discussion on the proceeds from the Offer and the Company's proposed use of proceeds, please see "*Use of Proceeds*" on page 86 this Prospectus and the same section of the relevant Offer Supplement for a more detailed discussion.

As and if cash dividends are declared by the Board of Directors of the Company, cash dividends on the Series A Preference Shares shall be at a fixed rate per annum calculated in respect of each Series A Preference Share by reference to the Offer Price thereof in respect of each Dividend Period. See "*Description of the Series A Preference Shares*" on page 34 of this Prospectus and the "*Terms of the Offer*" set out in the relevant Offer Supplement for a more detailed discussion.

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

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

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

(a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an "**Optional Redemption Date**"); or

(b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the "**Early Redemption Date**").

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

See "*Description of the Series A Preference Shares*" on page 34 of this Prospectus and the "*Terms of the Offer*" set out in the relevant Offer Supplement for a more detailed discussion on redemption of the Series A Preference Shares.

The Issuer plans to issue the Series A Preference Shares to institutional and retail investors in the Philippines through a public offering to be conducted by the Underwriters. The detailed plan of distribution and underwriting arrangements shall be as set out under "*Plan of Distribution*" of the relevant Offer Supplement. See also "*Plan of Distribution*" on page 89 of this Prospectus.

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

All of the Series A Preference Shares to be sold pursuant to the Initial Offer and Subsequent Offers have identical rights and privileges, except to the extent that some of their specific terms and conditions (such as the applicable dividend rate) will differ as set out in the relevant Offer Supplement. Any person or entity, regardless of citizenship or nationality, may own the Series A Preference Shares.

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

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

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

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

Please refer to the section entitled "*Risk Factors*" beginning on page 57 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the Series A Preference Shares.

The Company filed an application with the Philippine Securities and Exchange Commission (the "**SEC**") to register the Series A Preference Shares under the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799) (the "**SRC**") and its implementing regulations (the "**SRC Rules**"). The SEC is expected to issue an order rendering the Registration Statement filed by the Company effective and a corresponding permit to offer securities for sale covering the Offer.

An application was filed by the Company with the PSE for the listing of the Series A Preference Shares on the Main Board of the PSE, which was granted conditional approval on 6 January 2017 and final approval on 17 March 2017. An approval for listing is permissive only and does not constitute a recommendation or endorsement by the PSE or the SEC of the Series A Preference Shares. The PSE assumes no responsibility for the correctness of any of the statements made or opinions expressed in the Prospectus and the relevant Offer Supplement. Furthermore, the PSE makes no representation as to the completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of the Prospectus and the relevant Offer Supplement.

On 10 November 2016, the SEC approved the PSE Rules on Dollar Denominated Securities (the "**PSE DDS Rules**"). The PSE officially released the final PSE DDS Rules on 2 December 2016. The PSE DDS Rules shall govern the listing, trading and settlement of Dollar Denominated Securities ("**DDS**"). DDS are securities denominated in U.S. dollars which are listed and traded on the PSE. The PSE DDS Rules shall be read in conjunction with the **SRC** and the SRC Rules, *Bangko Sentral ng Pilipinas* ("**BSP**") regulations, and other relevant laws, rules and regulations and shall form part of all rules of the PSE. All rules of the PSE, the Securities Clearing Corporation of the Philippines ("**SCCP**") and the Capital Markets Integrity Corporation ("**CMIC**") not inconsistent with the PSE DDS Rules shall apply to the DDS. As the Series A Preference Shares are being applied for listing with the PSE, the PSE DDS Rules will be applicable to such securities.

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

On 4 August 2016, the BSP, through Resolution No. 1376 of the Monetary Board, approved the Company's offer in the Philippines of the Series A Preference Shares.

The Offer Shares are offered subject to the receipt and acceptance of any order by the Company, and subject to the Company's right to reject any order in whole or in part. It is expected that the Offer Shares will be delivered in book-entry form against payment thereof to the Philippine Depository and Trust Corporation ("**PDTC**").

ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT.

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

[*This space has been intentionally left blank.*]

By:

Joselito D. Campos, Jr.
Managing Director and Chief Executive Officer

P. Sachd

Parag Sachdeva
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this 20 March 2017 in Taguig City, affiants personally appeared and exhibited to me the following identification as competent evidence of identity.

Name	Identification	Date and Place of Issuance/Expiry
Joselito D. Campos, Jr.	Passport ID No. EB7219075	DFA MANILA Jan. 23, 2013
Parag Sachdeva	Passport ID No. Z3084975	SHANGHAI Dec. 24, 2014

Doc No. 66
Page No. 15
Book No. 400
Series of 2017.

EMMANUEL C. PARAS NOTARY PUBLIC ROLL NO. 27192 MAKATI CITY, PHILIPPINES

EMMANUEL C. PARAS
Notary Public for Makati City
Appointment No. M-71 until Dec. 31, 2018
Roll of Attorney No. 27192
PTR No. 5913902MD • 01/05/17 • Makati City
IBP No. 1057049 • 01/04/17 • Makati Chapter
MCLE Compliance No. V-0015815, 03/15/2016 Makati
SyCipLaw Center, 105 Paseo de Roxas
Makati City, 1226 Metro Manila
Philippines

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

THE SERIES A PREFERENCE SHARES ARE BEING OFFERED ON THE BASIS OF THIS PROSPECTUS AND THE RELEVANT OFFER SUPPLEMENT ONLY. ANY DECISION TO PURCHASE THE SERIES A PREFERENCE SHARES MUST BE BASED ONLY ON THE INFORMATION CONTAINED THEREIN.

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

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

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

The distribution of this Prospectus and the relevant Offer Supplement and the offer and sale of the Series A Preference Shares in certain jurisdictions may be restricted by law. The

Company, the Issue Manager and the Underwriters require persons, into whose possession this Prospectus or the relevant Offer Supplement comes to, inform themselves about and to observe any such restrictions. This Prospectus or the relevant Offer Supplement does not constitute an offer of, or an invitation to purchase, any of the Series A Preference Shares in any jurisdiction in which such offer or invitation would be unlawful. Each prospective purchaser of the Series A Preference Shares must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or resells the Series A Preference Shares or possesses and distributes this Prospectus or the relevant Offer Supplement, and must obtain any consents, approvals or permissions required for the purchase, offer, sale or resale by it of the Series A Preference Shares under the laws, rules and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or resales, and none of the Company, the Issue Manager and the Underwriters shall have any responsibility therefor.

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

Each offeree of the Series A Preference Shares, by accepting delivery of this Prospectus and the relevant Offer Supplement, agrees to the foregoing.

Conventions which apply to this Prospectus and the relevant Offer Supplement

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

This Prospectus and the relevant Offer Supplement contain translations of certain Peso amounts into U.S. dollar amounts at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Peso amounts represent such U.S. dollar amounts or could be, or could have been, converted into U.S. dollars at the rates indicated or at all. Unless otherwise indicated, all translations from Pesos to U.S. dollars have been made at a rate of ₱49.769 =U.S.$1.00, the weighted average rate on the Philippine Dealing System (the "**PDS**") on 31 December 2016.

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

Forward-Looking Statements

This Prospectus and, as applicable, the relevant Offer Supplement contain forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

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

Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

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

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

This Prospectus and the relevant Offer Supplement include statements regarding the Company's expectations and projections for future operating performance and business prospects. The words "believe," "plan," "expect," "anticipate," "estimate," "project," "intend," "seek," "target," "aim," "may," "will," "would," "could," and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus and the relevant Offer Supplement are forward-looking statements. Statements in this Prospectus and the relevant Offer Supplement as to the opinions, beliefs and intentions of the Company accurately reflect in all material respects the opinions, beliefs and intentions of its management as to such matters as of the date of this Prospectus and the relevant Offer Supplement, although the Company gives no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section "*Risk Factors*" and elsewhere, important factors that could cause actual results to differ materially from the Company's expectations. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by the above cautionary statements.

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

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ungsonaes@delmonte-phil.com

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[1] Including section on Trading and Settlement of Dollar-Denominated Securities

GLOSSARY OF TERMS

ARC	means the Audit and Risk Committee of the Board of Directors
Acquisition	means the acquisition of the DMFI Consumer Food Business on 18 February 2014
AGM	means Annual General Meeting
Americas	means the territories in the American continent
ARMM	means the Autonomous Region of Muslim Mindanao
BDO Trust	means BDO Unibank, Inc. – Trust and Investments Group
BDO Unibank	means BDO Unibank, Inc.
Bluebell	means Bluebell Group Holdings Limited
Board or Board of Directors	means the board of directors of the Company from time to time
BIR	means Bureau of Internal Revenue of the Philippines
Business	means the business carried out by the Group from time to time
BVI	means the British Virgin Islands
BVI Companies Act	means the Business Companies Act, 2004 of the British Virgin Islands
BVI Share Register	means the register of Ordinary Shares registered in the BVI
BVI Share Registrar	means Nerine Trust Company (BVI) Limited
CARI	means Central American Resources, Inc.
CCCS	means the Central Clearing and Central Settlement system implemented by SCCP
CDP	means Central Depository (Pte.) Limited, a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited, which is incorporated under the laws of Singapore and acts as a depository and clearing organization
CMIC	Capital Markets Integrity Corporation
Code	means the Code of Corporate Governance issued on 14 July 2005 by the Council on Corporate Disclosure and Governance
CBA	means Collective Bargaining Agreement
Company	means Del Monte Pacific Limited
Credit Facilities	means Term Loan Facilities, the ABL Facility and the Bridging Facility
DDS	means Dollar Denominated Securities
Del Monte Foods India	means Del Monte Foods India Private Limited
Del Monte Pacific PSP	means the Del Monte Pacific Performance Share Plan approved by the Company's shareholders at a general meeting held on 26 April 2005

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

GTL Ltd	means GTL Limited
Heinz	means H.J. Heinz Company
ID	means Identification Cards
IDR	means Issuer Default Rating
IFRS	means International Financial Reporting Standards issued by the International Accounting Standards Board
Initial Offer	means the first tranche of the Offer consisting of 15,000,000 Series A-1 Preference Shares with an Oversubscription Option of up to 10,000,000 Series A-1 Preference Shares. Upon listing with the PSE, the Series A-1 Preference Shares (which are subject of the Initial Offer) will be traded under the symbol "**DMPA1**"
IPO Listing Date	means DMPL's listing in Singapore on 2 August 1999
IPO Options	means the Initial Public Offering Options granted under the ESOP
Issuer	means DMPL or the Company
Issue Manager	means the financial institution or institutions that may be appointed by the Company for each tranche or offer of the Series A Preference Shares and as identified in the relevant Offer Supplement
Key Management Personnel	means those persons having the authority and responsibility for planning, directing and controlling the activities of the entity
Lee	means Lee Pineapple Company Pte. Ltd.
Listing	means the listing of the relevant tranche of the Series A Preference Shares on the Main Board of the PSE
LLDA	means Laguna Lake Development Authority of the Philippines
Market Price Options	means the Market Price Options granted under the ESOP
Management	means those persons having the authority and responsibility for planning, directing and controlling the activities of the entity
Minister	means the Minister of the British Virgin Islands for the time being charged with the responsibility for the department or subject to which the context refers
MD2	means a premium hybrid variety of pineapple for the fresh fruit market
NAPL	means NutriAsia Pacific Ltd.
NFC	means not from concentrate
NC	means the Nominating Committee of the Board of Directors
Offer	means, from time to time, the continuous offer and sale to the public, within the Shelf Period, of up to 36,000,000 perpetual, cumulative, non-voting, non-participating, non-convertible U.S. dollar-denominated preference shares of the

	Company
Offer Price	means U.S.$10.00 per Series A Preference Share
Offer Supplement	means the offer supplement to, and which is issued along with, this Prospectus setting out the terms and conditions of a particular offer of Series A Preference Shares.
Ordinary Shares	means the ordinary shares of the capital stock of Del Monte Pacific Limited
Oversubscription Option	means, in respect of the Initial Offer, the right of the Underwriters, with the consent of the Company, to increase the size of the Initial Offer by up to 10,000,000 Series A-1 Preference Shares in case of an oversubscription
Oversubscription Option Shares	means, in respect of the Initial Offer, up to 10,000,000 Series A-1 Preference Shares subject of the Oversubscription Option
₱ or PHP or Peso	means Philippine Pesos, the lawful currency of the Republic of the Philippines
Pacific Brands	means Pacific Brands Philippines, Inc.
PCD Nominee	means PCD Nominee Corporation
PDTC	means Philippine Depository and Trust Corporation
PDTC Participant	means a person who has applied for and has been approved as a participant by the PDTC
PDTC System	means the system for the central handling of securities by which transactions involving such securities may be settled by book-entries in the records of PDTC
PFRS	means Philippine Financial Reporting Standards issued by the Financial Reporting Standards Council
PET	means polyethylene terephthalate
PEZA	means Philippine Economic Zone Authority
PhilGAP	means Philippine Good Agricultural Practices
PhilHealth	means Philippine Health Insurance Corporation
Philippine Branch Share Register	means the register of Ordinary Shares registered in the Philippines
Philippine Branch Share Registrar	means BDO Unibank, Inc. – Trust and Investments Group
Philippine FDA	means the Philippine Food and Drug Administration
PJC	means pineapple juice concentrate
PPMSC	means Philippine Packing Management Services Corporation
Preference Shares or preference shares	means the preference shares of the capital stock of Del Monte Pacific Limited
Prospectus	means this Prospectus together with all its annexes, appendices and amendments, if any, for the offer and sale to the public of the Series A Preference Shares. As the context may require, the term includes the relevant Offer Supplement

PSE	means The Philippine Stock Exchange, Inc.
PSE DDS Rules	means the PSE Rules on Dollar Denominated Securities
R.A.	means Republic Act
RSOC	means the Remuneration & Share Option Committee of the Board of Directors
S&P	means Standard & Poor's Ratings Services
S$ or SGD	means Singapore Dollars, the lawful currency of the Republic of Singapore
SCCP	means Securities Clearing Corporation of the Philippines
SCFI	means Sager Creek Foods, Inc.
SCVC	means Sager Creek Vegetable Company
SEC	means the Securities and Exchange Commission of the Philippines
Securities Industry Council	means The Securities Industry Council of Singapore
Securities Regulation Code or SRC	means Republic Act No. 8799 of the Philippines
Senior Management	means the Managing Director and CEO, the Chief Operating Officer, the Chief Corporate Officer, the Chief Financial Officer, the Chief Legal Counsel and Chief Compliance Officer, Chief Human Resource Officer and the Chief Scientific Officer
Series A Preference Shares	means the preference shares of the capital stock of Del Monte Pacific Limited denominated as Series A Preference Shares consisting of up to 36,000,000 Preference Shares
Series A-1 Preference Shares	means the Series A Preference Shares to be issued, offered and sold during the Initial Offer, *i.e.*, first tranche of the offer consisting of 15,000,000 Series A Preference Shares and, in case of exercise of the Oversubscription Option, up to 10,000,000 Series A Preference Shares (or the Oversubscription Option Shares)
SFA	means the Securities and Futures Act, Chapter 289 of Singapore (as amended, modified or supplemented from time to time)
SGX Listing Manual	means the listing manual of the SGX-ST (as amended, modified or supplemented from time to time)
SGX-ST	means Singapore Exchange Securities Trading Limited
Share Plans	means, collectively, the Del Monte Pacific PSP and the Del Monte Pacific RSP
Shelf Period	means a period of three (3) years from the effectivity of the registration statement within which the Issuer may issue the remaining Series A Preference Shares under shelf registration, subject to applicable regulations
Subsequent Offers	means, after the Initial Offer, the subsequent tranches of the Offer consisting in the aggregate of 11,000,000 Series A Preference Shares, and in case the Oversubscription Option

	is partly exercised or not exercised at all during the Initial Offer, such number of Oversubscription Option Shares that will not be taken up or exercised
Silgan	means Silgan Containers LLC
SOL	means Star Orchids Limited
SSS	means Social Security System of the Philippines
S&W	means S&W Fine Foods International Limited
Singapore Companies Act	means the Companies Act, Chapter 50 of Singapore (as amended, modified and supplemented from time to time)
Singapore Take-Over Code	means the Singapore Code on Take-Overs and Mergers
SRC Rules	means the 2015 Implementing Rules and Regulations of the Securities Regulation Code (Republic Act 8799)
TOR	means the Terms of Reference applicable to each Board Committee
Trading Participants	means an entity authorized by the PSE to own and operate a trading right, pursuant to the PSE's by-laws and applicable rules
Underwriters	means, collectively, the underwriters that may be engaged by the Issuer for each tranche or offer of Series A Preference Shares and as identified in the relevant Offer Supplement.
Underwriting Agreement	means the relevant Underwriting Agreement to be entered into by and among the Company and the Underwriters for each tranche or offer of Series A Preference Shares
U.S. FDA	means United States Food and Drug Administration
U.S. GAAP	means the Generally Accepted Accounting Principles in the United States of America
U.S.A., U.S. or United States	means United States of America
U.S.$ or U.S. dollars	means United States Dollars, the lawful currency of the United States of America

SUMMARY

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

OVERVIEW OF THE COMPANY

The Company

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

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

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

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

History

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

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

BUSINESS OF THE GROUP

Group Overview

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

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

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

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

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

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

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

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

The DMFI Consumer Food Business Acquisition

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

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

Post-Acquisition Group Overview

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

AMERICAS

Reported under the Americas segment are sales and profit on sales in North and South America, and Canada. Majority of this segment's sales are principally sold under the Del

Monte brand but also under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales across various channels include retail markets, as well as to the U.S. Government, U.S. military, certain export markets, the food service industry and other food processors.

The DMFI Consumer Food Business

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

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

ASIA PACIFIC

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

EUROPE

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

Overview of the DMFI Consumer Food Business

The DMFI Consumer Food Business includes well-known household brands such as *Del Monte*, *Contadina, College Inn, S&W* and other brand names. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the United States, in all channels serving retail markets, as well as to the U.S. Government, U.S. military, certain export markets, the food service industry and other food processors. The DMFI Consumer Food Business' principal facilities consist of twelve (12) production facilities and eight (8) distribution centres in the United States, as well as two (2) production facilities in Mexico and one (1) production facility in Venezuela.

Its diversified, multi-category product line provides the DMFI Consumer Food Business with a competitive advantage in selling to the retail grocery industry and to foodservice customers.

The DMFI Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers, as well as to foodservice customers, including restaurant chains, hotels and the distributors who service these companies. The DMFI Consumer Food Business has developed strong relationships with customers over the long term that provides a solid base for the DMFI Consumer Food Business.

Developments in FY2015

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

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

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

Financial Highlights in FY2016

For the fiscal year ended 30 April 2016, the Group generated sales of US$2.3 billion, up 3.7% versus the prior year due to higher sales from the U.S., Philippines and S&W in Asia and the Middle East.

The *Del Monte 'From Our Farm to Your Table'* campaign was launched in August 2015 to reinforce the Group's quality message from seed to harvest and make it relevant to every day meals and the holidays.

In the fourth quarter of FY2016, DMFI announced its transition to non-bisphenol A ("**BPA**") internal can coatings for substantially all *Del Monte*-branded products by the end of the pack season in October 2016. It will also shift many products to non-genetically modified organism ("**GMO**") ingredients. The Group is replacing secondary ingredients so that the majority of Del Monte vegetables, 100% of single-serve fruit products, and 95% of tomatoes will be non-GMO. Furthermore, the Group will be expanding the number of products in its vegetable line with convenient easy open lids, eliminating the need for a can opener.

The Group achieved a net income of U.S.$51.5 million for FY2016, inclusive of one-off net favourable adjustments of U.S.$31.7 million after tax. One-off adjustments include the re-measurement of retirement fund as a result of changes in post retirement benefits, settlement agreement with Big Heart Pet Brand and closure of North Carolina plant. Even after excluding non-recurring items, the core or recurring net income in FY2016 of U.S.$19.8

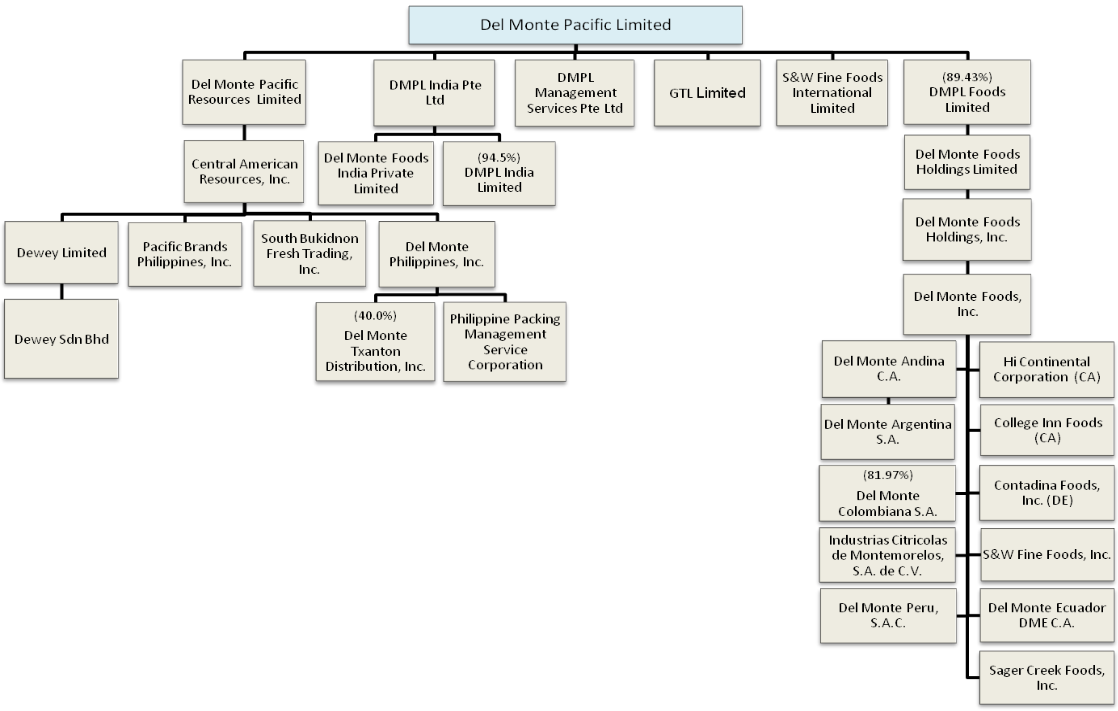
million is a significant improvement from the U.S.$43.2 million reported loss last year. DMFI accounted for U.S.$26.3 million of the Group net income.

For the six months ended 31 October 2016, the Group achieved a total revenue of U.S.$1.1 billion, of which DMFI generated U.S.$0.8 billion of sales. The Group generated a net income of US$11.4 million for the six months, lower than prior year period's net income of US$37.1 million due to the one-time net gain of US$30.2 million mainly from DMFI's retirement plan amendment last year. Meanwhile, six months ended 31 October 2016 results included the US$2.7 million impact of North Carolina plant closure, plus the US$3.7 million of other restructuring costs, primarily severance expense.

Excluding the one-off items, the Group's recurring net income would have been US$15.1 million, higher versus the recurring net income last year of US$6.9 million mainly driven by the strong performance of the Asian business.

Group Structure

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



RISKS OF INVESTING

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

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

Please refer to the section entitled "*Risk Factors*" beginning on page 57 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with an investment in the Series A Preference Shares.

SUMMARY OF OFFER

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

The following overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information in this Prospectus, including, but not limited to, the discussion on the "Description of the Series A Preference Shares" and *"Description of Securities", the relevant Offer Supplement, the relevant Application to Purchase, the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date, and applicable laws and regulations. This overview may not contain all of the information that prospective investors should consider before deciding to invest in the Series A Preference Shares. Accordingly, any decision by a prospective investor to invest in the Series A Preference Shares should be based on a consideration of this Prospectus, the relevant Offer Supplement, the relevant Application to Purchase, the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date and applicable laws and regulations as a whole. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail.*

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

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

	Payment Date"), being the last day of each 6-month period (each, a "**Dividend Period**") following the Issue Date. The dividends on the Series A Preference Shares will be calculated on a 180/360-day basis for each Dividend Period. If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustments as to the amount of dividends to be paid. A "**Business Day**" means a day other than a Saturday or Sunday on which banks in Metro Manila are generally open for normal banking business.
Dividend Rate	The term "**Dividend Rate**" means (a) from the Issue Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up Date, the higher of the Initial Dividend Rate and the Step Up Rate. Please see below relevant definitions (the "**Initial Dividend Rate**").
Initial Dividend Rate	The Dividend Rate applicable from the Issue Date up to the Step Up Date shall be at the fixed rate *per annum* identified in the relevant Offer Supplement as the Initial Dividend Rate.
Step Up Rate	If the Series A Preference Shares shall not have been redeemed by the Issuer on the fifth anniversary of the Issue Date (the "**Step Up Date**"), the Initial Dividend Rate shall be adjusted on the Step Up Date to the fixed rate *per annum* identified in the relevant Offer Supplement as the Step Up Rate (the "**Step Up Rate**"). However, if the Initial Dividend Rate is higher than the applicable Step Up Rate, there shall be no adjustment to the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.
Conditions on Declaration and Payment of Dividends	The declaration and payment of dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, to the covenants (financial or otherwise) in the agreements to which the Issuer is a party and the requirements under applicable laws and regulations. Please also see discussion under "*Dividends and Dividend Policy*" on page 94 of this Prospectus. If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable the Issuer to pay in full on the same date both dividends on the Series A Preference Shares and the dividends on other shares that have an equal right to dividends as the Series A Preference Shares (the "**Comparable Shares**"), the Issuer may pay dividends on the Series A Preference Shares and any Comparable Shares provided that such dividends are *pro rata* to the amount of the cash dividends scheduled to be paid to the Series A Preference Shares and the Comparable Shares, respectively. The amount scheduled to be paid shall include all dividends due on such date, as well as all accumulated dividends

	due and payable or dividends in arrears in respect of prior Dividend Periods ("**Dividends in Arrears**"). So long as any of the Series A Preference Shares are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares, issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, *pari passu* with or senior to the Series A Preference Shares. The profits available for distribution are, in general and with some adjustments pursuant to applicable laws and regulations, equal to the Issuer's accumulated, realized profits less accumulated, realized loss and reserves.
Cumulative	Cash dividends on the Series A Preference Shares will be cumulative. If for any reason the Board of Directors of the Issuer does not declare cash dividends on the Series A Preference Shares for a Dividend Period, the Issuer will not pay a dividend on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which cash dividends are declared, holders of the Series A Preference Shares shall receive the dividends due them on such Dividend Payment Date as well as all Dividends in Arrears. The Issuer covenants that, in the event (for any reason): (a) any dividends due with respect to any Series A Preference Shares then outstanding for any period are not declared and paid in full when due; (b) where there remains Dividends in Arrears; or (c) any other amounts payable in respect of the Series A Preference Shares are not paid in full when due, then the Issuer will not: (i) declare or pay any dividends or other distributions in respect of Comparable Shares and shares or securities ranking junior to the Series A Preference Shares (unless such declaration or payment of dividends or distributions in respect of Comparable Shares shall be in accordance with "*Conditions on Declaration and Payment of Cash Dividends*"), or (ii) repurchase or redeem, Comparable Shares, or shares or securities junior to, the Series A Preference Shares (or contribute any moneys to a sinking fund for the redemption of any Comparable Shares, or shares or securities junior to the Series A Preference Shares), until any and all amounts described in (a), (b) and (c) have been paid to the holders of the Series A Preference Shares.

Optional Redemption and Purchase	As and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Issuer may redeem the Series A Preference Shares in whole (not in part) without the consent of the holder(s) of such Series A Preference Shares: (a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an "**Optional Redemption Date**"), or (b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the "**Early Redemption Date**"). Any redemption of shares (other than by reason of a CoC Event which shall be governed by the provisions set out below): (i) may only occur on one of the Optional Redemption Dates or on the Early Redemption Date; (ii) may only occur if the Issuer has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made; and (iii) shall be at the redemption price equal to the aggregate of (1) the Issue Price and (2) any accrued and unpaid dividends in respect of such Series A Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the relevant redemption date (the "**Preference Redemption Price**"). For the avoidance of doubt, the Preference Redemption Price shall include all Dividends in Arrears. The Preference Redemption Price shall be paid within 10 Business Days of the Optional Redemption Date or Early Redemption Date (upon which the redemption occurs). An accounting event ("**Accounting Event**") shall occur if an opinion of a recognized person authorized to provide auditing services has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Series A Preference Shares may no longer be recorded as "equity" pursuant to the International Financial Reporting Standards issued by the International Accounting Standards Board ("**IFRS**"), or such other accounting standards, or such other accounting standards which succeed IFRS, applied by the Issuer for drawing up its consolidated financial statements for the relevant financial year. A tax event ("**Tax Event**") shall occur if any payment to be made by the Issuer to the holders of the Series A Preference Shares becomes subject to any new tax, which makes such payment more burdensome to the Issuer, as a result of changes in any applicable

	law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer.
Change of Control	In the event of the occurrence of a CoC Event (as defined below), the Dividend Rate will be increased by 400 basis points commencing and including the day falling 180 days after the day on which a CoC Event has occurred. If a CoC Event has occurred and as and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may at any time redeem the Series A Preference Shares in whole (not in part) without the consent of the holders of such Series A Preference Shares, at the redemption price equal to the aggregate of the (1) Issue Price, and (2) (i) any accrued and unpaid dividends computed on the applicable Dividend Rate in respect of such Series A Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the redemption date, and (ii) in case the redemption is made on the 180th day after the day on which a CoC Event has occurred or at any time after the said 180th day, the additional 400 basis points commencing from (and including) the day falling 180 days after the day on which a CoC Event has occurred and ending on (but excluding) the redemption date (the "**CoC Preference Redemption Price**"). For the avoidance of doubt, the CoC Preference Redemption Price shall include all Dividends in Arrears. The CoC Preference Redemption Price shall be paid within 10 Business Days of the date upon which the redemption occurs. Any redemption by reason of a CoC Event may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made. Change of control (the "**CoC Event**") shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation in the Company. For purposes of this paragraph, the word "controlling participation" means ownership of at least 51% of the total issued and outstanding voting capital stock, or the right to elect at least 51% of the total number of the members of the Board of Directors of the Company.
No Sinking Fund	The Issuer is not legally required to establish, has not established, and currently has no plans to establish a sinking fund for the redemption of the Series A Preference Shares.
Purchases by the Issuer of Series A Preference	After the Listing Date, the Issuer may purchase the Series A Preference Shares at any time in the open market or by public

Shares	tender or by private contract at any price through the PSE. The Series A Preference Shares so purchased may either be redeemed (pursuant to the terms and conditions of redemption as set out in this Prospectus) and cancelled or kept as treasury shares.
Status; Issue of Additional Shares	The Series A Preference Shares will constitute the direct and unsecured subordinated obligations of the Issuer ranking at least *pari passu* in all respects and ratably without preference of priority among themselves. The Series A Preference Shares shall rank as regards participation in the Issuer's profits that are legally available for distribution as dividends, if, as, and when declared by the Board of Directors, *pari passu* with all other shares in the capital of the Issuer to the extent that they are expressed to rank *pari passu* therewith and in priority to the Ordinary Shares. The Issuer may issue additional Series A Preference shares which shall rank at least *pari passu* with the Series A Preference Shares. However, so long as any of the Series A Preference Shares are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares, issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, *pari passu* with or senior to the Series A Preference Shares.
Voting Rights	The holders of the Series A Preference Shares, subject to the limitations and qualifications described in the Issuer's Memorandum and Articles of Association, shall have the right to receive notice of any meeting of the members of the Issuer and all reports and balance sheets of the Issuer that are available to the holders of the Ordinary Shares of the Issuer. Generally, the holders of the Series A Preference Shares shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members. If a general meeting of the Issuer is convened for the purpose of: (a) reducing the Issuer's authorised or issued share capital; (b) winding up the Issuer; (c) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Issuer; or (d) where the proposal to be submitted to the general meeting directly affects their rights and privileges of holders of the Series A Preference Shares, the holders of Series A Preference Shares shall have the right to attend, speak and vote at such general meeting of the Issuer.

	Further, the holders of Series A Preference Shares shall have the right to attend, speak and to vote at any general meeting of the Issuer convened when the dividend on the Series A Preference Shares has been duly declared by the Board and has not been paid in full when due and remains unpaid for at least six months.
Non-Participating	Holders of the Series A Preference Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Series A Preference Shares.
Non-Convertible	Holders of the Series A Preference Shares shall have no right to convert the Series A Preference Shares to any other preference shares or Ordinary Shares of the Issuer.
No Pre-emptive Rights	Holders of the Series A Preference Shares shall have no pre-emptive rights to subscribe to any shares (including, without limitation, treasury shares) that will be issued by the Issuer.
Perpetual	The Series A Preference Shares are perpetual securities with no maturity date.
Liquidation Rights	In the event of any liquidation, dissolution or winding up (whether voluntarily or involuntarily), the holders of the Series A Preference Shares at the time outstanding will be entitled to receive, in U.S. dollars out of the Issuer's assets available for distribution to shareholders, together with other holders of any of the Issuer's shares ranking, as regards repayment of capital in the aforesaid events, *pari passu* with the Series A Preference Shares and before any distribution of assets is made to holders of any class of the Issuer's shares ranking after the Series A Preference Shares as regards repayment of capital in the aforesaid events, an amount equal to the Issue Price plus an amount equal to any dividends declared but unpaid in respect of the previous Dividend Period to (including) the date of commencement of the Company's liquidation, dissolution or winding up ("**Liquidation Distribution**"). If, upon any return of capital in the Issuer's liquidation, dissolution or winding up, the amount payable with respect to the Series A Preference Shares and any other of the Issuer's shares ranking as to any such distribution *pari passu* with the Series A Preference Shares are not paid in full, the holders of the Series A Preference Shares and of such other shares will share ratably in any such distribution of the Issuer's assets in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the Liquidation Distribution to which they are entitled, the holders of the Series A Preference Shares will have no right or claim to any of the Issuer's remaining assets and will not be entitled to any further participation or return of capital in such liquidation, dissolution or winding up.

Taxes	Please see "*Philippine Taxation*" on page 280 of this Prospectus for the tax consequences of an investment in the Series A Preference Shares. The holders of the Series A Preference Shares shall be responsible for declaring the amount they received as dividend in their respective income tax returns and paying the applicable taxes.
Form, Title and Registration of the Series A Preference Shares	The Series A Preference Shares will be lodged with the Philippine Depository & Trust Corporation ("**PDTC**") as Depository Agent at least two trading days prior to the Listing Date through Trading Participants nominated by the applicants. The nominated Trading Participants must be Eligible Brokers. After the Listing Date, holders of Series A Preference Shares (the "**Shareholders**") may request to receive stock certificates evidencing their investment in the Series A Preference Shares through their nominated Eligible Brokers. Any expense that will be incurred in relation to such issuance shall be for the account of the requesting Shareholder. Please see the sections "*The Philippine Stock Market - Amended Rule on Lodgment of Securities*" *and "- Issuance of Stock Certificates for Certificated Shares*" in this Prospectus and the section "*Form, Title and Registration of the Series A Preference Shares*" in the relevant Offer Supplement.
Selling and Transfer Restrictions	Initial placement of the Series A Preference Shares and subsequent transfers of interests in the Series A Preference Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time and the additional requirements under the PSE DDS Rules for the trading and settlement of the Series A Preference Shares.
Eligible Investors	The Series A Preference Shares may be owned or subscribed to by any person, partnership, association, corporation, trust account, fund or entity regardless of nationality. In addition, under certain circumstances, the Issuer may reject an application or reduce the number of Offer Shares applied for subscription or purchase. Law may restrict subscription to the Series A Preference Shares in certain jurisdictions. Foreign investors interested in subscribing for or purchasing the Series A Preference Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, shall warrant that their purchase of the Series A Preference Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Series A Preference Shares. Investors are required to give their consent to the disclosure of their

	names to the SEC if said information is requested by the SEC in the course of a possible violation of the SRC, SRC Rules and other orders and issuances of the SEC, examination, official inquiry or as part of surveillance procedure, and/or in compliance with pertinent laws.
Procedure for Application	The relevant Offer Supplement shall set out a discussion of "*Procedure for Application*" applicable to a particular Offer.
Payment for the Series A Preference Shares	The relevant Offer Supplement shall set out a discussion of "*Payment for the Series A Preference Shares*" applicable to a particular Offer.
Acceptance/Rejection of Applications	The relevant Offer Supplement shall set out a discussion of "*Acceptance/Rejection of Applications*" applicable to a particular Offer.
Refunds for Rejected Applications	The relevant Offer Supplement shall set out a discussion of "*Refunds for Rejected Applications*" applicable to a particular Offer.
Other Terms and Conditions	The relevant Offer Supplement may set out a discussion of other terms and conditions applicable to a particular Offer.
Governing Law	The Series A Preference Shares will be issued pursuant to the laws of the British Virgin Islands.
Process Agent	The resident agent of the Regional Operating Headquarters ("**ROHQ**") of the Issuer in the Philippines.
Selling Agents	Trading Participants of the PSE
Share Registrars / Stock Transfer Agent	**Philippine Branch Share Registrar**: The Stock Transfer Agent identified in the relevant Offer Supplement. **BVI Share Registrar & Share Transfer Office**: Nerine Trust Company (BVI) Limited Nerine Chambers, PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands
(Dividend) Paying Agent	BDO Unibank, Inc. – Trust and Investments Group
Depository Agent	Philippine Depository & Trust Corp.
Timetable	The timetable of each tranche of the Offer shall be set out in the relevant Offer Supplement.
Risk of Investing	Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Series A Preference Shares. These risks are discussed in the section entitled "*Risk Factors*" and include:

	risks relating to our business, risks relating to our organization and structure, risks relating to the Philippines and risks relating to the Series A Preference Shares.

DESCRIPTION OF THE SERIES A PREFERENCE SHARES

The following provides general information relating to the Series A Preference Shares but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the additional information appearing elsewhere in the Prospectus, including, but not limited to, the discussion on the "Summary of Offer", "Description of Securities", the relevant Offer Supplement, the relevant Application to Purchase, the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date, and applicable laws and regulations.

SHARE CAPITAL

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

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

THE PREFERENCE SHARES

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

The discussion below sets out the rights, privileges, restrictions and conditions of the Series A Preference Shares as set out in the Memorandum of Association and otherwise as approved by the Board in a resolution dated 19 November 2016 and by the officers so authorized by such resolution.

Registration and Listing

The Series A Preference Shares consisting in the aggregate of up to 36,000,000 cumulative, non-voting, non-participating, non-convertible U.S. dollar-denominated preference shares shall be registered with the SEC and listed on the PSE upon issuance by the SEC of an Order declaring effective the Registration Statement and the Permit to Sell Securities, and approval by the PSE of the listing application. The Series A Preference Shares are expected to be listed on the PSE Main Board under the symbol set out in the relevant Offer Supplement.

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

Shelf Registration

The Series A Preference Shares shall be filed under shelf registration to be issued in tranches within the Shelf Period.

Offer

The Series A Preference Shares of the Issuer consisting in the aggregate of up to 36,000,000 cumulative, non-voting, non-participating, non-convertible U.S. dollar-denominated preference shares shall be offered in tranches and issued in series from time to time. The specific terms of the Series A Preference Shares for each tranche shall be determined by the Issuer taking into account prevailing market conditions at the time of sale and shall be set out in the relevant Offer Supplement.

For each tranche or the Offer, the Issuer shall distribute an Offer Supplement which shall be disclosed to the public through its filing with the SEC and the PSE and made available for download from the Company's website, http://www.delmontepacific.com/.

Issue Price

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

Issue Date

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

Par Value

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

Dividend Payment Dates, Dividend Periods and Dividend Rates

The Series A Preference Shares shall, subject to the conditions for the declaration and payment of dividends, bear cumulative non-participating cash dividends based on the Issue Price, at the Dividend Rate *per annum* from the Issue Date, payable on the Dividend Payment Dates, being the last day of each 6-month Dividend Period following the Issue Date.

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

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

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

(a) The Dividend Rate applicable from the Issue Date up to the Step Up Date shall be at the fixed rate *per annum* identified in the relevant Offer Supplement as the Initial Dividend Rate.

(b) If the Series A Preference Shares shall not have been redeemed by the Company on Step Up Date, the Initial Dividend Rate shall be adjusted on the Step Up Date to the fixed rate *per annum* identified in the relevant Offer Supplement as the Step Up Rate.

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

Conditions on Declaration and Payment of Dividends

The declaration and payment of dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, to the covenants (financial or otherwise) in the agreements to which the Company is a party and the requirements under applicable laws and regulations. Please also see discussion under "*Dividends and Dividend Policy*" on page 94 of this Prospectus.

If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable the Company to pay in full on the same date both dividends on the Series A Preference Shares and Comparable Shares, the Company may pay dividends on the Series A Preference Shares and any Comparable Shares provided that such dividends are *pro rata* to the amount of the cash dividends scheduled to be paid to the Series A Preference Shares and the Comparable Shares, respectively. The amount scheduled to be paid shall include all dividends due on such date as well as all Dividends in Arrears.

Based on the resolution approved by the Board of Directors on 19 November 2016, so long as any of the Series A Preference Shares are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares, issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, *pari passu* with or senior to the Series A Preference Shares.

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

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

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

Cumulative

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

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

(a) any dividends due with respect to the Series A Preference Shares then outstanding for any period are not declared and paid in full when due;

(b) where there remains Dividends in Arrears; or

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

then the Company will not:

(i) declare or pay any dividends or other distributions in respect of Comparable Shares and shares or securities ranking junior to the Series A Preference Shares (unless such declaration or payment of dividends or distributions in respect of Comparable Shares shall be in accordance with "*Conditions on Declaration and Payment of Cash Dividends*"), or

(ii) repurchase or redeem, Comparable Shares, or shares or securities junior to, the Series A Preference Shares (or contribute any moneys to a sinking fund for the redemption of any Comparable Shares, or shares or securities junior to the Series A Preference Shares),

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

Procedures for Payment of Cash Dividend Declarations

Please also see "*Terms of this Offer - Procedures for Payment of Cash Dividend Declarations*" as set out in the relevant Offer Supplement for a detailed discussion on the procedure for the payment of cash dividend declarations.

Optional Redemption and Purchase

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

(a) on an Optional Redemption Date, which is the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter; or

(b) at the Early Redemption Date, which is at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing.

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

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

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

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

(i) may only occur on one of the Optional Redemption Dates or on the Early Redemption Date;

(ii) may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made; and

(iii) shall be at the Preference Redemption Price, which is equal to the aggregate of (1) the Issue Price and (2) any accrued and unpaid dividends in respect of such Series A Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the relevant redemption date. For the avoidance of doubt, the Preference Redemption Price shall include all Dividends in Arrears.

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

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

Change of Control: Step Up and Optional Redemption and Purchase

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

In the event of the occurrence of a CoC Event, the Dividend Rate will be increased by 400 basis points commencing and including the day falling 180 days after the day on which a CoC Event has occurred.

If a CoC Event has occurred and as and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may at any time redeem the Series A Preference Shares in whole (not in part) without the consent of the holders of such Series A Preference Shares, at the CoC Preference Redemption Price equal to the aggregate of the (1) Issue Price, and (2) (i) any accrued and unpaid dividends computed on the applicable Dividend Rate in respect of such Series A Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the redemption date, and (ii) in case the redemption is made on the 180th day after the day on which a CoC Event has occurred or at any time after the said 180th day, the additional 400 basis points commencing from (and including) the day falling 180 days after the day on which a CoC Event has occurred and ending on (but excluding) the redemption date. For the avoidance of doubt, the CoC Preference Redemption Price shall include all Dividends in Arrears.

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

General Provisions Applicable to all Events of Optional Redemption

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

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

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

No Sinking Fund

For greater certainty, (i) the Company is not legally required to establish, has not established, and currently has no plans to establish a sinking fund for the redemption of the Series A Preference Shares; and (ii) any redemption of the Series A Preference Shares pursuant to the foregoing shall not prejudice the rights of holders of Series A Preference Shares whose Series

A Preference Shares were so redeemed to receive any Dividends in Arrears on their Series A Preference Shares as of the Redemption Date.

Purchases by the Company of Series A Preference Shares

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

Status

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

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

Issue of Additional Shares

The Company may issue additional Series A Preference shares which shall rank at least *pari passu* with the Series A Preference Shares. However, so long as any of the Series A Preference Shares are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares, issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, pari passu with or senior to the Series A Preference Shares.

Without limiting the generality of the foregoing but with the prior approval of the holders of the outstanding Series A Preference Shares, the Company may issue preference shares in one or more series from time to time by resolutions of the directors, and any series of preference shares may rank equally with the Series A Preference Shares.

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

Subject to the provision of the Company's Memorandum and Articles of Association, any amendment of such Memorandum and Articles of Association which may have an economic impact on the Series A 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 Series A Preference Shares.

Variations of Rights

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

Voting Rights

The holders of the Series A Preference Shares, subject to the limitations and qualifications described in the Company's Memorandum and Articles of Association, shall have the same rights as holders of Ordinary Shares to receive notice of any meeting of the members of the Company and all reports and balance sheets of the Company that are available to the holders of the Ordinary Shares and attending general meetings of the Company, but the holders of Series A Preference Shares shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members; provided that the holders of Series A Preference Shares shall have the right to attend, speak and vote on any resolution proposed at a general meeting of the Company convened for the purpose of:

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

(b) winding up the Company; or

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

(d) where the proposal to be submitted to the general meeting directly affects the rights and privileges of holders of the Series A Preference Shares.

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

Non-Participating

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

Non-Convertible

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

No Pre-emptive Rights

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

Perpetual

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

Liquidation Rights

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

Dividend Period to (including) the date of commencement of the Company's liquidation, dissolution or winding up ("**Liquidation Distribution**").

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

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

Taxes

Please see "*Philippine Taxation*" on page 280 of this Prospectus for the tax consequences of investing in the Series A Preference Shares.

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

Form, Title and Registration of the Preference Shares

The Series A Preference Shares will be lodged with the PDTC as Depository Agent at least two trading days prior to the Listing Date through Trading Participants nominated by the applicants. The nominated Trading Participants must be Eligible Brokers.

After the Listing Date, the Shareholders may request to receive the stock certificates evidencing their investment in the Series A Preference Shares through their nominated Eligible Brokers. Any expense that will be incurred in relation to such issuance shall be for the account of the requesting Shareholder.

Please see the sections "*The Philippine Stock Market - Amended Rule on Lodgment of Securities*" *and "- Issuance of Stock Certificates for Certificated Shares*" in this Prospectus and the section "*Form, Title and Registration of the Series A Preference Shares*" in the relevant Offer Supplement.

Selling and Transfer Restrictions

Initial placement of the Series A Preference Shares and subsequent transfers of interests in the Series A Preference Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time and the additional requirements under the PSE DDS Rules for the trading and settlement of the Series A Preference Shares.

Eligible Investors

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

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

Investors are required to give their consent to the disclosure of their names to the SEC if said information is requested by the SEC in the course of a possible violation of the SRC, SRC Rules and other orders and issuances of the SEC, examination, official inquiry or as part of surveillance procedure, and/or in compliance with pertinent laws.

Offer Period; Timetable for the Offer

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

Minimum Subscription to the Series A Preference Shares

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

Procedure for Application

The relevant Offer Supplement shall set out a discussion of "*Procedure for Application*" applicable to a particular Offer.

Payment for the Series A Preference Shares

The relevant Offer Supplement shall set out a discussion of "*Payment for the Series A Preference Shares*" applicable to a particular Offer.

Acceptance/Rejection of Applications

The relevant Offer Supplement shall set out a discussion of "*Acceptance/Rejection of Applications*" applicable to a particular Offer.

Refunds for Rejected Applications

The relevant Offer Supplement shall set out a discussion of "*Refunds for Rejected Applications*" applicable to a particular Offer.

Governing Law

The Series A Preference Shares will be issued pursuant to the laws of the British Virgin Islands.

Process Agent

The process agent for purposes of the Series A Preference Shares shall be the resident agent of the Regional Operating Headquarters of the Company in the Philippines.

Share Registrars, Stock Transfer Agent, Dividend Paying Agent and Depository Agent

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

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

BDO Unibank, Inc. – Trust and Investments Group is also the Dividend Paying Agent. PDTC acts as the Depository Agent.

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Group's audited consolidated financial statements as of 30 April 2016, 2015, 2014, and for the years ended 30 April 2016 and 2015 and for the four months ended 30 April 2014; and unaudited financial statements for the six months ended 31October 2016 and 2015.

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

*The Group's consolidated financial statements as at and for the year ended 30 April 2016 were prepared in accordance with the IFRS and were audited by SyCip, Gorres, Velayo & Co. ("**SGV**") in accordance with Philippine Standards on Auditing (PSA).*

The Group's consolidated financial statements as at 30 April 2015 and 2014 and for the year ended 30 April 2015 and for the four months ended 30 April 2014 were prepared in accordance with the IFRS and were audited by R.G. Manabat & Co. in accordance with PSA.

As part of the 2016 audit, SGV also audited the adjustments described in Note 3.6 that were applied to the 2015 and 2014 consolidated financial statements and the consolidated statement of financial position as at 30 April 2014 to come up with consolidated statement of financial position as at 1 May 2014 presented in the 2016 consolidated financial statements as corresponding figures. The consolidated statement of financial position as at 30 April 2014 are equivalent to the amounts as of 1 May 2014 as presented in the consolidated financial statements, included in the Prospectus.

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In U.S.$'000)

	30 April 2016 (Audited)	30 April 2015 (Audited) (Restated)	30 April 2014 (Audited) (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment - net	563,614	578,359	504,953
Investments in joint ventures	22,820	22,590	21,008
Intangible assets and goodwill	750,373	759,700	742,763
Deferred tax assets - net	100,899	86,303	47,157
Biological assets	37,468	41,606	37,462
Employee benefits	–	–	10,673
Other noncurrent assets	25,941	28,985	23,688
	1,501,115	**1,517,543**	**1,387,704**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)
(In U.S.$'000)

	30 April 2016 (Audited)	30 April 2015 (Audited) (Restated)	30 April 2014 (Audited) (Restated)
Current assets			
Biological assets	87,994	87,034	82,461
Inventories	845,233	749,549	808,671
Trade and other receivables	175,532	184,402	158,868
Prepaid expenses and other current assets	35,597	39,870	57,388
Cash and cash equivalents	47,203	35,618	28,401
	1,191,559	1,096,473	1,135,789
Noncurrent assets held for sale	1,950	8,113	–
	1,193,509	**1,104,586**	**1,135,789**
Total assets	**2,694,624**	**2,622,129**	**2,523,493**
Equity			
Share capital	19,449	19,449	12,975
Retained earnings	148,866	97,332	140,515
Reserves	134,926	148,750	26,597
Equity attributable to owners of the Company	303,241	265,531	180,087
Non-controlling interests	61,971	58,644	67,255
Total equity	**365,212**	**324,175**	**247,342**
Non-current liabilities			
Loans and borrowings	1,116,422	1,272,945	934,385
Employee benefits	97,118	129,199	99,060
Environmental remediation liabilities	6,313	4,580	4,241
Deferred tax liabilities - net	1,092	1,092	1,092
Other noncurrent liabilities	62,586	61,163	46,880
	1,283,531	**1,468,979**	**1,085,658**
Current liabilities			
Loans and borrowings	727,360	445,542	919,579
Employee benefits	33,651	43,080	33,621
Trade and other payables	281,043	339,054	237,167
Current tax liabilities	3,827	1,299	126
	1,045,881	**828,975**	**1,190,493**
Total liabilities	**2,329,412**	**2,297,954**	**2,276,151**
Total equity and liabilities	**2,694,624**	**2,622,129**	**2,523,493**

CONSOLIDATED STATEMENTS OF INCOME

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Revenue	2,267,837	2,186,689	386,128
Cost of sales	(1,785,985)	(1,778,531)	(348,291)
Gross profit	481,852	408,158	37,837
Distribution and selling expenses	(201,031)	(199,160)	(39,630)
General and administrative expenses	(150,121)	(190,892)	(47,455)
Other income (expenses) - net	31,038	16,896	(5,971)
Results from operating activities	161,738	35,002	(55,219)
Finance income	2,231	400	391
Finance expense	(99,581)	(99,861)	(18,247)
Net finance expense	(97,350)	(99,461)	(17,856)
Share in (loss) profit of investments in joint ventures, net of tax	(1,717)	(2,453)	(1,154)
(Loss)/Profit before taxation	62,671	(66,912)	(74,229)
Tax (expense) credit – net	(8,139)	17,917	24,382
(Loss)/Profit for the year/period	54,532	(48,995)	(49,847)
Profit attributable to:			
Non-controlling interests	2,998	(5,812)	(5,073)
Owners of the Company	51,534	(43,183)	(44,774)
	54,532	(48,995)	(49,847)
Earnings per share			
Basic (loss)/earnings per share (US cents)	2.65	(3.10)	(3.45)
Diluted (loss)/earnings per share (US cents)	2.65	(3.10)	(3.45)

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Profit (loss) for the year/period	54,532	(48,995)	(49,847)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss:			
Currency translation differences	(13,476)	(1,655)	695
Effective portion of changes in fair value of cash flow hedges	(10,553)	(16,643)	(4,368)
Income tax effect on cash flow hedges	4,090	6,244	1,660
	(19,939)	(12,054)	(2,013)
Items that will not be reclassified to profit or loss:			
Remeasurement of retirement plans	(428)	(23,184)	(4,743)
Income tax effect on remeasurement of retirement plans	7,647	8,806	1,192
Tax impact on revaluation reserve	(1,504)	–	–
	5,715	(14,378)	(3,551)
Other comprehensive loss for the year/period, net of tax	(14,224)	(26,432)	(5,564)
Total comprehensive income (loss) for the year/period	40,308	(75,427)	(55,411)
Total comprehensive income (loss) attributable to:			
Non-controlling interests	3,138	(8,615)	(4,972)
Owners of the Company	37,170	(66,812)	(50,439)
	40,308	(75,427)	(55,411)

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Cash flows from operating activities			
Profit (loss) for the year/period	54,532	(48,995)	(49,847)
Adjustments for:			
Amortisation of intangible assets	9,327	7,560	1,434
Depreciation of property, plant and equipment	64,823	51,423	13,803
Impairment loss (reversal of impairment) of property, plant and equipment	4,928	(508)	(172)
Loss on disposal of property, plant and equipment	1,052	1,278	41
Equity-settled share-based payment transactions	713	144	48
Share in loss (profit) of investments in joint ventures and subsidiaries, net of tax	1,717	2,453	1,154
Finance income	(2,231)	(400)	(391)
Finance expense	99,581	99,861	18,247
Tax expense – current	12,729	7,189	820
Tax credit – deferred	(4,590)	(25,106)	(25,202)
Ineffective portion of cash flow hedges	5,193	319	–
Bargain purchase on acquisition of Sager Creek	–	(26,568)	–
Defined benefit plan amendment	(39,422)	–	–
Impairment losses on assets held for sale	1,659	–	–
Deconsolidation of a subsidiary	–	5,186	–
	210,011	73,836	(40,065)
Changes in:			
Other assets	(13,277)	10,951	(6,867)
Inventories	(103,705)	128,225	92,655
Biological assets	(3,932)	(9,040)	(6,750)
Trade and other receivables	22,851	(42,480)	59,997
Prepaid expenses and other current assets	(2,787)	(18,001)	(35,519)
Trade and other payables	(97,072)	98,580	(4,119)
Employee benefits	18,989	10,180	1,323
Operating cash flows	31,078	252,251	60,655
Taxes paid	(38)	(12,623)	(5,982)
Net cash flows provided by operating activities	31,040	239,628	54,673

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Cash flows from investing activities			
Interest received	357	353	111
Proceeds from disposal of property, plant and equipment and assets held for sale	3,775	353	63
Purchase of property, plant and equipment	(60,309)	(75,179)	(17,980)
Investments in joint ventures	(1,947)	(4,249)	(2,271)
Acquisition of Consumer Food Business, net of cash acquired	–	–	(1,783,497)
Purchase of Sager Creek	–	(75,000)	–
Deconsolidation of a subsidiary	–	(1,258)	–
Withdrawal to escrow account related to the Acquisition of Consumer Food Business	–	–	100,000
Net cash flows used in investing activities	(58,124)	(154,980)	(1,703,574)
Cash flows from financing activities			
Interest paid	(85,682)	(88,111)	(7,650)
Proceeds from borrowings	1,113,193	1,270,084	2,133,766
Repayment of borrowings	(986,800)	(1,411,388)	(558,176)
Proceeds from issue of share capital	–	155,036	–
Payment of transactions costs related to issuance of share capital	–	(2,924)	–
Capital injection by non-controlling interests of subsidiaries	189	4	74,500
Acquisition of treasury shares	(173)	–	–
Net cash flows provided by (used in) financing activities	40,727	(77,299)	1,642,440

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Net increase (decrease) in cash and cash equivalents	13,643	7,349	(6,461)
Effect of exchange rate changes held in foreign currency and translation adjustments on cash and cash equivalents	(2,058)	(132)	1,941
Cash and cash equivalents at beginning of year/period	35,618	28,401	32,921
Cash and cash equivalents at end of year/period	47,203	35,618	28,401

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL

POSITION

(In U.S.$'000)

	As at 31 October 2016 (Unaudited)	As at 30 April 2016 (Audited)
Noncurrent assets		
Property, plant and equipment – net	**563,726**	563,614
Investments in joint ventures	**24,915**	22,820
Intangible assets and goodwill	**745,699**	750,373
Deferred tax assets – net	**104,127**	100,899
Biological assets	**36,180**	37,468
Other noncurrent assets	**28,073**	25,941
	1,502,720	1,501,115
Current assets		
Biological assets	**83,524**	87,994
Inventories	**1,158,585**	845,233
Trade and other receivables	**245,201**	175,532
Prepaid and other current assets	**30,857**	35,597
Cash and cash equivalents	**23,488**	47,203
	1,541,655	1,191,559
Noncurrent assets held for sale	**1,050**	1,950
	1,542,705	1,193,509
Total assets	**3,045,425**	2,694,624
Equity		
Share capital	**19,449**	19,449
Retained earnings	**134,480**	148,866
Reserves	**129,611**	134,926
Equity attributable to owners of the company	**283,540**	303,241
Non-controlling interests	**61,207**	61,971
Total equity	**344,747**	365,212
Noncurrent liabilities		
Loans and borrowings	**1,115,417**	1,116,422
Employee benefits	**99,482**	97,118
Environmental remediation liabilities	**4,507**	6,313
Deferred tax liabilities	**1,116**	1,092
Other non-current liabilities	**57,158**	62,586
	1,277,680	1,283,531
Current liabilities		
Loans and borrowings	**993,707**	727,360
Employees benefits	**36,856**	33,651
Trade and other payables	**388,185**	281,043
Current tax liabilities	**4,250**	3,827
	1,422,998	1,045,881
Total liabilities	**2,700,678**	2,329,412
Total equity and liabilities	**3,045,425**	2,694,624

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

	Six months ended 31 October 2016 (Unaudited)	Six months ended 31 October 2015 (Unaudited) (Restated)
Revenue	**1,101,725**	1,145,458
Cost of sales	**(861,243)**	(893,609)
Gross profit	**240,482**	251,849
Distribution and selling expenses	**(99,683)**	(101,248)
General and administrative expenses	**(81,026)**	(53,363)
Other income (expenses) - net	**1,177**	(8,553)
Results from operating activities	**60,950**	88,685
Finance income	**4,109**	2,204
Finance expense	**(55,794)**	(47,659)
Net finance expense	**(51,685)**	(45,455)
Share in loss of joint ventures, net of tax	**(776)**	(903)
Profit before taxation	**8,489**	42,327
Tax expense – current	**(4,180)**	(4,137)
Tax benefit – deferred	**5,908**	2,294
	1,728	(1,843)
Profit for the period	**10,217**	40,484
Profit (loss) attributable to:		
Non-controlling interest	**(1,225)**	3,408
Owners of the Company	**11,442**	37,076
Earnings per share		
Basic profit per share (US cents)	**0.59**	1.91
Diluted profit per share (US cents)	**0.59**	1.91

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In U.S.$'000)

	Six months ended 31 October 2016 (Unaudited)	Six months ended 31 October 2015 (Unaudited) (Restated)
Profit for the period	**10,217**	40,484
Other comprehensive income (loss)		
Items that will not be classified to profit or loss		
Remeasurement of retirement plans	**4,086**	11,055
Income tax effect on remeasurement of retirement plans	**(1,162)**	(4,866)
	2,924	6,189
Items that will or may be reclassified subsequently to profit or loss		
Currency translation differences	**(9,769)**	(13,643)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)
Income tax effect on cash flow hedges	**(914)**	1,075
	(8,316)	(17,225)
Other comprehensive loss for the period, net of tax	**(5,392)**	(11,036)
Total comprehensive income for the period	**4,825**	29,448
Total comprehensive income (loss) attributable to:		
Non-controlling interests	**(764)**	3,672
Owners of the Company	**5,589**	25,776

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

	Six months ended 31 October FY2017 (Unaudited)	Six months ended 31 October FY2016 (Unaudited) (Restated)
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(238)
Net loss on derivative on financial statement	**1,400**	–
Share in loss of joint ventures, net of tax	**776**	903
Equity-settled share-based payment transactions	**538**	79
Loss on disposal of property, plant and equipment	**203**	277
Finance income	**(4,109)**	(2,204)
Tax expense (benefit), net	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)
	94,168	83,264
Changes in:		
Other noncurrent assets	**1,648**	(3,553)
Inventories	**(305,837)**	(351,855)
Biological assets	**1,642**	(3,998)
Trade and other receivables	**(83,092)**	(51,021)
Prepaid and other current assets	**993**	3,865
Trade and other payables	**89,367**	41,568
Employee benefits	**7,464**	4,638
Operating cash flows	**(193,647)**	(277,092)
Taxes paid	**(25)**	(1,829)
Net cash flows used in operating activities	**(193,672)**	(278,921)
Cash flows from investing activities		
Interest received	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,483**	526
Purchase of property, plant and equipment	**(32,279)**	(22,567)
Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

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

	Six months ended 31 October FY2017 (Unaudited)	Six months ended 31 October FY2016 (Unaudited) (Restated)
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(238)
Net loss on derivative on financial statement	**1,400**	–
Share in loss of joint ventures, net of tax	**776**	903
Equity-settled share-based payment transactions	**538**	79
Loss on disposal of property, plant and equipment	**203**	277
Finance income	**(4,109)**	(2,204)
Tax expense (benefit), net	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)
	94,168	83,264

Changes in:		
Other noncurrent assets	**1,648**	(3,553)
Inventories	**(305,837)**	(351,855)
Biological assets	**1,642**	(3,998)
Trade and other receivables	**(83,092)**	(51,021)
Prepaid and other current assets	**993**	3,865
Trade and other payables	**89,367**	41,568
Employee benefits	**7,464**	4,638
Operating cash flows	**(193,647)**	(277,092)
Taxes paid	**(25)**	(1,829)
Net cash flows used in operating activities	**(193,672)**	(278,921)
Cash flows from investing activities		
Interest received	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,483**	526
Purchase of property, plant and equipment	**(32,279)**	(22,567)
Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

(In U.S.$'000)

	Six months ended 31 October 2016 (Unaudited)	2015 (Unaudited) (Restated)
Cash flows from financing activities		
Interest paid	**(47,826)**	(40,752)
Proceeds from borrowings	**611,368**	687,561
Repayment of borrowings	**(344,300)**	(355,540)
Dividends paid	**(25,828)**	–
Acquisition of treasury shares	**–**	(63)
Net cash flows provided by financing activities	**193,414**	291,206
Net decrease in cash and cash equivalents	**(22,116)**	(10,706)
Cash and cash equivalents at 1 May	**47,203**	35,618
Effect of exchange rate changes on balances held in foreign currency	**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	**23,488**	22,084

RISK FACTORS

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

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

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

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

Risk Factors Relating to the Business

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

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

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

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

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

DMFI's indebtedness

In connection with the Acquisition, DMFI obtained a total of U.S.$970.0 million of indebtedness, consisting of a U.S.$694.0 million of 1st Lien Term Loan and a U.S.$260.0 million 2nd Lien Term Loan (the “**Term Loan Facilities**”). Additionally, DMFI obtained a U.S.$442.55 million loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the “**ABL Facility**”).

In addition, to offset the variable interest rate risks in the Term Loan Facilities. DMFI has executed U.S. $626.0 million of interest rate swaps to fix the LIBOR component of its borrowings.

The Company's indebtedness

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

As of 31 October 2016, the Company has paid the U.S.$165.0 million bridging facility thru a stock rights offering conducted last March 2015 and DMPL credit facilities. A portion of the proceeds from the Company’s follow-on offering last October 2014, amounting to U.S.$2.0 million, was used to partially pay the U.S.$15.6 million bridging facility. The Company has also obtained a credit facility to refinance the balance of U.S.$13.6 million bridging facility and U.S.$100.0 million drawdown.

Interest and principal payments / accruals

	Six months ended 31 October 2016	**Year ended 30 April 2016[5]**
Interest Related Expense (*in U.S.$ million*)		
1st Lien term Loan (U.S.$710 million)	14.9	30.2
2nd Lien term Loan (U.S.$260 million)	10.8	21.7
Credit Facilities (U.S.$100.0 million)	–	0.5
Bridge Facilities (U.S.$350.0 million, U.S.$165.0 million[1] and U.S.$15.6 million[2])[3]	7.2	13.8
Credit Facility (U.S.$130 million in FY2016)[4]	3.0	4.1
Total Interest Related Payments / Accruals	**35.9**	**70.3**
Capital Payments Required (1st Lien Tier Loans)	**3.6**	**7.1**
Bridge Facilities to be fully refinanced through equity (U.S.$350.0 million and U.S.$165.0 million)	–	–

	Six months ended 31 October 2016	Year ended 30 April 2016(5)

Notes:
(1) The bridge facility from BPI was fully paid from the proceeds of the stock rights offering conducted last March 2015 in the amount of U.S.$149.0 million and a credit facility amounting to U.S.$16.0 million.
(2) The bridge facility amounting to U.S.$15.6 million has been reduced by U.S.$2.0 million as the proceeds of the Philippine public offering were used to reduce the loan..
(3) Interest payments/expenses may change depending on the timing of the equity raising activities of the Company.
(4) The credit facilities amounting to U.S.$100 million, U.S.$13.6 million and U.S.$16 million were refinanced to a long-term, fixed rate loan.
(5) The period is from 1 May 2015 to 30 April 2016.

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

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

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

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

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

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

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

(a) the Group's planned increased in attention and resources to the management of DMFI;

(b) potential business growth in the U.S. by: (i) anchoring on the well-known *Del Monte* brand; (ii) increasing market share in canned vegetable and canned fruit; and (iii) product and packaging innovation. The DMFI Consumer Food Business is expected to account for approximately 80% of the Group's revenue and cash flow;

(c) potential business growth in new markets including South America;

(d) expected synergies between the Group and the DMFI Consumer Food Business, especially in pineapple-based products and in co-procurement of key packaging and raw materials;

(e) the Group's long-term growth driven by the *Del Monte* brand in the Philippines and the *S&W* brand in Asia, in particular, in the fresh pineapple business; or

(f) at the Company level, the Bridging Facilities (except for the bridging facility, which the Company may repay through a loan facility or equity fund-raising, or a combination of both) will be refinanced with equity as soon as practical, subject to regulatory approvals and market conditions.

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

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

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

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

A number of companies within the Group use the words "*Del Monte*" as part of their corporate name. Third party announcements or rumours about the licensees and product liability issues concerning these other companies using the words "*Del Monte*" as part of their corporate name, or challenges to the use of the corporate name could also have negative effects on the *Del Monte* trademark or the Group, which may require the Group to address through the issuance of public statements, such as in relation to the ongoing litigation with Fresh Del Monte. See "*Business — Legal Proceedings — Material litigation involving the DMFI Consumer Food Business — Litigation between Fresh Del Monte and DMFI*".

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

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

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

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

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

The food product categories in which the Group participates are highly competitive. There are numerous brands and products that compete for shelf space and sales, with competition based primarily upon brand recognition and loyalty, product packaging, quality and innovation, taste, nutrition, breadth of product line, price and convenience. The Group competes with a significant number of companies of varying sizes, including divisions or subsidiaries of larger companies. The Group's branded products face strong competition from private label products that are generally sold at lower prices, imports, other national and regional brands and fresh and frozen alternatives. The impact of price gaps between the Group's products and private label products may be particularly acute, where significant price gaps may result in share erosion and harm the business. Some of the Group's competitors have broader product lines, substantially greater financial and other resources and/or lower fixed costs. Such competitors may succeed in developing new or enhanced products that are more attractive to customers or consumers than the Group's. These competitors may also prove to be more successful in marketing and selling their products, and may be better able to increase prices to reflect cost pressures. The Group may not compete successfully with these other companies or maintain or grow the distribution of its products. The Group cannot predict the pricing or promotional activities of these competitors or whether they will have a negative effect on the Group. Many of these competitors engage in aggressive pricing and promotional activities, which may affect the Group's pricing. There are competitive pressures and other factors which could cause the Group's products to lose market share or decline in sales or result in significant price or margin erosion, which would have a material adverse effect on the Group's business, financial condition and results of operations.

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

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

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

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

A relatively limited number of customers account for a large percentage of the total sales of the Group. For instance, during fiscal year 2016, the top customer of DMFI, Walmart (including Walmart's stores and supercenters, as well as Sam's Club), represented a material portion of overall list sales, which approximates gross sales. The Group expects that a significant portion of its revenues will continue to be derived from a small number of customers. However, there can be no assurance that these customers will continue to purchase the Group's products in the same quantities as they have in the past. The Group's customers are generally not contractually obligated to purchase from the Group. Changes in customers' strategies, including a reduction in the number of brands they carry, shipping strategies, a shift of shelf space to or increased emphasis on private label products (including "store brands"), or a reduction in shelf space for core grocery items may adversely affect the Group's sales. Requirements that may be imposed on the Group by customers, such as sustainability, inventory management or product specification, may have an adverse effect on the Group's results of operations. Additionally, especially during economic downturns, the

Group's customers may face financial difficulties, bankruptcy or other business disruptions that may impact their operations and their purchases from the Group and may affect their ability to pay the Group for products purchased from the Group. Customers may grow their inventory in anticipation of a price increase, or in anticipation of, or during, its promotional events, which typically provide for reduced prices during a specified time or other customer or consumer incentives. To the extent customers seek to reduce their usual or customary inventory levels or change their practices regarding purchases in excess of consumer consumption, the Group's sales and results of operations would be adversely impacted in that period. If the Group's sales of products to one or more of its significant customers are reduced, this reduction could have a material adverse effect on the Group's business, financial condition and results of operations. Recognizing these risks, the Group cultivates its relationship with major customers at all levels of the organization and endeavors to improve its market position to foster stronger mutually beneficial partnerships.

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

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

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

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

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

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

In the normal course of business, the Group enters into transactions denominated in various foreign currencies. In addition, the Company and its subsidiaries maintain their respective books and accounts in their functional currencies. Since 1 January 2014, the value of the Philippine Peso against the U.S. dollar, based on BSP statistics, has fluctuated from a high of ₱43.28 per U.S. dollar on 10 July 2014 to a low of ₱49.769 per U.S. dollar on 31 December 2016. For the year ended 30 April 2016 and 2015, revenues of the Group denominated in Philippine Peso were 14% and 14%, respectively. In addition, for the year ended 30 April 2016 and 2015, the percentage of the Group's outstanding debt denominated in U.S. dollars was 95% and 94%, respectively. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations, especially between the Philippine Peso and U.S. dollar. To a certain extent, the Group has a natural hedge between the two currencies due to its revenue and cost mix. It is the Group's policy to optimise its natural hedge.

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

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

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

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

The Group's cash balances are placed with global and major Philippine banks and financial institutions. The Group manages its interest income by placing the cash balances with varying maturities and interest rate terms. This includes investing the Group's temporary excess liquidity in short-term low-risk securities from time to time. There is no assurance that such investments will increase in value and any loss in value may reduce the amount of cash available to the Group. Furthermore the Group obtains financing through bank borrowings and leasing arrangements. Financing is obtained from bank credit facilities, for both short-term and long-term requirements and/or through the sale of assets, particularly receivables from its customers. Any unfavourable movements in interest rates related to the Group's current or prospective financing may result in a material adverse effect on the Group's financial condition and results of operations.

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

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

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

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

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

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

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

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

The output of the plantation in the Philippines is subject to certain risk factors relating to weather conditions, crop yields, outgrowers and service providers’ performance, and leasehold arrangements. Any decrease in the Group's output levels may have a material adverse effect on its business, financial condition and results of operations. To manage any impact from heavy rainfall and floods, plantings are done in various locations to minimize tonnage loss, and towing units have been augmented to ensure continuity of harvest during wet conditions. The Group is PhilGAP and GLOBALGAP certified, and complies with proven agricultural practices in pineapple growing operations. Long-term land leases with staggered terms are also secured.

El Niño

In FY 2016, DMPL sales were impacted by reduced pineapple supply as a result of the El Niño weather pattern which led to decreased exports of packaged pineapple both under the *S&W* brand and non-branded business.

The Group has embarked on mitigating measures in the field, such as continuous enforcement of land preparation activities and reinforcing root health, among others. The Group will continue to closely monitor the situation and execute mitigating plans accordingly. Meanwhile, the Group will continue its proactive cost management across all other areas to make up for higher pineapple costs resulting from El Niño.

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

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

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

Drought in the United States

The drought in California has had an effect on fruit trees such as peaches, affecting quality, volume and pricing. Reduced peach volumes, higher product costs and pricing could reduce consumer demand. The Group is exploring sourcing peaches from foreign sources. Higher peach product costs are expected to be offset by lower costs from productivity enhancements and operational efficiencies.

DMFI operates and contractually grows food in seven (7) states in the United States where water availability may be at a risk. Its other water risks include:

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

To minimize the risks, DMFI is taking various actions, including:

- Investing in technologies to improve water conservation and
- Encouraging the business culture of saving water;
- Reusing and/or recycling water in operations as many times as possible before discharging to grey water;

- Improve the quality of grey water discharges through source point pollution control and new raw product-processing methods that discharge less pollutants of concern; and
- Work with growers to encourage the use of more water-efficient irrigation systems and techniques.

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

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

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

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

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

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

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

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

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

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

The DMFI Consumer Food Business uses a single national broker, Advantage Sales and Marketing, to represent a significant portion of its branded products to the retail grocery trade. The DMFI Consumer Food Business would suffer substantial disruption if this broker were to default in the performance of its obligations to perform brokerage services or if this broker fails to effectively represent the DMFI Consumer Food Business to the retail grocery trade. Changes in the DMFI Consumer Food Business sales strategy may impact this relationship.

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

The Group's international operations and relationships with foreign suppliers and co-packers, as well as its export of certain products, subject it to the risks of doing business abroad. For example, some of the DMFI Consumer Food Business' production facilities are located outside the U.S. and some of its co-packers are located in foreign locations. The countries from which the DMFI Consumer Food Business sources its products and in which the DMFI Consumer Food Business has facilities may be subject to political and economic instability, which may adversely affect its results of operations. Mexico (where the DMFI Consumer Food Business has two production facilities) is currently experiencing political and economic instability. Given the political and economic instability in the region, the Venezuelan government may take further actions that may impact the DMFI Consumer Food Business' operations, and the Venezuelan business could become a source of losses given the deteriorating macroeconomic situation in that country, as a result DMFI has written down its investment to zero and deconsolidated the result of operations reducing the impact of DMFI's financial results. In Mexico, criminal activity has impacted the country's logistics and infrastructure, including recent gang attacks on businesses. Products of the DMFI Consumer Food Business in Mexico are sold primarily in the United States and the transportation and import of such products may be disrupted as a result of such criminal activities.

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

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

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

New ERP system in the United States

In January 2015, the Group implemented a new Enterprise Resource Planning ("**ERP**") system, SAP, in the U.S. and outsourced its finance and accounting functions to a reputable global service provider in the Philippines. Given the new systems and processes involved, there are risks to timely and accurate processing of documents, monitoring of expenditures, along with the change of service provider and decision-making associated with the steady flow of detailed quality information.

The Group will manage this risk by retaining existing staff in its back office for a certain period, managing knowledge transfer to key members of the new staff, and solid training for all staff involved with SAP. The Group will also refocus its IT support to effectively manage the project implementation which includes prioritizing SAP enhancements and alignment of key business processes with functional groups.

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

The Group may be exposed to product recalls, including voluntary recalls or withdrawals, and adverse public relations if the Group's products are alleged to cause injury or illness, or if the Group is alleged to have mislabelled or misbranded its products or otherwise violated governmental regulations. The Group may also voluntarily recall or withdraw products that the Group considers below standards, whether for taste, appearance or otherwise, in order to protect its brand reputation.

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

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

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

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

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

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

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

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

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

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

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

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

If the Group changes its judgments or assumptions used in valuing its goodwill or other intangible assets in connection with any future impairment tests, it may conclude that the estimated recoverable value of its goodwill or an indefinite life trademark it owns, which is a trademark acquired as part of a business combination determined using the relief from royalty method, is less than the book value. This would result in a write down of its goodwill or indefinite life trademark book value to the estimated fair value and recognition of an impairment charge. Any such impairment charge would adversely affect the Group's earnings and could be material.

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

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

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

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

Risk Factors Relating to the Philippines

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

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

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

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

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

No assurance can be given that the political environment in the Philippines will remain stable. Political instability in the Philippines could negatively impact the general economic conditions and operating environment in the Philippines, which could have a material impact on the Group's business, financial condition and results of operation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused one another of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal during the late spring and summer of 2012. These actions threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines continued to protest China's presence there. In January 2013, the Philippines lodged an arbitration case against China at the Permanent Court of Arbitration in The Hague to resolve the territorial dispute. China refused to recognize that the international tribunal had jurisdiction over the case. In July 2016, the international tribunal ruled in favor of the Philippines in its case against China by upholding the position that China's "nine-dash line" maritime claim is excessive and that it encroached into the Philippines' 200-nautical mile exclusive economic zone. It held that China had no legal basis to claim historic and economic rights to resources within the sea areas falling within the "nine-dash line".

Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the Group's operations could be adversely affected as a result. In particular, further disputes between the Philippines and China may lead both countries to impose trade restrictions on the other's imports. China may also seek to suspend visits by Chinese citizens to the Philippines, or Chinese citizens may choose not to visit the Philippines as a result of these disputes.

In early March 2013, several hundred armed Filipino-Muslim followers of Sultan Jamalul Kiram III, the self-proclaimed Sultan of Sulu from the south of the Philippines, illegally entered Lahad Datu, Sabah, Malaysia in a bid to enforce the Sultan of Sulu's historical claim on the territory. As a result of the illegal entry, these followers engaged in a three-week standoff with the Malaysian armed forces, resulting in casualties on both sides. Since then, the Malaysian Government has mounted a military operation to secure Lahad Datu, and Malaysian authorities continue to search for members of the Sultan of Sulu's army, which are suspected to be hiding in certain villages. Clashes which began on 1 March 2013 have killed 98 Filipino-Muslims, and 10 Malaysian policemen. About 4,000 Filipino-Muslims working in Sabah have returned to the southern Philippines. Recent reports in the press quoted the

Malaysian Defence Minister as stating that at least 35 armed men were shot dead by the AFP while trying to enter Sabah, which has not been confirmed by the AFP.

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

Investors may face difficulties enforcing judgments against the Company

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

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

Risk Factors Relating to Future Accounting Standards

Changes in applicable accounting standards may impact the Group's businesses, financial condition and results of operations

The International Accounting Standards Board (IASB) issues, from time to time, new standards and amendments to existing standards and interpretations. Below are the new standards and interpretations issued, but not yet adopted as at 31 October 2016, that may result in a restatement of the consolidated financial statements for prior fiscal years which could be materially different from the audited consolidated financial statements included in this prospectus.

Effective 1 May 2016

Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants

Under current standards, the Group treats a bearer plant and the produce growing on it as a single asset until the point of harvest. The amendments would require the Group to recognise a bearer plant separately from its agricultural produce prior to harvest. Determining the timing of recognition may be difficult. At present, many of these assets are classified as non-current (that is, including the bearer plant and agricultural produce prior to harvest). The new requirements will affect balance sheet classification and timing of the recognition of the fair value gain in the P&L. Bearer plants would still be presented as non-current, and agricultural produce may be a current asset, depending on how long it takes to mature.

The produce growing on a bearer plant would continue to be in the scope of IAS 41 and would be measured at fair value less costs to sell, with changes recognised in profit or loss as the produce grows.

The requirements would not alleviate the need to measure fair value or eliminate the volatility in profit or loss as agricultural produce would still be measured at fair value. The Group would need to determine appropriate fair value measurement methodologies (e.g., discounted cash flow techniques) to measure the fair value of these assets separately from the bearer plants on which they are growing, which may increase the complexity and subjectivity of the measurement.

Under current standards, bearer plants are measured at fair value less costs to sell both at initial recognition and subsequently (unless the measurement exception applies because fair value cannot be reliably measured). Under the amendments, bearer plants would be subject to all of the recognition and measurement requirements in IAS 16, including the following:

- Before maturity, bearer plants would be measured at their accumulated cost, in the same way that a self-constructed item of plant and equipment is accounted for before it is "available for use."

- The Group would have a policy choice to measure their bearer plants, after they are mature, using either the cost model or the revaluation model.

  - If the revaluation model is selected, revaluations would need to take place with sufficient regularity to ensure the carrying amount does not differ materially from the asset's fair value had it been measured at the end of the reporting period.

    - The Group would need to determine the method of depreciation to be used for the bearer plants that should be reflective of the operations of DMPI.

    - The Group would need to assess, at the end of each reporting period, whether there are indicators that a bearer plant is impaired. If indicators exist, an impairment loss would be recognised if the carrying value is lower than the bearer asset's recoverable amount (being the higher of the asset's fair value less costs of disposal and its value in use).

    - If the presumption that fair value can be reliably measured is rebutted on initial recognition, paragraph 30 of IAS 41 permits the Group to measure a biological asset at its cost less any accumulated depreciation until fair value becomes reliably measurable.

    - If the Group wanted to measure its bearer plants at fair value, it would need to select the revaluation model. Unlike the fair value model in IAS 41, if the Group selected the revaluation model, revaluation adjustments (and impairment, to the extent it reverses previous revaluation increases) would be recognised in other comprehensive income, while all other changes would be recognised in profit or loss.

While the proposed requirements would reduce the volatility in profit or loss for bearer plants, the Group would still need to recognise any changes in the fair value of agricultural produce growing on the bearer plant. The Group is in the process of finalising the approach and impact and will affect the same by FY2017 yearend.

Effective 1 May 2018

IFRS 9 Financial Instruments (2014)

IFRS 9 (2014) replaces IAS 39 Financial Instruments: Recognition and Measurement and supersedes the previously published versions of IFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). IFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. IFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

Unlike IFRS 9, IAS 39 restricts hedge accounting for non-financial items to hedges of foreign exchange risk or all price risk (or all price risk excluding foreign exchange risk). Therefore, if an entity is hedging only a component of risk, for example the commodity component of a purchase contract, it cannot apply hedge accounting for that component in isolation. Under the new requirements of IFRS 9, a risk component of a non-financial item is eligible hedged item provided it is "separately identifiable and reliably measurable."

Currently, the Group uses interest rate swaps, commodity swaps and forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity costs and transportation and foreign currency exchange rates. It designated each of its derivative contracts as hedge of a forecasted transaction or of the variability cash flows to be received or paid related to a recognized asset or liability ("cash flows hedge"). With this, the Group needs to reassess whether the derivatives it holds will pass the criteria for hedge accounting under the new standard. Allowing closer match between the hedged risk and the hedging derivative should result in more stable profit or loss.

IFRS 15 Revenue from Contract with Customers

IFRS 15 was issued in May 2014 by the IASB and establishes a new five-step model that will apply to revenue arising from contracts with customers. The core principle of IFRS 15 is that an entity will recognize revenue to reflect the transfer of goods or services, measured as the amount to which the entity expects to be entitled in exchange for those goods or services. In particular, the new standard requires distinct goods or services to be accounted for separately, which may have a significant impact on the timing of revenue and profit recognition.

The new standard requires entities to consider in their transaction price elements other than the fixed contract price, such as variable considerations. Some examples of variable considerations are rebates, discounts, refunds and bonuses. Currently, entities may defer measurement of these variable considerations until the uncertainty is removed, which is usually when the final payment is received or these are granted. However, under IFRS 15, these variable considerations should be identified, estimated and constrained at contract inception date and reassessed moving forward. Thus, the transaction price or amount by which the revenue will be recorded may differ from the fixed contract price.

With these new requirements, the impact of IFRS 15 may vary among industries and entities depending on how entities structure their revenue arrangements. Some entities may see significant changes on how and when they recognize revenue while others may not be impacted significantly. For those entities that fall in the second category, such as the Company, this does not mean that they are spared. They still need to validate this expectation by evaluating their existing revenue contracts vis-à-vis the requirements of IFRS 15. They also need to plan and take the needed steps to capture and to comply with the expanded disclosure requirements of the new standard.

Effective 1 May 2019

IFRS 16 Leases

IFRS 16 Leases supersedes IAS 17 Leases and the related Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognized on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements. Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases.

IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead all leases are treated in a similar way to finance leases applying IAS 17. Leases are ‘capitalized’ by recognizing the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements in IFRS 16 will be an increase in lease assets and financial liabilities. Accordingly, for companies with material off balance sheet leases, there will be a change to key financial metrics derived from the company’s assets and liabilities (for example, leverage ratios).

For companies with material off balance sheet leases, IFRS 16 changes the nature of expenses related to those leases. IFRS 16 replaces the typical straight-line operating lease expense for those leases applying IAS 17 with a depreciation charge for lease assets (included within operating costs) and an interest expense on lease liabilities (included within finance costs). This change aligns the lease expense treatment for all leases. Although the depreciation charge is typically even, the interest expense reduces over the life of the lease as lease payments are made. This results in a reducing total expense as an individual lease matures. The difference in the expense profile between IFRS 16 and IAS 17 is expected to be insignificant for many companies holding a portfolio of leases that start and end in different reporting periods.

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group has commitments for future minimum lease payments under non-cancellable operating leases. The leases typically run for an initial period of two 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.

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

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

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

- have sufficient knowledge and experience to make a meaningful evaluation of the Series A Preference Shares, the merits and risks of investing in the Series A Preference Shares and the information contained in this Prospectus;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Series A Preference Shares and the impact the Series A Preference Shares will have on its overall investment portfolio;

- understand thoroughly the terms of the Series A Preference Shares and be familiar with the behavior of any relevant financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate, foreign exchange rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

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

The Company's corporate affairs are governed by its Memorandum and Articles of Association, by the laws governing companies incorporated in the British Virgin Islands, and by the laws and rules applicable to companies listed on the SGX-ST. As a result, the rights and obligations of the Company's shareholders and the responsibilities of the Company's Management and Board of Directors under Singapore law may be different from those of a company incorporated or listed in another jurisdiction, including the Philippines.

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

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

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

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

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

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

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

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

The price of securities can and does fluctuate, and any individual security (such as the Series A Preference Shares) may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling the Series A Preference Shares.

Payment of dividends on Series A Preference Shares is discretionary

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

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

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

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

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

Contractual limitations of the Group

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

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

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

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

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

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

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

Exchange rate risks

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

Reinvestment risk

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

Holders of Preference Shares will have limited voting rights

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

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

The Series A Preference Shares are the first U.S. dollar-denominated equity securities to be listed and traded on the PSE. On 10 November 2016, the SEC approved the PSE DDS Rules. The PSE officially released the final PSE DDS Rules on 2 December 2016. The PSE DDS Rules shall govern the listing, trading and settlement of the DDS. The Series A Preference Shares will be the first equity securities to be traded on the PSE pursuant to the said new rules. While the trading will be executed through the PSETrade XTS system of the PSE which is also used for peso trades and the clearing and settlement process will done through the Securities Clearing Corporation of the Philippines ("**SCCP**"), there is no guarantee that the trading, clearing and settlement process will run smoothly, at least during the initial period after the offer.

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

Moreover, as of 17 March 2017, there are only two Eligible Brokers accredited by the PSE to carry out dollar-denominated trades, namely, BDO Securities Corporation and Armstrong Securities, Inc. There is no certainty that more Eligible Brokers will be accredited in the future.

While the intention is to largely adopt the standard procedure for dividend payment applicable to peso equity securities traded on the PSE, there are certain unavoidable differences in such standard procedure applicable to peso equity securities traded on the PSE and the procedure to be adopted for the Series A Preference Shares. [For instance, while dividends in respect of peso equity securities may be paid out, in respect of certificated shares, by the Paying Agent to the shareholder, through the issuance of checks drawn against banks within Metro Manila and subject to three-day clearing only, the Paying Agent may have to cause the issuance of U.S. dollar denominated bank drafts for the amount of dividends, which bank drafts are subject to a longer clearing period (e.g., 20 days).

All bank charges in relation to the remittance, transfer or turnover of the dividends to the investor shall be for the account of such investor. By way of illustration, if an investor's Foreign Currency Deposit Unit account is maintained with a bank other than BDO Unibank, then the bank charges that its nominated Trading Participant will incur arising from the transfer of the dividends from the Trading Participant's Foreign Currency Deposit Unit Account to such investor's Foreign Currency Deposit Unit account maintained with another bank will be for the account of the investor, unless a different arrangement is agreed in writing between the investor and such Trading Participant. By way of another illustration, if the investor does not maintain a Foreign Currency Deposit Unit account and the Trading

Participant is constrained to arrange for the issuance of a dollar demand draft in the name of the investor, all bank charges in relation to the issuance of such draft will be for the account of the investor, unless a different arrangement is agreed in writing between the investor and such Trading Participant.

Please see "*Terms of this Offer - Procedures for Payment of Cash Dividend Declarations*" as set out in the Offer Supplement.

Risk Factors Relating to Statements Made in this Prospectus

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

USE OF PROCEEDS

The Company intends to use the proceeds it receives from this Offer to partially prepay/repay the bridge loan facility extended by BDO Unibank to the Company, in the amount of U.S.$ 350,000,000.00,[2] which partially financed the acquisition of the DMFI Consumer Food Business, and to cover offer-related costs. This bridge loan facility was extended up to February 2019 but the Company intends to prepay the loan through the offering of the Series A Preference Shares. Part of the proceeds will also be used to cover the expenses for the Offer. The balance of proceeds, if any, will be used for general corporate purposes. This prepayment of the BDO Unibank bridge loan will allow the Company to deleverage and strengthen its balance sheet. Such prepayment is allowed under the BDO Unibank bridge loan facility agreement without any fee or penalty. See "*Material Agreements relating to the Acquisition"* on page 155 of this Prospectus.

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

Use of Proceeds	**Estimated Amounts (in U.S.$)**	**Percentage**	**Estimated Timing**
Repayment of BDO Unibank Bridge Loan Facility	350,000,000.00	97.22%	As set out in the relevant Offer Supplement
Offer-related costs	8,058,525.95	2.24%	As set out in the relevant Offer Supplement
General Corporate Purposes	1,941,474.05	0.54%	As set out in the relevant Offer Supplement
Estimated Total Proceeds	**360,000,000.00**	**100.0%**	

The BDO Unibank bridge loan facility to be paid using the proceeds of this Offer was obtained to partially finance the acquisition of the DMFI Consumer Food Business. On 12 February 2014, the Company obtained a loan from BDO Unibank amounting to U.S.$350.0 million or ₱17.42billion, computed as of 31 December 2016 at U.S.$1.00 for ₱49.769, for the purpose of partially financing the acquisition of the DMFI Consumer Food Business. The loan bears interest at the rate of LIBOR plus 3.50% per annum, payable every three months with a final repayment date on 10 February 2019. BDO Unibank is the parent company of BDO Capital, one of the Joint Lead Underwriters.

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

[2]The Peso equivalent of U.S.$ 350,000,000.00 is ₱17,419,150,000.00, computed using the PDS weighted average rate as of 31 December 2016 (₱49.769 = U.S.$1.00).

market instruments. Aside from underwriting and selling fees, the Joint Lead Underwriters and other Underwriters will not receive any of the net proceeds from this Offer.

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

	Estimated Amounts	
	(PHP)	**(USD)**
Total proceeds from the Offer	**₱17,916,840, 000.00**	**$360,000,000.00**
Expenses		
Underwriting and selling fees for the Series A Preference Shares (including fees to be paid to the Underwriter)	₱223,960,500.00	$4,500,000.00
SEC registration, filing and research fees	₱4,846,697.10	$97,383.86
PSE Registration and Listing Fees	₱20,122,860.80	$404,325.20
Estimated professional fees (including legal, accounting, and financial advisory fees)	₱141,376,300.00	$2,840,649.80
Others(1)	₱10,758,420.00	$216,167.09
Total estimated expenses	**₱401,064,777.90**	**$8,058,525.95**
Estimated net proceeds from the Offer	**₱17,515,775,222.10**	**$351,941,474.05**

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

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

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

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

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

(i) any disbursements made in connection with the planned use of proceeds from this Offer;

(ii) Quarterly Progress Report on the application of the proceeds from this Offer on or before the first 15 days of the following quarter; the Quarterly Progress Report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;

(iii) annual summary of the application of the proceeds on or before January 31 of the following year; the annual summary report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;

(iv) approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the work program; the disbursement or implementation of such reallocation must be disclosed by the Company at least 30 days prior to the actual disbursement or implementation; and

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

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

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

PLAN OF DISTRIBUTION

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

LISTING WITH THE SGX-ST AND THE PSE

Listing with the SGX-ST

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

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

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

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

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

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

Listing with the PSE

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

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

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

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

An application was filed by the Company with the PSE for the listing of the Series A Preference Shares on the Main Board of the PSE.

Sale of Unregistered or Exempt Securities

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

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

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

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

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

Market Information

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

	SGX		PSE	
Quarter	**High (S$)**	**Low (S$)**	**High (₱)**	**Low (₱)**
CY 2013				
January 2013 - March 2013	0.970	0.610	-	-
April 2013 - June 2013	0.955	0.680	30.000	20.000
July 2013 - September 2013	0.950	0.700	30.250	23.900
October 2013 - December 2013	0.990	0.575	39.500	22.450
FY 2015				
January 2014 - April 2014	0.675	0.585	25.000	21.400
May 2014 - July 2014	0.640	0.515	23.000	18.180
August 2014 - October 2014	0.550	0.455	18.200	16.600
November 2014 - January 2015	0.545	0.460	17.280	13.380
February 2015 - April 2015	0.480	0.305	17.260	10.720

FY 2016				
May 2015 - July 2015	0.430	0.335	13.360	11.440
August 2015 - October 2015	0.380	0.285	12.980	9.480
November 2015 - January 2016	0.450	0.280	13.700	9.680
February 2016 - April 2016	0.400	0.300	12.600	10.920
FY2017				
May 2016 – July 2016	0.380	0.290	13.000	10.600
August 2016 – October 2016	0.380	0.340	13.040	11.460

Notes:

(1) The high price is the highest price that the Ordinary Shares reached during the trading days of the quarter. The low price is the lowest price that the Ordinary Shares reached during the trading days of the quarter.

(2) FY 2015 includes the four-month financial transition period of the Group from 1 January 2014 to 30 April 2014.

(3) Source: Bloomberg L.P. [Bloomberg L.P. has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for these statements under Section 253 and Section 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of the content of these statements. The Company is not aware of any disclaimers made by Bloomberg L.P in relation to these quotes.

b. The closing price of the Ordinary Shares on the SGX-ST as of 30 December 2016 was S$0.34 and, on the PSE as of 29 December 2016 was ₱12.90.

DETERMINATION OF THE OFFER PRICE

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

DIVIDENDS AND DIVIDEND POLICY

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

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

(a) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and

(b) the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than its deferred taxes, as shown in its books of accounts, and its capital.

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

The Company did not declare a final dividend in 2013 and any dividend in FY2015 due to the non-recurring Acquisition-related expenses, purchase accounting financial impact and transition expenses of DMFI resulting in a loss to the Company. However, for FY2016, the Company declared a 50% payout of that year's net profit.

The dividend history of the Company for the last four (4) years is provided below:

For the Financial Year	**Name of Dividend**	**Rate of Dividend (per share)**	**Record Date**	**Payment Date**	**Dividends Paid (in US thousand dollars)**	**Details of any waiver**
2012	Interim	0.72 U.S. cents	17 August 2012	5 September 2012	7,771	N.A.
	Final	1.51 U.S. cents	7 March 2013	27 March 2013	16,297	N.A.
2013	Interim	0.62 U.S. cents	20 August 2013	4 September 2013	8,022	N.A.
	Final	N.A.	N.A.	N.A.	N.A.	N.A.
2015[3]	Interim	N.A.	N.A.	N.A.	N.A.	N.A.
	Final	N.A.	N.A.	N.A.	N.A.	N.A.
2016	Final	1.33 U.S. cents	26 August 2016	8 September 2016	25,828	N.A.

Dividend Income

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

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

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

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

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

The Company's subsidiaries' business operations, which include exports to various countries in the world such as the U.S., Europe and Asia, generate U.S. dollars that, when upstreamed to DMPL, will fund the dividends on the Preference Shares. Please see "*Description of the Business*" of the Group starting on page 130 of this Prospectus.

CAPITALIZATION AND INDEBTEDNESS

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

DILUTION

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

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Group's audited consolidated financial statements as of 30 April 2016, 2015, 2014 and for the years ended 30 April 2016 and 2015 and for the four months ended 30 April 2014; and unaudited financial statements as of 31 October 2016 and for the six months ended 31 October 2016 and 2015.

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

The Group's consolidated financial statements as at and for the year ended 30 April 2016 were prepared in accordance with the IFRS and were audited by SGV in accordance with Philippine Standards on Auditing (PSA).

The Group's consolidated financial statements as at 30 April 2015 and 2014 and for the year ended 30 April 2015 and for the four months ended 30 April 2014 were prepared in accordance with the IFRS and were audited by R.G. Manabat & Co. in accordance with PSA.

As part of the 2016 audit, SGV also audited the adjustments described in Note 3.6 that were applied to the 2015 and 2014 consolidated financial statements and the consolidated statement of financial position as at 30 April 2014 to come up with consolidated statement of financial position as at 1 May 2014 presented in the 2016 consolidated financial statements as corresponding figures. The consolidated statement of financial position as at 30 April 2014 are equivalent to the amounts as of 1 May 2014 as presented in the consolidated financial statements, included in the Prospectus.

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In U.S.$'000)

	30 April 2016 (Audited)	30 April 2015 (Audited) (Restated)	30 April 2014 (Audited) (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment - net	563,614	578,359	504,953
Investments in joint ventures	22,820	22,590	21,008
Intangible assets and goodwill	750,373	759,700	742,763
Deferred tax assets - net	100,899	86,303	47,157
Biological assets	37,468	41,606	37,462
Employee benefits	–	–	10,673
Other noncurrent assets	25,941	28,985	23,688
	1,501,115	**1,517,543**	**1,387,704**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)
(In U.S.$'000)

	30 April 2016 (Audited)	30 April 2015 (Audited) (Restated)	30 April 2014 (Audited) (Restated)
Current assets			
Biological assets	87,994	87,034	82,461
Inventories	845,233	749,549	808,671
Trade and other receivables	175,532	184,402	158,868
Prepaid expenses and other current assets	35,597	39,870	57,388
Cash and cash equivalents	47,203	35,618	28,401
	1,191,559	1,096,473	1,135,789
Noncurrent assets held for sale	1,950	8,113	–
	1,193,509	**1,104,586**	**1,135,789**
Total assets	**2,694,624**	**2,622,129**	**2,523,493**
Equity			
Share capital	19,449	19,449	12,975
Retained earnings	148,866	97,332	140,515
Reserves	134,926	148,750	26,597
Equity attributable to owners of the Company	303,241	265,531	180,087
Non-controlling interests	61,971	58,644	67,255
Total equity	**365,212**	**324,175**	**247,342**
Non-current liabilities			
Loans and borrowings	1,116,422	1,272,945	934,385
Employee benefits	97,118	129,199	99,060
Environmental remediation liabilities	6,313	4,580	4,241
Deferred tax liabilities - net	1,092	1,092	1,092
Other noncurrent liabilities	62,586	61,163	46,880
	1,283,531	**1,468,979**	**1,085,658**
Current liabilities			
Loans and borrowings	727,360	445,542	919,579
Employee benefits	33,651	43,080	33,621
Trade and other payables	281,043	339,054	237,167
Current tax liabilities	3,827	1,299	126
	1,045,881	**828,975**	**1,190,493**
Total liabilities	**2,329,412**	**2,297,954**	**2,276,151**
Total equity and liabilities	**2,694,624**	**2,622,129**	**2,523,493**

CONSOLIDATED STATEMENTS OF INCOME

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Revenue	2,267,837	2,186,689	386,128
Cost of sales	(1,785,985)	(1,778,531)	(348,291)
Gross profit	481,852	408,158	37,837
Distribution and selling expenses	(201,031)	(199,160)	(39,630)
General and administrative expenses	(150,121)	(190,892)	(47,455)
Other income (expenses) - net"	31,038	16,896	(5,971)
Results from operating activities	161,738	35,002	(55,219)
Finance income	2,231	400	391
Finance expense	(99,581)	(99,861)	(18,247)
Net finance expense	(97,350)	(99,461)	(17,856)
Share in (loss) profit of investments in joint ventures, net of tax	(1,717)	(2,453)	(1,154)
(Loss)/Profit before taxation	62,671	(66,912)	(74,229)
Tax (expense) credit – net	(8,139)	17,917	24,382
(Loss)/Profit for the year/period	54,532	(48,995)	(49,847)
Profit attributable to:			
Non-controlling interests	2,998	(5,812)	(5,073)
Owners of the Company	51,534	(43,183)	(44,774)
	54,532	(48,995)	(49,847)
Earnings per share			
Basic (loss)/earnings per share (US cents)	2.65	(3.10)	(3.45)
Diluted (loss)/earnings per share (US cents)	2.65	(3.10)	(3.45)

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Profit (loss) for the year/period	54,532	(48,995)	(49,847)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss:			
Currency translation differences	(13,476)	(1,655)	695
Effective portion of changes in fair value of cash flow hedges	(10,553)	(16,643)	(4,368)
Income tax effect on cash flow hedges	4,090	6,244	1,660
	(19,939)	(12,054)	(2,013)
Items that will not be reclassified to profit or loss:			
Remeasurement of retirement plans	(428)	(23,184)	(4,743)
Income tax effect on remeasurement of retirement plans	7,647	8,806	1,192
Tax impact on revaluation reserve	(1,504)	–	–
	5,715	(14,378)	(3,551)
Other comprehensive loss for the year/period, net of tax	(14,224)	(26,432)	(5,564)
Total comprehensive income (loss) for the year/period	40,308	(75,427)	(55,411)
Total comprehensive income (loss) attributable to:			
Non-controlling interests	3,138	(8,615)	(4,972)
Owners of the Company	37,170	(66,812)	(50,439)
	40,308	(75,427)	(55,411)

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Cash flows from operating activities			
Profit (loss) for the year/period	54,532	(48,995)	(49,847)
Adjustments for:			
Amortisation of intangible assets	9,327	7,560	1,434
Depreciation of property, plant and equipment	64,823	51,423	13,803
Impairment loss (reversal of impairment) of property, plant and equipment	4,928	(508)	(172)
Loss on disposal of property, plant and equipment	1,052	1,278	41
Equity-settled share-based payment transactions	713	144	48
Share in loss (profit) of investments in joint ventures and subsidiaries, net of tax	1,717	2,453	1,154
Finance income	(2,231)	(400)	(391)
Finance expense	99,581	99,861	18,247
Tax expense – current	12,729	7,189	820
Tax credit – deferred	(4,590)	(25,106)	(25,202)
Ineffective portion of cash flow hedges	5,193	319	–
Bargain purchase on acquisition of Sager Creek	–	(26,568)	–
Defined benefit plan amendment	(39,422)	–	–
Impairment losses on assets held for sale	1,659	–	–
Deconsolidation of a subsidiary	–	5,186	–
	210,011	73,836	(40,065)
Changes in:			
Other assets	(13,277)	10,951	(6,867)
Inventories	(103,705)	128,225	92,655
Biological assets	(3,932)	(9,040)	(6,750)
Trade and other receivables	22,851	(42,480)	59,997
Prepaid expenses and other current assets	(2,787)	(18,001)	(35,519)
Trade and other payables	(97,072)	98,580	(4,119)
Employee benefits	18,989	10,180	1,323
Operating cash flows	31,078	252,251	60,655
Taxes paid	(38)	(12,623)	(5,982)
Net cash flows provided by operating activities	31,040	239,628	54,673

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

	Year ended 30 April 2016 (Audited)	Year ended 30 April 2015 (Audited) (Restated)	Four months ended 30 April 2014 (Audited) (Restated)
Cash flows from investing activities			
Interest received	357	353	111
Proceeds from disposal of property, plant and equipment and assets held for sale	3,775	353	63
Purchase of property, plant and equipment	(60,309)	(75,179)	(17,980)
Investments in joint ventures	(1,947)	(4,249)	(2,271)
Acquisition of Consumer Food Business, net of cash acquired	–	–	(1,783,497)
Purchase of Sager Creek	–	(75,000)	–
Deconsolidation of a subsidiary	–	(1,258)	–
Withdrawal to escrow account related to the Acquisition of Consumer Food Business	–	–	100,000
Net cash flows used in investing activities	(58,124)	(154,980)	(1,703,574)
Cash flows from financing activities			
Interest paid	(85,682)	(88,111)	(7,650)
Proceeds from borrowings	1,113,193	1,270,084	2,133,766
Repayment of borrowings	(986,800)	(1,411,388)	(558,176)
Proceeds from issue of share capital	–	155,036	–
Payment of transactions costs related to issuance of share capital	–	(2,924)	–
Capital injection by non-controlling interests of subsidiaries	189	4	74,500
Acquisition of treasury shares	(173)	–	–
Net cash flows provided by (used in) financing activities	40,727	(77,299)	1,642,440
Net increase (decrease) in cash and cash equivalents	13,643	7,349	(6,461)
Effect of exchange rate changes held in foreign currency and translation adjustments on cash and cash equivalents	(2,058)	(132)	1,941
Cash and cash equivalents at beginning of year/period	35,618	28,401	32,921
Cash and cash equivalents at end of year/period	47,203	35,618	28,401

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In U.S.$'000)

	As at 31 October 2016 (Unaudited)	As at 30 April 2016 (Audited)
Noncurrent assets		
Property, plant and equipment – net	**563,726**	563,614
Investments in joint ventures	**24,915**	22,820
Intangible assets and goodwill	**745,699**	750,373
Deferred tax assets – net	**104,127**	100,899
Biological assets	**36,180**	37,468
Other noncurrent assets	**28,073**	25,941
	1,502,720	1,501,115
Current assets		
Biological assets	**83,524**	87,994
Inventories	**1,158,585**	845,233
Trade and other receivables	**245,201**	175,532
Prepaid and other current assets	**30,857**	35,597
Cash and cash equivalents	**23,488**	47,203
	1,541,655	1,191,559
Noncurrent assets held for sale	**1,050**	1,950
	1,542,705	1,193,509
Total assets	**3,045,425**	2,694,624
Equity		
Share capital	**19,449**	19,449
Retained earnings	**134,480**	148,866
Reserves	**129,611**	134,926
Equity attributable to owners of the company	**283,540**	303,241
Non-controlling interests	**61,207**	61,971
Total equity	**344,747**	365,212
Noncurrent liabilities		
Loans and borrowings	**1,115,417**	1,116,422
Employee benefits	**99,482**	97,118
Environmental remediation liabilities	**4,507**	6,313
Deferred tax liabilities	**1,116**	1,092
Other non-current liabilities	**57,158**	62,586
	1,277,680	1,283,531
Current liabilities		
Loans and borrowings	**993,707**	727,360
Employees benefits	**36,856**	33,651
Trade and other payables	**388,185**	281,043
Current tax liabilities	**4,250**	3,827
	1,422,998	1,045,881
Total liabilities	**2,700,678**	2,329,412
Total equity and liabilities	**3,045,425**	2,694,624

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

	Six months ended 31 October 2016 (Unaudited)	Six months ended 31 October 2015 (Unaudited) (Restated)
Revenue	**1,101,725**	1,145,458
Cost of sales	**(861,243)**	(893,609)
Gross profit	**240,482**	251,849
Distribution and selling expenses	**(99,683)**	(101,248)
General and administrative expenses	**(81,026)**	(53,363)
Other income (expenses) - net	**1,177**	(8,553)
Results from operating activities	**60,950**	88,685
Finance income	**4,109**	2,204
Finance expense	**(55,794)**	(47,659)
Net finance expense	**(51,685)**	(45,455)
Share in loss of joint ventures, net of tax	**(776)**	(903)
Profit before taxation	**8,489**	42,327
Tax expense – current	**(4,180)**	(4,137)
Tax benefit – deferred	**5,908**	2,294
	1,728	(1,843)
Profit for the period	**10,217**	40,484
Profit (loss) attributable to:		
Non-controlling interest	**(1,225)**	3,408
Owners of the Company	**11,442**	37,076
Earnings per share		
Basic profit per share (US cents)	**0.59**	1.91
Diluted profit per share (US cents)	**0.59**	1.91

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In U.S.$'000)

	Six months ended 31 October 2016 (Unaudited)	Six months ended 31 October 2015 (Unaudited) (Restated)
Profit for the period	**10,217**	40,484
Other comprehensive income (loss)		
Items that will not be classified to profit or loss		
Remeasurement of retirement plans	**4,086**	11,055
Income tax effect on remeasurement of retirement plans	**(1,162)**	(4,866)
	2,924	6,189
Items that will or may be reclassified subsequently to profit or loss		
Currency translation differences	**(9,769)**	(13,643)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)
Income tax effect on cash flow hedges	**(914)**	1,075
	(8,316)	(17,225)
Other comprehensive loss for the period, net of tax	**(5,392)**	(11,036)
Total comprehensive income for the period	**4,825**	29,448
Total comprehensive income (loss) attributable to:		
Non-controlling interests	**(764)**	3,672
Owners of the Company	**5,589**	25,776

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

	Six months ended 31 October	
	FY2017 (Unaudited)	**FY2016 (Unaudited) (Restated)**
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(238)
Net loss on derivative on financial statement	**1,400**	–
Share in loss of joint ventures, net of tax	**776**	903
Equity-settled share-based payment transactions	**538**	79
Loss on disposal of property, plant and equipment	**203**	277
Finance income	**(4,109)**	(2,204)
Tax expense (benefit), net	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)
	94,168	83,264
Changes in:		
Other noncurrent assets	**1,648**	(3,553)
Inventories	**(305,837)**	(351,855)
Biological assets	**1,642**	(3,998)
Trade and other receivables	**(83,092)**	(51,021)
Prepaid and other current assets	**993**	3,865
Trade and other payables	**89,367**	41,568
Employee benefits	**7,464**	4,638
Operating cash flows	**(193,647)**	(277,092)
Taxes paid	**(25)**	(1,829)
Net cash flows used in operating activities	**(193,672)**	(278,921)
Cash flows from investing activities		
Interest received	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,483**	526
Purchase of property, plant and equipment	**(32,279)**	(22,567)
Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In U.S.$'000)

	Six months ended 31 October FY2017 (Unaudited)	FY2016 (Unaudited) (Restated)
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
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Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

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

	Six months ended 31 October	
	2016	**2015**
	(Unaudited)	**(Unaudited)**
		(Restated)
Cash flows from financing activities		
Interest paid	**(47,826)**	(40,752)
Proceeds from borrowings	**611,368**	687,561
Repayment of borrowings	**(344,300)**	(355,540)
Dividends paid	**(25,828)**	–
Acquisition of treasury shares	**–**	(63)
Net cash flows provided by financing activities	**193,414**	291,206
Net decrease in cash and cash equivalents	**(22,116)**	(10,706)
Cash and cash equivalents at 1 May	**47,203**	35,618
Effect of exchange rate changes on balances held in foreign currency	**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	**23,488**	22,084

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

The discussion pertaining to the audited consolidated financial statements for the years ended 30 April 2016 and 2015 and the unaudited consolidated financial statements for the six months ended 31 October 2016 and 2015 should be read in conjunction with the section entitled "Selected Consolidated Financial Information".

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

OVERVIEW

The Group

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

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

The details of the Company's subsidiaries and their principal activities are set out in "*Description of the Business"* on page 130 of this Prospectus.

Reportable Segments

Americas

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

Asia Pacific

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

Europe

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

Product segments

Packaged fruit and vegetable

The Packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte and S&W brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavours in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This would also include non branded sales to South America.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

<u>*Consumer Food Business*</u>

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

The DMFI Consumer Food Business' packaged fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value. In fiscal 2017, the DMFI Consumer Food Business continued its new product innovations with the launch of Del Monte Fruit Refreshers, the first single serve Fruit Cup products in Center Store specifically design to meet unique needs of adult females and the snacking occasions unique to them. The DMFI Consumer Food Business' primary competitors include B&G Foods and Seneca Foods in processed vegetable; Dole, Seneca Foods and Pacific Coast Producers in fruit; Con Agra, Heinz and Unilever in tomato; and Campbell Soup and manufacturers of smaller regional brands in broth.

Customers

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

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

DMFI's newly acquired Sager Creek's business provides the Group access to new customers and new retail product offerings and the opportunity to expand on Sager Creek's foodservice business platform, while driving significant operating synergies in the Group's network of vegetable production facilities.

Supply

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

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

Production

The DMFI Consumer Food Business operates 15 production facilities in the U.S., Mexico and Venezuela. Fruit plants are located in California and Washington, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana. The DMFI Consumer Food Business has a seasonal production cycle that generally runs between the months of June and October. Most of its seasonal plants operate close to full capacity during the packing season. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products, its *College Inn* broth products and dry bean products are produced throughout the year. Additionally, the DMFI Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

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

Distribution

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

Research and Development

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

Seasonality

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

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

REVIEW OF THE GROUP FOR THE YEARS ENDED 30 APRIL 2016 AND 30 APRIL 2015

in U.S.$'000 unless otherwise stated	For the full year ended 30 April 2016 (Audited)	2015 (Audited) (Restated)	% Change
Revenue	2,267,837	2,186,689	3.7
Gross profit	481,852	408,158	18.1
Gross margin (%)	*21.25%*	*18.67%*	*2.6 ppts*
Distribution and selling expenses	(201,031)	(199,160)	0.9
General and administrative expenses	(150,121)	(190,892)	(21.4)
Other operating income	31,038	16,896	83.7
Results from operating activities	161,738	35,002	362.1
Operating margin (%)	*7.13%*	*1.60%*	*5.5 ppts*
Net finance expense	(97,350)	(99,461)	(2.1)
Share of loss in joint venture, net of non-controlling interest	(1,717)	-2,453	(30.0)
Taxation	(8,139)	17,917	(145.4)
Net Profit Margin attributable to owners of the Company	51,534	(43,183)	219.3
Net Margin (%)	*2.27%*	*(1.97)%*	*4.2 ppts*
Depreciation	64,823	51,423	26.1

Revenue

For the fiscal year 2016, the Group generated sales of US$2.3 billion, up 3.7% versus the prior year. DMFI generated US$1.8 billion or 78.4% of Group sales, higher by 4.0% versus prior year. Without Sager Creek, DMFI's sales decreased by 3.9%, mainly due to unsuccessful government contract bids, lower pineapple sales, and lower first half promotional activity due to product allocations offset by higher holiday spending. DMFI increased its market shares in the packaged vegetable and fruit segments, up 1.1% and 0.9%, respectively, for the full year period. Del Monte canned vegetable, Del Monte fruit in cups and College Inn broth generated higher sales.

The Philippine market's sales were up 11.2% in peso terms and 6.4% in US dollar terms driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration. In addition, the market continues to benefit from the resurgent multi-serve beverage segment, behind trade expansion and digital-based awareness building initiatives for the 1-litre Tetra Juice Drink line. The food service or institutional channel also delivered robust growth.

The S&W branded sales in Asia and the Middle East were up 10% versus last year on higher sales from both the fresh and packaged segments but non-branded exports of packaged pineapple business were lower due to constrained supply as a result of the El Niño weather pattern

Revenue for fiscal year ended 30 April 2016 is net of discounts of U.S.$85.2 million, returns of U.S.$19.0 million and direct promotions of U.S.$485.2 million. Revenue for fiscal year ended 30 April 2015 is net of discounts of US$83.3 million, returns of U.S.$21.1 million and direct promotions of U.S.$482.6 million.

Gross Profit

Gross profit rose to U.S.$481.9 million due to better prices and volume improvements. Gross margin also increased by 2.6 percentage points, from 18.7% in 2015 to 21.25% in 2016 due to higher volume and better prices.

Distribution and Selling Expenses

Distribution and selling expenses was 8.9% of revenue for the twelve months ended 30 April 2016, lower versus 9.1% for 2015 due to lower DMFI selling cost.

General and Administrative Expenses

General and administrative expenses decreased by 21.4% from U.S.$190.9 million to U.S.$150.1 million mainly due to DMFI's favourable adjustment from retirement plan amendment worth US$39.4 million.

Other Operating Income

Other operating income for the twelve months ended 30 April 2016 amounted to U.S.$31.0 million, higher than the previous year's U.S.$16.9 million primarily due to DMFI working capital adjustment.

Operating Profit

Operating profit for the period covered in 2016 was U.S.$161.7 million, higher versus last year's operating profit of U.S.$35.0 million mainly due to better margin.

Finance Income/Expenses

For the twelve months ended 30 April 2016, finance income for the Company increased to U.S.$2.2 million from U.S.$0.4 million in the prior period as a result of higher interest income from operating assets.

Finance expense for the Company was 0.3% lower in 2016 compared to prior year due to lower borrowing. For the twelve months ended 30 April 2016, interest expense was at U.S.$99.6 million. Interest expense for the twelve months ended 30 April 2015 was at U.S.$99.9 million.

Depreciation Expense

Depreciation expense for the Company increased by 26.1% from U.S.$51.4 million in the twelve months ended 30 April 2015 to U.S.$64.8 million for the same period in 2016. This is mainly due to higher capital expenditures.

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

The Company recognised a share of loss of U.S.$1.7 million on 30 April 2016 mainly for its 47.2% stake in the Indian FieldFresh joint venture. This is 30.0% lower than prior year of U.S.$2.5 million as a result of higher revenue and reduced cost in 30 April 2016.

Tax

Tax expense increased from U.S.$17.9 million benefit in 30 April 2015 to U.S.$8.1 million expense in 30 April 2016 mainly on higher taxable income.

Profit for the Period

The DMPL Group generated a net income of U.S.$51.5 million for the financial year 2016 (with U.S.$26.3 million from DMFI), a turnaround from prior year period's loss of U.S.$43.2 million mainly due to the improvement in DMFI's base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI's retirement plan amendment of U.S.$39.4 million, working capital adjustment of US$38.0 million, and the absence of inventory step-up adjustments. The results were partly impacted by non-recurring costs amounting to U.S.$44.3 million (pre-tax basis) that the Group incurred in the US relating to Sager Creek acquisition integration, stabilising SAP implementation, closure of the North Carolina plant, and implementation of "Reorganisation" initiative. These are expected to improve the profitability of the Group's U.S. operations in the future. Please refer to the last page of the MD&A for the schedule of non-recurring items.

Excluding this one-off net gain of U.S.$31.7 million, the Group's recurring net income would have been U.S.$19.8 million, a significant improvement versus the adjusted loss of US$6.7 million in FY2015.

Financial Performance by Operating Segment

AMERICAS

For the full year ended 30 April

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**
Packaged fruit	**632,598**	704,644	(10.2)	**100,801**	104,984	(4.0)	**28,873**	(12,045)	339.7
Packaged vegetable	**814,004**	622,211	30.8	**167,506**	101,760	64.6	**56,957**	14,747	286.2
Beverage	**28,691**	27,512	4.3	**4,033**	1,159	248.3	**(148)**	(3,332)	95.6
Culinary	**294,486**	310,852	(5.3)	**56,409**	51,990	8.5	**18,138**	(9,346)	294.1
Others	**90**	52,266	(99.8)	**12**	12,987	(99.9)	**(5,436)**	(5,958)	8.8
Total	**1,769,869**	1,717,485	3.1	**328,761**	272,880	20.5	**98,384**	(15,934)	717.4

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

For the full year, Americas generated U.S.$1.8 billion or 78.4% of Group sales and showed an improvement of 3.1% versus prior year period. Without Sager Creek, America's sales decreased by 3.9%, mainly impacted by unsuccessful government contract bids.

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

Operating profit for the full year turned around to US$98.4 million from a net loss of U.S.$15.9 million due to higher volume, gross margin improvements and reduction of advertising and operating expenses. Gross margin improvement was mainly due to the absence of the one-off inventory step-up last year worth U.S.$44.3 million. The operating profit also benefited from the one-time favourable adjustment in the second quarter arising from DMFI's retirement plan amendment that reduced SG&A expenses by U.S.$39.4 million (both gross and net of tax basis, i.e. no tax impact) and working capital adjustment in the fourth quarter of U.S.$23.6 (net of tax basis).

Other one-off expenses included in the operating results related to stabilising SAP, Reorganisation initiative, Sager Creek acquisition integration, and closure of the North Carolina plant. These amounted to U.S.$44.3 million for the full year.

ASIA PACIFIC

For the full year ended 30 April

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**
Packaged fruit	**114,175**	107,798	5.9	**30,963**	27,823	11.3	**11,896**	9,973	19.3
Packaged vegetable	**1,925**	1,576	22.1	**481**	402	19.7	**263**	207	27.1
Beverage	**132,268**	124,215	6.5	**39,188**	35,021	11.9	**12,619**	11,133	13.3
Culinary	**122,063**	117,984	3.5	**46,212**	45,643	1.2	**21,022**	22,429	(6.3)
Others	**93,743**	83,969	11.6	**24,715**	21,949	12.6	**9,952**	7,581	31.3
Total	**464,174**	435,542	6.6	**141,559**	130,838	8.2	**55,752**	51,323	8.6

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

Asia Pacific sales for the year increased by 6.6% to U.S.$464.2 million driven by higher sales across all product categories.

The Philippine market's sales were up 11.2% in peso terms and 6.4% in US dollar terms driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration. In addition, the market continues to benefit from the resurgent multi-serve beverage segment, behind trade expansion and digital-based awareness building initiatives for the 1-litre Tetra Juice Drink line. The food service or institutional channel also delivered robust growth.

The S&W branded sales in Asia and the Middle East were up 10% versus last year on higher sales from both the fresh and packaged segments but non-branded exports of packaged pineapple business were lower due to constrained supply as a result of the El Niño weather pattern.

Operating profit for the full year increased by 8.6% to U.S.$55.8 million driven by higher sales and gross margin improvement as outlined for the quarter.

EUROPE

For the full year ended 30 April

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	**19,039**	23,489	(18.9)	**5,510**	3,570	54.3	**3,152**	176	n.m.
Beverage	**14,755**	10,173	45.0	**6,022**	870	592.2	**4,450**	(563)	n.m.
Total	**33,794**	33,662	0.4	**11,532**	4,440	159.7	**7,602**	(387)	n.m.

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

Sales in Europe for the year increased by 0.4% to U.S.$33.8 million mainly driven by the beverage category.

Operating income for the year increased to U.S.$7.6 million reflecting gross margin improvement mainly from higher pricing in line with prevailing market conditions.

Key Performance Indicators

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

A. Current Ratio

	30-Apr-16	30-Apr-15	30-Apr-14	Benchmark
Current Ratio	1.1	1.3	1.0	Minimum of 1.2

The slight decrease in the current ratio is due to higher current financial liabilities from reclassification of loans net of availment and payment.

B. Debt to Equity

	30-Apr-16	30-Apr-15	30-Apr-14	Benchmark
Debt to Equity	6.4	7.1	9.2	Maximum of 2.5

The decrease in the debt to equity is due to higher equity this year, prompted by the Group's turnaround from last year's loss to this year's income.

C. Net Profit Margin

	30-Apr-16	30-Apr-15	30-Apr-14	Benchmark
Net Profit Margin attributable to owners of the company	**2.27%**	**-1.97%**	**-11.60%**	**Minimum of 3%**

The turnaround of the net profit margin is mainly on the positive result of the Group this year. This is driven by the better results and favourable operation by the Group this year.

D. Return on Asset

	30-Apr-16	30-Apr-15	30-Apr-14	Benchmark
Return on Asset	**2.02%**	**-1.87%**	**-1.98%**	**Minimum of 1.21**

Improved return on assets from April 2015 is due to the positive income result in fiscal year ended 30 April 2016.

E. Return on Equity

	30-Apr-16	30-Apr-15	30-Apr-14	Benchmark
Return on Equity	**14.93%**	**-15.11%**	**-20.15%**	**Minimum of 8%**

The complete turnaround is mainly due to the positive results in fiscal year ended 30 April 2016, which posed a higher equity during the year ended.

Material Changes in Accounts

A. Cash and cash equivalents
The increase in cash was mainly due to increased borrowings.

B. Inventories
Increase in inventory is mainly due to lower DMFI sales.

C. Property, Plant and Equipment
Decrease in Property and Equipment is mainly attributed to the additional depreciation recorded during the year.

D. Intangible assets
Decrease in Intangibles is mainly attributed to the additional amortization recorded during the year.

F. Deferred tax assets
Increase in deferred tax assets is mainly due to increase in tax loss carry-forwards.

G. Trade & Other Payables
Decrease in trade and other payable is mainly due to DMFI's settlement of payable during the year.

H. Financial liabilities
Slight increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

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

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

Financial Ratios
Supplementary Schedule of Financial Soundness Indicator

Ratio	Formula	30 April 2016	30 April 2015	30 April 2014
(i) Liquidity Analysis Ratios:				
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.3	1.0
Quick Ratio	(Current Assets - Inventories - Prepaid expenses and other current assets - Biological Assets – Noncurrent assets held for sale) / Current Liabilities	0.2	0.3	0.2
(ii) Solvency Ratio	Total Assets / Total Liabilities	1.2	1.1	1.1
Financial Leverage Ratios:				
Debt Ratio	*Total Debt/Total Assets	0.9	0.9	0.9
Debt-to-Equity Ratio	*Total Debt/Total Stockholders' Equity	6.4	7.1	9.2
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	7.4	8.1	10.2
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT) [4] / Finance expenses excluding foreign exchange gain/loss	1.6	0.3	-3.1
(v) Debt/EBITDA Ratios	*Total Debt/ **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	9.9	26.6	-55.8
(vi) Profitability Ratios				
Gross Profit Margin	Revenue - Cost of Sales / Revenue	21.25%	18.67%	9.80%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Revenue	2.27%	-1.97%	-11.60%
Net Profit Margin	Net Profit / Revenue	2.40%	-2.24%	-12.91%
Return on Assets	Net Profit / Total Assets	2.02%	-1.87%	-1.98%
Return on Equity	Net Profit / Total Stockholders' Equity	14.93%	-15.11%	-20.15%

Notes:

* *Total Debt refers to total liabilities which composed of financial liabilities, trade payables, accrued expenses, and other liabilities.*

** *Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is one measure of a company's operating efficiency which represents the profit before tax, finance expenses excluding foreign exchange gain/loss, and depreciation and amortization.*

[4] EBIT =Profit before tax+Finance expenses excluding foreign exchange gain/loss

REVIEW OF THE GROUP FOR THE SIX MONTHS ENDED 31 OCTOBER 2016 AND 31 OCTOBER 2015

in U.S.$'000 unless otherwise stated	For the six months ended 31October FY 2017	FY 2016	%
Revenue	**1,101,725**	1,145,458	(3.8)
Gross profit	**240,482**	251,849	(4.5)
Gross margin (%)	21.8%	22.0%	*-0.2 ppts*
Distribution and selling expenses	**(99,683)**	(101,248)	(1.5)
General and administrative expenses	**(81,026)**	(53,363)	51.8
Other operating income	**1,177**	(8,553)	113.8
Results from operating activities	**60,950**	88,685	(31.3)
Operating margin (%)	5.5%	7.7%	*-2.2 ppts*
Net finance expense	**(51,685)**	(45,455)	13.7
Share of loss in joint venture, net of non-controlling interest	**(776)**	(903)	14.1
Taxation	**1,728**	(1,843)	(193.8)
Net Profit Margin attributable to owners of the Company	**11,442**	37,076	(69.1)
Net Margin (%)	1.0%	3.2%	*-2.2 ppts*
Depreciation	**26,403**	28,903	8.6

Revenue

The Group generated sales of US$1.1 billion, down 3.8% versus prior year. DMFI generated US$0.8 billion or 76.6% of Group sales, lower by 7.8% versus prior year due to continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction DMFI increased market share across two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

The Philippine market's sales were up double-digit driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration supported by new advertising campaigns and consumer communication. The foodservice channel also delivered robust growth. New products in culinary segment have been successfully launched as per plan.

The S&W branded sales in Asia and the Middle East rose double-digit versus last year on higher sales from both the fresh and packaged segments.

Revenue for six months ended 31 October 2016 is net of discounts of U.S.$41.9 million, returns of U.S.$9.3 million and direct promotions of U.S.$225.1 million. Revenue for six months ended 31 October 2015 is net of discounts of US$39.9 million, returns of U.S.$9.4 million and direct promotions of U.S.$210.5 million.

Gross Profit

Gross profit is below last year from U.S.$251.8 to U.S.$240.5 million and gross margin decreased by 0.2 percentage points, from 22.0% in 2015 to 21.8% in 2016 mainly driven by higher trade spend and lower volume in the US. In addition, first half gross margin included the US$2.7 million impact of North Carolina plant closure.

Distribution and Selling Expenses

Distribution and selling expenses was 9.0% of revenue for the six months ended 31 October 2016, higher versus 8.8% for the same period last year mainly due to timing of spending.

General and Administrative Expenses

General and administrative expenses increased by 51,8% from U.S.$53.4 million to U.S.$81.0 million as last year included DMFI's one-time gain on employee benefits due to retirement plan amendment.

Other Operating Income

Other operating income for the six months ended 31 October 2016 amounted to U.S.$1.2 million, favourable than the previous year's operating expense of U.S.$8.6 million primarily due to lower miscellaneous expenses.

Operating Profit

Operating profit for 2016 was U.S.$61.0 million, lower versus last year's operating profit of U.S.$88.7 million mainly due to DMFI lower sales and last year included one-time net gain mainly from DMFI's retirement plan amendment.

Finance Income/Expenses

For the six months ended 31 October 2016, finance income for the Company slightly increased to U.S.$251 thousand from U.S.$160 thousand in the prior period as a result of higher interest income from operating assets.

Finance expense for the Company was 19.2% higher in 2016 compared to prior year due to higher borrowing. For the six months ended 31 October 2016, interest expense was at U.S.$55.8 million versus U.S.$46.8 million last year.

Depreciation Expense

Depreciation expense for the Company decreased by 8.6% from U.S.$28.9 million in the six months ended 31 October 2015 to U.S.$26.4 million for the same period in 2016 as some of the assets have been fully depreciated.

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

The Company recognised a share of loss of U.S.$776 thousand on 31 October 2016 mainly for its 47.4% stake in the Indian FieldFresh joint venture. This is 14.1% lower than prior year of U.S.$903 thousand mainly driven on higher revenue.

Tax

Tax benefit of U.S.$1.7 million in 31 October 2016 versus tax expenses of U.S.$1.8 million in 31 October 2015 mainly due to deferred tax on the additional net operating loss of DMFI.

Profit for the Period

The DMPL Group generated a net income of US$11.4 million for the first half FY2017, lower than prior year period's net income of US$37.1 million due to the one-time net gain of US$30.2 million mainly from DMFI's retirement plan amendment last year. Meanwhile, first half FY2017 results included the US$2.7 million one-off item impact of North Carolina plant closure plus the US$3.7 million of other restructuring costs, primarily severance expense.

Excluding the one-off items, the Group's recurring net income would have been US$15.1 million, higher versus the recurring net income last year of US$6.9 million mainly driven by the strong performance of the Asian business

Financial Performance by Operating Segment

AMERICAS

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**309,664**	321,415	(3.7	**54,945**	56,181	(2.2)	**6,877**	16,409	(58.1)
Packaged vegetable	**376,981**	431,113	(12.6	**71,752**	94,407	(24.0)	**14,216**	41,786	(66.0)
Beverage	**15,873**	13,940	13.9	**3,958**	2,285	73.2	**1,505**	(15)	n.m.
Culinary	**139,547**	149,813	(6.9	**24,848**	29,456	(15.6)	**1,965**	8,834	(77.8)
Others	**497**	11	n.m	**110**	(5)	n.m.	**1,784**	(2,732)	165.3
Total	**842,562**	916,292	(8.0	**155,613**	182,324	(14.7)	**26,347**	64,282	(59.0)

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

Sales in the Americas declined by 9.3% to US$492.4 million due to lower packaged fruit and vegetable and lower culinary sales due to lower inventory builds on packaged vegetable ahead of the holiday season and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

Gross profit was lower than prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private label and exports. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

Operating income for the quarter of US$35.7 million was lower than prior year quarter's US$70.7 million. Prior year benefited from the one-time net gain of US$33.4 million mainly from DMFI's change in retirement benefit.

ASIA PACIFIC

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**59,458**	44,789	32.8	**17,524**	10,805	62.2	**8,766**	2,641	231.9
Packaged vegetable	**959**	1,030	(6.9)	**325**	260	25.0	**217**	99	119.2
Beverage	**67,387**	67,289	0.1	**22,180**	19,877	11.6	**8,625**	6,305	36.8
Culinary	**67,232**	64,585	4.1	**27,549**	25,514	8.0	**11,225**	11,378	(1.3)
Others	**56,282**	37,963	48.3	**14,459**	10,219	41.5	**3,963**	2,690	47.3
Total	**251,318**	215,656	16.5	**82,037**	66,675	23.0	**32,796**	23,113	41.9

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

Asia Pacific's sales in the six months ended 31 October 2016 improved by 16.5% to US$251.3 million from US$215.7 million on higher sales across all categories except packaged vegetables.

The Philippine market's sales were up double-digit driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration supported by new advertising campaigns and consumer communication. The foodservice channel also delivered robust growth. New products in culinary segment have been successfully launched as per plan.

The S&W branded sales in Asia and the Middle East rose double-digit versus last year on higher sales from both the fresh and packaged segments.

The Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Operating profit in the second quarter rose 41.9% to US$32.8 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and lower promotion spending.

EUROPE
For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**6,392**	8,992	(28.9)	**2,334**	2,135	9.3	**1,488**	1,140	30.5
Packaged vegetable	–	–	–	–	–	–	–	–	–
Beverage	**1,453**	4,518	(67.8)	**498**	715	(30.3)	**319**	150	112.7
Culinary	–	–	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–	–	–
Total	**7,845**	13,510	(41.9)	**2,832**	2,850	(0.6)	**1,807**	1,290	40.1

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

For the six month ended 31 October 2016, Europe's sales declined by 41.9% to US$7.9 million from US$13.5 million due to pineapple supply imbalance. Sales are expected to recover in the second half of the fiscal year.

Key Performance Indicators

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

A. Current Ratio

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Current Ratio	**1.0841**	**1.4486**	**1.1412**	**Minimum of 1.20**

Current ratio decreased due to higher current borrowings or financial liabilities. Higher current borrowings mainly due to working capital requirements.

B. Debt to Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Debt to Equity	**7.8338**	**7.4731**	**6.3782**	**Maximum of 2.50**

Debt ratio increased versus last year driven by additional loans made by DMPL for working capital requirements.

C. Net Profit Margin

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Net Profit Margin attributable to owners of the company	**1.04%**	**3.24%**	**2.27%**	**Minimum of 3%**

The decrease is mainly on the lower net profit than last year due to the change in employee benefit plan last year.

D. Return on Asset

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Asset	**0.34%**	**1.35%**	**2.02%**	**Minimum of 1.21**

The decrease is mainly on the lower net profit than last year due to the change in employee benefit plan last year and increase in operating assets compared to same period last year.

E. Return on Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Equity	**2.96%**	**11.45%**	**14.93%**	**Minimum of 8%**

Decrease is mainly on the lower net income due to OPEB adjustment made last year and dividends paid this year.

Material Changes in Accounts

A. Cash and cash equivalent

Lower cash mainly on higher cash used in operating activities driven by inventory build-up in preparation for the 2nd half.

B. Inventories

Increase in inventory is due to inventory build-up in the first half to support the increased demand in the 2nd half of the fiscal year and due to DMFI's seasonal production.

C. Trade and other receivables

The increase in trade and other receivables is mainly on the timing of collection.

E. Intangible assets

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

F. Trade & other payables

Increase in trade and other payables are mainly due to purchases to support working capital build during the quarter.

H. Financial liabilities

Increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

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

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

DEL MONTE PACIFIC, LTD.
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	For the six months ended October 31, 2016	October 31, 2015
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.5
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.2	0.3
(ii) Solvency Ratio	Total Assets / Total Debt*	1.1	1.1
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.9	0.9
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	7.8	7.5
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	8.8	8.5
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	1.1	1.9
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	21.83%	21.99%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	1.04%	3.24%
Net Profit Margin	Net Profit / Sales	0.93%	3.53%
Return on Assets	Net Income / Total Assets	0.34%	1.50%
Return on Equity	Net Income / Total Stockholders' Equity	2.96%	11.45%

* *Total Debt refers to total liabilities which composed of financial liabilities, trade payables, accrued expenses, and other liabilities.*
*** EBIT =Profit before tax plus finance expenses excluding foreign exchange gain/loss*

DESCRIPTION OF THE BUSINESS

OVERVIEW

The Company

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

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

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

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

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

Group Structure

The details of the Company's subsidiaries and their principal activities as of the date of this Prospectus are set out below.

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
Held by the Issuer				
Del Monte Pacific Resources Limited ("**DMPRL**")	21 Dec 1990	Investment holding	British Virgin Islands	100.00%
DMPL India Pte Ltd ("**DMPLI**")	29 Mar 2004	Investment holding	Singapore	100.00%
DMPL Management Services Pte Ltd ("**DMPL Mgt Svcs**")	29 Apr 1999	Providing administrative support and liaison services to the Group	Singapore	100.00%
GTL Limited ("**GTL Ltd**")	9 Mar 1998	Trading food products mainly under the brand name, "Del	Federal Territory of Labuan,	100.00%

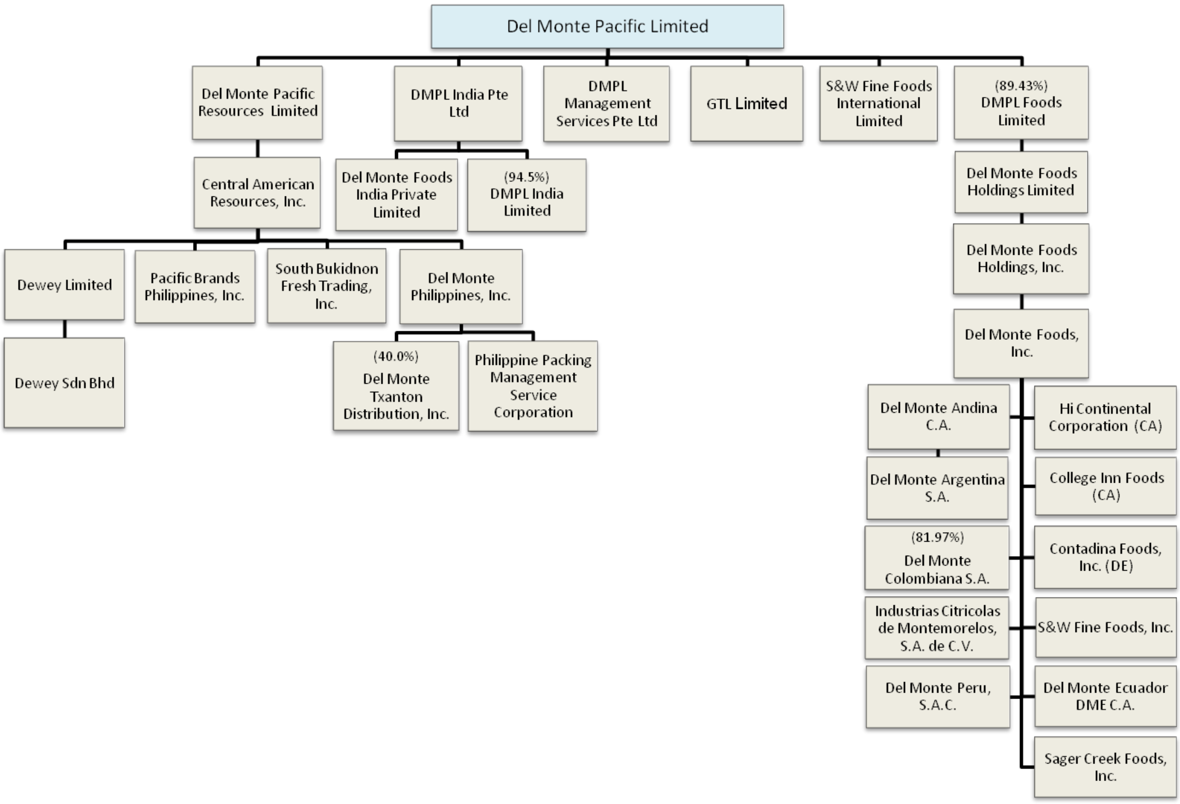
Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
		Monte" and buyer's own labels	Malaysia	
S&W Fine Foods International Limited ("**S&W**")	12 Nov 2007	Owner of the "S&W" trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe, Africa, and a license to use "S&W" in Western Europe. Sale and distribution of food products under "S&W."	British Virgin Islands	100.00%
DMPL Foods Limited ("**DMPLFL**")	11 Dec 2013	Investment holding	British Virgin Islands	Approximately 89.40%
Held by Del Monte Pacific Resources Limited				
Central American Resources, Inc. ("**CARI**")	16 Dec 1971	Investment holding	Panama	100.00%
Held by Central American Resources, Inc.				
Del Monte Philippines, Inc. ("**DMPI**")	11 Jan 1926	Growing, processing and distribution of food products mainly under the brand name "Del Monte"	Philippines	100.00%
Dewey Limited ("**Dewey**")	13 Dec 1990	Owner of trademarks in various countries; investment holding	Bermuda	100.00%
Pacific Brands Philippines, Inc. ("**Pacific Brands**")	1 Jul 1935	Inactive	State of Delaware, U.S.	100.00%
South Bukidnon Fresh Trading, Inc.	20 Jun 2014	Growing, packing and sale and export of fresh produce	Philippines	100.00%
Held by DMPL India Pte Ltd				
Del Monte Foods India Private Limited	10 Aug 2004	Manufacturing, processing and	Mumbai, India	100.00%

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

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
Held by DMFI				
Del Monte Andina C.A.*	16 Jul 1998	Distribution of food products	Venezuela	-
Del Monte Colombiana S.A.	27 Oct 1999	Distribution of food products	Colombia	Approximately 81.97%
Industrias Citricolas de Montemorelos, S.A. de C.V.(ICMOSA)	1 Nov 1974	Distribution of food products	Mexico	Approximately 89.40%
Del Monte Peru S.A.C.	18 Jan 2000	Distribution of food products	Peru	Approximately 89.40%
Del Monte Ecuador DME C.A.	10 Feb 2000	Distribution of food products	Ecuador	Approximately 89.40%
Hi-Continental Corp.	15 Jul 1959	Distribution of food products	State of California, U.S.	Approximately 89.40%
College Inn Foods	17 Jul 1958	Distribution of food products	State of California, U.S.	Approximately 89.40%
Contadina Foods, Inc.	26 Jan 1998	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
S&W Fine Foods, Inc.	26 Feb 2001	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
Sager Creek Foods, Inc.	24 Feb 2015	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
Held by Del Monte Andina C.A. (Venezuela)				
Del Monte Argentina S.A.	22 Sep 2000	Distribution of food products	Argentina	-

*In fiscal year 2015, the Group deconsolidated its subsidiary, Del Monte Andina C.A., an entity which has operations in Venezuela.

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



BUSINESS OF THE GROUP

Group Overview

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

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

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

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

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

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

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

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

Competitive Strengths

Record of stable cash flow generation

The Group has a history of stable cash flow generation with cash flows from operating activities of U.S.$54.7 million, U.S.$239.6 million and U.S.$31.0 million for the four months ended 30 April 2014 and years ended 30 April 2015 and 2016, respectively. For the years ended 30 April 2015 and 30 April 2016, the Group's U.S. subsidiary, DMFI had net sales of U.S.$1.7 billion and U.S.$1.8 billion, respectively, and gross margin of U.S.$271.1 million and U.S.$322.1 million, respectively. The Group's historical revenues have not been significantly impacted during economic downturns and recessionary periods, including the recent global financial crisis.

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

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

Large global business and vertically integrated operations with economies of scale

The Group's global footprint reaches across dozens of countries including the United States, Canada, the Philippines, India and numerous other countries in Asia, Europe and the Middle East. The Group has 12 production facilities and 8 distribution centres in the United States, 2 production facilities in Mexico, 1 production facility in Venezuela and 1 production facility near Bangalore, India, as well as growth, production and distribution facilities in the Philippines. In addition, the Group believes that it operates the world's largest fully-integrated pineapple operation which includes ownership of the entire product life cycle, from cultivation to distribution. Furthermore, for products which it does not grow directly, the Group maintains long-term supply contracts with growers to ensure a stable supply of fruits and vegetables for the Group's production and distribution chain.

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

Strong supply chain management

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

In order to ensure that the Group's supply chain system is operating efficiently, the Group conducts on-going reviews of the system and sets annual goals in conjunction with its Six-Sigma techniques (for the DMFI Consumer Food Business) and its productivity to cost efficiency program (for the Philippine business).

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

Diversified portfolio of blue-chip customers

The Group has a reliable and diversified customer base with long-term relationships with all of its major customers, which include leading global and regional mass merchandisers and supermarkets in the United States. In particular, the Group has maintained a strong relationship over the past 15 years with its largest customer, Walmart (one of the largest retailers in the world), including Walmart's stores and supercentres as well as Sam's Club, contributed 26% of the Group's overall revenue for the fiscal year ended 1 May 2016. The Group also has a 15-year relationship with Costco (one of the largest membership warehouse clubs in the U.S.), which contributed approximately 5% of the Group's overall revenue for the fiscal year ended 1 May 2016. The Group also has similar long-term relationships with its customers globally, including McDonald's, 7-Eleven, Jollibee and Robinson's Malls in the Philippines and Samsung, Tesco, Shinsegae, Fair Price, Kikkoman Corporation and LF Asia, among others, in the rest of Asia.

Strong shareholder support and experienced management team with proven track record

NutriAsia has been the majority shareholder of the Company since 2006 and as of the date of this Prospectus, maintains 59.44% ownership. The Group has a strong relationship with NutriAsia and believes that the Group's long-term strategy and plans are fully supported by NutriAsia. All rights offered to NutriAsia in connection with the Rights Issue have been fully taken up pursuant to an undertaking by NutriAsia to the Company and the relevant parties involved in the Rights Issue that NutriAsia would subscribe for 285,715,944 Rights Shares and renounce 142,857,471 entitled

Rights Shares to Bluebell, and an undertaking by Bluebell to subscribe for the 142,857,471 renounced Rights Shares. The Company also expects NutriAsia to continue to support and align its goals with the long-term vision of the Group. In addition, Lee Pineapple Company Pte. Ltd., which is owned by the Lee Foundation, Singapore and Lee Foundation, States of Malaya and the Lee family (the largest shareholder of OCBC Bank) owns, as of the date of this Prospectus, 5.17% of the Company and has been a shareholder since 2003.

In addition, the management of the Group's various entities, including the Company and the DMFI Consumer Food Business are highly experienced in their fields and in international markets. The Group believes that its strong core management team will continue to contribute to the Group's future growth and ensure that the DMFI Consumer Food Business be seamlessly integrated into the Group's ongoing operations. In addition, DMFI has implemented a stock option plan for its management, which is contingent upon meeting certain financial thresholds of the Group's business in order to align management's interests with those of the overall business of the Group. Since the completion of the Acquisition, the combined management team of the Group has, through successful implementation of pricing and marketing strategies, increased its market share in the U.S. in packaged vegetable from 32.6% to 37.8%, packaged fruit from 23.5% to 26.6%, and packaged tomato from 10.9% to 11.3% comparing the four week period 3 November 2013 to 30 November 2013, representing the key Holiday selling period, to the corresponding period in 2015.

<u>Strategies</u>

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

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

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

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

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

Invest in R&D to focus on product innovation

The Group has, in the last three fiscal years**,** spent approximately 1% of its aggregate sales annually in research and development[5] and as a result has introduced a new product every year into the Philippine market. These products include new product lines such as Fit 'n Right, Heart Smart and Bone Smart. In addition to the new product development, the Group also develops and accesses new innovative technologies, such as Nice Fruit's technology that allows fruit to be frozen without losing freshness. The Group intends to invest in product development and innovation through its research and development facilities in California, USA and in the Philippines in a prudent manner to support its growth objectives by introducing new products into the global market and support such product launches through marketing and promotional campaigns opportunistically.

Continue to efficiently manage capital structure and exercise prudent financial management

The Group has adopted a conservative long-term financial and cash management policy and intends to keep or bring its gearing ratio at approximately 1.8 times by prudently managing equity and debt levels and undertaking de-levering exercises over time as necessary. Although the DMFI Consumer Food Business leverage levels have been above the Group's 1.8 times target level in the past due to several LBOs involving sponsor-driven acquisitions, the DMFI Consumer Food Business intends to reduce its gearing in the future, in line with the strategic and more conservative policies adopted by the Company and the present management of the Group. The Group's historical adjusted EBITDA to net interest expense for the years ended 30 April 2016 and 2015 was 2.1 times and 0.9 times, respectively. The Company intends to manage the Group's leverage levels in an efficient and conservative manner, in line with the Company's financial policies. Adjusted EBITDA is calculated by adding depreciation and amortisation, share of loss in joint ventures, net of tax, and non-recurring expenses to income from operations. Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is one measure of a company's operating efficiency which represents the profit before tax, finance expenses excluding foreign exchange gain/loss, and depreciation and amortization.

The DMFI Consumer Food Business Acquisition

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

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

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

Post- Acquisition Group Overview

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

AMERICAS

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

The DMFI Consumer Food Business

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

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

ASIA PACIFIC

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

EUROPE

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

The DMFI Consumer Food Business

Overview

The DMFI Consumer Food Business produces and sells under well-known household brands such as *Del Monte*, *Contadina, College Inn, S&W* and other brands. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the United States, in all channels to the retail markets, as well as to the U.S. Government, U.S. military, certain export markets, the food service industry and other food processors. The DMFI Consumer Food Business' facilities consist of 12 production facilities and 8 distribution centres in the United States, as well as 2 production facilities in Mexico and 1 production facility in Venezuela.

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

In March 2015, DMFI completed its acquisition of certain of Sager Creek Vegetable Company, a producer of specialty vegetables for the foodservice and retail markets. The acquisition of Sager Creek's business provides the Group access to new customers and new retail product offerings and the opportunity to expand on Sager Creek's foodservice business platform, while driving significant operating synergies in the Group's network of vegetable production facilities.

History

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

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

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

In March 2015 DMFI completed its acquisition of certain of Sager Creek Vegetable Company, a producer of specialty vegetables for the foodservice and retail markets, including Carolina, and Arkansas. SCVC's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others. The acquisition of the vegetable business was supposed to provide DMFI access to new customers and new retail product offerings, and the opportunity to expand on SCVC's foodservice business platform, while driving significant operating synergies in the Group's network of vegetable production facilities.

Sales and Marketing

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

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

Foreign Sales and Operations

Total revenue of the DMFI Consumer Food Business for the six months ended 31 October 2016 amounts to U.S.$0.84 billion while U.S.$1.78 billion for fiscal year ended 1 May 2016.

(in U.S.$ '000)	**Net Sales Six months ended 31Oct 2016**	**Net Sales Fiscal Year ended 1 May 2016**
South America	0.0	0.0
Sager Creek	91.8	217.1
North America	752.4	1,560. 9
Total	**844.2**	**1,778.0**

<u>Revenues from Non-U.S. Countries</u>

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

<u>Non-U.S. Operations</u>

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

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

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

Geographic Location of Fixed Assets

The DMFI Consumer Food Business' fixed assets are primarily located in the United States with 8% of the DMFI Consumer Food Business' fixed assets located in foreign countries.

Customers

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

Walmart, which includes Walmart's stores and supercentres along with Sam's Club, is DMFI's most significant customer.

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

The sales to the largest customer of the DMFI Consumer Food Business, Walmart, as a percentage of DMFI's gross sales for the six months ended 31 October 2016 and fiscal year ended 1 May 2016 are as follows:

Name of customer	**As a percentage of gross sales (%)**	
	Six months ended 31October 2016	Fiscal year ended 1 May 2016
Walmart / Sam's	29	27

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

Competition

DMFI is one of the largest marketers of processed vegetables, fruits and tomatoes in the United States, with market shares of 31%, 19% and 10% respectively, in the fiscal year ended 1 May 2016. The *Del Monte* brand, specifically, has leading market shares for branded products in both processed vegetable and fruit. The DMFI Consumer Food Business' processed vegetable, fruit and tomato products are in well-developed categories, characterized by high household penetration. The DMFI Consumer Food Business' fruit category includes packaged produce products. Due to good reputation and awareness of the DMFI Consumer Food Business' brands and its value-added products, the DMFI Consumer Food Business has been able to price its processed vegetable, fruit and tomato products at a premium compared to private label products.

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

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

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

ASIA PACIFIC

For the full year ended 30 April

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	**114,175**	107,798	5.9	**30,963**	27,823	11.3	**11,896**	9,973	19.3
Packaged vegetable	**1,925**	1,576	22.1	**481**	402	19.7	**263**	207	27.1
Beverage	**132,268**	124,215	6.5	**39,188**	35,021	11.9	**12,619**	11,133	13.3
Culinary	**122,063**	117,984	3.5	**46,212**	45,643	1.2	**21,022**	22,429	(6.3)
Others	**93,743**	83,969	11.6	**24,715**	21,949	12.6	**9,952**	7,581	31.3
Total	**464,174**	435,542	6.6	**141,559**	130,838	8.2	**55,752**	51,323	8.6

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

Philippines

The Group sells Del Monte branded processed products in the Philippines, comprising of processed fruits (pineapple and tropical mixed fruit in cans and pouches), juices (packed in cans, doy packs and PET), and a wide range of culinary products (sauces, ketchup, condiments and pasta). For the year ended 30 April 2016, culinary and beverage account for approximately 32% and 31% of total Philippines sales, respectively, while the processed fruits segment account for the balance 22%.

For retail, the Company sells through both general trade and modern trade. DMPI utilizes 17 non-exclusive distributors nationwide to cover approximately 151,050 general trade accounts such as wholesalers, public markets and retail stores. DMPI also sells directly to modern trade accounts such as supermarkets, and to institutional accounts which include hotels, fast food chains, schools, catering businesses, restaurants and many others.

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

Del Monte commands leading market share in the Philippines in the canned juice segment, canned pineapple and tomato sauce categories, and in the spaghetti sauce segment. In the ready to drink PET juice market, Del Monte has a share of approximately 20%.

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

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

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

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

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

Monte Juices' multi-serve business (flat to declining in recent years) by providing consumers a new, more convenient resealable packaging format compared to the 46 oz. can.

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

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

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

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

<u>S&W – International</u>

S&W Processed

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

Market	Distributor for *S&W* Branded Processed Products
South Korea	Shinsegae, SPC, Misung, TS Corporation and Samsung

China	Crown Asia
Hong Kong	LFAsia and Sims Trading
Japan	Lead Off Japan
Singapore	HL Yong, NTUC Fairprice and Lucas Foods
Indonesia	PD Sinar Abadi
Middle East / Pakistan Region	Silex, Festival, Sheen, Al Saggaf, International Trading House

The Group's three clusters (for *S&W* processed products) are North Asia, South East Asia, and the Middle East:

1. North Asia – Sales in this cluster accounted for 62% of *S&W* processed sales in 2016. Key competitors in canned pineapple and juices are *Dole* and *Del Monte* plus low-priced products from Thailand, notably in China. The food service channel in China and Korea has shown good performance, and the Group plans to extend distribution in China's retail market with new value added products. The Group intends to capitalize on the large demand for canned pineapple market in Japan when the import quota is accessible. In general, the Group intends to grow in canned tropical fruits and enter the beverage market with canned ready to drink juices either imported from Philippines or outsourced locally.

2. South East Asia – Sales in this cluster accounted for 22% of *S&W* processed products sales in 2016. Key competitors are *Del Monte Asia* and *Hosen* for canned pineapple, *Hunts* for tomatoes and *Pokka* for beverages. The Group has a stable presence in Singapore, Malaysia and Indonesia. The Group plans to grow in canned ready to drink juices and new culinary products in Singapore, Malaysia, and Indonesia, as well as increase distribution in the Philippines by piggybacking on DMPI's sales team.

3. Middle East/Pakistan – Sales in this new market began in 2013 and accounted for 14% of *S&W* processed products sales in 2016 although this percentage is expected to significantly increase. Key competitors are *Dole* for canned pineapple and *Rani*, *Del Monte*, and various local brands for juices. The Group's portfolio will be skewed towards canned pineapples and beverages .There is opportunity to capture part of the huge juice market with locally outsourced products in order to be more competitive in the low priced market.

In summary, higher growth is expected out of Middle East and North Asia while South East Asia will be more stable.

S&W Fresh

The Group's *S&W* fresh pineapples are sold in Asia, mainly South Korea, China, Japan, Taiwan, Singapore, and the Middle East. South Korea, Japan, and China are the three biggest markets accounting for about 52% of *S&W* fresh pineapple sales for the fiscal year ended 30 April 2016. The Group sells through these important distributors in each of these markets:

Market	Distributor for *S&W* Branded Fresh Pineapple
South Korea	Shinsegae and Wonil
China	Eachtake
Japan	Wismettac Foods

Singapore	NTUC Fairprice
Middle East	Farzana

Based on trade import data from the 2015 Asia Fruit Congress, the Group estimates its market share to be about 20% in South Korea, 13% in China, and about 15% in Japan for both *S&W* branded and private label fresh pineapple. On the aggregate, the Group estimates its market share to be about 19% in Asia, a good achievement given that the Group had been supply-constrained and only started selling fresh pineapples commercially in 2009. In Japan, the Group only started selling in 2012 and has achieved commendable market share in such a short period, attesting to the product's good quality.

The fresh pineapple sector has few dominant players. The Group's major competitors are *Dole*, *Fresh Del Monte* (to whom the Group supplies under a supply contract; see *"Suppliers"* on page 149 of this Prospectus), *Sumifru* and *Lapanday*. All these companies export fresh pineapples out of the Philippines. The outlook for fresh pineapple is positive given the strong demand in Asia, with growing consumption among middle-upper income consumers especially in China. Prices are attractive and stable due to limited supply. The fresh pineapple business commands higher margins than processed pineapples making the former one of the Group's key growth drivers.

There is opportunity for the Group to extend distribution to fresh cut distributors in Korea, Japan and China. Fresh cut (whereby fruit is already peeled and cut into pieces for ready consumption) is a big segment in these markets as consumers are willing to pay more for convenience.

The Group expects to increase its market share over the years as it continues to improve its yields and production, thus offering the market with superior quality golden or MD2 pineapples at a steady supply.

Indian Subcontinent

The Group has exclusive license to the *Del Monte* trademark for processed food and beverage products for the Indian subcontinent, which includes Pakistan, Bangladesh, India (through a joint venture with Bharti Group, please see section below on India), Sri Lanka, Maldives, Nepal and Bhutan.

The Company's products in the Indian subcontinent include canned pineapple and tropical mixed fruit, juices, ketchup, pasta and olives. Most of these products are sourced from the Philippines, except for olives and some premium pasta, which come from Europe, and canned apple juice which comes from FieldFresh's factory in India.

The Company's biggest market in the Indian subcontinent outside of India is Pakistan, to which the Group has been selling its products through Anjum Asif Pvt Ltd., for more than ten years. The Group entered Maldives four years ago and more recently, Bangladesh and Sri Lanka. The Group operates through distributorship arrangements in South Asia through the important distributors in each of these markets:

Market	Distributor for *Del Monte* Branded Processed Products
Pakistan	Anjum Asif Pvt. Ltd.
Maldives	Raajje Supply Pvt. Ltd.
Bangladesh	Meridian Marketing
Sri Lanka	Edinborough Products Pvt. Ltd.

Del Monte is the market leader for canned pineapple and mixed fruit in Pakistan. Other players include *Dole* and products from Thailand.

The four markets listed above are expected to contribute over U.S.$2 million in sales to Group revenue. In Pakistan, there are opportunities in the food service channel, in particular the bakeries, for the Group's canned fruit products. Higher sales are expected for the Group's newly introduced olives and pasta products. In Maldives, the Group expects increased sales of juices in hotels and resorts. In newer markets of Bangladesh and Sri Lanka, inroads are being made in the ketchup category while new products like juices and canned fruits are introduced.

India

In 2007, the Company entered into a joint venture with the Bharti Group in India under the FieldFresh brand. The Company owns approximately 94% of the DMPL India Limited, which owns 50% of FieldFresh, thereby having equal voting rights with the Bharti Group. For completeness, a discussion of the Indian joint venture is included here, even though FieldFresh is equity accounted for in the Company's profit and loss statement.

The joint venture started with a plan to develop both fresh products under the "FieldFresh" brand and processed products under the *Del Monte* brand. Over the years, and given the experience in the fresh domestic market, the joint venture decided to be more focused, and rationalized the fresh business. The only fresh business remaining is the export of sweet corn and baby corn to the United Kingdom, where the joint venture has a high market share.

The main focus for this joint venture is to develop the *Del Monte* branded processed business in India. This launched the *Del Monte* processed food and beverage products in 2009. The joint venture's products include processed fruits, juices, ketchup, sauces, mustard, mayonnaise, pasta, olives and olive oil. The sauces and condiments segment account for almost half of total *Del Monte* sales in India. The next biggest category is the Italian range – pasta, olives and olive oil - with a 20% revenue share.

In the general trade category, which consists of independent retail and wholesale shops, the joint venture covered 30,000 outlets in 80 cities. The focus in general trade category is on consolidation and increasing throughput. In the modern trade category, which consists of retail chains, the joint venture covered 1,800 outlets in about 60 cities. The joint venture's product share in the existing accounts (e.g. Metro cash and carry, Bharti Walmart, Reliance, etc.) is expected to increase by product portfolio expansion as well as customization. In the food service category, the joint venture's products are in 4,500 hotels, bakeries, quick service restaurants, and caterers in 110 cities.

Myanmar

The Group also has the exclusive license to the *Del Monte* trademark for processed food and beverage products for Myanmar. The Group launched *Del Monte* branded products there in January of 2013 which included ketchup, spaghetti sauces and pasta. The Group plans to add canned pineapple, tropical mixed fruit and juices in its product offering. The Group partnered with Global Sky Company Limited of the Dagon Group, a leading conglomerate in Myanmar, which operates retail chains (supermarkets, shopping centers), hotels and real estate ventures.

EUROPE

For the full year ended 30 April

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**	**FY2016**	**FY2015**	**% Chg**
Packaged fruit	**19,039**	23,489	(18.9)	**5,510**	3,570	54.3	**3,152**	176	n.m.
Beverage	**14,755**	10,173	45.0	**6,022**	870	592.2	**4,450**	(563)	n.m.
Total	**33,794**	33,662	0.4	**11,532**	4,440	159.7	**7,602**	(387)	n.m.

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

Sales in Europe in the fourth quarter increased by 17.3% to U.S.$12.9 million mainly driven by the beverage category.

Operating income in the fourth quarter increased to U.S.$4.9 million reflecting gross margin improvement mainly from higher pricing in line with prevailing market conditions.

Non Supply Contract Europe and North America

In Europe, there is very high food retailer concentration. Consequently, the Group sells primarily on a private label basis to key food retailers including the top five retailers in the United Kingdom and the top three retailers in Spain. The Group also supplies to the *Del Monte* brand owner in Europe at market prices.

The Group sells private label processed fruits in Europe in various formats: pineapple and tropical mixed fruit in cans, jars and plastic cups, and ready to drink juices in cans. The Group also sells a wide range of industrial products to food and beverage producers: industrial PJC, water white fruit syrup and pineapple crushed bits and cubes. Currently, as the most commodity-oriented product, industrial PJC suffers from price volatility in the global markets as a result of soft consumption in Europe and oversupply in the largest exporting country, Thailand. Given the Group's experience in 2012 where PJC prices collapsed from a high of close to U.S.$2,000 per ton in 2011 to a low of below U.S.$1,000 in 2012, the Group's strategy is to reduce the contribution of volatile non-branded PJC by producing more of the branded ready to drink juices for the consumer market, mainly in Asia. Industrial PJC accounted for 31% of the Group's Europe sales in 2013.

The Group's major competitors in Europe are the top producers in Thailand, PT Great Giant in Indonesia, and Del Monte Kenya.

Suppliers

The DMFI Consumer Food Business

The DMFI Consumer Food Business' products are manufactured from a wide variety of raw materials. Each year, the DMFI Consumer Food Business buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the United States. The DMFI Consumer Food Business' fruit supply contracts generally range from 1 to 10 years. Fruit prices are generally negotiated with grower associations annually. The DMFI Consumer Food Business purchases raw product from over 500 fruit growers located in California, Oregon and Washington. Yellow cling peaches are contracted by the acre, while contracts for other fruits require delivery of specified quantities each year. The DMFI Consumer

Food Business' vegetable supply contracts are for a one-year term and require delivery from contracted acreage with specified quality. Vegetable prices are negotiated annually. The DMFI Consumer Food Business purchases raw product from approximately 600 vegetable growers located primarily in Wisconsin, Illinois, Minnesota, Washington and Texas. The DMFI Consumer Food Business purchases raw tomatoes from approximately 25 tomato growers located in California, where approximately 95% of domestic tomatoes for processing are grown. Tomato prices are generally negotiated with grower associations and are reset each year. The DMFI Consumer Food Business has actively participated in agricultural management, agricultural practices, quality control and compliance with pesticide/herbicide regulations. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or on the open market.

The DMFI Consumer Food Business maintains the long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes. The DMFI Consumer Food Business owns virtually no agricultural land for harvesting.

Cans and Ends

The DMFI Consumer Food Business has a long-term supply agreement with Silgan Containers LLC ("**Silgan**") effective as of 1 January 2010, which relates to Silgan's provision of metal cans and ends used for the DMFI Consumer Food Business' canned fruit, vegetable, tomato and broth products. Under the agreement and subject to certain specified exceptions, the DMFI Consumer Food Business must purchase all of its United States metal food and beverage container requirements for its canned fruit, vegetable, tomato and broth products from Silgan. The Silgan agreement expires on 31 December 2021.

Pricing under the Silgan agreement is adjusted up to twice a year to reflect changes in metal costs and annually to reflect changes in the costs of manufacturing.

Branded and Non-Branded Business

The Group sources raw materials and packaging materials from the Philippines, the United States, and other countries. The Group deals with at least two suppliers for all its major materials. Major materials such as tin plates are ordered on a quarter or semi-annual basis depending on commodity prices and supply trends. Certain major agricultural products, such as tomato paste are ordered annually. All other inputs are procured quarterly or semi-annually.

Research and Development

DMFI Consumer Food Business

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

Branded and Non-Branded Business

The Group has three research and development facilities in the Philippines – one in Metropolitan Manila, one in Cagayan de Oro, and the other in its plantation at Bukidnon, Northern Mindanao. The Company invests in research and development aimed at (a) providing quality products focused on superior taste and health and wellness, (b) developing new products, and (c) achieving cost leadership through breakthroughs in product formulation and processes. The research and development group supports the Company's objective of achieving competitive advantages in these areas and supports both the Philippine and the international markets.

Intellectual Property

DMFI Consumer Food Business

The DMFI Consumer Food Business' registered and unregistered trademarks for use in connection with various food and snack products include: *Del Monte, Contadina, College Inn, S&W, SunFresh, Fruit Naturals* and *Orchard Select.*

Brand name recognition and the product quality associated with the DMFI Consumer Food Business' brands are key factors in the success of its products. The current registrations of these trademarks in the United States and foreign countries are effective for varying periods of time, and may be renewed periodically, provided that applicable renewal requirements are complied with, including, where necessary, the continued use of the trademarks in connection with the identified goods. DMFI is not aware of any material challenge to the ownership of its major trademarks.

Various perpetual, exclusive, royalty-free licenses for use of the *Del Monte* name and trademark, along with certain other trademarks, patents, copyrights and trade secrets were granted by DMC to third party companies. Licenses for use of the *Del Monte* name and trademark are generally for use outside of the United States, though certain of the licenses are worldwide. For example, Kikkoman Corporation holds the rights to use *Del Monte* trademarks in Asia and the South Pacific (excluding the Philippines, the Indian Subcontinent and Myanmar); Fresh Del Monte holds the rights to use the *Del Monte* name and trademarks with respect to fresh fruit, vegetables, produce and certain other products throughout the world (including the United States); Fresh Del Monte through its subsidiary Del Monte Foods International, Inc. and its affiliates, holds the rights to use *Del Monte* name and trademarks in Europe, Africa and the Middle East (including ownership rights to the trademark for processed food products in South Africa); and ConAgra holds the rights to use *Del Monte* trademarks in Mexico and Canada. These companies are not affiliated with the DMFI Consumer Food Business or its predecessor.

DMFI retains the right to review the quality of the licensees' products under each of the license agreements. DMFI generally may inspect the licensees' facilities for quality and may require the licensees to periodically submit samples for inspection. Licensees may grant sublicenses but all sublicensees are bound by these quality control standards and other terms of the license.

DMFI owns or controls 15 issued U.S. patents covering various food formulation, production, equipment, preservation, packaging methods or ornamental designs. These patents expire between 2026 and 2032 and cannot be renewed. DMFI does not consider these patents to be material to its business.

A number of proprietary vegetable seed varieties have been developed and are protected by access restrictions and/or by the use of non-disclosure agreements. These methods are not guaranteed to be sufficient to protect the secrecy of the seed varieties. In addition, other companies may independently develop similar seed varieties. The DMFI Consumer Food Business has obtained U.S. plant variety protection certificates under the Plant Variety Protection Act on some of its proprietary seed varieties. Under a protection certificate, the breeder has the right, among other rights, to exclude others from offering or selling the variety or reproducing it in the United States. The protection afforded by a protection certificate generally runs for 20 years from the date of its issuance and is not renewable.

Branded and Non-Branded Business

Del Monte, Del Monte Quality, and *Shield in Color* are principal registered trademarks of the Group in the Philippines and Indian subcontinent territories. The Group owns the *S&W* trademarks worldwide, except for Australia and New Zealand. The Group's other trademarks include, among other trademarks in various jurisdictions, *Today's, Fiesta, 202, Fit 'n Right, Heart Smart*, and *Del Monte Quick 'N Easy* in the Philippines.

Properties

As of the 31 December 2016, the Group owns the following properties:

Desccription	Location/Address	Status	Condition	Book Value (In US$ MM)
Cannery Operations				40.68
Can Plant	Bugo, Cagayan de Oro City	Owned	Good	2.53
Cannery Clothes and Shoes Changing	Bugo, Cagayan de Oro City	Owned	Good	0.12
Central Maintenance	Bugo, Cagayan de Oro City	Owned	Good	0.39
Coal-Fired Boiler Plant	Mambatangan, Bukidnon	Owned	Good	3.19
Compound & Yard	Bugo, Cagayan de Oro City	Owned	Good	11.14
Concentrate Plant	Bugo, Cagayan de Oro City	Owned	Good	1.66
DM Bugo Clinic	Bugo, Cagayan de Oro City	Owned	Good	0.08
Engineering & Design	Bugo, Cagayan de Oro City	Owned	Good	0.08
Factory Offices	Bugo, Cagayan de Oro City	Owned	Good	0.05
FG Warehouse-MITIMCO	Bugo, Cagayan de Oro City	Owned	Good	0.01
General Products Plant	Bugo, Cagayan de Oro City	Owned	Good	0.00
Labeling & Warehousing	Bugo, Cagayan de Oro City	Owned	Good	1.97
Machine Shop	Bugo, Cagayan de Oro City	Owned	Good	0.00
Maintenance Shops & Warehouses	Bugo, Cagayan de Oro City	Owned	Good	0.03
Mixed Fruit Plant	Bugo, Cagayan de Oro City	Owned	Good	1.65
Preparation Plant	Bugo, Cagayan de Oro City	Owned	Good	2.43
Processing Plant	Bugo, Cagayan de Oro City	Owned	Good	3.61
Quality Control	Bugo, Cagayan de Oro City	Owned	Good	0.10
Steam & Power Plant	Bugo, Cagayan de Oro City	Owned	Good	0.58
Sugar Recovery Plant	Bugo, Cagayan de Oro City	Owned	Good	0.76
Two Storey Building,1859 SQ.M. (929.5 each floor)	Bugo, Cagayan de Oro City	Owned	Good	0.41
Waste Water Treatment Plant	Bugo, Cagayan de Oro City	Owned	Good	11.65
Others		Owned	Good	11.29
Chillers & Dispensers		Owned	Good	0.39
Equipment at Warehouses		Owned	Good	0.07
Fleet of Vehicles for Sales Agent	Global City, Taguig	Owned	Good	0.79
JYCC Building Fit-out Works	Global City, Taguig	Owned	Good	2.93
PET Plant	Cabuyao, Laguna	Owned	Good	6.00
Quality Assurance, Research & Dev't Equipment		Owned	Good	0.28
Plantation Operations				16.46

Boom Harvesters	Manolo Fortich, Bukidnon	Owned	Good	0.40
Boom Sprayers	Manolo Fortich, Bukidnon	Owned	Good	0.74
Camp Phillips Compound (Admin Offices)	Malaybalay City, Bukidnon	Owned	Good	0.12
Fertilizer and Chemical Bodega and Batching Facility		Owned	Good	3.53
Camp 1 (JMC)	Manolo Fortich, Bukidnon	Owned	Good	0.73
Camp 14	Manolo Fortich, Bukidnon	Owned	Good	0.22
Camp 9	Manolo Fortich, Bukidnon	Owned	Good	0.23
Camp Fabia		Owned	Good	0.01
Camp Phillips		Owned	Good	1.52
CLAVERIA		Owned	Good	0.00
Dalwangan	Malaybalay City, Bukidnon	Owned	Good	0.26
Damilag		Owned	Good	0.03
Compound & Yard		Owned	Good	0.00
FF Packing Shed		Owned	Good	0.00
Impasug-ong	Impasug-ong, Bukidnon	Owned	Good	0.05
Kiantig Quezon, Buk.		Owned	Good	0.06
Livestock & Cut-meat		Owned	Good	0.02
Montemar Industries		Owned	Good	0.00
South Bukidnon		Owned	Good	0.03
Sumilao	Sumilao, Bukidnon	Owned	Good	0.33
Taliwan		Owned	Good	0.03
Hospital	Manolo Fortich, Bukidnon	Owned	Good	0.02
JMC Fresh Fruit Packing House w/ Cold Storage	Manolo Fortich, Bukidnon	Owned	Good	2.81
Livestock, Feedlot, and Dairy	Manolo Fortich, Bukidnon	Owned	Good	0.11
Motorgrader	Manolo Fortich, Bukidnon	Owned	Good	0.08
South Bukidnon Packing House w/ Cold Storage	Quezon, Bukidnon	Owned	Good	2.37
Staff Houses	Manolo Fortich, Bukidnon	Owned	Good	0.66
Trucks, Pick-ups, and Motorcycles	Manolo Fortich, Bukidnon	Owned	Good	1.17
Wheel & Crawler Tractors	Manolo Fortich, Bukidnon	Owned	Good	3.44
DMFI Facilities				
Production facilities	Continental United States and Mexico	Owned	Good	453.08
Distribution facilities	Continental United States and Mexico	Owned/ Leased	Good	
Grand Total				**521.5**

Employees

DMFI Consumer Food Business

DMFI and its subsidiaries have full-time employees in the U.S. and other countries like Venezuela and Mexico where its other production facilities are located. In addition, temporary seasonal workers are hired during its fruit, vegetable and tomato pack season.

As of 31 December 2016, DMFI has a total of 3,412 regular employees, as categorized in the following table, and a total of 7,353 seasonal workers.

	No. of Employees		
	U.S.	**Venezuela**	**Mexico**
Operations (Operation Services, Supply Chain)	2,370	420	362
Support Groups (HR, Procurement, Legal, Audit, IT)	37		
R&D and Quality Assurance	48		
Sales and Marketing	123		

Finance	42		
Executive Office and Corporate Planning	10		
Total	**2,360**	**420**	**362**

Subject to potential shifts in its production operations, DMFI generally plans to maintain the current headcount for the next twelve months.

As of 31 December 2016, the DMFI Consumer Food Business has 8 CBAs with 8 union locals covering approximately less than 63% of its employees. Of these employees, approximately 8% are covered by 2 CBAs scheduled to expire in fiscal year 2017.

Branded and Non-Branded Businesses

As of 31 December 2016, the Group employed 3,720 regular employees, of which 3,382 are in the Philippines, 19 in Singapore, 338 in India and 2 in other countries. These regular employees are categorized as follows:

	No. of Employees
Operations (Operation Services, Supply Chain)	3,005
Support Groups (HR, Procurement, Legal, Audit, IT)	144
R&D and Quality Assurance	135
Sales and Marketing	312
Finance	111
Executive Office and Corporate Planning	13
Total	**3,720**

Aside from its direct employees, DMPI provides employment to a monthly average of 9,300 seasonal workers.

The Group intends to increase the current headcount for the next twelve months.

DMPI has CBAs with three labor unions - one at its cannery facility in Bugo, Cagayan De Oro and two at the plantation (one for the hourly paid and another for the monthly paid employees) in Bukidnon, Mindanao, Philippines. The Company has not experienced any labor strike in the past three years.

The CBAs with these three labor unions are due to expire as follows:

Labor Union	**CBA Expiry**	**Midterm Negotiation**
Plantation – Hourly	31 October 2019	November 2017
Plantation - Monthly	30 November 2020	December 2018
Cannery	30 June 2019	July 2017

DMPI expects to renegotiate mutually acceptable CBAs.

Material Agreements

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company or its subsidiaries and are (or may be) material:

1. Asset Purchase Agreement

On 3 March 2015, DMFI and its newly formed subsidiary, SCFI, entered into an Asset Purchase Agreement with SCVC and certain of its subsidiaries, whereby SCFI would acquire certain operating assets of the Sager Creek processed vegetable business.

2. Material Agreements relating to the Acquisition

On 9 October 2013, DMFI entered into a Purchase Agreement with DMC to acquire certain assets and assume certain liabilities relating to the DMFI Consumer Food Business and to acquire all shares of related DMC subsidiaries for an initial purchase consideration of U.S.$1.675 billion subject to working capital adjustment.

The Group financed the Acquisition through a combination of equity and institutional debt financing, as summarized below:

On 18 February 2014, DMFI obtained a senior secured variable rate first lien term loan amounting to U.S.$710.0 million from various institutional lenders in the U.S., and a senior secured second lien variable rate term loan amounting to U.S.$260.0 million from institutional lenders in the U.S.

On 14 January 2014, the Company obtained from BDO Unibank a bridging facility amounting to U.S.$350.0 million secured by shares of stock in certain subsidiaries of the Company.

On 14 January 2014, the Company obtained from the Bank of Philippine Islands a bridging facility amounting to U.S.$165.0 million.

These facilities are expected to be outstanding for certain periods following the Acquisition. The Company expects to refinance and retire such facilities through proceeds from the issuance of additional equity.

Additionally, on 12 February 2014, the Company obtained a U.S.$15.6 million bridge loan from Metropolitan Bank & Trust Company.

The Group likewise received equity investment of U.S.$74.5 million from certain minority shareholders pursuant to subscription agreements dated 4 February 2014 in exchange for issuance of new shares in a subsidiary of DMPL, DMPL Foods Limited.

Also, the Group obtained U.S.$100.0 million from various existing credit facilities to finance the balance of the Acquisition purchase price.

In addition, on 18 February 2014, DMFI entered into an ABL Credit Agreement up to U.S.$350.0 million for working capital needs and general corporate purposes of DMFI. This facility was subsequently amended to increase the maximum commitment to U.S.$442.5 million.

Below is a tabular summary of the loans obtained by the Group in relation to the Acquisition:

Date	Type of Contract	Parties Involved	Creditor/s	Particulars of the Contract
14 January 2014, as amended	Facility Agreement	Del Monte Pacific Limited, BDO Capital and Investment Corporation, BDO Unibank, Inc., and	BDO Unibank, Inc.	A bridging loan facility from BDO Unibank, Inc. The facility had a tenor of up to 12 months and bears interest at the rate of 3.5% per annum plus LIBOR for a period comparable to the Interest Period

		BDO Unibank, Inc. – Trust and Investments Group		(3 months or any other period agreed between Del Monte Pacific Limited and BDO Unibank, Inc. as Agent) and which in no case shall be below zero. As amended, the final repayment date was extended to 10 February 2017 and the required Borrower Group Interest Cover was adjusted. The loan has been extended for another 2 years on the same terms and conditions, with a final repayment date on 10 February 2019.
14 January 2014	Facility Agreement	Del Monte Pacific Limited, NutriAsia Pacific Ltd., BPI Capital Corporation, and Bank of the Philippine Islands	Bank of the Philippine Islands	A U.S.$165 million bridging loan facility from Bank of the Philippine Islands. The facility has a tenor of up to 360 days and bears interest at a rate equal to the six month LIBOR plus margin of 3.5% per annum, subject to a floor of 4%. This was discharged through payment from the proceeds of the stock rights offering in 2015.
12 February 2014	Foreign Currency Denominated Promissory Note	Del Monte Pacific Limited, and Metropolitan Bank & Trust Company	Metropolitan Bank & Trust Company	A U.S.$15.6 million loan from Metropolitan Bank & Trust Company. The loan facility bears an interest rate of 1.50% per annum over 180 days and is to be repriced every month. On 8 August 2014, the Company was given an extension of 182 days from the original maturity period. This loan has been paid as of 10 July 2015.
18 February 2014, as amended	ABL Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors, lenders and] Citibank, N.A.	Citibank, N.A., Morgan Stanley Bank, N.A., BMO Harris Bank N.A., Union Bank, N.A., Cooperative Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland), Siemens Financial Services, Inc., Wells Fargo Bank, National Association, Compass Bank,	Loans, on a revolving basis, in the aggregate principal amount not to exceed U.S.$442,550,000 from the named lenders

			City National Bank, N.A., U.S. Bank National Association, General Electric Capital Corporation, and Bank of America N.A.	
18 February 2014, as amended	First Lien Term Loan Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors and lender and] Citibank, N.A.	Citigroup Global Markets, Inc.	Extension of credit by Citigroup Global Markets, Inc. in the form of loans in an aggregate principal amount not to exceed U.S.$710 million
18 February 2014, as amended	Second Lien Term Loan Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors and lender and] Citibank, N.A.	Morgan Stanley Senior Funding, Inc.	Extension of credit by Morgan Stanley Senior Funding, Inc. in the form of loans in an aggregate principal amount not to exceed U.S.$260 million

Legal Proceedings

As of the date of this Prospectus, the Group is involved in various civil and criminal lawsuits and legal actions arising in the ordinary course of business. However, save as disclosed below in relation to the DMFI Consumer Food Business, the Group does not consider any of these as material as they will not affect the daily operations of its business, nor are they expected to exceed 10% of the current assets of the Group or have any material effect on the financial position of the Group.

Material Litigation involving the DMFI Consumer Food Business

Throughout this section reference is made to DMFI as the Defendant in the actions described since DMFI has assumed the liability of DMC, if any, in these actions.

1. *Kosta* Misbranding Class Action

   Name of the Parties: Michael Kosta, et al. (PLAINTIFFS) v. Del Monte Foods, Inc. (DEFENDANT)

   Case No.: 15-16974

   Court: United States Court of Appeals for the Ninth Circuit

   Nature of Case: Consumer class action alleging false and misleading advertising

   On 5 April 2012, Plaintiff (Michael Kosta) filed a complaint against DMFI in the U.S. District Court for the Northern District of California alleging false and misleading advertising under California's consumer protection laws. Plaintiff alleges that DMFI made a variety of false and misleading advertising claims including, but not limited to, its lycopene and antioxidant claims for tomato products and claims that DMFI misled consumers with respect to its refrigerated fruit products. The complaint sought certification as a class action.

On 15 July 2015, Plaintiff's motion for class certification was denied. Plaintiff has appealed this ruling to the Federal Court of Appeals. The appeal has now been fully briefed. Oral argument is expected to be scheduled for 2017. DMFI cannot, at this time, reasonably estimate a range of exposure, if any, of the potential liability.

2. *Fresh Del Monte v. DMFI*

Name of the Parties: Fresh Del Monte Produce, Inc. (PLAINTIFF) v. Del Monte Foods, Inc. (DEFENDANT)

Case No.: 13 CIV 8997

Court: United States District Court, Southern District of New York

Nature of Case: Alleged breach of contract

On 19 December 2013, Fresh Del Monte ("**FDM**") filed a complaint against DMFI alleging that DMFI is in breach of a 1989 License Agreement (the "**License**"). FDM asserts that DMFI committed a breach by denying FDM's requests for additional rights under the License.

DMFI denied these claims and counterclaimed for breach of contract, trademark infringement and unfair competition on 31 March 2014. Among other things, DMFI asserts that FDM committed a breach and trademark infringement by marking under the *Del Monte* trademark processed avocado and guacamole products that are misleadingly labeled as fresh. Both parties seek declaratory, monetary, and injunctive relief from the other. Discovery is proceeding in the cases, and no trial date has been set. DMFI cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

Material Litigation involving the Company

Fresh Del Monte v. DMPL

Name of the Parties: Fresh Del Monte Produce, Inc. (PLAINTIFF) v. Del Monte Pacific Limited (DEFENDANT)

Case No.: 653256/2015

Court: New York Supreme Court

Nature of Case: Alleged breach of contract

On 29 September 2015, FDM filed an action against the Company with the New York Supreme Court. FDM alleged that the Company failed to comply with its contractual obligation to use commercially reasonable efforts to curb supply of parallel imports of Del Monte branded products into FDM's territories. Among other things, FDM claims that the Company violated the settlement agreements by refusing to sell adequate products to FDM to curb parallel imports. The Company believes that it has complied with its contractual obligations. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability. The case is in discovery stage during which documents are produced and depositions of witnesses are taken.

The Company will provide updates via PSE EDGE announcement should the claim in any of the foregoing cases become material.

REGULATORY AND ENVIRONMENTAL MATTERS

The Group is mindful of and adheres to the various statutes and regulations that affect its activities in the value chain.

DMPI employs thousands of regular and contractual workers and consequently adheres to various laws and regulations, principally Presidential Decree No. 442 as amended (the Labor Code of the Philippines) governing workers' compensation, workplace safety, labor standards, labor relations, social security, among other things.

DMPI operates pineapple plantation operations mainly in Bukidnon, Northern Mindanao, and food manufacturing operations in its processing plant and cannery in Cagayan de Oro City. The pineapple plantations are under growership arrangements with various landowners and an agrarian reform beneficiary cooperative owned by DMPI's employees. These arrangements involving agricultural lands are governed by Commonwealth Act No. 141 (the Public Land Act), Republic Act No. 6657 (the Comprehensive Agrarian Reform Law), and other relevant statutes.

DMPI adheres to environmental laws and regulations which regulate its various activities in its plantations and manufacturing and packing facilities. These laws include Presidential Decree No. 1586 (the Environmental Impact Statement System), Republic Act No. 8749 (the Philippine Clean Air Act), Republic Act No. 9003 (the Ecological Solid Waste Management Act), Republic Act No. 9275 (the Philippine Clean Water Act), and Republic Act No. 6969 (the Toxic Substances and Hazardous and Nuclear Wastes Control Act). Since DMPI draws and utilizes water from deep wells, it complies with the requirements of Presidential Decree No. 1067 (1976) (the Water Code of the Philippines) and secures the necessary water permits from the National Water Resources Board.

DMPI's procurement, use, and handling of fertilizers and pesticides are subject to regulation by the Fertilizer and Pesticide Authority pursuant to applicable laws and regulations with which DMPI complies.

As a food manufacturing, importing and distributing entity, DMPI procures and maintains all necessary licenses, registrations and permits from the Philippine FDA, and complies with Republic Act No. 9711(the FDA Law), Republic Act No. 7394 (the Consumer Act of the Philippines), and the various FDA regulations relating to food standards, product claims and liability, labeling and packaging.

DMPI imports various goods including raw materials and exports its products. These trade transactions are subject to, and DMPI adheres to, applicable importation quotas and other regulations as well as export regulations requiring licenses and permits.

DMPI leases and maintains various warehouses and secures the necessary licenses and permits.

Material Permits

The Group is in possession of the material permits required for the conduct of its business. Details of these material permits are set out in the table below.

The law firm Gatmaytan Yap Patacsil Gutierrez & Protacio rendered a legal opinion dated 5 December 2016 confirming that the permits of DMPI identified in the said opinion are valid and subsisting as of the date of the said opinion.

The Philippine Cannery Permits

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
Environmental Compliance Certificate (“**ECC**”) for the Bugo Cannery Project at Bugo, Cagayan de Oro	Department of Environment and Natural Resources (“**DENR**”)	10(43)06 05-15 4226-31141	15 May 2006	n.a.
ECC for the Coal-Fired Boilers Project at Bugo, Cagayan de Oro	DENR	10(43)07 11-28 4565-38123	28 November 2007	n.a.
ECC for the Industrial Sanitary Landfill Project at Mambatangan, Manolo Fortich, Bukidnon	DENR	ECC-R10-2009-006-9200	20 January 2009	n.a.
ECC for the Waste to Energy Project at Bugo, Cagayan de Oro	DENR	ECC-R10-1304-0083	31 May 2013	n.a.
Amended Certificate of Registration as an Ecozone Export Enterprise	Philippine Economic Zone Authority	No. 07-68	2 July 2013	n.a.
Certificate of Registration	Bureau of Internal Revenue (“**BIR**”)	OCN 8RC0000019599 and TIN 000-291-799-000	30 June 1994	n.a.
Registration	Social Security System (“**SSS**”)	SSS No. 08-0000900-7-000	September 1957	n.a.
Registration	Philippine Health Insurance Corporation (“**PhilHealth**”)	PhilHealth Employer No. 015000001642	28 July 2009	n.a.
License to Operate (as Food Manufacturer/ Exporter) - DMPI	Food and Drug Administration (“**FDA**”)	LTO No. CFRR-RX-FM 937	23 September 2016	15 March 2021
License to Operate (as Food Manufacturer/ Exporter) - PHILPACK	FDA	LTO No. CFRR-RX-FM-1054	27 April 2016	7 February 2021
Certificate of	Department of	EIN No. 001013	27 November	n.a.

Registration	Labor and Employment ("**DOLE**")		2015	

NOTE: There is a local registration with Pag-IBIG/Home Development Mutual Fund Cagayan de Oro. A certification has been issued.

Philippine Plantation Permits

Name of Permit	Agency	License/Permit No.	Date issued	Expiry Date
ECC for the Fresh Fruit Packing Shed Waste Solution Disposal System at the Fresh Fruit Packing Shed, Camp JMC, Manolo Fortich, Bukidnon	DENR	94-ECC-L/SP-1013-554	4 April 1995	n.a.
ECC for the Standby Power Generating Plant at Phillips Compound, Manolo Fortich, Bukidnon	DENR	94-ECC-GS-1013-555	4 April 1995	n.a.
ECC for the Pineapple Plantation Area's Expansion Project at the Municipalities of Sumilao, Impasug-ong, and Malaybalay, Bukidnon	DENR	95-ECC-PP-1013-574	25 April 1995	n.a.
ECC for the Pesticide Mixing Station Project at Camp JMC, Manolo Fortich, Bukidnon	DENR	95-ECC-UTL/PMS-1013-758	29 September 1995	n.a.
ECC for the Pineapple Plantation Expansion Project at Sitios Pig-alaran, Lower Bontongon, Kilaug, Pig-ulotan, and Laruc, all in Barangay Poblacion and Kisolon, Municipality of Sumilao, Province of Bukidnon	DENR	97-ECC-AGP/PNP-1013-1194	20 April 1997	n.a.
ECC for the Pineapple Plantation Expansion Project at the Barrios of Poblacion, La Fortuna, Cawayan, Impalutao,	DENR	10(13)01 02-12 1731-11410	12 February 2001	n.a.

Capitan Bayong, and Kibenton, Municipality of Impasug-ong, Province of Bukidnon				
ECC for the Feedlot and Slaughterhouse Project at Damilag, Manolo Fortich, Bukidnon	DENR	10(13)01 09-04 1862-31111	4 September 2001	n.a.
ECC for the Relocation and Upgrading of Central Bodega Complex Project at Field 6, Agusan Canyon, Manolo Fortich, Bukidnon	DENR	10(13)02 07-30 3012-35140	30 July 2002	n.a.
ECC for the Pineapple Plantation Expansion Project at Barrios Alae, San Miguel, and Damilag, Municipality of Manolo Fortich, Province of Bukidnon	DENR	10(13)03 08-08 3360-11420	13 August 2003	n.a.
ECC for the Standby Power Generating Sets at Camp Phillips, Camp JMC, Cawayanon and Camp Fabia, Municipality of Manolo Fortich, Province of Bukidnon	DENR	10(13)04 03-29 3605-41100	29 March 2004	n.a.
ECC for the Standby Generating Sets at Camp 14 and Camp LF Lorenzo, Bukidnon	DENR	10(13)04 03-29 3606-41100	29 March 2004	n.a.
ECC for the Standby Power Generating Sets at Impasug-ong Compound, Impasug-ong, Bukidnon	DENR	10(13)04 03-29 3607-41100	29 March 2004	n.a.
ECC for the Standby Power Generating Sets at Sumilao Compound, Sumilao, Bukidnon	DENR	10(13)04 03-29 3608-41100	29 June 2004	n.a.
ECC for the Pineapple Plantation Project at Barangays Dalwangan,	DENR	10(13)04 06-29 3686-11410	29 June 2004	n.a.

Kalasungay, and Patpat, City of Malaybalay, Province of Bukidnon				
ECC for the Pineapple Plantation Project at Barangays Imbayao, Casisang, Mapayag, and San Jose, all in the City of Malaybalay, Province of Bukidnon	DENR	10(13)07 12-27 4579-11420	27 December 2007	n.a.
ECC for Pineapple Plantation Project at Barangays Dalwangan, Kalasungay, Patpat, Imbayao, Casisang, Mapayag, Magsaysay, B10, B11, Aglayan and Capitan Anghel, Malaybalay City	DENR	10(13)07 12-27 4579-11420 (amendment)	26 October 2015	n.a.
ECC for the Pineapple Plantation Project at Barangays Kuya and Magsaysay, Maramag, Bukidnon	DENR	ECC-R10-0909-0023	9 October 2009	n.a.
ECC for the Pineapple Plantation Project (to include Barangay Base Camp, Maramag, Bukidnon)	DENR	ECC-R10-0909-0023 (amendment)	15 September 2010	n.a.
ECC for the Pineapple Plantation Project at Barangays Ani-e, Bangon-Bangon, Cabacungan, Gumaod, Hinaplanan, Kalawitan, Luna, Patrocinio, Plaridel, Poblacion, Punong, Rizal, and Tamboboan, all in the Municipality of Claveria, Province of Misamis Oriental	DENR	ECC-R10-0910-0040	6 November 2009	n.a.
ECC for the Fresh Fruits Packing House Project at Barangay San Jose, Quezon, Bukidnon	DENR	ECC-R10-0911-0066	10 December 2009	n.a.
ECC for the Agricultural Crops	DENR	ECC-R10-0912-0094	18 January 2010	n.a.

Plantation Project at Barangays San Jose, Salawagan, Butong, Paitan, Lumintao, Mensalirac, Libertad, Mirangeran, Mimbatang, San Isidro, Manuto, and Mahayag, all in the Municipality of Quezon, Province of Bukidnon				
ECC for the Agricultural Crops Plantation Project at Barangays Balintad, Buenvista, Danatag, Liboran, Lingating, Mabuhay, Mabunga, Salimbalan, San Miguel, and San Vicente, all in the Municipality of Baungon, Province of Bukidnon	DENR	ECC-R10-0912-0095	18 January 2010	n.a.
ECC for Pineapple and Papaya Plantation Project in Barangays Balintad, Buenvista, Danatag, Liboran, Lingating, Mabuhay, Mabunga, Salimbalan, San Miguel & San Vicente and Imbatug, all in Baungon, Bukidnon	DENR	ECC-R10-0912-0095 (amendment)	21 July 2015	n.a.
ECC for the New Agricultural Crops Plantation Project at Barangays Cogon, Gaas Napaliran, Lingangao, Mambayaan, Napaliran, San Isidro, Talusan, Vencer Cogon, V. Mandangoa, Dumarait, Kauswagan, Manaol, and Taboc of Lagonglong, all in the Province of Misamis Oriental	DENR	ECC-R10-1101-0003	24 January 2011	n.a.
ECC for the Fresh Fruit Packing House Complex Project at	DENR	ECC-R10-1003-0065	26 March 2010	n.a.

Barangays San Jose and Poblacion, Quezon, Bukidnon				
ECC for the Agricultural Crops Plantation Project at Barangays Culasihan, Bantuanon, and Bugkaon, all in the Municipality of Lantapan, Province of Bukidnon	DENR	ECC-R10-1105-0172	13 June 2011	n.a.
ECC for Pineapple and Papaya Plantations at barangays Culasihan, Bantuanon, Bugkaon, Poblacion, Capitan Juan, Cawayan, Songco, Baclayon, Kibanggay, Victory, Basak, Alanib, & Balila, all in the Municipality of Lantapan, Bukidnon	DENR	ECC-R10-1105-0172 (amendment)	26 February 2015	n.a.
ECC for the Pineapple Plantation Expansion Project at Barangays 1 to 5, San Isidro, Sto. Niño, San Antonio, Lingi-on, Dagumbaan, Cacaon, Liguron, and Cosina, all in the Municipality of Talakag, Province of Bukidnon	DENR	ECC-R10-1110-0312	28 October 2011	n.a.
ECC for the Pineapple Plantation Project at Barangays Kagumahan, Campo, Subsub, and Kaliti-an of Kinoguitan, and in Barangays Kidampas, Ampianga, Kaulayan, and Mimbuahan of Sugbongcogon, Province of Misamis Oriental	DENR	ECC-R10-1206-0103	9 July 2012	n.a.
ECC for the Pineapple Plantation Project at Barangays Kiburiao, Pig-olotan, Puntian,	DENR	ECC-R10-1208-0175	29 August 2012	n.a.

Sta. Cruz, and Palacapao of Quezon, and in Barangays Balangigay and San Lorenzo of Kitaotao, all in the Province of Bukidnon				
ECC for Pineapple Plantation Project in Barangays Bocboc, Buyot, Cabadiangan, Calao-Calao, Embayao, Kalubihon, Kasigkot, Kawilihan, Kiara, Mahayahay, Manlamonay, Maraymaray, Mauswagon, Minsalagan, New Nongnongan, Old Nongnongan, Pualas, San Francisco, San Nicolas and San Roque, all in the Municipality of Don Carlos, Bukidnon	DENR	ECC-R10-1503-0059	5 March 2015	n.a.
Business Permit	Mayor's Office, Quezon, Bukidnon	2016-387	20 January 2016	*4th quarter payment was made.
Business Permit	Mayor's Office, Libona, Bukidnon	364-16	19 January 2016	31 December 2016
Business Permit	Mayor's Office, Sumilao, Bukidnon	2016-0048	20 January 2016	31 December 2016
Business Permit	Mayor's Office, Malaybalay City	2016-2712	20 January 2016	31 December 2016
Business Permit	Mayor's Office, Impasugong, Bukidnon	2016-086	22 January 2016	*4th quarter payment was made.
Business Permit	Mayor's Office, Claveria,	2016-681 2016-682	20 January 2016 20 January	31 December 2016 31 December

	Misamis Oriental		2016	2016
Business Permit	Mayor's Office, Alubijid, Misamis Oriental	2016-201	19 January 2016	31 December 2016
Business Permit	Mayor's Office, Balingasag, Misamis Oriental	2016-341 2016-342	10 February 2016 10 February 2016	31 December 2016 31 December 2016
Business Permit	Mayor's Office, Pangantucan, Bukidnon	248-2016	20 January 2016	31 December 2016
Business Permit	Mayor's Office, Baungon, Bukidnon	16-492	10 June 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Exporter	16-02263	28 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon – Packing House	16-02778	11 February 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Feedlot	16-02387	29 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Manufacturer	16-02355	29 January 2016	31 December 2016
Business Permit	Mayor's Office,	16-02261	28 January 2016	31 December 2016

	Manolo Fortich, Bukidnon - Contractors			
Business Permit	Mayor’s Office, Manolo Fortich, Bukidnon – Gas Filling Station	16-02293	28 January 2016	31 December 2016
Business Permit	Mayor’s Office, Manolo Fortich, Bukidnon – Other Serivce (Café)	16-02262	28 January 2016	31 December 2016
Business Permit	Mayor's Office, Talakag, Bukidnon	Plate No. 168	10 March 2016	31 December 2016
Business Permit	Mayor’s Office, Lantapan, Bukidnon	2016-619	10 February 2016	31 December 2016
Business Permit	Mayor’s Office, Maramag, Bukidnon	2016-2150	4 April 2016	30 June 2016
License to Operate as Importer End-User (Agricultural Pesticide License)**	Fertilizer and Pesticide Authority (***FPA***)	LIC. NO.: 02 - 0116 - 486; A-X -63	-	26 January 2017
License to Operate as Importer End-User (Fertilizer License)	FPA	LIC. NO.: F - 04; RX16-04	-	15 February 2017
License to Operate as Institutional User (Fertilizer License)	FPA	LIC. NO.: F - 05; RX16-05	-	15 February 2017
Warehouse Registration Certificates (for various fertilizer and chemical bodegas in Bukidnon and Misamis Oriental)	FPA	REG. NO.: W-07 RX 16 - 007 REG. NO.: W-08 RX 16 - 018 REG. NO.: W-09 RX 16 – 09	-	15 February 2017

		REG. NO.: W-010 RX 16 – 010 REG. NO.: W-011 RX 16 - 011 REG. NO.: W-012 RX 16 – 012 REG. NO.: W-013 RX 16 – 013 REG. NO.: W-014 RX 16 - 014 REG. NO.: W-015 RX 16 – 015 REG. NO.: W-016 RX 16 - 016 REG. NO.: W-017 RX 16 – 017 REG. NO.: W-018 RX 16 – 018 REG. NO.: W-019 RX 16 – 019 REG. NO.: W-020 RX 16 - 020 REG. NO.: W-021 RX 16 - 021 REG. NO.: W-022 RX 16 - 022 REG. NO.: W-023 RX 16 – 023 REG. NO.: W-024 RX 16 - 024		
Certificate of Product Registration - Imported Fertilizer	FPA	REG. NO.: 1-1IF-3582 REG. NO.: 1-1IF-410 REG. NO.: 1-1IF-2669 REG. NO.: 1-4IF-057 REG. NO.: 1-1IF-1905 REG. NO.: 1-1IF-1903	14 January 2014	14 January 2017 1 August 2017 4 May 2017 21 March 2017 20 July 2017 20 July 2017
Discharge Permits	DENR	2015-DP-A-1013-528 2015-DP-A-1013-068 2015-DP-A-1013-493 2015-DP-A-1013-037 2015-DP-G-1013-777 2014-DP-B-1013-762 2015-DP-F-1013-958	15 January 2015 15 January 2015 15 January 2015 15 January 2015 27 June 2016 25 April 2014 6 June 2016	14 January 2020 14 January 2020 14 January 2020 14 January 2020 13 July 2017 24 February 2019 3 June 2017

Permits To Operate Generator Set (Phillips Compound)	DENR	2014-POA-G-1013-533	2 September 2015	11 July 2020
Permits To Operate Generator Set (Fresh Fruit Packing House Quezon, Bukidnon)	DENR	2014-POA-E-1013-1123	30 June 2014	19 May 2019
Certificate for Safe Re-Use of Water	Department of Agriculture	DMPI 12 - 12	6 December 2012	5 December 2016
Hazardous Waste Registration	DENR	DENR ID No. 1013-0082	16 March 2004	n.a.
Certificate of Registration	Department of Labor and Employment	EIN No. 0020	3 August 2015	n.a

Non-Mindanao Permits

Name of Permit	Issuing Agency	License/Permit No.	Issue Date	Expiry Date
Certificate of Registration - Fort Office	BIR	OCN 8RC0000022608 and TIN 000-291-799-020	2 May 2007	n.a.
Certificate of Registration – Kalawaan Office	BIR	OCN 8RC0000022605 and TIN 000-291-799-001	25 November 1998	n.a.
Certificate of Registration – Tipas Office	BIR	OCN 8RC0000045030 and TIN 000-291-799-021	29 October 2009	n.a.
Certificate of Registration – Cebu Office	BIR	OCN 8RC0000022606 and TIN 000-291-799-010	21 October 2003	n.a.
Registration	SSS	SSS No. 08-0000901-0-000	September 1957	n.a.
Registration	PhilHealth	PhilHealth Employer No. 001000012438	18 September 2007	n.a.
Certificate of Employer's Registration	Pag-IBIG/Home Development Mutual Fund	Certificate of Employer's Registration Reference No. 010-000071-P	14 May 2010	n.a.

Business Permit – Fort Office	Taguig local government	11-019306	11 March 2016	31 December 2016
Business Permit – Tipas Office	Taguig local government	11-003515	11 March 2016	31 December 2016
Business Permit – Kalawaan Warehouse	Pasig local government	OR No. 1460288 *Still pending issuance of actual permit	20 January 2016	31 December 2016
Business Permit – Meycauayan, Bulacan	Meycauayan local government	2016-1018	19 January 2016	31 December 2016
Business Permit – Cabuyao, Laguna	Cabuyao local government	2016-0001664	20 January 2016	31 December 2016
Business Permit – Lapu-lapu, Cebu	Lapu-Lapu local government	00607487	11 May 2016	31 December 2016
Laguna Lake Development Authority (***LLDA***) Clearance (for warehousing and distribution project)	LLDA	LLDA Clearance (for Development Plan/Program/Project in the Laguna de Bay Region) Permit No. PC-24c-010-00293	10 December 2010	n.a.
LLDA Clearance	LLDA	LLDA Clearance (for Development Plan/Program/Projec) Permit No. PC-20-a-016-00199	8 June 2016	n.a.
License to Operate as Food Distributor/ Importer/Wholesaler – DMPI Fort	FDA	LTO No. CFRR-NCR-FI-W-91	26 January 2015	19 January 2017
License to Operate as Manufacturer of Non-Alcholic Beverages	FDA	LTO No. CFRR-RIV-FM-3246	23 July 2015	23 July 2017
License to Operate as Food Trader	FDA	CFRR-NCR-FI-W-91	1 September 2016	1 September 2018
License to Operate as Food Manufacturer/ Importer – DMPI Laguna	FDA	LTO No. RDII-RX-F-937	23 July 2015	23 July 2017

License to Operate as Food Manufacturer – DMPI Meycauayan, Bulacan	FDA	LTO No. CFRR-RIII-FM-2368	9 March 2016	9 March 2018
ECC for the Pineapple Flavored Juice Manufacturing Plant Project in Cabuyao City, Laguna	DENR	ECC-R4A-1504-0291	2 June 2015	n.a.
Hazardous Waste Generator Registration Certificate	DENR	Online Registration No. GR-4A-34-000273	26 February 2016	n.a.

Regulation of the DMFI Consumer Food Business

As a manufacturer and marketer of food products, DMFI's operations are subject to extensive regulation by various federal government agencies, including the Food and Drug Administration, the U.S. Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the Federal Trade Commission ("**FTC**"), as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labeling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance and labeling. DMFI's products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, the Federal Fair Packaging and Labeling Act of 1966, as amended, and the Food Allergen Labeling and Consumer Protection Act of 2004, as amended. In addition, advertising these products is subject to regulation by the FTC, and the operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act, as amended. DMFI's manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. DMFI seeks to comply with all such laws and regulations and to obtain any necessary permits and licenses. Any failure to comply with applicable laws and regulations or obtain any necessary permits and licenses could subject DMFI to civil penalties including fines, injunctions, recalls or seizures, as well as potential criminal sanctions.

As a result of DMFI's agricultural, food processing and packaging activities, DMFI is subject to numerous environmental laws and regulations. These laws and regulations govern the treatment, handling, storage and disposal of materials and waste and the remediation of contaminated properties. Violations or non-compliance with these laws and regulations could result in the imposition of fines or civil liability by governmental entities or private parties. Outside the U.S., DMFI is also subject to applicable multi-national, national and local environmental laws and regulations in the host countries where it does business. DMFI has programs across its international business operations designed to meet compliance with requirements in the environmental area. However, the extent to which the enforcement of any existing or future environmental law or regulation may affect DMFI's operations cannot be predicted.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The overall management and supervision of the Company, including the exercise of corporate powers and the conduct of the business of the Company, is undertaken by the Board of Directors. There are seven members of the Board of Directors, three of whom are Executive Directors. All four Non-Executive Directors are Independent Directors.

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

Name	Age	Citizenship	Position	Year Appointed	Year Last Elected
Rolando C. Gapud	74	Filipino	Executive Chairman and Executive Director[6]	2006	2014
Joselito D. Campos, Jr.	65	Filipino	Executive Director	2006	2006
Edgardo M. Cruz, Jr.	61	Filipino	Executive Director	2006	2015
Benedict Kwek Gim Song	69	Singaporean	Lead Independent Director	2007	2014
Godfrey E. Scotchbrook	70	British	Independent Director	2000	2015
Dr. Emil Q. Javier	76	Filipino	Independent Director[7]	2007	2013
Yvonne Goh	63	Singaporean	Independent Director	2015	2015

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

Name	Age	Citizenship	Position	Year Position was Assumed
Joselito D. Campos, Jr.	65	Filipino	Managing Director and CEO	2006
Luis F. Alejandro	63	Filipino	Chief Operating Officer	2008
Ignacio C. O. Sison	52	Filipino	Chief Corporate Officer	2015
Parag Sachdeva	46	Indian	Chief Financial Officer	2015
Antonio E.S. Ungson	45	Filipino	Chief Legal Counsel and Chief Compliance Officer	2008
			Company Secretary	2015
Ma. Bella B. Javier	56	Filipino	Chief Scientific Officer	2009
Ruiz G. Salazar	53	Filipino	Chief Human Resource Officer	2016

Management, together with the Board Committees, including the ARC, NC and RSOC support the Board in discharging its responsibilities. The members of the Board Committees are as follows:

Audit and Risk Committee[8]

Benedict Kwek Gim Song	Chairman and Lead Independent Director
Godfrey E. Scotchbrook	Independent Director
Dr. Emil Q. Javier	Independent Director
Yvonne Goh	Independent Director

Nominating Committee

Godfrey E. Scotchbrook	Chairman and Independent Director
Edgardo M. Cruz, Jr.	Executive Director

[6] Mr. Rolando C. Gapud had been re-designated from Non-Executive Chairman to Executive Chairman of the Board with effect from 1 July 2015.

[7] Dr. Emil Q. Javier is an Independent Director, pursuant to Sec. 2.3 of the Monetary Authority of Singapore.

[8] On 25 June 2015, the Audit Committee was renamed as the Audit and Risk Committee.

Rolando C. Gapud	Executive Director
Benedict Kwek Gim Song	Lead Independent Director
Dr. Emil Q. Javier	Independent Director
Yvonne Goh	Independent Director

Remuneration and Share Option Committee

Godfrey E. Scotchbrook	Chairman and Independent Director
Benedict Kwek Gim Song	Lead Independent Director
Dr. Emil Q. Javier	Independent Director
Yvonne Goh	Independent Director

The following is a brief description of the business experience of the Company's Board of Directors and Senior Management for the past five (5) years.

Rolando C. Gapud – 74, Filipino
Executive Chairman and Executive Director

Appointed on 20 January 2006 and last elected on 15 April 2014

Mr**.** Rolando C**.** Gapud has over 35 years of experience in banking, finance and general management, having worked as CEO of several Philippine companies, notably Security Bank and Trust Company, Oriental Petroleum and Minerals Corp and Greenfield Development Corp. He was also the COO of the joint venture operations of Bankers Trust and American Express in the Philippines. He has served in the Boards of various major Philippine companies, including the Development Bank of the Philippines, the development finance arm of the Philippine Government. Mr. Gapud is the Chairman of the Board of DMFI, the Company's U.S. subsidiary. He is also a Director of FieldFresh Foods Private Ltd, a joint venture of DMPL with the Bharti Group of India. He holds a Master of Science in Industrial Management degree from the Massachusetts Institute of Technology. He is a member of the Asian Executive Board of the Sloan School in MIT.

Joselito D. Campos, Jr. – 65, Filipino
Executive Director

Appointed on 20 January 2006 and last elected on 28 April 2006

Mr. Joselito D. Campos, Jr. is Chairman and CEO of the NutriAsia Group of Companies, a major food conglomerate in the Philippines. He is also Chairman of Fort Bonifacio Development Corp and Chairman of Ayala-Greenfield Development Corp, two major Philippine property developers. He is a Director of San Miguel Corporation, one of the largest and oldest business conglomerates in the Philippines. Mr. Campos is a Director and the Vice Chairman of the Board of DMFI, the Company's U.S. subsidiary. He is also a Director of FieldFresh Foods Private Ltd, a joint venture of DMPL with the Bharti Group of India. He was formerly Chairman and CEO of United Laboratories, Inc. ("**Unilab**") and its regional subsidiaries and affiliates. Unilab is the Philippines' largest pharmaceutical company with substantial operations in the Asian region. Mr. Campos is the Honorary Consul in the Philippines for the Republic of Seychelles. He is also Chairman of the Metropolitan Museum of Manila, Bonifacio Arts Foundation Inc., The Mind Museum and the Del Monte Foundation. He is a Trustee and Global Council Member of the Asia Society in the Philippines; a Trustee of the Philippines-China Business Council, the Philippine Center for Entrepreneurship and the World Wildlife Fund-Philippines; and a Director of the Philippine Eagle Society. Mr. Campos holds an MBA from Cornell University.

Edgardo M. Cruz, Jr. – 61, Filipino
Executive Director

Appointed on 02 May 2006 and last elected on 30 April 2012

Mr. Edgardo M. Cruz, Jr. is a member of the Board and Corporate Secretary of the NutriAsia Group of Companies. He is a member of the Board of Evergreen Holdings Inc. He sits in the Board of Fort Bonifacio Development Corporation and the BG Group of Companies. He is also a Board member and Chief Financial Officer of Bonifacio Land Corporation. He is the Chairman of the Board of Bonifacio Gas Corporation and President of Bonifacio Transport Corporation. He also sits in the Boards of Ayala Greenfield Development Corporation and Ayala Greenfield Golf and Leisure Club Inc. He is a member of the Board of Trustees of Bonifacio Arts Foundation Inc., The Mind Museum and the Del Monte Foundation. Mr. Cruz is also a Director of DMFI, the Company's U.S. subsidiary. He earned his MBA degree from the Asian Institute of Management after graduating from De La Salle University. He is a Certified Public Accountant.

Benedict Kwek Gim Song – 69, Singaporean
Lead Independent Director

Appointed on 30 April 2007 and last elected on 15 April 2014

Mr. Benedict Kwek Gim Song is a Director and Chairman of the Audit Committee of NTUC Choice Homes. He is also an Independent Director of DMFI, the Company's U.S. subsidiary. Mr. Kwek was Chairman of Pacific Shipping Trust from 2008 to 2012. He has over 30 years of banking experience, having served as the President and CEO of Keppel TatLee Bank. He has held various key positions at Citibank in the Philippines, Hong Kong, New York and Singapore. He holds a Bachelor of Social Science (Economics) degree from the then University of Singapore and attended a management development program at Columbia University in the United States.

Godfrey E. Scotchbrook – 70, British
Independent Director

Appointed on 28 December 2000 and last elected on 30 April 2012

Mr. Godfrey E. Scotchbrook is an independent practitioner in corporate communications, issues management and investor relations with more than 40 years of experience in Asia. In 1990, he founded Scotchbrook Communications and his prior appointments included being an executive director of the then publicly listed Shui On Group. A proponent of good corporate governance, he is an Independent Director of Boustead Singapore Ltd and Hong Kong-listed Convenience Retail Asia. He is a Fellow of the Hong Kong Management Association and also of the British Chartered Institute of Public Relations. He is also an Independent Director of DMFI, the Company's U.S. subsidiary.

Dr. Emil Q. Javier – 76, Filipino
Independent Director

Appointed on 30 April 2007 and last elected on 30 April 2013

Dr. Emil Q. Javier is a Filipino agronomist widely recognized in the international community for his academic leadership and profound understanding of developing country agriculture. He was until recently the President of the National Academy of Science and Technology of the Philippines. He had served as Philippine Minister of Science and President of the University of the Philippines. He was the first and only developing country scientist to Chair the Technical

Advisory Committee of the prestigious Consultative Group for International Agricultural Research (CGIAR). He was Chairman of the Board of the International Rice Research Institute (IRRI); Chair and Acting Director of the Southeast Asia Center for Graduate Study and Research in Agriculture (SEARCA); and Director General of the Asian Vegetable Research and Development Center (Taiwan). Dr. Javier is an Independent Director of DMFI, the Company's U.S. subsidiary. He holds doctorate and master's 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.

Yvonne Goh – 63, Singaporean
Independent Director

Appointed on 4 September 2015

Mrs Goh is a Director of UNLV Singapore Limited, the Singapore campus of the University of Nevada Las Vegas (UNLV), USA. Mrs Goh is also a Director of EQUAL-ARK Singapore Ltd, a charity registered under the Charities Act and an Institution of Public Character (IPC), assisting at-risk-kids through equine-assisted learning. She was previously Managing Director of the KCS Group in Singapore, a professional services organisation and Managing Director of Boardroom Limited, a company listed on the SGX. Mrs Goh had served on the Board of WWF Singapore Limited, a registered charity and the Singapore chapter of WWF International, a leading global NGO. She had served as a Council Member and Vice Chairman of the Singapore Institute of Directors as well as Chairman of its Professional Development Committee. Mrs Goh was also a Director of the Accounting and Corporate Regulatory Authority (ACRA) and a past Chairman of the Singapore Association of the Institute of Chartered Secretaries and Administrators. Mrs Goh is a Fellow of the Singapore Institute of Directors and a Fellow of the Institute of Chartered Secretaries and Administrators, UK.

Luis F. Alejandro – 63, Filipino
Chief Operating Officer

Mr. Luis F. Alejandro has over 25 years of experience in consumer product operations and management. He started his career with Procter & Gamble where he spent 15 years in Brand Management before joining Kraft Foods Philippines Inc. as President and General Manager. Later, he joined Southeast Asia Food Inc. and Heinz UFC Philippines, Inc., two leading consumer packaged condiment companies of the NutriAsia Group, as President and Chief Operating Officer. He was most recently President and Chief Operating Officer of ABS-CBN Broadcasting Corporation, a leading media conglomerate in the Philippines. Mr. Alejandro is a Director of DMFI, the Company's U.S. subsidiary. He holds a Bachelor's degree in Economics from the Ateneo de Manila University and an MBA from the Asian Institute of Management.

Ignacio C. O. Sison – 52, Filipino
Chief Corporate Officer

Mr. Ignacio C. O. Sison has more than 20 years of finance experience spanning treasury, corporate and financial planning, controllership and, more recently, corporate sustainability. He was previously Vice President, Corporate Controller, and Vice President, Treasury and Corporate Development, of Del Monte Philippines, Inc., and Finance Director of the Company's subsidiary in Singapore. Before joining the Company in 1999, he was CFO of Macondray and Company, Inc. He also worked for SGV & Co., the largest audit firm in the Philippines, and Pepsi-Cola Products Philippines, Inc. Mr. Sison holds a MS in Agricultural Economics from Oxford University. He also has a MA degree, Major in Economics, from the International University of Japan; a BA in

Economics, magna cum laude, from the University of the Philippines; and an International Baccalaureate at the Lester B. Pearson United World College of the Pacific in Canada.

Parag Sachdeva – 46, Indian
Chief Financial Officer

Mr. Parag Sachdeva has more than 20 years of management and finance experience spanning planning/controllership, performance management, mergers & acquisitions, treasury, IT and human resources. Before joining the Company, he was with Carlsberg Asia for more than a year and supported efficiency and effectiveness programs across Asia/Africa regions. Prior to Carlsberg, he was with HJ Heinz for 20 years and held leadership positions in Asia Pacific/Asia regions in finance, IT and human resources. Mr. Sachdeva graduated from the Aligarh Muslim University in India, Major in Accounting and Economics. He also has an MBA degree, Major in Finance from the same university.

Antonio E. S. Ungson – 45, Filipino
Chief Legal Counsel and Chief Compliance Officer; Company Secretary

Mr. Antonio E. S. Ungson is Chief Legal Counsel and Chief Compliance Officer of the Company. He is also Head of the Legal Department of Del Monte Philippines, Inc. since March 2007. Prior to joining the Group in 2006, Mr. Antonio E. S. Ungson was a Senior Associate in SyCip Salazar Hernandez & Gatmaitan in Manila, where he served various clients for eight years in assignments consisting mainly of corporate and transactional work including mergers and acquisitions, securities and government infrastructure projects. He also performed litigation work and company secretarial services. Mr. Ungson was a lecturer on Obligations and Contracts and Business Law at the Ateneo de Manila University Loyola School of Management. He obtained his MBA from Kellogg HKUST, his Bachelor of Laws from the University of the Philippines College of Law and his undergraduate degree in Economics, cum laude and with a Departmental award at the Ateneo de Manila University.

Ruiz G. Salazar – 53, Filipino
Chief Human Resource Officer

Mr. Ruiz G. Salazar is a Human Resources and Organization Development Leader with over 25 years of professional career focused on delivering strategic and effective solutions as a value-driven partner to business, most of which was spent with Johnson & Johnson (J&J). He was Regional Human Resources Director of J&J Asia Pacific, where he was responsible for talent management, organization transformation, succession pipelining and capability development covering mostly J&J's Consumer Division across the region. Prior to J&J, he was also Group Head – Human Resources and Organization Development of NutriAsia Food, Inc. Mr. Salazar graduated from J&J's Senior Management Program at the Asian Institute of Management in 1996, and from J&J's Advanced Management Program at the University of California in 1995. He obtained his Bachelor of Arts degree (Major in Economics) from the University of Santo Tomas.

Ma. Bella B. Javier – 56, Filipino
Chief Scientific Officer

Ms. Ma. Bella B. Javier has more than 30 years of experience in R&D from leading FMCGs in the food industry. She spent 20 years at Kraft Foods Inc., with her last assignment as the Director for Asia Pacific Beverage Technology and Southeast Asia Development. In her present role, she heads the Consumer Product and Packaging Development and the Quality Assurance functions for the Group. She is driving the Technology Development roadmap for the Company, including

Plantation Research programs that impact consumer product development. She is a Certified Food Scientist from the Institute of Food Technologists, Chicago, Illinois, U.S. Ms. Javier is a Licensed Chemist with a bachelor's degree in Chemistry from the University of the Philippines. She also sits as Chairman of the Board of the University of the Philippines Chemistry Alumni Foundation.

DIRECTORSHIPS IN OTHER LISTED COMPANIES, BOTH CURRENT AND IN THE PAST THREE YEARS

Name	Position	Company	Date
Joselito D. Campos, Jr.	Independent Director	San Miguel Corporation	2010 – Present
Emil Q. Javier	Independent Director	Centro Escolar University	2002 – Present
Godfrey E. Scotchbrook	Independent Director	Boustead Singapore Ltd. (Singapore)	2000 – Present
	Non-Executive Director	Convenience Retail Asia (HK)	2002 – Present

SIGNIFICANT EMPLOYEES

The Board of Directors and the Senior Management of the Company have been an integral part of its success. Their knowledge, experience, business relationships and expertise greatly contribute to the Company's operating efficiency and financial performance.

The Company maintains that it considers the collective efforts of the Board of Directors and all of its employees as instrumental to its overall success. The business of the Company is not dependent on any individual person. No employee is indispensable in the organization. The Company has institutionalized through documentation, its processes and training to ensure continuity and scalability in the business without relying on any particular employee.

FAMILY RELATIONSHIP

Other than as provided below, there are no other family relationships known to the Company.

Ms. Jeanette B. Naughton is Vice President, Strategic Planning of DMFI. She is the daughter of Mr. Joselito D. Campos, Jr., the Company's Managing Director and Chief Executive Officer, and DMFI's Vice Chairman and Director.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

Except as set out below, the Company is not aware of the occurrence of any of the following events during the past five years, which events may be considered material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the registrant:

1. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

3. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

4. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Mr. Luis F. Alejandro, Group Chief Operating Officer, is not involved in any criminal proceeding, or bankruptcy and insolvency investigation, except for the following cases wherein he was impleaded only in his official capacity:

a) In the libel case filed eight years ago by GMA Network, Inc. against ABS-CBN Broadcasting Corp. ("**ABS-CBN**"), Mr. Alejandro was impleaded as co-accused in his capacity as then President and Chief Operating Officer of ABS-CBN, together with other officers and employees.

b) In separate civil cases filed by DMPI's former distributors, Ross Boone Enterprises Co. and Kenneth Mark B. Tan (doing business under the name and style of Everfresh Food Distribution), Mr. Alejandro was impleaded in his capacity as General Manager and Chief Operating Officer of DMPI.

EXECUTIVE COMPENSATION

Under Article 124(1) of the Company's Articles of Association, the emoluments of all officers, including executive and non-executive Directors, shall be fixed by resolution of Directors.

Furthermore, under Article 124(3) of the Company's Articles of Association, an executive Director appointed to an office under Article 122 of the Company's Articles of Association shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and gratuity and/or other benefits on retirement), and allowances as the Board may, by resolution of directors, from time to time determine, and either in addition to or in lieu of his remuneration as a director, but he shall not in any circumstances be remunerated by a commission on, or a percentage of, revenue.

Executive Compensation Summary

The remuneration of Directors and the CEO are disclosed in bands of S$250,000/- with a maximum disclosure band of S$500,000/- and above.

The following table shows the disclosure on remuneration of the Company's Directors and the CEO for the most recent financial year:

Remuneration Bands & No. of Key Executives	Fixed Salary/ Consultancy Fees %	Director Fees %	Variable Income/ Bonus %	Benefits in Kind %

EXECUTIVE DIRECTORS				
Above S$500,000				
Mr. Joselito D. Campos, Jr.	49	2	49	-
Mr. Rolando C. Gapud[1]	79	21	-	-
S$250,000 to below S$500,000				
Mr. Edgardo M. Cruz, Jr.	82	11	6	1
NON-EXECUTIVE DIRECTORS				
Below S$250,000				
Mr. Patrick L. Go[2]	-	100	-	-
Ms. Yvonne Goh	-	100	-	-
Dr. Emil Q. Javier	58[2]	37	5	-
Mr. Benedict Kwek Gim Song	-	100	-	-
Mr. Godfrey E. Scotchbrook	-	100	-	-

Notes:
[1] *On 1 July 2015, Mr. Rolando Gapud was re-designated from Non-Executive Chairman to Executive Chairman of the Board.*

[2] *On 4 September 2015, Mr. Patrick L. Go resigned from the Board and, on the same date, Mrs. Yvonne Goh was appointed as an Independent Non-Executive Director of the Company.*

[3] *Refers to consultancy fees.*

The remuneration of the top five Key Executives are similarly disclosed in bands of S$250,000/- with a maximum disclosure band of S$500,000/- and above.

The following table shows the disclosure on remuneration of top 5 key executives who are not at the same time executive directors:

Remuneration Bands and No. of Key Executives	Fixed Salary %	Variable Income/ Bonus %	Benefits in Kind %
Above S$500,000			
1	42	57	1
1	94	5	1
1	86	15	-
S$250,000 to below S$500,000			

1	90	9	1
1	90	9	1

The aggregate compensation paid or incurred during the last two (2) fiscal years and estimated to be paid in the current fiscal year to the CEO and senior executive officers of the Company are as follows:

Name and Principal Position	Year	Salary (in PhP)	Other Income (in PhP)
A. Chief Executive Officer and most highly compensated executive officers*	FY2017 (Est)	179,244,892	120,283,679
	FY2016	172,861,030	105,222,626
	FY2015	156,429,716	14,977,825
B. All other officers and directors as a group unnamed	FY2017 (Est)	151,810,993	56,477,964
	FY2016	145,059,434	37,110,951
	FY2015	113,461,784	25,389,958

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

Employment Contracts between the Company and Executive Officers

There are no arrangements for compensation to be received by any executive officer from the Company in the event of a resignation, or termination of the executive officer's employment or a change of control of the Company. The Company, however, provides retirement benefits to qualified employees including Key Management Personnel.

Interests held by Directors

According to the registers kept by the Company, particulars of interests of Directors in shares in the Company as of the date of this Prospectus are as follows:

<u>Director's Interest in Shares:</u>

	DIRECT INTEREST	DEEMED INTEREST
<u>The Company</u>		
Ordinary shares of U.S.$0.01 each		
Mr. Rolando C. Gapud	2,063,140	–
Mr. Joselito D. Campos, Jr.	7,621,466	1,303,256,961
Mr. Edgardo M. Cruz, Jr.	2,881,635	–
Dr. Emil Q. Javier	534,851	–
Mr. Benedict Kwek Gim Song	–	–
Mr. Godfrey E Scotchbrook	–	–
Mrs. Yvonne Goh	–	–

<u>Director's Interest in Options:</u>

	DIRECT INTEREST	DEEMED INTEREST
Options to subscribe for ordinary shares at S$0.627 per share between 07/03/2010 to 06/03/2018*		
Mr. Benedict Kwek Gim Song	300,000	–
Mr. Godfrey E. Scotchbrook	360,000	–

	DIRECT INTEREST	DEEMED INTEREST
Options to subscribe for ordinary shares at S$0.578 per share between 01/07/2010 to 06/03/2018**		
Mr. Benedict Kwek Gim Song	25,255	–
Mr. Godfrey E. Scotchbrook	30,306	–

Director's Interest in Share Awards:

	DIRECT INTEREST	DEEMED INTEREST
Grant of 593,000 share awards at S$0.84 per share vesting period from 22/08/2013 onwards******		
Mr. Rolando C. Gapud	211,000	–
Mr. Edgardo M. Cruz, Jr.	95,000	–
Dr. Emil Q. Javier	71,000	–
Mr. Benedict Kwek Gim Song	108,000	–
Mr. Godfrey E. Scotchbrook	108,000	–

	DIRECT INTEREST	DEEMED INTEREST
Grant of 49,921 share awards at S$0.385 per share vesting period from 22/08/2013 onwards*********		
Mr. Rolando C. Gapud	17,763	–
Mr. Edgardo M. Cruz, Jr.	7,997	–
Dr. Emil Q. Javier	5,977	–
Mr. Benedict Kwek Gim Song	9,092	–
Mr. Godfrey E. Scotchbrook	9,092	–

**** *Up to 60% of share awards granted (i.e. 355,800) will be released upon completion of vesting on or after 21 August 2016. Remaining 40% of share awards granted (i.e. 237,200 shares) will be released upon completion of vesting on or after 21 August 2017.*

***** *Up to 60% of share awards granted (i.e. 29,953) will be released upon completion of vesting on or after 21 August 2016. Remaining 40% of share awards granted (i.e. 19,968 shares) will be released upon completion of vesting on or after 21 August 2017.*

Stock Option and Share Plans

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

Under the ESOP, two types of options were granted:

- Initial Public Offering Options ("**IPO Options**")

- Market Price Options

IPO Options

At the time of the Company's initial public offering in July 1999, a total of 11,428,571 IPO Options were granted at an exercise price of U.S.$0.504 each. None of the IPO Options granted were exercised and all IPO Options granted have since lapsed.

Market Price Options

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

1. A Market Price Option may be granted only after the lapse of one year from the IPO Listing Date.

2. 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.

3. The exercise price of a Market Price Option may be set at a discount not exceeding 20% of the market price at the date of grant.

In March 2001, a total of 14,050,000 Market Price Options were granted at an exercise price of S$0.490 each. All of the 14,050,000 Market Price Options have either been exercised or have lapsed following the mandatory conditional cash offer by NAPL in January 2006.

On 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 07 March 2008.

On 30 April 2013, the Company approved the grant of 150,000 stock options at an exercise price of S$0.627 each.

On 1 July 2015, a total of 75,765 Market Price Options were granted at an exercise price of S$0.578 each being the average last done price of the Company's share for the last three market days preceding the date of grant. The options are valid up to 6 March 2018.

Del Monte Pacific RSP

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

1. No minimum vesting periods are prescribed.

2. The length of the vesting period(s) in respect of each award granted will be determined on a case-to-case basis by the RSOC.

3. Delivery of shares upon vesting of the share awards may be by way of an issue of new shares and/or the transfer of existing shares (by way of purchase of existing shares).

On 7 March 2008, three employees of related companies were granted an aggregate of 1,725,000 Ordinary Share awards at the market price of S$0.615 per Share.

On 20 May 2008, 1,611,000 Ordinary Shares were awarded at the market price of S$0.680 per Share to Mr. Joselito D. Campos, Jr., an associate of a controlling shareholder, approved by shareholders at the AGM of the Company held on 28 April 2008.

On 12 May 2009, six employees of related companies were granted an aggregate of 3,749,000 share awards at the market price of S$0.540 per Share.

On 29 April 2011, 2,643,000 Ordinary Shares were awarded at the market price of S$0.485 per share to Mr. Joselito D. Campos, Jr., an associate of a controlling shareholder, approved by shareholders at the AGM of the Company held on 29 April 2011.

On 21 November 2011, 67,700 Ordinary Shares were awarded to a non-executive Director of the Company at the market price of S$0.455 per share.

On 30 April 2013, the Company approved the grant of 486,880 share awards at the market price of S$0.81 per share, representing a 20% adjustment to the number of unexercised stock options and unvested share awards.

On 22 August 2013, 688,000 shares were awarded at the market price of S$0.84 per share to Messrs. Rolando C. Gapud, Edgardo M. Cruz, Jr., Emil Q. Javier, Benedict Kwek Gim Song, Patrick L. Go and Godfrey E. Scotchbrook.

On 1 July 2015, 57,918 shares were awarded at the market price of S$0.385 per share to Messrs. Rolando C. Gapud, Edgardo M. Cruz, Jr., Emil Q. Javier, Benedict Kwek Gim Song, Patrick L. Go and Godfrey E. Scotchbrook.

Del Monte Pacific PSP

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

1. Vesting periods are not applicable.

2. Ordinary Shares awarded are released at the end of the performance period (typically, at the conclusion of a financial year end) once the RSOC is satisfied that the prescribed performance target(s) have been achieved by awardees.

3. Delivery of share awards may be by way of an issue of new shares and/or the transfer of existing shares (by way of purchase of existing shares).

As at the date of this Prospectus, no share awards have been granted pursuant to the Del Monte Pacific PSP.

Other Arrangements

Dr. Emil Q. Javier has a consultancy agreement with the Company to act as a consultant to, amongst other things, provide guidance and support to the Group on its plantation operations and development of agri-based initiatives.

Except as described above, there are no other arrangements pursuant to which any of the Company's Directors and officers are compensated, or are to be compensated, directly or indirectly.

PRINCIPAL SHAREHOLDERS

The 20 largest shareholders of the Company, their respective number of Ordinary Shares, and the corresponding percentage of ownership as of 31 December 2016 are as follows:

Rank	Name	No. of Ordinary Shares	%
1	Nutriasia Pacific Limited	1,155,030,190	59.44%
2	Bluebell Group Holdings Limited	148,226,771	7.63%
3	Lee Pineapple Company Pte Ltd	100,422,000	5.17%
4	Deutsche Bank Manila-Clients A/C	83,139,455	4.28%
5	DBS Nominees Pte Ltd	77,591,952	3.99%
6	Raffles Nominees (Pte) Ltd	49,300,424	2.54%
7	BNP Paribas Noms S'pore Pl	22,679,490	1.17%
8	Citibank Noms S'pore Pte Ltd	20,458,667	1.05%
9	Government Service Insurance System	16,722,937	0.86%
10	Wee Poh Chan Phyllis	14,351,900	0.74%
11	United Overseas Bank Nominees	11,328,828	0.58%
12	HSBC (Singapore) Noms Pte Ltd	11,279,675	0.58%
13	Banco De Oro - Trust Banking Group	10,169,026	0.52%
14	DBS Vickers Secs (S) Pte Ltd	9,658,571	0.50%
15	Joselito Jr. Dee Campos	7,621,466	0.39%
16	Pineapples of Malaya Private	6,432,000	0.33%
17	Maybank Kim Eng Secs Pte Ltd	5,484,014	0.28%
18	COL Financial Group, Inc.	5,345,835	0.28%
19	GIC Private Ltd.	4,628,297	0.24%
20	IGC Securities Inc.	4,368,784	0.22%
	Subtotal (Top 20 Stockholders)	**1,764,240,282**	**90.79%**
	Others	178,973,824	9.21%
	Total Outstanding	**1,943,214,106**	**100.00%**

BACKGROUND INFORMATION ON TOP 20 STOCKHOLDERS

NutriAsia Pacific Ltd.

NutriAsia Pacific Ltd. ("**NAPL**") was incorporated as an international business company on 21 November 2005 under the International Business Companies Act (Cap. 291) of the laws of the British Virgin Islands. NAPL's registered office is located at Trident Chambers, Road Town, Tortola, British Virgin Islands.

NAPL's principal activity is investment holding.

Capital Structure

NAPL's subscribed and paid-up capital is U.S.$180,000,000.

	No. of Shares	Par Value	Amount
Authorized Capital Stock	180,000,000.00	U.S.$1.00	U.S.$180,000,000.00
Subscribed Capital	180,000,000.00	U.S.$1.00	U.S.$180,000,000.00
Paid-Up Capital	180,000,000.00	U.S.$1.00	U.S.$180,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
Nutriasia Holdings Ltd.	U.S.$180,000,000.00	U.S.$180,000,000.00	U.S.$180,000,000.00

NAPL's immediate holding company is NutriAsia Holdings Ltd. (formerly known as NutriAsia San Miguel Holdings Limited), the ultimate shareholders of which are Golden Chambers Investment Limited ("**GCIL**") and Star Orchids Limited ("**SOL**"), which hold 57.8% and 42.2% respectively through their intermediary companies - NutriAsia Holdings Ltd, NutriAsia Inc. and Well Grounded Limited. GCIL and SOL are incorporated in the British Virgin Islands, and are beneficially owned by the Campos family.

Directors

Joselito D. Campos, Jr.
Rolando C. Gapud
Edgardo M. Cruz, Jr. is also Corporate Secretary
Tin Yu Ang
Genaro D. Reyes

Bluebell Group Holdings Limited

Bluebell Group Holdings Limited ("**Bluebell**") was incorporated as a BVI business company on 16 December 2014 under the BVI Business Companies Act 2004 of the British Virgin Islands. Bluebell's registered office address is at Woodbourne Hall, P.O. Box 916, Road Town, Tortola, British Virgin Islands.

Bluebell's principal activity is investment holding.

Capital Structure

	No. of Shares	Par Value	Amount
Authorized Capital Stock	50,000	No Par Value	n.a.[(1)]
Subscribed Capital	1	No Par Value	U.S.$1.00
Paid-Up Capital	1	No Par Value	U.S.$1.00

Note;
[(1)]*Section 5.1 of Bluebell's Memorandum of Association provides that the Company is authorized to issue a maximum of 50,000 no par value shares of a single class.*

Ownership Structure

Bluebell's immediate holding company is Golden Sunflower International Limited, which is 100%-owned by HSBC Trustee (Hong Kong) Limited, a trustee of Twin Palms Pacific Trust. One (1) share was subscribed and paid-up by Golden Sunflower International Limited.

Directors

Joselito D. Campos, Jr.
Edgardo M. Cruz, Jr.

Lee Pineapple Company Pte. Ltd.

Lee Pineapple Company Pte. Ltd. ("**Lee**") was incorporated in Singapore in 1931. Lee's principal activity is that of investment holding. Lee has pineapple canning operations and oil palm planting.

Capital Structure

Lee's subscribed and paid-up capital is S$300,000,000.

	No. of Shares	Par Value	Amount
Subscribed Capital	3,000,000	S$100.00	S$300,000,000.00
Paid-Up Capital	3,000,000	S$100.00	S$300,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
Lee Foundation	S$60,000,000.00	S$60,000,000.00	S$60,000,000.00
Lee Foundation, Singapore	S$63,990,000.00	S$63,990,000.00	S$63,990,000.00
Other Companies and Individuals	S$176,010,000.00	S$176,010,000.00	S$176,010,000.00
Total	**S$300,000,000.00**	**S$300,000,000.00**	**S$300,000,000.00**

Lee is majority-owned by Lee Foundation, Singapore and Lee Foundation, States of Malaya and the Lee family.

Lee and Pineapples of Malaya Pte. Ltd. have been shareholders in the Company since 2003. Their current combined stake in the Company is 5.5%. The Company has no dealings with them, and as such, they are considered a passive shareholder.

Directors

Fong Soon Yong, also a Secretary
Chong Kwok Kian, also a Secretary
Lee Seng Tee
Lee Shih Hua (Alternate Director)
Huang Thiay Sherng
Pang Ngiap Chiew

Officers

Teo Kim Yam

Pineapples of Malaya Pte. Ltd.

Pineapples of Malaya Pte. Ltd. was incorporated in Singapore in 1964 as an investment holding company.

Capital Structure

Its subscribed and paid-up capital is S$25,000,000.

	No. of Shares	Par Value	Amount
Subscribed Capital	25,000,000	S$1.00	S$25,000,000.00
Paid-Up Capital	25,000,000	S$1.00	S$25,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
Lee Pineapple Company Pte Ltd	S$25,000,000.00	S$25,000,000.00	S$25,000,000.00
Total	S$25,000,000.00	S$25,000,000.00	S$25,000,000.00

It is wholly-owned by Lee Pineapple Company Pte. Ltd.

Lee Pineapple Company Pte. Ltd. and Pineapples of Malaya Pte. Ltd. have been shareholders in the Company since 2003. Their current combined stake in the Company is 5.5%. The Company has no dealings with them and as such, they are considered a passive shareholder.

Directors

Fong Soon Yong also a Secretary
Huang Thiay Sherng
Tang Wee Yong

Government Service Insurance System (GSIS)

The GSIS is a social security institution created by Commonwealth Act No. 186 of the Philippines that was passed on 14 November 1936, and later amended under R.A. No. 8291 dated 24 June 1997.

GSIS, as designated in its charter, is a social insurance institution under a defined benefit scheme. It insures its members against the occurrence of certain contingencies in exchange for their monthly premium contributions.

The social security benefits available to all GSIS members are: compulsory life insurance, optional life insurance, retirement benefits, disability benefits for work-related contingencies and death benefits.

In addition, the GSIS is entrusted with the administration of the General Insurance Fund by virtue of R.A. No. 656 or the Property Insurance Law. It provides insurance coverage to assets and properties that have government insurable interests.

Members of the Board of Trustees

Renato T. de Guzman
Robert G. Vergara
Mario J. Aguja
Karina Constantino David
Elisea G. Gozun
Geraldine Marie Berberabe Martinez
Romeo M. Alip
Roman Felipe S. Reyes
Gregorio T. Yu
Maria Theresa A. Raagas

Others

The rest of the top 20 stockholders are nominee companies, stock brokerage companies (DBS Vickers Securities (Singapore) Pte. Ltd., COL Financial Group, Inc. and IGC Securities), banks/trust (Deutsche Bank-Clients A/C, The Hong Kong and Shanghai Banking Corp. Ltd. - Clients' Acct. and Banco de Oro - Trust Banking Group) and individual shareholders, including the Company's Chief Executive Officer – Joselito D. Campos, Jr.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

The table below sets forth the security ownership of certain record and beneficial owners of more than 5% of the Company's voting securities as of the date of this Prospectus.

Title of Class	Name and Address of Record Owners; and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Ordinary Shares Held	% of Total Outstanding Shares
Ordinary Shares	NutriAsia Pacific Limited ("**NAPL**") Trident Chambers, Road Town, Tortola, British Virgin Islands Stockholder	NAPL is the beneficial and record owner of the shares indicated.*	British Virgin Islands	1,155,030,190	59.44%
Ordinary Shares	HSBC (Singapore) Nom's Pte Ltd ("**HSBC**") 21 Collyer Quay #13-01 HSBC Building Singapore 049320 Stockholder	Bluebell Group Holdings Limited ("**Bluebell**") is the beneficial owner of the shares indicated.* The shares are held in nominee by HSBC.	British Virgin Islands	148,226,771	7.63%
Ordinary Shares	Lee Pineapple Company Pte. Ltd. ("**Lee**") 65 Chulia St, #44-01 OCBC Centre Singapore 049513 Stockholder	Lee is the beneficial and record owner of the shares indicated.**	Singapore	100,422,000	5.17%

Notes:
** NAPL and Bluebell are beneficially owned by Mr. Joselito D. Campos, Jr. and the Campos family of the Philippines.*
*** Lee is beneficially owned by the Lee Family of Malaysia.*

SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

The table below sets forth the security ownership of the Company's Directors and executive officers as of the date of this Prospectus:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Class
Ordinary	Joselito D. Campos, Jr.	7,621,466	Direct	Filipino	0.39%
Ordinary	Rolando C. Gapud	2,063,140	Direct	Filipino	0.11%
Ordinary	Edgardo M. Cruz, Jr.	2,881,635	Direct	Filipino	0.15%
Ordinary	Dr. Emil Q. Javier	534,851	Direct	Filipino	0.03%
Ordinary	Luis F. Alejandro	3,681,000	Direct	Filipino	0.19%
Ordinary	Ignacio C. O. Sison	1,079,736	Direct	Filipino	0.06%
Ordinary	Antonio E. S. Ungson	597,864	Direct	Filipino	0.03%
Ordinary	Ma. Bella B. Javier	392,359	Direct	Filipino	0.02%

Voting Trust Holders of 5% or more

There are no persons holding more than 5% of a class of shares of the Company under a voting trust or similar agreement as of the date of this Prospectus.

CHANGE IN CONTROL

As of the date of this Prospectus, there are no arrangements which may result in a change in control of the Company.

RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in the ordinary course of business, engage in transactions with affiliates. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties. Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities. The transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group policy is to solicit competitive quotations. Bids from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

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

- Management Fees
- Purchases
- Rental
- Shared IT services

Significant Interested Party Transactions ("**IPT**") that had been entered into by the Group with certain Interested Persons[9] for FY2016, FY2015 and SY2014 are as follows:

Related Party Transaction	Relationship	Nature	FY 2016 US$'000	FY 2015 US$'000	SY 2014 US$'000
Del Monte Philippines, Inc. (DMPI Retirement Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Retirement Fund	1,395	1,519	169
		Purchases of Services to DMPI Retirement Fund	-	-	8
		Management fees from DMPI Retirement Fund	(4)	(5)	(2)
Del Monte Philippines, Inc. (DMPI Provident Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Provident Fund	5	-	5
NutriAsia Inc. (NAI)	Affiliate of the Company	Rental to NAI Retirement Fund	529	582	-
		Purchases of Production Materials	743	392	43
		Toll Pack Fees	551	472	169
		Utilities	83	-	-

[9] Under the SGX-ST Listing Manual, "Interested Person" is defined as: (a) a Director, CEO or Controlling Shareholder of the listed company; or (b) an Associate of any such Director, CEO or Controlling Shareholder. A "Controlling Shareholder" is one who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company; or (b) in fact exercises control over a company.

Related Party Transaction	Relationship	Nature	FY 2016 US$'000	FY 2015 US$'000	SY 2014 US$'000
		Recharge of Inventory Count Shortage	(25)	(363)	-
		Shared IT Services from NAI	(215)	(419)	(27)
		Sale of other raw materials with NAI	(13)	-	-
		Sale of tomato sauce with NAI	(1,098)	(1,627)	(641)
TOTAL			**1,951**	**551**	**(276)**

Significant IPTs entered into by the Group with certain Interested Persons for the six months ended 31October 2016 and 2015 are as follows:

Related Party Transaction	Relationship	Nature	Six months period ended 31 October 2016 (U.S.$'000)	Six months period ended 31 October 2015 (U.S.$'000)
Del Monte Philippines, Inc. (DMPI Retirement Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Retirement Fund	917	738
		Management fees from DMPI Retirement Fund	(2)	(2)
Del Monte Philippines, Inc. (DMPI Provident Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Provident Fund	2	2
NutriAsia Inc. (NAI)	Affiliate of the Company	Rental to NAI Retirement Fund	280	309
		Purchases from NAI	202	116
		Toll Pack Fees to NAI	296	308
		Utilities	35	_
		Shared services from NAI	(230)	(76)
		Sale of tomato paste to NAI	–	(934)
		Sale of other raw materials to NAI	(4)	(10)
TOTAL			**1,496**	**451**

Review

The Company has an IPT policy and manual that set out the definitions, general guidelines, and review and monitoring procedures to be adopted across the Group for IPTs compliance with the Listing Manual of the SGX-ST. The manual presents a comprehensive view of IPT and the procedures that all affected Group personnel, including members of senior management, directors and employees in Purchasing, Treasury, Finance, Sales, Legal, Internal Audit, must follow. The Company established review procedures to ensure that IPTs: (i) are carried out on an arm's length basis and on normal commercial terms, consistent with the Group's usual business practices and policies; and (ii) will not be prejudicial to the interests of the Company and its minority shareholders. In general, the transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group's policy is to solicit competitive quotations. Bids from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

The ARC reviews the internal audit report on the IPTs on a quarterly basis to ascertain that the established review procedures are complied with. If during these periodic reviews, the ARC is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, the Company will revert to its shareholders for a fresh mandate based on a new set of guidelines and review procedures that would ensure compliance with the established standards above.

The Company maintains a register of transactions carried out with Interested Persons, as defined in the IPT manual, and the Company's internal audit plan will incorporate an annual review of all transactions entered into in the relevant financial year pursuant to the IPT mandate.

Approval or Ratification

The following are the categories of IPTs in the Company's manual:

1. Mandated IPT – refers to an IPT between the Group and any Interested Person pursuant to a shareholders' mandate approved on an annual basis by the Company's shareholders, which is subject to renewal each year at the annual general meeting. However, despite the existence of the shareholders' mandate, Mandated IPTs are still subject to auditors and AC's review.

2. Non-Mandated IPT – refers to purchase or sale of fixed assets, undertakings or businesses, as well as transactions not included under the shareholders mandate, which may require announcements, management approval, Board approval and/or shareholders' approval, depending on the amounts involved.

Monitoring and Recording:

To facilitate recording of IPTs, each Group subsidiary's Controller shall establish two (2) holding accounts that will be used in recording IPTs – one to record Mandated IPTs and the other to record Non-Mandated IPTs. Transactions recorded under these two holding accounts will then be cleared monthly to the proper accounts. The transactions that are recorded under the holding accounts will then be reported on a quarterly basis to the CFO for consolidation which will then be submitted to the ARC for evaluation and review. (b) Other than standard terms and conditions typical for these kinds of contracts and negotiated at arm's length and upon normal commercial terms with counterparties, there are no other commitments resulting from these arrangements. Considering the arm's length negotiation of these IPTs and the Company's established IPT review, approval, monitoring and disclosure processes, we do not see any material risks arising from these transactions.

DESCRIPTION OF SECURITIES

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

I. SHARE CAPITAL

As of the date of this Prospectus, the Company has an authorized capital stock of U.S.$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.$1.00.

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

A. ORDINARY SHARES

As of the date of this Prospectus, 1,943,214,106 Ordinary Shares are outstanding. The number of Ordinary Shares outstanding excludes 1,721,720 Ordinary Shares held by the Company as treasury shares. Total issued shares are 1,944,935,826 Ordinary Shares, including treasury shares. The features of the Ordinary Shares are described below.

Voting Rights of Ordinary Shares

Each Ordinary Share is entitled to one vote.

At any meeting of the members, the Chairman of the Board of Directors shall preside as chairman of the meeting and shall be responsible for deciding in such manner as he shall consider appropriate whether any resolution has been carried or not, and the result of his decision shall be announced in the meeting and recorded in the minutes thereof. If the Chairman shall have any doubt as to the outcome of any resolution put to the vote, he shall cause a poll to be taken of all votes cast upon such resolution, but if the Chairman shall fail to take a poll, then any member present in person or by proxy who disputes the announcement by the Chairman of the result of any vote may, immediately following such announcement, demand that a poll be taken and the Chairman shall thereupon cause a poll to be taken. If a poll is taken at any meeting, the result thereof shall be duly recorded in the minutes of that meeting by the Chairman.

At each meeting of the shareholders, every shareholder entitled to vote on a particular question or matter involved shall be entitled to vote for each share standing in his name in the register of members of the Company at the time of the closing of the register of members for such meeting.

Dividend Rights of Ordinary Shares

Subject to any limitations or provisions to the contrary in its Memorandum of Association or Articles of Association, a company may, by a resolution of directors, declare and pay dividends in money, shares or other property. The Company's Articles of Association provide that dividends shall only be declared and paid by the Company out of surplus, which is defined in the Company's Articles of Association to mean the excess, if any, at the time of the determination of the total assets of the Company over the aggregate of its total liabilities, as shown in its books of account, plus the Company's capital.

The Company's Articles of Association further provide that no dividends shall be declared and paid unless the directors determine that immediately after the payment of the dividends: (a) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and (b) the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than its deferred taxes, as shown in its books of accounts, and its capital.

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

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

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

Rights of Ordinary Shares to Assets of the Company

Each holder of an Ordinary Share is entitled to a *pro rata* share in the assets of the Company available for distribution to the shareholders in the event of liquidation and winding up, after payment of any liquidation preference that may exist on any class of the Company's shares that by their terms are entitled to a liquidation preference in seniority to the Ordinary Shares.

Other Features of Ordinary Shares

The Ordinary Shares are not convertible. All of the Company's issued Ordinary Shares are fully paid and non-assessable and are free and clear of all liens, claims and encumbrances. The Ordinary Shares are subject to redemption, purchase or acquisition by the Company on such terms, at such prices (which may be less than fair value) as the directors of the Company may determine, subject always, for so long as the shares of the Company are listed on the relevant stock exchange, to the rules of the relevant stock exchange.

B. PREFERENCE SHARES

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

Please refer to the discussion under "*Summary of Offer*" and "*Description of the Series A Preference Shares*" in this Prospectus for the general terms and conditions of the Series A Preference Shares. Please refer to the discussion under "*Terms of this Offer*" in the relevant Offer Supplement for the specific terms and conditions applicable to Series A Preference Shares subject of a particular Offer.

II. RESTRICTIONS ON TRANSFER OF SHARES

Save as provided in the Articles, there shall be no restriction on the transfer of fully paid-up Preference Shares and Ordinary Shares (except where otherwise required by any applicable laws or the PSE). The Articles of Association of the Company require that all shares in the Company be transferred by a written instrument of transfer in form approved by the relevant stock exchange or where the Company is no longer listed on such stock exchange in any other form approved by the Board, signed by the transferor and the transferee (in certain cases) and containing the name and address of the transferee.

Without limiting the generality of the last preceding regulation, the Board may decline to recognize any instrument of transfer unless:

(a) a fee not exceeding two Singapore dollars as the Board may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer is in respect of only one class of share;

(c) the instrument of transfer is lodged at the Office or such other place in the BVI at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and

(d) if applicable, the instrument of transfer is duly and properly stamped.

If the Board refuses to register a transfer of any share, it shall, within one month after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

The registration of transfers of shares or of any class of shares may, after notice has been given in accordance with any requirements of the Company's Articles of Association, the SEC and the PSE to that effect, be suspended at such times and for such periods (not exceeding 30 days in any year) as the Board may determine.

The Company shall not be required to treat a transferee of a registered share in the Company as a member until the transferee's name has been entered in the share register.

III. RESTRICTIONS ON FOREIGN OWNERSHIP

The ownership of the Series A Preference Shares is not subject to any foreign ownership restrictions.

IV. DISCLOSURE REQUIREMENTS/RIGHT OF INSPECTION

Members of the general public, on a payment of a nominal fee, can inspect the public records of a company available at the office of the Registrar of Companies in the BVI which will include the company's Certificate of Incorporation, its Memorandum and Articles of Association (with any amendments) and the records of license fees paid to date and will also disclose any articles of dissolution, articles of merger, public correspondences with the Registrar of Corporate Affairs, and details of registration with any mortgages, charges and other encumbrances created by the

Company over its property and registered pursuant to the optional registration provisions of the BVI Business Companies Act.

Pursuant to the BVI Business Companies Act, a member (i.e., a shareholder) of a company may, in person or by attorney, request in writing, to inspect during normal business hours the Memorandum and Articles of Association of the Company, the register of members of the Company, the register of directors of the Company, and minutes of meetings and resolutions of the Company's members and those classes of members of which he is a member, and to make copies or extracts therefrom. The BVI Companies Act states that a proper purpose is a purpose reasonably related to the members' interest as a member. If the request is submitted by an attorney for a member, the request must be accompanied by a power of attorney authorizing the attorney to act for the member. If a company, by a resolution of directors, determines that it is contrary to the interests of a company to comply with the request, the company may refuse the request. Upon refusal by the company of a request, the member may, before the expiration of a period of 90 days of his receiving notice of the refusal, apply to the courts for an order to allow the inspection. On hearing such application, the court may such order as it considers just.

A company shall keep minutes of all meetings of directors, members, committees of directors, committees of officers and committees of members and copies of all resolutions consented to by directors, members, committees of directors, committees of officers and committees of members. The books, records and minutes required by the BVI Companies Act shall be kept at the registered office or at such other place as the directors determine.

A company shall cause to be kept one or more registers to be known as share registers containing, inter alia, the names and addresses of the persons who hold registered shares in the company, in the case of shares issued to bearer, the total number of each class and series of shares issued to the bearer, etc. The share register may be in any form as the directors may approve but, if it is in magnetic, electronic or other data storage form, the company must be able to produce legible evidence of its contents and a copy of the share register commencing from the date of registration of the company shall be kept at the registered office of the company.

V. CHANGE IN CONTROL

The Company's Memorandum and Articles of Association provide that no shares shall be issued so as to transfer the controlling interest in the Company without the prior approval of the members in a general meeting.

VI. STOCK TRANSFER AGENT

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

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

VII. OTHER SECURITIES

The Company has not issued any other securities other than its Ordinary Shares, pursuant to its share option and incentive plans and the Series A Preference Shares to be issued.

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

Evaluation System for Compliance

The Company is committed to the highest standards of corporate governance and supports the principles of openness, integrity and accountability advocated by the SGX-ST, which are similarly upheld by the PSE and the SEC.

The Board of Directors and Management have for several years aligned the Company's governance framework with the recommendations of the revised Singapore Code of Corporate Governance which was issued on 2 May 2012 by the Monetary Authority of Singapore (the "**2012 Code**"), and for this purpose have measured its practices and policies vis-a-vis the Singapore Governance and Transparency Index ("**GTI**") and more recently, the ASEAN Corporate Governance Scorecard ("**ACGS**").

With the Company Secretary's assistance, the Board and Management are kept continually apprised of their compliance obligations and responsibilities arising from regulatory requirements and changes. The Company also has a team that monitors and determines level of compliance of all concerned on the requirements of the 2012 Code and the ACGS, as well as the relevant regulatory authorities.

Measures Undertaken to Comply with Leading Practices on Good Corporate Governance

The Company adheres to the principles and guidelines in the 2012 Code and the ACGS. The Company's Annual Report describes the Company's corporate governance policies and practices with specific reference made to each of the principles of the 2012 Code (where stated) in compliance with the Listing Manual of the SGX-ST.

In addition, to improve the Company's score in the GTI and the ACGS, the Company has undertaken the following measures, among others:

a) The Company has approved and issued a Board Diversity Policy which states that diversity is important to Board effectiveness as it will enhance decision making by harnessing the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board. The Nominating Committee is responsible for administering this policy and for evaluating it.

b) The Board also now includes a female Director.

c) The Board has recently reviewed the Company's vision and strategy, and will continue to do so annually.

d) The Nominating Committee undertakes the process of identifying the quality of directors aligned with the Company's strategic directions. The Nominating Committee evaluates the suitability of a prospective candidate based on his or her qualification and experience, ability to commit time and effort in the effective discharge of duties and responsibilities.

e) The Company has formally constituted an Audit and Risk Management Committee to recognize the committee's ongoing work and efforts relating to risk management.

f) The Company has reconstituted the Audit and Risk Management Committee and the Remuneration and Stock Option Committee to comprise entirely of Independent Directors.

g) The Company has imposed limits on the number of directorships and chairmanships that the Directors may hold in other listed companies.

h) The Company has limited the % of share capital to be offered other than on a pro-rata basis in one year to 10-15% of total number of issued shares (excluding treasury shares).

i) For increased transparency, the Notice of the Annual General Meeting ("**AGM Notice**") now includes the profiles of the Directors seeking re-election.

j) The names of the Company's Internal Audit Head and the independent scrutineer are now specified in the Annual Report.

k) The AGM Notice now includes a dividend policy and amount of dividend even if nil.

l) The Company is formalizing a long established and practiced policy requiring the Directors to abstain in matters of conflict.

m) The Company has adopted and implemented, and continues to strengthen, its Securities Dealings Policy (which replaces and incorporates the guidelines set out in the Best Practices on Securities Transactions adopted by the Company in 2003) to govern dealings by the Directors, Key Management Personnel and employees in the Company's securities. With this policy, the Directors, Key Management Personnel and their associates are required to seek the approval of the Chairman or the Board before dealing in the Company's shares. Directors are also required to report their dealings in the Company's shares within two (2) business days from the date of transaction.

n) The Company provides in its Annual Report the Group's market position for the recently completed fiscal year as a non-financial performance indicator.

Deviation from Compliance

a) The NC had assessed the independence of each Director, including Directors whose tenure had exceeded nine (9) years from the date of their first appointment. In this regard, the NC had noted that Mr. Godfrey E. Scotchbrook (first appointed on 28 December 2000) would be deemed non-independent under the guidelines of the 2012 Code.

   The NC had noted that Mr. Scotchbrook had demonstrated independent mindedness and conduct at Board and Board committee meetings. The NC is also of the firm view and opinion that Mr. Scotchbrook is able in exercising independent judgment in the best interest of the Company in the discharge of his duties as Director, despite his extended tenure in office.

   The NC, having reviewed the Director's judgment and conduct in carrying out his duties, deems that Mr. Godfrey E. Scotchbrook, together with the other Independent Directors of the Company, continues to be independent.

b) The remuneration of Directors and the CEO are disclosed in bands of S$250,000/- with a maximum disclosure band of S$500,000/- and above.

   The remuneration of the top five (5) Key Management Personnel are similarly disclosed in bands of S$250,000/- with a maximum disclosure band of S$500,000/- and above.

   Although the disclosure is not in full compliance with the recommendation of the 2012 Code, the Board is of the view that, given the confidentiality and commercial sensitivity attached to remuneration matters, disclosure in bands of S$250,000/- in excess of S$500,000/- will not be provided. In addition, for personal security reasons, the names of the Company's top five (5) Key Management Personnel are not disclosed.

Improvement on Corporate Governance Practices

To improve its corporate governance practices, the Company will carry out the following:

a) The Company will implement a Board diversity policy to further improve the diversity among its directors and consequently enhance decision making by the Board.
b) The Company will implement a Policy on Conflict of Interest which shall make its high level governance practices more robust.
c) The Board will continue to review the Company's Vision and Mission on a regular basis.
d) The Company will implement an Acquisition Policy for the Group.
e) The Company will accelerate its program for Sustainability reporting.

THE PHILIPPINE STOCK MARKET

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by the Company and the Underwriters or any of their respective subsidiaries, affiliates or advisors in connection with the Offer.

THE EXCHANGE

The PSE is the only stock exchange in the Philippines. It is one of the oldest stock exchanges in Asia, having been in continuous operation since the establishment of the Manila Stock Exchange in 1927. It currently maintains two trading floors, one at the PSE Centre (Tektite), Ortigas Center in Pasig City, and another at its principal office at the Ayala Tower One in Makati City's Central Business District. The PSE is composed of a 15-man Board of Directors with Jose T. Pardo as Chairman.

Trading in the PSE is a continuous session from 9:30AM to 3:30PM daily with a recess from 12:00PM to 1:30PM.

Brief History

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulating, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Philippine government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. While the PSE maintains two trading floors, one in Makati City and the other in Pasig City, these floors are linked by an automated trading system, which integrates all bid and ask quotations from the bourses.

In June 1998, the SEC granted the PSE a "Self-Regulatory Organization" (SRO) status, which meant that the bourse can implement its own rules and establish penalties on erring trading participants and listed companies. In 2011, Capital Markets Integrity Corporation ("**CMIC**") was incorporated to function as the independent audit, surveillance and compliance arm of PSE. The mandate of CMIC is to ensure that trading participants adhere to all pertinent rules, regulations, and code of conduct of CMIC and PSE, as well as all related legislative and regulatory requirements.

In 2001, one year after the enactment of the SRC, the PSE was transformed from a non-profit, non-stock, member-governed organization into a shareholder-based, revenue-earning corporation headed by a president and a board of directors. The PSE eventually listed its own shares on the exchange (traded under the ticker symbol PSE) by way of introduction on 15 December 2003.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. Previously, the PSE allowed listing on the First Board, Second Board or the Small, Medium and Enterprises Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated 6 June 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of the incorporation of the issuer.

With the increasing calls for good corporate governance, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public.

The main index for PSE is the PSEi, which is a capitalization-weighted index composed of stocks representative of the Industrial, Properties, Services, Holding Firms, Financial and Mining & Oil Sectors of the PSE. It measures the relative changes in the free float-adjusted market capitalization of the 30 largest and most active common stocks listed at the PSE. The selection of companies in the PSEi is based on a specific set of public float, liquidity and market capitalization criteria. There are also six sector-based indices as well as a broader all shares index.

The table below sets out movements in the composite index from 1995 to 30 June 2015, and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	**Composite Index at Closing**	**Number of Listed Companies**	**Aggregate Market Capitalization (in ₱ billions)**	**Combined Value of Turnover (in ₱ billions)**
1995	2,594.2	205	1,545.7	379.0
1996	3,170.6	216	2,121.1	668.9
1997	1,869.2	221	1,261.3	588.0
1998	1,968.8	221	1,373.7	378.9
1999	2,142.9	223	1,936.5	668.8
2000	1,494.5	226	2,576.5	58.61
2001	1,168.1	228	2,143.3	407.2
2002	1,014.4	232	2,083.2	780.9
2003	1,442.4	235	2,973.8	357.6
2004	1,822.8	236	4,766.2	206.6
2005	2,096.0	237	5,948.4	383.5
2006	2,982.5	240	4,277.8	1,145.3
2007	3,621.6	244	7,977.6	1,338.3
2008	1,872.9	246	4,069.2	763.9
2009	3,052.7	248	6,029.1	994.2
2010	4,201.1	253	8,866.1	1,207.4
2011	4,372.0	253	8,697.0	1,422.6
2012	5,812.7	268	10,850	1,420
2013	5,889.8	257	11,931.3	2,546.3
2014	7,230.6	263	14,251.7	2,130.1
2015 (as of June 30)	7,564.5	271	14,386.7	1,075.6

Source: Philippine Stock Exchange, Inc.

Trading

Trading: In General

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Beginning 2 January 2012, trading on the PSE starts at 9:30 a.m. until 12:00 p.m., when there will be a one and a half hour lunch break. In the afternoon, trading resumes at 1:30 p.m. and ends at 3:30 p.m., inclusive of a 10-minute period during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal holidays and days when the BSP clearing house is closed.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, when the price of a listed security moves up by 50% or down by 50% in one day (based on the previous closing price or last posted bid price, whichever is higher), the price of that security is automatically frozen by the PSE, unless there is an official statement from the company or a government agency justifying such price fluctuation, in which case the affected security can still be traded but only at the frozen price. If the issuer fails to submit such explanation, a trading halt is imposed by the PSE on the listed security the following day. Resumption of trading shall be allowed only when the disclosure of the company is disseminated, subject again to the trading ban.

Trading – DDS

On 10 November 2016, the SEC approved the PSE DDS Rules. The PSE officially released the final PSE DDS Rules on 2 December 2016. The PSE DDS Rules shall govern the listing, trading and settlement of DDS or securities denominated in U.S. dollars which are listed and traded on the PSE. Please refer to Parts C and D of the PSE DDS Rules for the rules on the trading and settlement of DDS in general. The PSE DDS Rules shall be read in conjunction with the SRC and the SRC Rules, existing BSP regulations, and other relevant laws, rules and regulations and shall form part of all rules of the PSE. All rules of the PSE, SCCP and CMIC not inconsistent with the PSE DDS Rules shall apply to the DDS.

As the Series A Preference Shares are being applied for listing with the PSE, the PSE DDS Rules will be applicable to such securities.

Requirements for Trading Participants to be Eligible to Trade the Offer Shares; Nominating a Trading Participant which are Eligible Brokers

An applicant subscribing for the Series A Preference Shares, or an investor intending to invest in such shares, is required to appoint an Eligible Broker for the trading of the Offer Shares.

The PSE DDS Rules provide the following requirements for a Trading Participant to qualify as an Eligible Broker to engage in dollar denominated trades:

1. A Trading Participant must have attended a DDS training session or seminar conducted by the PSE and must be operationally ready to trade DDS, and shall issue a sworn certification to the PSE attesting to its operational readiness. Notwithstanding the said certification, the PSE has the option to assess the operational readiness of a Trading Participant.

2. A Trading Participant shall have a US dollar deposit account with any universal or commercial bank and a separate US dollar cash settlement account with the designated settlement bank.

3. A Trading Participant shall also open a separate cash collateral deposit account for dollar-denominated securities trading with the designated settlement bank for the required cash collateral in US dollars.

4. A Trading Participant shall also obtain the consent of its clients to the disclosure of their names to the SEC, if said information is requested by the SEC in the course of an investigation of a possible violation of the SRC and the SRC Rules and other orders and issuances of the SEC, examination, official inquiry or as part of surveillance procedures, and/or in compliance with other pertinent laws.

5. A Trading Participant shall comply with any other requirements as may be imposed by other regulatory agencies such as, but not limited to, the BSP and SEC.

Pursuant to the PSE DDS Rules, the PSE shall restrict Trading Participants that fail to comply with such requirements from trading the dollar-denominated securities.

In view of the foregoing, the Issuer has identified for purposes of the Initial Offer and as of 17 March 2017, the following Trading Participants as the Eligible Brokers for DDS, who will then be eligible to trade the Series A Preference Shares subject of the Initial Offer:

(1) BDO Securities Corporation; and
(2) Armstrong Securities, Inc.

An applicant shall appoint any of the above-named Eligible Brokers or any Trading Participant that becomes an Eligible Broker anytime within the Offer Period as may be announced by the PSE, as its broker for the trading of the Offer Shares.

Even after the commencement of the Offer Period and after the Listing Date but subject to applicable laws and regulations and compliance thereof by the relevant Trading Participant, any Trading Participant may apply to the PSE to be named as an Eligible Broker. In other words, there will be a continuing accreditation of Trading Participants as Eligible Brokers for DDS, who will then be eligible to trade the Series A Preference Shares.

Notwithstanding the foregoing, neither the Issuer nor any of the Underwriters make any guarantee that additional Trading Participants will be named as Eligible Brokers during the Offer Period or after the Listing Date or that the Eligible Brokers named above will continue to act as such in respect of the Offer Shares. The PSE DDS Rules, however, currently require as a continuing listing requirement that the Issuer should ensure the availability of at least two Eligible Brokers to trade the DDS.

Settlement

Settlement - In General

The SCCP is a wholly-owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on 17 January 2002. It is responsible for:

- synchronizing the settlement of funds and the transfer of securities through Delivery versus Payment clearing and settlement of transactions of Clearing Members, who are also Trading Participants of the PSE;

- guaranteeing the settlement of trades in the event of a Trading Participant's default through the implementation of its Fails Management System and administration of the Clearing and Trade Guaranty Fund; and

- performance of Risk Management and Monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place three trading days after transaction date ("**T+3**"). The deadline for settlement of trades is 12:00 n.n. of T+3. Securities sold should be in scripless form and lodged under the book-entry system of the PDTC. Each PSE Broker maintains a Cash Settlement Account with one of the existing Settlement Banks of SCCP, which are BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, The Hong Kong and Shanghai Banking Corporation Limited, Unionbank of the Philippines, Maybank Philippines Inc. and Asia United Bank. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement system on 29 May 2006. CCCS employs multilateral netting, whereby the system automatically offsets "buy" and "sell" transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each Clearing Member. All cash debits and credits are also netted into a single net cash position for each Clearing Member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

Settlement - DDS

The two immediately preceding paragraphs are specifically applicable to peso-denominated equity securities listed with the PSE. In respect of DDS, trading and settlement shall be governed by the PSE DDS Rules which are to be read in conjunction with the SRC and the SRC Rules, existing BSP regulations, and other relevant laws, rules and regulations and are to form part of all rules of the PSE. Moreover, all rules of the PSE, SCCP and CMIC not inconsistent with the PSE DDS Rules shall apply to the DDS. Please refer to Parts C and D of the PSE DDS Rules for the rules on the trading and settlement of DDS in general.

As the Series A Preference Shares are being applied for listing with the PSE, the PSE DDS Rules will be applicable to such securities.

As of 17 March 2017, there are only two Eligible Brokers for DDS who are eligible to trade the Series A Preference Shares, namely, BDO Securities Corporation and Armstrong Securities, Inc. Such Eligible Brokers maintain a Cash Settlement Account with the lone settlement bank for DDS, which is BDO Unibank, Inc.

Please see discussion under "*Requirements for Trading Participants to be Eligible to Trade the Offer Shares; Nominating a Trading Participant which are Eligible Brokers*" in this Prospectus and the relevant Offer Supplement for additional information.

Scripless Trading

In 1995, the PDTC (formerly the Philippine Central Depository, Inc.), was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders' meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, The Hong Kong and Shanghai Banking Corporation Limited, Unionbank of the Philippines, Maybank Philippines Inc. and Asia United Bank.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares in favor of the PCD Nominee Corporation ("**PCD Nominee**"), a corporation wholly-owned by the PDTC, whose sole purpose is to act as nominee and legal title holder of all shares lodged in the PDTC. "Immobilization" is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares in the account of the PCD Nominee through the PDTC Participant will be recorded in the issuing corporation's registry. This trust arrangement between the participants and PDTC through the PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to the PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

Under the current PDTC System, only participants (e.g. brokers and custodians) will be recognized by the PDTC as the beneficial owners of the lodged equity securities. Thus, each beneficial owner of shares, through his participant, will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. All lodgments, trades and uplifts on these shares will have to be coursed through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, with respect to the participant's aggregate holdings, in the PDTC system, and with respect to each beneficial owner's holdings, in the records of the participants. Beneficial owners are thus advised that in order to exercise their rights as beneficial owners of the lodged shares, they must rely on their participant-brokers and/or participant-custodians.

Any beneficial owner of shares who wishes to trade his interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC System. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC System. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the SCCP Central Clearing and Central Settlement system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities. In respect of DDS, the foregoing is subject to the PSE DDS Rules. Moreover, please see discussion under "*Requirements for Trading Participants to be Eligible to Trade the Offer Shares; Nominating a Trading Participant which are Eligible Brokers*" in this Prospectus and the relevant Offer Supplement for additional information.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of the PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the PCD Nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

Amended Rule on Lodgment of Securities

On 24 June 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on 1 July 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in the amended rule on Lodgment of Securities of the PSE.

Pursuant to the said amendment, the PDTC issued implementing procedural rules:

- For a new company to be listed at the PSE as of 1 July 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date.

- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to PDTC evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of confirmation date.

Issuance of Stock Certificates for Certificated Shares

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with PDTC through his broker or custodian-participant for a withdrawal from the book-entry system and return to the conventional paper-based settlement. If a shareholder wishes to withdraw his shareholdings from the PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the uplifting of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are on the account of the uplifting shareholder.

Upon the issuance of stock certificates for the shares in the name of the person applying for upliftment, such shares shall be deemed to be withdrawn from the PDTC book-entry settlement system, and trading on such shares will follow the normal process for settlement of certificated securities. The expenses for upliftment of the shares into certificated securities will be charged to the person applying for upliftment. Pending completion of the upliftment process, the beneficial interest in the shares covered by the application for upliftment is frozen and no trading and book-entry settlement will be permitted until the relevant stock certificates in the name of the person applying for upliftment shall have been issued by the relevant company's transfer agent.

Amended Rule on Minimum Public Ownership

Under the amended rules on minimum public ownership promulgated by the PSE and approved by the SEC, listed companies are required at all times to maintain a minimum percentage of listed securities held by the public of 10% of the listed companies' issued and outstanding shares, exclusive of any treasury shares, or as such percentage as may be prescribed by the PSE. The determination of whether shareholdings are considered public or non-public is based on: (a) the amount of shareholdings and its significance to the total outstanding shares; (b) purpose of investment; and (c) extent of involvement in the management of the company.

The shares held by the following are generally considered as held by the public: (i) individuals whose shares are not of significant size and which are non-strategic in nature; (ii) PSE trading participants (such as brokers) whose shareholdings are non-strategic in nature; (iii) investment funds and mutual funds; (iv) pension funds which hold shares in companies other than the employing company or its affiliates; (v) PCD Nominee provided that none of the beneficial owners of the shares has significant holdings (i.e., shareholdings by an owner of 10% or more are excluded and considered non-public); and (vi) Social Security funds.

If an investment in a listed company is meant to partake of sizable shares for the purpose of gaining substantial influence on how the company is being managed, then the shareholdings of such investor are considered non-public. Ownership of 10% or more of the total issued and outstanding shares of a listed company is considered significant holding and therefore non-public.

Listed companies which become non-compliant with the minimum public ownership requirement will be suspended from trading for a period of not more than six months and will be automatically delisted if it remains non-compliant with the said requirement after the lapse of the suspension period.

LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT

LISTINGS

The Company currently has a primary listing of Ordinary Shares on the SGX-ST and a listing of Ordinary Shares on the Main Board of the PSE.

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

REGISTRATION

The principal register of members is maintained in the BVI by the Singapore Share Transfer Agent who acts on behalf of the BVI Share Registrar. The Company has established the Philippine Branch Share Register, which is maintained by the Philippine Branch Share Registrar, BDO Trust whose address is at the 15th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City.

The BVI Share Registrar will keep in BVI duplicates of the Philippine Branch Share Register, which will be updated from time to time.

Please refer to the section *"Description of the Series A Preference Shares - Form, Title and Registration of the Series A Preference Shares*" and the section "*The Philippine Stock Market - Amended Rule on Lodgment of* Securities" for a discussion on the scripless form of the Series A Preference Shares, and the option of the investor to have stock certificates evidencing their investment in the Series A Preference Shares issued in the investor's names.

In case share certificates are issued in the name of the investor, the Philippine Branch Share Registrar will notify the BVI Share Registrar that the Series A Preference Shares are registered in the name of the investor in the Philippine Branch Share Register whereupon the BVI Share Registrar will update the BVI Share Register.

If the investor's Series A Preference Shares are in scripless form and hence deposited into the PDTC System, such shares will be registered by the Philippine Branch Share Registrar in the name of PCD Nominee Corp. in the Philippine Branch Share Register. The Philippine Branch Share Registrar will notify the BVI Share Registrar that the Series A Preference Shares are registered in the name of PCD Nominee Corp in the Philippine Branch Share Register whereupon the BVI Share Registrar will reflect the same in the BVI Share Register.

CERTIFICATES

Only Preference Share certificates issued by the Philippine Branch Share Registrar will be valid for delivery in respect of lodgement of the Series A Preference Shares in the PDTC System and eventual dealings effected on the PSE. No Preference Share certificates will be issued by the BVI Share Registrar.

DEALINGS

Dealings in Series A Preference Shares on the PSE will be conducted in U. S. Dollars. The Company's Series A Preference Shares will be traded on the PSE in board lots of 100 Shares each.

SETTLEMENT

In order to be able to settle any trades on the PSE through the system for the central handling of securities by which transactions involving such securities may be settled by book-entries in the records of PDTC (the "**PDTC System**"), investors should ensure that they have set up an account with a brokerage in the Philippines which has applied for and has been approved as a participant by the PDTC ("**PDTC Participant**"), through a brokerage in the Philippines. Investors should consult their stockbrokers or other professional advisers on the logistical details for the setting up of such stock account. In respect of the Series A Preference Shares, the brokerage should be an Eligible Broker.

PSE trades are settled on a three-day rolling settlement environment, which means that settlement of trades takes place three days after transaction date (T+3). The deadline for settlement of trades is 12:00 noon of T+3. Securities sold should be in scripless form and lodged under PDTC's book entry system.

Please see discussion under "*The Philippine Stock Market – Trading" and "The Philippine Stock Market – Settlement"* in this Prospectus for additional information, particularly on the trading and settlement of DDS, including the Series A Preference Shares.

Foreign Exchange Risk

Please see the section headed "Risk Factors" in this Prospectus for a discussion on foreign exchange risks.

DIVIDENDS

The Company must pay all dividends out of its distributable profits less any required reserve funds. To the extent that the Company declares dividends on the Series A Preference Shares, it anticipates that they will be declared in U.S. dollars. Holders of Series A Preference Shares will receive their dividends in U.S. dollars.

Please see discussion under "*Terms of this Offer - Procedure for Payment of Cash Dividend Declarations"* in the relevant Offer Supplement for additional information on the procedure for the payment of cash dividends in scipless and certificated Series A Preference Shares.

COSTS INVOLVED

All duties, fees and expenses specified herein are subject to changes from time to time.

Stamp Duty on Transfer of Shares

No stamp duty in the Philippines is currently payable for transfers of the Series A Preference Shares if the Series A Preference Shares are traded and listed on the PSE, and the sale is conducted through the facilities of the PSE.

Other Costs on Transfer of Shares

The transaction costs of dealings in the Company's Series A Preference Shares on the PSE include a stock transaction tax at the rate of 0.5% based on the gross selling price or gross value in money of the shares of stock sold or otherwise disposed. The brokerage commission in respect of trades of Series A Preference Shares on the PSE is freely negotiable although subject to a minimum of between 0.05% and 0.25% depending on the transaction value.

DESCRIPTION OF RELEVANT LAWS

SUMMARY OF SALIENT PROVISIONS OF THE LAWS OF SINGAPORE

The following summarizes the salient provisions of certain laws of Singapore applicable to the holders of the Company's Ordinary Shares as at the date of this Prospectus. The summaries below are for general guidance only and do not constitute legal advice, nor must they be used as a substitute for specific legal advice, on the corporate laws of Singapore. Additionally, the Company's shareholders should also note that the laws applicable to the Company's shareholders may change, whether as a result of proposed legislative reform to the laws of Singapore or otherwise. The Company's shareholders should consult their own legal advisers for specific legal advice concerning their legal obligations under the relevant laws.

Takeover obligations

Offenses and Obligations Relating to Take-overs

Section 140 of the SFA

Section 140 of the SFA provides that a person shall not give notice or publicly announce that he intends to make a take-over offer if (a) he has no intention to make a take-over offer; or (b) he has no reasonable or probable grounds for believing that he will be able to perform his obligations if the take-over offer is accepted or approved, as the case may be. A person who contravenes section 140 of the SFA is guilty of an offense and shall be liable on conviction to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding seven years or to both.

Obligations under the Singapore Take-Over Code and the consequences of non-compliance

Obligations under the Singapore Take-Over Code

The Singapore Take-Over Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30% or more of the voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30% and 50% (both inclusive) of the voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1% of the voting Shares in any six-month period, must, except with the consent of the Securities Industry Council of Singapore ("**Securities Industry Council**"), extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Take-Over Code.

"Parties acting in concert" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

1. a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;

2. a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
3. a company and its pension funds and employee share schemes;
4. a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis;
5. a financial or other professional advisers and its clients in respect of shares held by the advisers and persons controlling, controlled by or under the same control as the advisers and all the funds managed by the advisers on a discretionary basis, where the shareholdings of the advisers and any of those funds in the client total 10% or more of the client's equity share capital;
6. directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
7. partners; and
8. an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

In the event that one of the abovementioned trigger-points is reached, the person acquiring an interest (the "**Offeror**") must make a public announcement stating the terms of the offer and its identity. The Offeror must post an offer document not earlier than 14 days and not later than 21 days from the date of the offer announcement. An offer must be kept open for at least 28 days after the date on which the offer document was posted.

The Offeror may vary the offer by offering more for the shares or by extending the period in which the offer remains open. If a variation is proposed, the Offeror is required to give a written notice to the offeree company and its shareholders, stating the modifications made to the matters set out in the offer document. The revised offer must be kept open for at least another 14 days. Where the consideration is varied, shareholders who agree to sell before the variation are also entitled to receive the increased consideration.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the Offeror or parties acting in concert with the Offeror within the six months preceding the acquisition of shares that triggered the mandatory offer obligation.

Under the Singapore Take-Over Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An Offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

Consequences of non-compliance with the requirements under the Singapore Take-Over Code

The Singapore Take-Over Code is non-statutory in that it does not have the force of law. Therefore, as provided in section 139(8) of the SFA, a failure of any party concerned in a take-over offer or a matter connected therewith to observe any of the provisions of the Singapore Code shall not of itself render that party liable to criminal proceedings. However, the failure of any party to observe any of the provisions of the Singapore Take-Over Code may, in any civil or criminal proceedings, be relied upon by any party to the proceedings as tending to establish or to negate any liability which is in question in the proceedings.

Section 139 further provides that where the Securities Industry Council has reason to believe that any party concerned in a take-over offer or a matter connected therewith is in breach of the provisions of the Singapore Take-Over Code or is otherwise believed to have committed acts of misconduct in relation to such take-over offer or matter, the Securities Industry Council has power to enquire into the suspected breach or misconduct. The Securities Industry Council may summon any person to give evidence on oath or affirmation, which it is thereby authorized to administer, or produce any document or material necessary for the purpose of the inquiry.

Reporting obligations of shareholders

Reporting obligations under the Singapore Companies Act

Section 81 of the Singapore Companies Act

A person has a substantial shareholding in a company if he has an "interest" in voting shares in the company, and the total votes attached to those shares is not less than 5% of the total votes attached to all the voting shares in the company.

Section 82 of the Singapore Companies Act

A substantial shareholder of a company (as defined under the Singapore Companies Act) is required to notify the company in writing of his name, address and full particulars of his "interests" in the voting shares in the company within two business days after becoming a substantial shareholder.

Sections 83 and 84 of the Singapore Companies Act

A substantial shareholder (as defined under the Singapore Companies Act) is required to notify the company in writing of changes in the "percentage level" of his shareholding or his ceasing to be a substantial shareholder within two business days after he is aware of such changes or within two business days after he ceases to be a substantial shareholder, as the case may be.

The reference to changes in "percentage level" means any changes in a substantial shareholder's interest in the company which results in his interest, following such change, increasing or decreasing to the next discrete 1% threshold. For example, an increase in interests in the company from 5.1% to 5.9% need not be notified, but an increase from 5.9% to 6.1% will have to be notified.

Consequences of non-compliance under the Singapore Companies Act

Section 89 of the Singapore Companies Act

Section 89 of the Singapore Companies Act provides for the consequences of non-compliance with sections 82, 83 and 84. Under section 89, a person who fails to comply shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S$5,000 and in the case of a continuing offense to a further fine of S$500 for every day during which the offense continues after conviction.

Section 90 of the Singapore Companies Act

Section 90 of the Singapore Companies Act provides for a defense to a prosecution for failing to comply with sections 82, 83 or 84. It is a defense if the defendant proves that his failure was due to his not being aware of a fact or occurrence the existence of which was necessary to constitute the offense and that he was not so aware on the date of the summons; or he became so aware less than seven days before the date of the summons. However, a person will conclusively be presumed to have been aware of a fact or occurrence at a particular time (a) of which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware at that time; or (b) of which an employee or agent of the person, being an employee or agent having duties or acting in relation to his master's or principal's interest or interests in a share or shares in the company concerned, was aware or would, if he had acted with reasonable diligence in the conduct of his master's or principal's affairs, have been aware at that time.

Powers of the court with respect to defaulting substantial shareholders

Section 91 of the Singapore Companies Act

Section 91 of the Singapore Companies Act provides that where a substantial shareholder fails to comply with sections 82, 83 or 84, the Court may, on the application of the Minister, whether or not the failure still continues, make one of the following orders:

1. an order restraining the substantial shareholder from disposing of any interest in shares in the company in which he is or has been a substantial shareholder;

2. an order restraining a person who is, or is entitled to be registered as, the holder of shares referred to in paragraph (1) from disposing of any interest in those shares;

3. an order restraining the exercise of any voting or other rights attached to any share in the company in which the substantial shareholder has or has had an interest;

4. an order directing the company not to make payment, or to defer making payment, of any sum due from the company in respect of any share in which the substantial shareholder has or has had an interest;

5. an order directing the sale of all or any of the shares in the company in which the substantial shareholder has or has had an interest;

6. an order directing the company not to register the transfer or transmission of specified shares;

7. an order that any exercise of the voting or other rights attached to specified shares in the company in which the substantial shareholder has or has had an interest be disregarded; or

8. for the purposes of securing compliance with any other order made under this section, an order directing the company or any other person to do or refrain from doing a specified act.

Any order made under this section may include such ancillary or consequential provisions as the Court thinks just. The Court may not make an order other than an order restraining the exercise of voting rights, if it is satisfied (a) that the failure of the substantial shareholder to comply was due to his inadvertence or mistake or to his not being aware of a relevant fact or occurrence; and (b) that in all the circumstances, the failure ought to be excused. Any person who contravenes or fails to comply with an order made under this section that is applicable to him shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S$5,000 and, in the case of a continuing offense, to a further fine of S$500 for every day during which the offense continues after conviction.

Reporting obligations under the SFA

Sections 135(1), 136(1) and 137(1) of the SFA

A substantial shareholder (as defined under the Singapore Companies Act) is required to notify the Company of his interest or change in interest in the voting Shares of the Company. Such notification must be made within two business days of the substantial shareholder becoming aware: (i) that he has become a substantial shareholder, (ii) of a change in the percentage level of his interest, or (iii) that he has ceased to be a substantial shareholder. A substantial shareholder need only give notice to the Company and the Company will in turn announce or otherwise disseminate the information stated in the notice to the SGX-ST as soon as practicable and in any case, no later than the end of the Singapore business day following the day on which the Company received the notice. A person has a substantial shareholding in a company if he has an interest or interests in one or more voting shares in the company, and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company.

While the definition of an "interest" in voting shares for the purposes of substantial shareholder disclosure requirements under the SFA is similar to that under the Singapore Companies Act, the SFA provides that a person who has authority (whether formal or informal, or express or implied) to dispose of, or to exercise control over the disposal of, a voting share is regarded as having an interest in such share, even if such authority is, or is capable of being made, subject to restraint or restriction in respect of particular voting shares. In addition, the deadline for a substantial shareholder (as defined under the Singapore Companies Act) to make disclosure to the company is two Singapore business days after he becomes aware:

- that he is or (if he had ceased to be one) had been a substantial shareholder (as defined under the Singapore Companies Act);
- of any change in the percentage level in his interest; or
- that he had ceased to be a substantial shareholder (as defined under the Singapore Companies Act),

there being a conclusive presumption of a person being "aware" of a fact or occurrence at the time at which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware.

Sections 137A and 137B of the SFA

A beneficial owner who authorizes another person to hold, acquire or dispose of, on his behalf, voting shares or an interest or interests in voting shares in a company shall take reasonable steps to ensure notification by the person who holds, acquires or disposes of interests on his behalf and, in any case, no later than two business days after any acquisition or disposal of any of those voting shares or interest or interests in voting shares effected by the second-mentioned person on his behalf which will or may give rise to any duty on the part of the beneficial owner to give notice pursuant to the reporting obligations under the SFA.

Similarly, a person who holds, acquires or disposes of interests for benefit of another beneficial owner shall give to the beneficial owner a notice of any acquisition or disposal of any of those shares effected by him as soon as practicable and, in any case, no later than two business days after acquiring or disposing of the shares.

Consequences of non-compliance under the SFA

Section 137D of the SFA

Section 137D of the SFA provides for the consequences of non-compliance with section 135, 136(1), 137, 137A or 137B of the SFA. Under 137D, a person who (i) intentionally or recklessly contravenes the foregoing provisions of the SFA, or (ii) in purported compliance with section 135, 136, 137 or 137B of the SFA, furnishes any information which he knows is false or misleading in any material particular or is reckless as to whether it is, shall be guilty of an offense and shall (a) in the case of an individual, be liable on conviction to a fine not exceeding S$250,000.00 or to imprisonment for a term not exceeding two years or both, and in the case of a continuing offense, to a further fine not exceeding S$25,000.00 for every day or part thereof during which the offense continues after conviction, or (b) in the case of a corporation, be liable on conviction to a fine not exceeding S$250,000.00, and in the case of a continuing offense, to a further fine not exceeding S$25,000.00 for every day or part thereof during which the offense continues after conviction.

Section 134 of the SFA

Directors and chief executive officers of corporations if found to have (i) intentionally or recklessly contravened the disclosure requirements or intentionally or recklessly provided any information which he knows is false or misleading in a material particular, he could, upon conviction, be liable to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding two years or both and in the case of a continuing offense, and to a further fine of S$25,000 for every day (or part thereof) during which the offense continues after conviction and (ii) contravened the disclosure requirements or provided any information which is false or misleading in a material particular, could, upon conviction, be liable to a fine not exceeding S$25,000, and in the case of a continuing offense, to a further fine of S$2,500 for every day (or part thereof) during which the offense continues after conviction.

Duty not to furnish false statements to securities exchange, futures exchange, designated clearing house and Securities Industry Council of Singapore

Section 330 of the SFA

Section 330 of the SFA provides that any person who, with intent to deceive, makes or furnishes, or knowingly and wilfully authorizes or permits the making or furnishing of, any false or misleading statement or report to a securities exchange, futures exchange, designated clearing house or any officers thereof relating to dealing in securities shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S$50,000.00 or to imprisonment for a term not exceeding two years or to both. Section 330 further provides that any person who, with intent to deceive, makes or furnishes or knowingly and willfully authorizes or permits the making or furnishing of, any false or misleading statement or report to the Securities Industry Council or any of its officers, relating to any matter or thing required by the Securities Industry Council in the exercise of its functions under the SFA shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S$50,000.00 or to imprisonment for a term not exceeding two years or to both.

Prohibited conduct in relation to trading in the securities of the company

Prohibitions against false trading and market manipulation

Section 197 of the SFA

Section 197(1) of the SFA prohibits (i) the creation of a false or misleading appearance of active trading in any securities on a securities exchange; and (ii) the creation of a false or misleading appearance with respect to the market for, or price of, any securities on a securities exchange.

Section 197(1A) of the SFA prohibits a person from doing anything or causing anything to be done or engaging in any course of conduct that creates or is likely to create a false or misleading appearance of active trading in any securities on a securities market, or with respect to the market for, or the price of, such securities, if (i)he knows that doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance; or (ii) he is reckless as to whether doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance.

Section 197(3) of the SFA provides that a person is deemed to have created a false or misleading appearance of active trading in securities on a securities market if he does any of the following acts:

(A) if he effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of any securities, which does not involve any change in the beneficial ownership of the securities;

(B) if he makes or causes to be made an offer to sell any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price; or

(C) if he makes or causes to be made an offer to purchase any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price, unless he establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in securities on a securities market.

Section 197(5) of the SFA provides that a purchase or sale of securities does not involve a change in the beneficial ownership if a person who had an interest in the securities before the purchase or sale, or a person associated with the first-mentioned person in relation to those securities, has an interest in the securities after the purchase or sale.

Section 197(6) of the SFA provides a defense to proceedings against a person in relation to a purchase or sale of securities that did not involve a change in the beneficial ownership of those securities. It is a defense if the defendant establishes that the purpose or purposes for which he purchased or sold the securities was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, securities.

Prohibition against securities market manipulation

Section 198 of the SFA

Section 198(1) of the SFA provides that no person shall carry out directly or indirectly, two or more transactions in securities of a corporation, being transactions that have, or likely to have, the effect of raising, lowering, maintaining or stabilizing the price of the securities with intent to induce other persons to purchase them. Section 198(2) of the SFA provides that transactions in securities of a corporation includes (i) the making of an offer to purchase or sell such securities of the corporation; and (ii) the making of an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities of the corporation.

Prohibition against the manipulation of the market price of securities by the dissemination of misleading information

Sections 199 and 202 of the SFA

Section 199 of the SFA prohibits the making of false or misleading statements. Under this provision, a person shall not make a statement, or disseminate information, that is false or misleading in a material particular and is likely (a) to induce other persons to subscribe for securities; (b) to induce the sale or purchase of securities by other persons; or (c) to have the effect of raising, lowering, maintaining or stabilizing the market price of securities, if, when he makes the statement or disseminates the information, he either does not care whether the statement or information is true or false, or knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.

Section 202 of the SFA prohibits the dissemination of information about illegal transactions. This provision prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of transactions entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered into the illegal transaction; or (ii) is associated with the person who entered into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit for circulating or disseminating the information or statements.

Prohibition against fraudulently inducing persons to deal in securities

Section 200 of the SFA

Section 200 of the SFA prohibits a person from inducing or attempting to induce another person to deal in securities, (a) by making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive; (b) by any dishonest concealment of material facts; (c) by the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or (d) by recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular, unless it is established that, at the time when the defendant so recorded or stored the information, he had no reasonable grounds for expecting that the information would be available to any other person.

Prohibition against employment of manipulative and deceptive devices

Section 201 of the SFA

Section 201 of the SFA prohibits (i) the employment of any device, scheme or artifice to defraud; (ii) engaging in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception, upon any person; and (iii) making any statement known to be false in a material particular or (iv) omitting to state a material fact necessary to make statements made not misleading, in connection with the subscription, purchase or sale of any securities.

Prohibition against the dissemination of information about illegal transactions

Section 202 of the SFA

Section 202 of the SFA prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of any transaction entered into or to be entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered into the illegal transaction; or (ii) is associated with the person who entered into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit of circulating or disseminating the information or statements.

Prohibition against insider trading

Sections 218 and 219 of the SFA

Sections 218 and 219 of the SFA prohibit persons from dealing in securities of a corporation if the person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation. Such persons include substantial shareholders of a corporation or a related corporation, and persons who occupy a position reasonably expected to give him access to inside information by virtue of professional or business relationship by being an officer or a substantial shareholder of the corporation or a related corporation, or any other person in possession of inside information. For an alleged contravention of section 218 or 219, section 220 makes it clear that it is not necessary for the prosecution or plaintiff to prove that the accused person or defendant intended to use the information referred to in section 218(1)(a) or (1A)(a) or 219(1)(a) in contravention of section 218 or 219, as the case may be.

Section 216 of the SFA

Section 216 of the SFA provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the first-mentioned securities.

Penalties

Section 232 of the SFA

Section 232 of the SFA provides that the Monetary Authority of Singapore may, with the consent of the Public Prosecutor, bring an action in a court against the offender to seek an order for a civil penalty in respect of any contravention. If the court is satisfied on the balance of probabilities that the contravention resulted in the gain of a profit or avoidance of a loss by the offender, the offender may have to pay a civil penalty of a sum (a) not exceeding three times the amount of the profit that the person gained; or the amount of the loss that he avoided, as a result of the contravention; or (b) equal to S$50,000.00 if the person is not a corporation, or S$100,000.00 if the person is a corporation, whichever is the greater. If the court is satisfied on a balance of probabilities that the contravention did not result in the gain of a profit or avoidance of a loss by the offender, the court may make an order against him for the payment of a civil penalty of a sum not less than S$50,000.00 and not more than S$2 million.

Section 204 of the SFA

Any person who contravenes sections 197, 198, 201 or 202 of the SFA is guilty of an offense and shall be liable on conviction to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding seven years or to both under section 204 of the SFA. Section 204 of the SFA further provides that no proceedings shall be instituted against a person for the offense after a court has made an order against him for the payment of a civil penalty under section 232 in respect of the contravention.

Section 221 of the SFA

Any person who contravenes section 218 or 219 of the SFA, is guilty of an offense and shall be liable on conviction to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding seven years or to both under section 221 of the SFA. Section 221 of the SFA further provides that no proceedings shall be instituted against a person for an offense in respect of a contravention of section 218 or 219 of the SFA after a court has made an order against him for the payment of a civil penalty under section 232 of the SFA in respect of that contravention.

COMPARATIVE SUMMARY OF THE HIGHLIGHTS OF THE LISTING AND DISCLOSURE RULES OF THE PSE AND CERTAIN APPLICABLE SINGAPORE LAWS AND REGULATIONS

This sets out extracts of the SGX Listing Manual, the PSE Revised Listing and Disclosure Rules ("**PSE Rules**"), the takeover rules under the Singapore Code, the SRC and SRC Rules, and certain other applicable laws and regulations of Singapore and the Philippines, including legislation concerning companies with listed securities. These extracts are not comprehensive and may not be the only laws or regulations that will apply to the identified matters.

These extracts are not and shall not be relied on as legal advice or any other advice to shareholders of the Company. The Company shall comply with the SGX Listing Manual as its primary listing is on the SGX-ST, and in the event where additional requirements are imposed on the Company by the PSE Rules, the Company shall also comply with such additional requirements unless an exemption is available or waiver has been obtained. The Company will inform shareholders in the event any waiver from the applicable laws and regulations of the Philippines including the PSE Rules and SRC is obtained.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
Reporting Requirements		
1.	**Section 2, PSE Rules on Disclosure** Issuers must comply with the continuing disclosure requirements of the PSE. The Issuer must promptly make available all information, through the submission of structured and unstructured disclosures, that would enable a reasonable investor to determine whether to buy, sell or hold securities, or in connection with the exercise of related voting rights. It must take reasonable steps to ensure that all investors have equal access to such information. **Section 4, PSE Rules on Disclosure: Unstructured Continuing Disclosure Requirements** The purpose of requiring unstructured disclosures is for the Issuer to update the investing public with any material fact or event that occurs which would reasonably be expected to affect investors' decision in relation to trading of its securities. **Section 4.1, PSE Rules on Disclosure: Disclosure of Material Information** In addition to the reportorial requirements under the Securities Regulation Code, Issuers are required to disclose to the PSE once they become aware of any material information or corporate act, development or event, within ten (10) minutes from the receipt of such information or the happening or occurrence of said act, development or event. Disclosure must be made to the PSE prior to its release to the news media. The original copy of the disclosure must be delivered to the PSE within twenty four hours from the time of initial disclosure. Any disclosure pursuant to the foregoing must be addressed to the attention of the Disclosure Department of the PSE. Should the act, development or event occur	Issuers in Singapore are required to comply with disclosure obligations under the SGX Listing Manual upon the occurrence of the events which are prescribed in the SGX Listing Manual. In the case that the Company makes a disclosure pursuant to Singapore laws, it will make the same disclosure in Philippines. **Chapter 7 of the SGX Listing Manual (Continuing Obligations) Rule 703, SGX Listing Manual: Disclosure of Material Information** (1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:- (a) is necessary to avoid the establishment of a false market in the issuer's securities; or (b) would be likely to materially affect the price or value of its securities. (2) Rule 703(1) does not apply to information which it would be a breach of law to disclose. (3) Rule 703(1) does not apply to particular information while each of the following conditions applies:- Condition 1: a reasonable person would not expect the information to be disclosed; Condition 2: the information is confidential; and Condition 3: one or more of the following applies: (i) the information concerns an incomplete proposal or negotiation;

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

during trading hours, the Issuer must request a halt in the trading of its shares in order to ensure that the investing public would have equal access to the information. If, however, the said act, development or event occurs after trading hours but the Issuer is unable to make a disclosure prior to the pre-open period of the next trading day, the Issuer must request a halt in the trading of its shares. In both cases, the trading halt shall be lifted one (1) hour after the information has been disseminated to enable the investing public to digest the information. If the information is disseminated one (1) hour or less prior to the close of market, the trading halt shall be lifted on the subsequent trading day.

However, the above rule shall not apply when the following instances are present:

4.1.1 The activity or development is still considered soft information.

4.1.2 The disclosure of the information would be in contravention to any existing laws of the land.

Section 4.2, PSE Rules on Disclosure: Selective Disclosure of Material Information

An Issuer is prohibited to communicate material non-public information about the Issuer to any person, unless the Issuer is ready to simultaneously disclose the material non-public information to the PSE. This Rule does not apply if the disclosure is made to:

(a) A person who is bound by duty to maintain trust and confidence to the Issuer such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and

(b) A person who agrees in writing to maintain in strict confidence the disclosed material information and will not take advantage of it for his personal gain.

The Issuer shall establish and implement internal controls that will ensure that its officers, staff and any other person who is privy to the material non-public information shall comply with the requirement of this rule.

Section 4.3, PSE Rules on Disclosure: Standard and Test in Determining Whether Disclosure is Necessary

A disclosure must be made promptly by the Issuer if it meets any of the following standards:

(ii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;

(iii) the information is generated for the internal management purposes of the entity;

(iv) the information is a trade secret.

(4) In complying with the SGX-ST's disclosure requirements, an issuer must:

(a) observe the Corporate Disclosure Policy set out in Appendix 7.1 of the SGX Listing Manual, and

(b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.

(5) The SGX-ST will not waive any requirements under this Rule.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or b. Where such information is necessary to avoid the creation of a false market for its securities; or **c.** Where such information may reasonably be expected to materially affect market activity and the price of its securities.	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Section 4.4, PSE Rules on Disclosure: Events Mandating Prompt Disclosure

The following events, while not comprising a list of all the situations must be disclosed to the PSE in compliance with Section 4.1, PSE Rules on Disclosure:

a. A change in control of the Issuer;

b. The filing of any legal proceeding by or against the Issuer and/or its subsidiaries, involving a claim amounting to 10% or more of the Issuer's total current assets or any legal proceeding against its President and/or any member of its board of directors in their capacity as such;

c. Changes in the Issuer's corporate purpose and any material alterations in the issuer's activities or operations or the initiation of new ones;

d. Resignation or removal of directors, officers or senior management and their replacements and the reasons for such;

e. Any decision taken to carry out extraordinary investments or the entering into financial or commercial transactions that might have a material impact on the Issuer's situation;

f. Losses or potential losses, the aggregate of which amounts to at least ten percent (10%) of the consolidated total assets of the Issuer;

g. Occurrence of any event of dissolution with details in respect thereto;

h. Acts and facts of any nature that might seriously obstruct the development of corporate activities, specifying its implications on the Issuer's business;

i. Any licensing or franchising agreement or its cancellation which may materially affect the Issuer's operations;

j. Any delay in the payment of debentures, negotiable obligations, bonds or any other publicly traded security;

k. Creation of mortgages or pledges on assets exceeding ten percent (10%) or more of the Issuer's total assets;

l. Any purchase or sale of stock or convertible debt securities of other companies when the amount is ten percent (10%) or more of the

Rule 704, SGX Listing Manual: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:-

General

(1) Any change of address of the registered office of the issuer or of any office at which the register of members or any other register of securities of the issuer is kept.

(2) Any proposed alteration to the memorandum of association or articles of association or constitution of the issuer.

(3) [Deleted]

(4) Any call to be made on partly paid securities of the issuer or of any of its principal subsidiaries.

(5) Any qualification or emphasis of a matter by the auditors on the financial statements of:-

(a) the issuer; or

(b) any of the issuer's subsidiaries or associated companies, if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position.

(6) If an issuer has previously announced its preliminary full-year results, any material adjustment to the issuer's preliminary full year results made subsequently by auditors.

Appointment or cessation of service

(7)

(a) Any appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority must contain the information contained in Appendix 7.4.1 or Appendix 7.4.2 of the SGX Listing Manual, as the case may be.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	Issuer's total assets; m. Contracts of any nature that might limit the distribution of profits with copies thereof; n. Facts of any nature that materially affect or might materially affect the economic, financial or equity situation of those companies controlling, or controlled by the Issuer including the sale of or the constitution of sureties/pledges on a substantial part of its assets; o. Authorisation, suspension, retirement or cancellation of the listing of the Issuer's securities on an exchange or electronic marketplace domestically or abroad; p. Fines of more than P50,000.00 and/or other penalties on the Issuer or on its subsidiaries by regulatory authorities and the reasons therefor; q. Merger, consolidation or spin-off of the Issuer; r. Any modification in the rights of the holders of any class of securities issued by the Issuer and the corresponding effect of such modification upon the rights of the holders; s. Any declaration of cash dividend, stock dividend and pre-emptive rights by the board of directors; t. Any change in the Issuer's fiscal year and the reason(s) therefor; u. All resolutions, approving material acts or transactions, taken up in meetings of the board of directors and stockholders of the Issuer; v. A joint venture, consolidation, acquisition, tender offer, take-over or reverse take-over and a merger; w. Capitalisation issues, options, directors/officers/employee stock option plans, warrants, stock splits and reverse splits; x. All calls to be made on unpaid subscriptions to the capital stock of the Issuer; y. Any change of address and contact numbers of the registered office of the Issuer; z. Any change in the auditors of the Issuer and the corresponding reason for such change;	(b) In the case of a cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, such persons must inform the SGX-ST in writing as soon as possible if he is aware of any irregularities in the issuer which would have a material impact on the group, including financial reporting. (8) Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months. (9) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries. The announcement must state the job title, duties and responsibilities of the appointee, and the information required in Rule 704(7). (10) Any promotion of an appointee referred to in Rule 704(9). (11) Any appointment of, or change in legal representative(s) (or person(s) of equivalent authority, however described), appointed as required by any relevant law applicable to the issuer and/or any of its principal subsidiaries, with sole powers to represent, exercise rights on behalf of, the issuer and/or that principal subsidiary. (12) For issuers with principal subsidiaries based in jurisdictions other than Singapore, any of its independent directors' appointment or cessation of service from the boards of these principal subsidiaries. (13) Within 60 days after each financial year, the issuer must make an announcement of each person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

aa. Any proposed amendment to the Articles of Incorporation and By-Laws and its subsequent approval by the Securities and Exchange Commission;

bb. Any action filed in court, or any application filed with the Securities and Exchange Commission, to dissolve or wind-up the Issuer or any of its subsidiaries, or any amendment to the Articles of Incorporation shortening its corporate term;

cc. The appointment of a receiver or liquidator for the Issuer or any of its subsidiaries;

dd. Any acquisition of shares of another corporation or any transaction resulting in such corporation becoming a subsidiary of the Issuer;

ee. Any acquisition by the Issuer of shares resulting in its holding 10% or more of the issued and outstanding shares of another listed company or where the total value of its holdings exceed 5% of the net assets of an unlisted corporation;

ff. Any sale made by the Issuer of its shareholdings in another listed or unlisted corporation: (1) resulting in such corporation ceasing to be its subsidiary; (2) resulting in its shareholding falling below 10% of the issued capital stock;

gg. Firm evidence of significant improvement or deterioration in near-term earnings prospects;

hh. The purchase or sale of significant assets amounting to ten percent (10%) or more of the Issuer's total assets otherwise than in the ordinary course of business;

ii. A new product or discovery;

jj. The public or private sale of additional securities;

kk. A call for redemption of securities;

ll. The borrowing of a significant amount of funds not in the ordinary course of business;

mm. Default of financing or sale agreements;

nn. Deviation from capital investment funds equivalent to twenty percent (20%) of the original amount appropriated;

oo. Disputes with subcontractors, customers or suppliers or with any other parties;

the issuer as set out in Appendix 7.2 Part II of the SGX Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.

Appointment of Special Auditors

(14) SGX-ST may require an issuer to appoint a special auditor to review or investigate the issuer's affairs and report its findings to SGX-ST or the issuer's audit committee or such other party as SGX-ST may direct. The issuer may be required by the SGX-ST to immediately announce the requirement, together with such other information as SGX-ST directs. The issuer may be required by SGX-ST to announce the findings of the special auditors.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	pp. An increase or decrease by 10% in the monthly, quarterly and annual revenues on a year-on-year basis. **Section 8, PSE Rules on Disclosure: Disclosure of the Amendments to the Articles of Incorporation and By-Laws** Upon approval by the Securities and Exchange Commission of the amendment to the Articles of Incorporation and By-Laws of an Issuer, the following should be submitted to the PSE within two (2) trading days: a. SEC Certified True Copy of the Amended Articles of Incorporation and By-Laws; and b. Detailed procedure to be undertaken by the Issuer in amending its stock certificates, if required. **Section 11, PSE Rules on Disclosure: Disclosure of Pending Release of Shares held under Voluntary Lock-Up** The Issuer must notify the PSE of the release of the shares held under escrow not earlier than fifteen (15) trading days but not later than ten (10) trading days before the end of the voluntary lock-up period.	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

General Meetings

Section 7, PSE Rules on Disclosure: Disclosure on Stockholders' Meeting

For the holding of any stockholders' meeting, the PSE must be given a written notice thereof at least Ten (10) trading days prior to the record date fixed by the Issuer. The notice must include all the necessary details including the time, venue, and agenda of the meeting and the inclusive dates when the stock and transfer books will be closed. The Issuer shall further submit within Five (5) trading days after the record date the list of stockholders who are entitled to notice and to vote at a regular or special stockholders' meeting.

(15) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of the notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting).

(16) All resolutions put to a general meeting of an issuer, and immediately after such meeting, whether or not the resolutions were passed.

Acquisitions and Realisations

Please refer to Section 4.4, PSE Rules on Disclosure at paragraph "Reporting Requirements" for further details.

Section 4.3, PSE Rules on Disclosure

a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or

Section 4.4, PSE Rules on Disclosure

dd. any acquisition of shares of another corporation or any transaction resulting in such corporation becoming subsidiary of the Issuer.

ee. Any acquisition by the Issuer of shares resulting in its holding 10% or more of the issued and outstanding shares of another listed company or where the total value of its holdings exceed 5% of the net assets of an unlisted corporation;

Acquisitions and Realizations

(17) Any acquisition of:-

(a) shares resulting in the issuer holding 10% or more of the total number of issued shares excluding treasury shares of a quoted company;

(b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must state:-

(i) the aggregate cost of the issuer's quoted investments before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;

(ii) the total market value of its quoted investments before and after the acquisition; and

(iii) the amount of any provision for diminution in value of investments;

(c) shares resulting in a company becoming a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and

(d) shares resulting in the issuer increasing

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		its shareholding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)).
		(18) Any sale of: (a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares of a quoted company; (b) except for an issuer which is a bank, finance company, securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(17)(b)(i) to (iii), relating to a sale instead of an acquisition; (c) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and (d) shares resulting in the issuer reducing its share holding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)).
		(19) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10.
Winding Up, Judicial Management, etc		
	Please refer to Section 4.4, PSE Rules on Disclosure at paragraph “Reporting Requirements” for further details.	(20) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.
		(21) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.
		(22) Any breach of any loan covenants or any notice received from principal bankers or from the trustee of any debenture holders to demand repayment of loans granted to the issuer or any of its subsidiaries which, in the opinion of the issuer's directors, would result in the issuer facing a cash flow problem.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		(23) Where Rule 704(20), (21) or (22) applies, a monthly update must be announced regarding the issuer's financial situation, including: (a) the state of any negotiations between the issuer and its principal bankers or trustee; and (b) the issuer's future direction, or other material development that may have a significant impact on the issuer's financial position. If any material development occurs between the monthly updates, it must be announced immediately.
Announcement of Results, Dividends, etc		
	Section 6, PSE Rules on Disclosure: Disclosure of Dividend Declarations The Issuer must disclose to the PSE dividend declarations as approved by its board of directors and shareholders in accordance with Section 4.1, PSE Rules on Disclosure.	(24) Any recommendation or declaration of a dividend (including a bonus or special dividend, if any), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced. (25) After the end of each of the first three quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:- (a) dividend; (b) capitalisation or rights issue; (c) closing of the books; (d) capital return; (e) passing of a dividend; or (f) sales or turnover unless it is accompanied by the results of the quarter, half year or financial year, as the case may be, or the results have been announced.
Books Closure		
	Section 6.1, PSE Rules on Disclosure:	(26) Any intention to fix a books closure date,

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	Disclosure of Record Date The Issuer must set the record date in accordance with the rules of the Securities and Exchange Commission and when appropriate, of the rules of the Bangko Sentral ng Pilipinas. The disclosure of the record date must not be less than ten (10) trading days from the said date. **Section 6.2, PSE Rules on Disclosure: Determination of Payment Date** The Issuer must set the payment date in accordance with the rules of the Commission and when appropriate, of the rules of the Bangko Sentral ng Pilipinas. **Section 7, PSE Rules on Disclosure: Disclosure on Stockholders' Meeting** Disclosure on Stockholder's Meeting: For the holding of any stockholders' meeting, the Exchange must be given a written notice thereof at least ten (10) trading days prior to the record date fixed by the Issuer. The notice must include all the necessary details including the time, venue, and agenda of the meeting and the inclusive dates when the stock and transfer books will be closed. The Issuer shall further submit within five (5) trading days after the record date the list of stockholders who are entitled to notice and to vote at a regular or special stockholders' meeting.	stating the date, reason and address of the share registry at which the relevant documents will be accepted for registration. At least 5 market days of notice (excluding the date of announcement and the books closure date) must be given for any books closure date. Issuers could consider a longer notice period, where necessary. Subject to the provisions of the Singapore Companies Act, the SGX-ST may agree to a shorter books closure period. In fixing a books closure date, an issuer must ensure that the last day of trading on a cum basis falls at least 1 day after the general meeting, if a general meeting is required to be held. (27) The issuer must not close its books for any purpose until at least 8 market days after the last day of the previous books closure period. This rule does not prohibit identical books closure dates for different purposes.
Treasury Shares		
	Please refer to Section 9, PSE Rules on Disclosure at paragraph "Restrictions on Repurchase of Shares" for further details.	**Treasury Shares** (28) Any sale, transfer, cancellation and/or use of treasury shares, stating the following:- (a) date of the sale, transfer, cancellation and/or use; (b) purpose of such sale, transfer, cancellation and/or use; (c) number of treasury shares sold, transferred, cancelled and/or used; (d) number of treasury shares before and after such sale, transfer, cancellation and/or use; (e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		(f) value of the treasury shares if they are used for a sale or transfer, or cancelled.
Share Option Scheme		
	Please refer to the sections under Part D, Article V, PSE Rules on Additional Listing at paragraph "Share Option Schemes or Share Schemes" for further details. **Section 4.4, PSE Rules on Disclosure** w. Capitalisation issues, options, directors/officers/employee stock option plans, warrants, stock splits and reverse splits;	(29) Any grant of options or shares. The announcement must be made on the date of the offer and provide details of the grant, including the following:- (a) Date of grant; (b) Exercise price of options granted; (c) Number of options or shares granted; (d) Market price of its securities on the date of grant; (e) Number of options or shares granted to each director and controlling shareholder (and each of their associates), if any; (f) Validity period of the options.
Loan agreements / Issue of Debt Securities		
	Sec. 4.4, PSE Rules on Disclosure ll. the borrowing of a significant amount of funds not in the ordinary course of business; mm. Default of financing or sale agreements;	(31) When the issuer or any of its subsidiaries enters into a loan agreement or issues debt securities that contain a condition making reference to shareholding interests of any controlling shareholder in the issuer, or places restrictions on any change in control of the issuer, and the breach of this condition or restriction will cause a default in respect of the loan agreement or debt securities, significantly affecting the operations of the issuer: (a) The details of the condition(s) making reference to shareholding interests of such controlling shareholder in the issuer or restrictions placed on any change in control of the issuer; and (b) The aggregate level of these facilities that may be affected by a breach of such condition or restriction. (32)Any breach of the terms of loan agreements or debt issues which may have a significant impact on the operations of the issuer.
Notifiable Transactions		
	Section 4.3, PSE Rules on Disclosure:	**Chapter 10 of the SGX Listing Manual**

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	Standard and Test in Determining Whether Disclosure is Necessary A disclosure must be made promptly by the Issuer if it meets any of the following standards: a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or b. Where such information is necessary to avoid the creation of a false market for its securities; or c. Where such information may reasonably be expected to materially affect market activity and the price of its securities; **Section 5, PSE Rules on Disclosure: Disclosure for Substantial Acquisitions and Reverse Takeovers** When an Issuer or its subsidiary has merged or consolidated with or otherwise acquires a direct or indirect interest in an unlisted company, person or group, and said interest is ten percent (10%) or more of the total book value of the listed company, the trading of the securities of the listed company shall be suspended until the terms and conditions of the transaction, and the details pertaining to the business or project acquired are actually disclosed and, if applicable, the latest audited financial statements of the unlisted company, are submitted to the PSE. The foregoing, however, shall not apply to cases where the Issuer has merged or consolidated with or otherwise acquires an interest in its existing subsidiary(ies).	**(Acquisitions and Realizations)** **Rule 1004, SGX Listing Manual** Transactions are classified as:- (a) non-discloseable transactions, (b) discloseable transactions; (c) major transactions; and (d) very substantial acquisitions or reverse takeovers. **Rule 1005, SGX Listing Manual** In determining whether a transaction falls within category (a), (b), (c) or (d) of Rule 1004, SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction. **Rule 1006, SGX Listing Manual** A transaction may fall into category (a), (b), (c) or (d) of Rule 1004 depending on the size of the relative figures computed on the following bases:- (a) the net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets; (b) the net profits attributable to the assets acquired or disposed of, compared with the group's net profits; (c) the aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares; (d) the number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue. Transactions are categorized as follows:- - non-discloseable transaction: where all of the relative figures computed on the bases set out in Rule 1006 amount to 5% or less; - discloseable transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds 5% but does not exceed 20%; - major transaction: where any of the relative

figures computed on the bases set out in Rule 1006 exceeds 20%; and

- very substantial acquisition or reverse takeover: Where any of the relative figures in Rule 1006 is 100% or more, or where there is a change in control of the issuer.

Rule 1008(1), SGX Listing Manual

Where a transaction is classified as a non-discloseable transaction, unless Rule 703, 905 or 1009 of the SGX Listing Manual applies, no announcement of the transaction is required.

Rule 1009, SGX Listing Manual

If the consideration is satisfied wholly or partly in securities for which listing is being sought, the issuer must announce the transaction as soon as possible after the terms have been agreed, stating the information set out in Chapter 10 Part VI of the SGX Listing Manual.

Rule 1010, Rule 1014(1) and Rule 1015(1), SGX Listing Manual

Where a transaction is classified as a discloseable transaction, major transaction or very substantial acquisition/reverse takeover, the Company must make an immediate announcement, which includes the details prescribed in Rule 1010 of the SGX Listing Manual (as set out below):-

(1) particulars of the assets acquired or disposed of, including the name of any company or business, where applicable;

(2) a description of the trade carried on, if any;

(3) the aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment;

(4) whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof;

(5) the value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation;

(6) in the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case

of an acquisition, the source(s) of funds for the acquisition;

(7) the net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal;

(8) the effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year;

(9) the effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year;

(10) the rationale for the transaction including the benefits which are expected to accrue to the issuer as a result of the transaction;

(11) whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests;

(12) details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and

(13) the relative figures that were computed on the bases set out in Rule 1006.

Rule 1014(2) and Rule 1015(2), SGX Listing Manual

Further, transactions that are major transactions are conditional upon the prior approval of shareholders. Very substantial acquisitions/ reverse takeovers transactions are conditional upon the approval of shareholders and the approval of the SGX-ST.

A circular to shareholders will need to be distributed to seek shareholders approval.

The disclosures required to be made in such circular for these types of transactions are prescribed in the SGX Listing Manual.

Rule 1015(1)(b) and Rule 1015(2), SGX Listing Manual

For very substantial acquisitions/reverse takeovers, the issuer must also immediately announce the latest three years of proforma financial information of the assets to be acquired and obtain the approval of the SGX-ST.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		The enlarged group must also comply with the requirements in Rule 1015(3) of the SGX Listing Manual.

Announcement of financial results and annual reports

2.

Section 17.2, PSE Rules on Disclosure: Submission of Periodic and Other Reports by Listed Companies to the PSE

Issuers shall file with the PSE the following periodic and other reports:

a. Annual Report: An annual report using SEC Form 17-A within 105 days after the end of the fiscal year, or such other time as the Securities and Exchange Commission by rule shall prescribe.

b. Three (3) Quarterly Reports, within 45 days from end of the first three quarters of the fiscal year, the SEC Form 17-Q format shall be used. Issuers must include a schedule of aging of accounts receivables in their SEC Form 17-Q submitted to the PSE.

c. Other Periodical Reports Prescribed by the Securities and Exchange Commission: Such other periodical reports for interim fiscal periods and current reports on significant developments of the Issuer as the Securities and Exchange Commission may prescribe as necessary to update and keep current information on the operation of the business and financial condition of the Issuer.

Section 17.3, PSE Rules on Disclosure: Form of Periodic Report

All reports (including financial statements) required to be filed with the Securities and Exchange Commission and the PSE pursuant to Section 17.2, PSE Rules on Disclosure shall, be in such form, contain such information and be filed at such times as the Securities and Exchange Commission by rule shall prescribe, and in lieu of any periodical or current reports or financial statements otherwise required to be filed under the Corporation Code of the Philippines.

Section 17.4, PSE Rules on Disclosure: Furnishing of Annual Report to Shareholders

Every Issuer shall furnish to each holder of such equity security an annual report in such form and containing such information as the Securities and Exchange Commission by rule shall prescribe.

Rule 705, SGX Listing Manual: Financial Statements

(1) An issuer must announce the financial statements for the full financial year (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.

(2) An issuer must announce the financial statements for each of the first three quarters of its financial year (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:-

(a) its market capitalization exceeded S$75 million as at 31 March 2003; or

(b) it was listed after 31 March 2003 and its market capitalization exceeded S$75 million at the time of listing (based on the I PO issue price); or

(c) its market capitalization is S$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006. An issuer whose obligation falls within this sub-section (c) will have a grace period of a year to prepare for quarterly reporting. As an illustration, an issuer whose market capitalization is S$75 million or higher as at the end of the calendar year 31 December 2006 must announce its quarterly financial statements for any quarter of its financial year commencing in 2008.

Notwithstanding the grace period, all issuers whose obligation falls under this sub-section (c) are strongly encouraged to adopt quarterly reporting as soon as possible.

(3) (a) An issuer who falls within the subsections in Rule 705(2) above must comply with Rule 705(2) even if its market capitalization subsequently

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

decreases below S$75 million.

(b) An issuer who does not fall within the sub-sections in Rule 705(2) above must announce its first half financial statements (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.

(4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705(1) or (2) following its listing on the SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcement of the financial statements provided that the following conditions are satisfied:

(a) the extension is announced by the issuer at the time of the issuer's listing; and

(b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its prospectus in connection with its listing on SGX-ST.

(5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.

Rule 707, SGX Listing Manual

(1) The time between the end of an issuer's financial year and the date of its annual general meeting (if any) must not exceed four months.

(2) An issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

Section 17, Securities Regulation Code: Reportorial Requirements

Section 17.1, Securities Regulation Code

Every Issuer satisfying the requirements in Section 17.2 of the Securities Regulation Code shall file with the Securities and Exchange Commission:

a) Within one hundred thirty-five (135) days, after the end of the issuer's fiscal year, or such other time as the Securities and Exchange Commission may prescribe, an annual report which shall include, among others, a balance sheet, profit and loss statement and statement of cash flows, for such last fiscal year, certified by an independent certified public accountant, and a management discussion and analysis of results of operations; and

b) Such other periodical reports for interim fiscal periods and current reports on significant developments of the issuer as the Securities and Exchange Commission may prescribe as necessary to keep current information on the operation of the business and financial condition of the issuer.

Section 17.2, Securities Regulation Code

The reportorial requirements of Section 17.1 of the Securities Regulation Code shall apply to the following:

a) An issuer which has sold a class of its securities pursuant to a registration under Section 12 of the Securities Regulation Code: Provided, however, That the obligation of such issuer to file reports shall be suspended for any fiscal year after the year such registration became effective if such issuer, as of the first day of any such fiscal year, has less than one hundred (100) holders of such class of securities or such other number as the Securities and Exchange Commission shall prescribe and it notifies the Securities and Exchange Commission of such;

b) An issuer with a class of securities listed for trading on an organised marketplace or facility that brings together buyers and sellers and executes trades of securities and/or commodities; and

c) An issuer with assets of at least Fifty million pesos (P50,000,000.00) or such other amount as the Securities and Exchange Commission shall prescribe, and having Two hundred

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	(200) or more holders each holding at least One hundred (100) shares of a class of its equity securities: Provided, however, That the obligation of such issuer to file reports shall be terminated ninety (90) days after notification to the Securities and Exchange Commission by the issuer that the number of its holders holding at least one hundred (100) shares is reduced to less than One hundred (100).	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Appointment of Auditors

SEC Memorandum Circular No. 19 Series of 2016, Code of Corporate Governance for Publicly-Listed Companies

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1: The Audit Committee should have a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external auditor should be recommended by the Audit Committee, approved by the Board and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures.

Recommendation 9.2: The Audit Committee Charter should include the Audit Committee's responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter should also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.

Recommendation 9.3: The company should disclose the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee should be alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.

Rule 712, SGX Listing Manual: Appointment of Auditors

(1) An issuer must appoint a suitable accounting firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the accounting firm and the persons assigned to the audit, the firm's audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit.

(2) The auditing firm appointed by the issuer must be:-

(a) Registered with the Accounting and Corporate Regulatory Authority;

(b) Registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies; or

(c) Any other auditing firm acceptable by the SGX-ST.

(3) A change in auditors must be specifically approved by shareholders in a general meeting.

Rule 713, SGX Listing Manual

(1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than 5 consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after 2 years.

(2) If the listing of an issuer occurs after 5 consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Public Float Requirement

3.

Section 3, Article XVIII, Continuing Listing Requirements of the Listing and Disclosure Rules

(a) Listed companies shall, at all times, maintain a minimum percentage of listed securities held by the public of ten percent (10%) of the listed companies' issued and outstanding shares, exclusive of any treasury shares, or as such percentage that may be prescribed by the Exchange. The Exchange may impose a higher percentage effective upon receipt by the Commission of written notice of such increase. The Exchange may decrease the percentage or suspend or remove the same only with prior approval from the Commission.

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(c) A listed company shall immediately disclose to the Exchange if it becomes aware that the number of listed securities which are in the hands of the public has fallen below the prescribed minimum percentage.

(d) Once the listed company becomes aware that the number of its listed securities in the hands of the public has fallen below the prescribed minimum percentage, the listed company shall take steps to ensure compliance at the earliest possible time, and shall immediately disclose to the Exchange such steps.

xxx

(f) Listed companies shall disclose within fifteen (15) calendar days after the end of each quarter a public ownership report.

(g) Companies which are non-compliant with the minimum public ownership ("**MPO**") as of December 31, 2011, may be allowed a grace period to comply with the MPO requirement. The grace period shall be reckoned from the date of effectivity of these amendments and shall not exceed twelve (12) months but not beyond December 31, 2012.

(h) Listed companies other than those under paragraph (g) that are non-compliant with the MPO requirement may be allowed a grace period to comply with the MPO requirement to be reckoned from either: (i) the date when the listed company makes a disclosure that its public ownership level has fallen below the MPO requirement prescribed by the Exchange; or (ii) when the listed company submits its

Rule 723, SGX Listing Manual

An issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

Rule 724, SGX Listing Manual

If the percentage of securities in public hands falls below 10%, the issuer must, as soon as practicable, make an announcement and the SGX-ST may suspend trading of the class, or all of the securities of the issuer.

The SGX-ST may allow the issuer a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10%. The issuer may be delisted if it fails to restore the percentage of securities in public hands to at least 10% after the period.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	quarterly Public Ownership Report which shows that the listed company has not complied with the MPO requirement, whichever comes earlier, and such grace period shall not exceed twelve (12) months but not beyond December 31, 2012. (i) Immediately after the grace period, the Exchange shall impose a trading suspension for a period of not more than six (6) months. If after the lapse of the suspension period, a listed company remains non-compliant with the MPO requirement, it shall be automatically delisted. (j) Listed companies which become non-compliant with the MPO on or after January 1, 2013 shall be suspended from trading for a period of not more than six (6) months and shall be automatically delisted if it remains non-compliant with the MPO after the lapse of the suspension period.	
Shareholders' Reporting Obligations		
4.	**Section 13, PSE Rules on Disclosure: Disclosure on Transactions of Directors and Principal Officers in the Issuer's Securities** Notwithstanding Section 17.5 of the PSE Rules on Disclosure, Issuers must disclose to the PSE the direct and indirect ownership of its directors and principal officers in its securities within five (5) trading days after: a. The Issuer's securities is first admitted in the Official Registry of the PSE; b. a Director is first elected or an Officer is appointed; c. any acquisition, disposal, or change in the shareholdings of the Directors and Officers. A Director or a Principal Officer of an Issuer must not deal in the Issuer's securities during the period within which a material non-public information is obtained and up to two full trading days after the price sensitive information is disclosed. **Section 17.5, PSE Rules on Disclosure: Reports on Beneficial Ownership** Any person who is directly or indirectly the beneficial owner of any equity security of a listed Issuer or is a director, officer or principal stockholder thereof shall submit the necessary reports in accordance with the requirements of Sections 18 and 23, as the case may be, of the Securities Regulation Code.	**Obligation to notify the Company of substantial shareholding and change in substantial shareholding** **Section 81 of the Singapore Companies Act** A person has a substantial shareholding in a company being a company the share capital of which is divided into 2 or more classes of shares, if (a) he has an "interest" in or interests in one or more voting shares included in one of those classes; and (b) the total votes attached to that share, or those shares is not less than 5 percent of the total votes attached to all the voting shares included in that class. "voting shares" exclude treasury shares and a person who has a substantial shareholding in a company is a substantial shareholder in that company. A person has a substantial shareholding in a company if he has an "interest" in one or more voting shares in the company, and the total votes attached to those shares is not less than 5 per cent of the total votes attached to all the voting shares in the company. **Section 82 of the Singapore Companies Act** A substantial shareholder of a company is required to notify the company in writing of his "interests" in the voting shares in the company within two business days after becoming a substantial shareholder, stating his name and address and full particulars (including unless the interest or interests cannot be related to a

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Section 18, Securities Regulation Code: Reports by Five per centum Holders of Equity Securities

Section 18.1, Securities Regulation Code

In every case in which an issuer satisfies the requirements of Section 17.2 of the Securities Regulation Code, any person who acquires directly or indirectly the beneficial ownership of more than five per centum (5%) of such class or in excess of such lesser per centum as the Securities and Exchange Commission by rule may prescribe, shall, within ten (10) days after such acquisition or such reasonable time as fixed by the Securities and Exchange Commission, submit to the issuer of the security, to the exchange where the security is traded, and to the Securities and Exchange Commission a sworn statement containing the following information and such other information as the Securities and Exchange Commission may require in the public interest or for the protection of investors:

a) The personal background, identity, residence, and citizenship of, and the nature of such beneficial ownership by, such person and all other persons by whom or on whose behalf the purchases are effected; in the event the beneficial owner is a juridical person, the lines of business of the beneficial owner shall also be reported;

b) If the purpose of the purchases or prospective purchases is to acquire control of the business of the issuer of the securities, any plans or proposals which such persons may have that will effect a major change in its business or corporate structure;

c) The number of shares of such security which are beneficially owned, and the number of shares concerning which there is a right to acquire, directly or indirectly, by: (i) such person, and (ii) each associate of such person, giving the background, identity, residence, and citizenship of each such associate; and

d) Information as to any contracts, arrangements, or understanding with any person with respect to any securities of the issuer including but not limited to transfer, joint ventures, loan or option arrangements, puts or calls, guarantees or division of losses or profits, or proxies naming the persons with whom such contracts, arrangements, or understanding have been entered into, and giving the details thereof.

Section 18.2, Securities Regulation Code

particular share or shares the name of the person who is registered as the holder) of the voting shares in the company in which he has an interest or interests and full particulars of each such interest and of the circumstances by reason of which he has that interest.

The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of the two business days.

Sections 83 and 84 of the Singapore Companies Act

A substantial shareholder is required to notify the company in writing of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder, again within two business days after he is aware of such changes.

The reference to changes in “percentage level” means the percentage figure ascertained by expressing the total votes attached to all the voting shares in which the substantial shareholder has an interest or interests immediately before or (as the case may be) immediately after the relevant time as a percentage of the total votes attached to:-

(a) all the voting shares in the company; or

(b) where the share capital of the company is divided into 2 or more classes of shares, all the voting shares included in the class concerned,

and, if it is not a whole number, rounding that figured own to the next whole number.

The notice must contain

(a) the name and address of the substantial shareholder;

(b) the date of the change and the circumstances leading to that change; and

(c) such other particulars as may be prescribed.

Disclosure to Corporations by Substantial Shareholders
Sections 135, 136 and 137, SFA

Any person who:

(i) is or (if he has ceased to be one) had been a “substantial shareholder”,

(ii) has a change in the “percentage level” (within

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

If any change occurs in the facts set forth in the statements, an amendment shall be transmitted to the issuer, the PSE and the Securities and Exchange Commission.

Section 18.3, Securities Regulation Code

The Securities and Exchange Commission, may permit any person to file in lieu of the statement required by Section 17.1, Securities Regulation Code, a notice stating the name of such person, the shares of any equity securities subject to Section 17.1 which are owned by him, the date of their acquisition and such other information as the Securities and Exchange Commission may specify, if it appears to the Securities and Exchange Commission that such securities were acquired by such person in the ordinary course of his business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer nor in connection with any transaction having such purpose or effect.

Section 23, Securities Regulation Code: Transactions of Directors, Officers and Principal Stockholders

Section 23.1, Securities Regulation Code

Every person who is directly or indirectly the beneficial owner of more than ten per centum (10%) of any class of any equity security which satisfies the requirements of Section 17.2, Securities Regulation Code, or who is a director or an officer of the issuer of such security, shall file, at the time either such requirement is first satisfied or after ten days after he becomes such a beneficial owner, director, or officer, a statement with the Securities and Exchange Commission and, if such security is listed for trading on an exchange, also with the exchange, of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten (10) days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Securities and Exchange Commission, and if such security is listed for trading on an exchange, shall also file with the PSE, a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month.

Section 23.2, Securities Regulation Code

For the purpose of preventing the unfair use of information which may have been obtained by such beneficial owner, director, or officer by reason of his relationship to the issuer, any profit

the meaning of the SFA) of his/its interest as a substantial shareholder,

(iii) ceases to be a substantial shareholder of a corporation (generally refers to: (a) a Singapore-incorporated company any or all of the shares in which are listed on the SGX-ST; or (b) a foreign-incorporated company any or all of the shares in which are primarily listed for quotation on the SGX-ST) (the "**Corporation**"), is required to give written notice to the Corporation of:

(i) the particulars of the voting shares in the Corporation and the nature and extent of the interests,

(ii) the change in interests; or

(iii) the cessation as substantial shareholder,
as the case may be.

The notice shall be given in such form and contain such information as the MAS may prescribe and shall be given 2 business days after the person becomes aware that (i) he is or had been a substantial shareholder, (ii) there is a change of interest; or (iii) he has ceased to be a substantial shareholder, as the case may be.

Notification by and to Beneficial Owners

Sections 137A, SFA

Where a person authorises another person to hold, acquire or dispose of, on his behalf, voting shares or an interest or interest in voting shares in a Corporation, he shall take reasonable steps to ensure that the second-mentioned person notifies him as soon as practicable, and in any case, no later than 2 business days after any acquisition or disposal of any of those voting shares or interest or interests In voting shares affected by the second-mentioned person on his behalf, which will or may give rise to any duty on the part of the first-mentioned person to give notice under the provisions of the SFA.

Sections 137B, SFA

Where a person holds voting shares in a Corporation, being voting shares in which another person has an interest, he shall give to the second-mentioned person a notice of an acquisition or disposal of any of those shares effected by him, in such form as the MAS may prescribe, as soon as practicable, and in any case, no later than 2 business days after acquiring or disposing of the shares.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	realized by him from any purchase and sale, or any sale and purchase, of any equity security of such issuer within any period of less than six (6) months, unless such security was acquired in good faith in connection with a debt previously contracted, shall inure to and be recoverable by the issuer, irrespective of any intention of holding the security purchased or of not repurchasing the security sold for a period exceeding six (6) months. Suit to recover such profit may be instituted before the Regional Trial Court by the issuer, or by the owner of any security of the issuer in the name and in behalf of the issuer if the issuer shall fail or refuse to bring such suit within sixty (60) days after request or shall fail diligently to prosecute the same thereafter, but no such suit shall be brought more than two (2) years after the date such profit was realized. This Section 23.2 shall not be construed to cover any transaction where such beneficial owner was not such both at the time of the purchase and sale, or the sale and purchase, of the security involved, or any transaction or transactions which the Securities and Exchange Commission by rules and regulations may exempt as not comprehended within the purpose of this section. **Section 23.3, Securities Regulation Code** It shall be unlawful for any such beneficial owner, director, or officer, directly or indirectly, to sell any equity security of such issuer if the person selling the security or his principal: (a) Does not own the security sold; or (b) If owning the security, does not deliver it against such sale within twenty (20) days thereafter, or does not within five (5) days after such sale deposit it in the mails or other usual channels of transportation; but no person shall be deemed to have violated this Section 23.2 if he proves that notwithstanding the exercise of good faith he was unable to make such delivery or deposit within such time, or that to do so would cause undue inconvenience or expense. **Section 23.4, Securities Regulation Code** The provisions of Section 23.2, Securities Regulation Code shall not apply to any purchase and sale, or sale and purchase, and the provisions of Section 23.3 shall not apply to any sale, of an equity security not then or thereafter held by him in an investment account, by a dealer in the ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market, otherwise than on an exchange, for such security. The Securities and Exchange Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market.	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Restrictions on Repurchase of Shares

5. **Section 9, PSE Rules on Disclosure: Disclosure of Acquisition of Outstanding Shares and Sale of Treasury Shares**

The Issuer must promptly disclose any planned acquisition of its shares or disposition of treasury shares. In addition, the Issuer must submit a disclosure regarding the actual number of shares and the transaction price for each acquisition or disposition of its own shares prior to the pre-open period of the next trading day after the transaction was executed. The planned acquisition or disposition must likewise be in accordance with the rules and regulations of the Securities and Exchange Commission.

Section 10, PSE Rules on Disclosure: Disclosure of Acquisition by the Issuer's Subsidiaries, Affiliates and Others

The Issuer must submit a disclosure to the PSE regarding the actual number of shares and the transaction price for each acquisition or disposal of the Issuer's shares by its subsidiaries, affiliates or entities controlled or managed by the Issuer prior to the pre-open period of the next trading day after the transaction was executed or such other related information that the PSE may require.

Section 41, Corporation Code of the Philippines

A stock corporation shall have the power to purchase or acquire its own shares for a legitimate corporate purpose or purposes, including but not limited to the following cases: Provided, That the corporation has unrestricted retained earnings in its books to cover the shares to be purchased or acquired:

1. To eliminate fractional shares arising out of stock dividends;

2. To collect or compromise an indebtedness to the corporation, arising out of unpaid subscription, in a delinquency sale, and to purchase delinquent shares sold during said sale; and

3. To pay dissenting or withdrawing stockholders entitled to payment for their shares under the provisions of the Corporation Code.

Share Buyback

(a) Shareholder Approval

Rule 881, SGX Listing Manual

An issuer may purchase its own shares ("**Share Buyback**") if it has obtained the prior specific approval of shareholders in general meeting.

Rule 882, SGX Listing Manual

A share buy-back may only be made on the SGX-ST or on another stock exchange on which the issuer's securities are listed ("**Market Purchases**") or by way of an off-market acquisition in accordance with an equal access scheme as defined in section 76C of the Singapore Companies Act.

Rule 883, SGX Listing Manual

For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:-

(1) the information required under the Singapore Companies Act;

(2) the reasons for the proposed share buyback;

(3) the consequences, if any, of share purchases by the issuer that will arise under the Singapore Takeover Code or other applicable takeover rules;

(4) whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST;

(5) details of any share buy-back made by the issuer in the previous 12 months, giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(6) whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

(b) Dealing Restrictions:

Rule 884, SGX Listing Manual

In the case of a Market Purchase, the purchase price must not exceed 105% of the average closing price ("**Average Closing Price**").

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

"**Average Closing Price**" means the average of the closing market prices of a share over the last 5 market days preceding the day of the market purchase on which transactions in the shares were recorded and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

Rule 885, SGX Listing Manual

In the case of off market acquisition in accordance with an equal access scheme, an issuer must issue an offer document to all shareholders containing at least the following information:-

(1) terms and conditions of offer;

(2) period and procedures for acceptances; and

(3) information in Rule 883(2), (3), (4), (5) and (6) of the SGX Listing Manual.

(c) Reporting Requirements

Rule 886(1), SGX Listing Manual

Where an issuer purchases its shares by way of a market purchase, the issuer shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9:00 a.m. on the market day following the day of purchase of any of its shares.

In a case of an off market purchase under an equal access scheme, an issuer must notify the SGX-ST by 9:00 a.m. on the second market day after the close of acceptances of the offer.

Rule 886(2), SGX Listing Manual

Notification of a purchase by the issuer of its shares must be in the form of Appendix 8.3.2 of the SGX Listing Manual (for an issuer with a dual listing on another stock exchange).

Such notification would include, *inter alia*, the name of the overseas exchange on which the company's shares are also listed, the maximum number of shares authorized for purchase, details of the total number of shares authorized for purchase, the date of purchases, the total number of shares purchased, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative number of shares purchased to date and the number of issued shares after the purchase.

Solicitation for Proxy

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
6.	**Section 20, Securities Regulation Code: Proxy Solicitations** **Section 20.1, Securities Regulation Code** Proxies must be issued and proxy solicitation must be made in accordance with rules and regulations to be issued by the Securities and Exchange Commission **Section 20.2, Securities Regulation Code** Proxies must be in writing, signed by the stockholder or his duly authorized representative and file before the scheduled meeting with the corporate secretary. **Section 20.3, Securities Regulation Code** Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at one time. **Section 20.4, Securities Regulation Code** No broker or dealer shall give any proxy, consent or any authorization, in respect of any security carried for the account of the customer, to a person other than the customer, without written authorization of such customer. **Section 20.5, Securities Regulation Code** A broker or dealer who holds or acquire the proxy for at least ten percent (10%) or such percentage as the commission may prescribe of the outstanding share of such issuer, shall submit a report identifying the beneficial owner of ten days after such acquisition, for its own account or customer, to the issuer of security, to the exchange where the security is traded and to the Securities and Exchange Commission.	Depositors who wish to attend and vote at the extraordinary general meeting, and whose names are shown in the records of the Central Depository (Pte) Limited ("**CDP**") as at a time not earlier than 48 hours prior to the time of the extraordinary general meeting supplied by CDP to the company, may attend the extraordinary general meeting in person. Such depositors who are individuals and who wish to attend the extraordinary general meeting in person need not take any further action and can attend and vote at the extraordinary general meeting.

Issuance of New Shares, Convertible Bonds or Bonds with Warrants

7.	**Additional Listing of Securities** **General** **Section 1, Part A, Article V, PSE Rules on Additional Listing: Rule on Additional Listing of Shares** This rule shall apply to transactions resulting in issuance by an issuer of new voting shares to any party or persons acting in concert ("**subscribers**") amounting to at least ten percent (10%) but not more than thirty-five percent	**Issue of Shares, Company Warrants and Convertible Securities For Cash (Other than Rights Issues)** **Rule 811, SGX Listing Manual** (1) An issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

(35%) of the total issued and outstanding capital stock of the issuer through a single or creeping transactions within a period of twelve (12) months from the initial disclosure. Such transactions may include private placements, share swaps, property-for-share swaps, or conversion of securities into equity.

As a general rule, the PSE shall not permit the listing of shares subscribed by related parties unless a rights or public offering is first undertaken.

For the purposes of this rule, "related parties" shall mean affiliates of the listed issuer accounted for by the equity method of accounting; trusts for the benefit of employees such as pension and profit sharing plans that are managed by or under the trusteeship of the management; directors, major shareholders or principal owners of the listed issuer; and its management; members of the immediate families of major shareholders, principal owners and management of the listed issuer.

Section 4, Part A, Article V, PSE Rules on Additional Listing: Comprehensive Corporate Disclosure

The issuer shall submit within five (5) trading days from the initial disclosure the details of the transaction including but not limited to the following:

a) copies of all agreements duly executed that are relevant to the transaction;

b) description of the proposed transaction including the timetable for implementation, and related regulatory requirements;

c) rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction;

d) the aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any arrangements for payment on a deferred basis;

e) the basis upon which the consideration or the issue value was determined;

f) detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining

market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.

(2) An issue of company warrants or other convertible securities is subject to the following requirements:-

   (a) if the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement; and

   (b) if the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion.

(3) Rule 811 (1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.

(4) Where specific shareholders' approval is sought, the circular must include the following:-

   (a) information required under Rule 810 of the SGX Listing Manual; and

   (b) the basis upon which the discount was determined.

Issue of Company Warrants or other Convertible Securities, by way of a Rights Issue or Bought Deal or otherwise

Rule 821, SGX Listing Manual

No date must be fixed for the closing of books until the issue has been approved by the SGX-ST.

Please also refer to the paragraph "Books Closure Date" for further details.

Rule 824, SGX Listing Manual

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

Rule 825, SGX Listing Manual

In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendations of the board of

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

cost of the project;

g) identity of the beneficial owner(s) of the share subscribed (for corporations: date of incorporation and nature of business, major projects and investments, capital structure, audited financial statements for the last three (3) fiscal years, list of subsidiaries and affiliates, board of directors and principal officers; for individuals: list of shareholdings in other companies with the issuer, list of companies where the individual is an officer or a director, and relationships with the existing directors and stockholders of all parties to the transaction);

h) for subscribers with no track record or with no operating history: the subscriber must present a statement of active business pursuits and objectives which details the steps undertaken and proposed to be undertaken by the issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the statements to forecasts or targets;

i) identities of controlling and substantial stockholders of the parties to the transaction, accompanied by a structural chart depicting the structure of the subscriber and the issuer and the interests of such stockholders, both before and after the implementation of the proposed transaction;

j) the interest which directors of the parties to the transaction have in the proposed transaction; and

k) statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders.

Section 5, Part A, Article V, PSE Revised Listing Rules: Stockholders Approval

The issuer must submit a sworn corporate secretary's certification confirming the following:

a) that the stockholders in a regular or special meeting approved the transaction;

b) for related party transactions, in addition to the stockholders' approval of the transaction, the issuer must submit a sworn corporate secretary's certification confirming that a waiver of the requirement to conduct a rights or public offering of the shares subscribed has been granted by a majority vote representing the outstanding shares held by the minority stockholders present or

directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s).

Rule 826, SGX Listing Manual

If application is made for the listing of company warrants or other convertible securities, SGX-ST will normally require a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, SGX-ST expects at least 100 warrant holders for a class of company warrants.

Rule 827, SGX Listing Manual

Company warrants or other convertible securities may be listed only if the underlying securities are (or will become at the same time) one of the following:-

(1) a class of equity securities listed on the SGX-ST; or

(2) a class of equity securities listed or dealt in on a stock market approved by the SGX-ST.

Rule 828, SGX Listing Manual

Each company warrant must:-

(1) give the registered holder the right to subscribe for or buy one share in the total number of issued shares excluding treasury shares of the issuer; and

(2) not be expressed in terms of dollar value.

Rule 829, SGX Listing Manual

The terms of the issue must provide for:-

(1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus or other capitalization issues;

(2) the expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least 1 month before the expiration date; and

(3) any material alteration to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the alterations are made pursuant to the terms of the issue.

represented in the meeting.

The foregoing sworn corporate secretary's certifications must be supported by a report on the tabulations of the votes of the stockholders indicating the number of shares and percentage to the total outstanding shares represented by the majority and minority stockholders in the meeting either in person or by proxy.

In addition to the items required under the Disclosure on Stockholders' Meeting, section 4.4 of the Revised Disclosures Rules, the notice of the meeting shall include:

1) the number of voting shares to be issued to the subscriber(s);

2) a copy of the comprehensive corporate disclosure on the details of the transaction; and

the said notice must be published in the business sections of any two newspapers of general circulation.

Section 6, Part A, Article V, PSE Revised Listing Rules: Rights or Public Offering Requirement

Issuers who failed to obtain an approval from the stockholders as required under Section 5(b) of the PSE Rules on Additional Listing, must first file within 60 calendar days, unless extended by the issuer, an application for a rights or public offering, to be offered to all minority stockholders at an offer price equal to the agreed transaction price and at an offer ratio that would maintain the latter's ownership in the issuer prior to the implementation of the transaction. All major stockholders and directors must abstain from exercising their rights to the offer.

The subscriber in the transaction must take up all the shares left unsubscribed during the offer, provided that such shares to be taken up shall only amount to the number of shares subscribed in the transaction and such subscriptions must be fully paid.

Upon completion of the rights or public offering, the PSE shall proceed with the listing of the shares issued to the subscriber.

Section 7, Part A, Article V, PSE Rules on Additional Listing: Lock-up of Subscribed Shares by Related Parties

For related party transactions whereby the rights or public offering requirement has been waived by a majority vote of the minority stockholders,

Rule 830, SGX Listing Manual

An issuer must announce any adjustment made pursuant to Rule 829(1) of the SGX Listing Manual.

Rule 831, SGX Listing Manual

Except where the alterations are made pursuant to the terms of an issue, an issuer must not:-

(i) extend the exercise period of an existing company warrant;

(ii) issue a new company warrant to replace an existing company warrant;

(iii) change the exercise price of an existing company warrant; or

(iv) change the exercise ratio of an existing company warrant.

Rule 832, SGX Listing Manual

A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:-

(1) the maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities;

(2) the period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires;

(3) the amount payable on the exercise of the company warrants or other convertible securities;

(4) the arrangement for transfer or transmission of the company warrants or other convertible securities;

(5) the rights of the holders on the liquidation of the issuer;

(6) the arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer;

(7) the rights (if any) of the holders to participate

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

the subscriber must enter into an agreement with the PSE not to sell, assign, or in any manner dispose of their shares for a minimum period of one hundred eighty days after the listing of the shares subscribed in the transaction.

Section 8, Part A, Article V, PSE Rules on Additional Listing: Compliance with the Suitability Criteria and Continuing Listing Requirements

Prior to the approval of the listing application, the issuer must comply with the suitability criteria and continuing listing requirements under Section 3, Article III and XVIII, respectively, of the Listings and Disclosure Rules.

Section 9, Part A, Article V, PSE Rules on Additional Listing: Exceptions to the Rule

The PSE shall grant an exception to the rights or public offering requirement in the following cases:

a) the transaction price for the shares subscribed is set at a premium over the prevailing market price. Market price shall mean the weighted average of the closing prices for a period of 30 trading days prior to the transaction;

b) the requirement for a rights or public offer is waived by a majority vote representing the outstanding shares held by the minority stockholders present or represented in a special meeting of the transaction;

c) issuers undergoing rehabilitation and bankruptcy shall be exempted from the application of this rule without prejudice to the provisions relating to delisting.

Rights Offering

Section 1, Part B, Article V, PSE Rules on Additional Listing: Period to File Application

Within ninety days from the date of approval by the board of directors of the company of the rights offering, the application for listing of the shares to cover the rights offering and the application for listing of the shares to cover the rights offering and the application for registration thereof shall be filed simultaneously.

Section 2, Part B, Article V, PSE Rules on Additional Listing: Limitation on Use of Funds

All funds received by the corporation from subscribers to an increase in authorised capital stock shall be properly receipted, deposited in

in any distributions and/or offers of further securities made by the issuer;

(8) a summary of any other material terms of the company warrants or other convertible securities;

(9) the purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of the company warrants or other convertible securities; and

(10) the financial effects of the issue to the issuer.

Rule 833, SGX Listing Manual

The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:-

(1) The issuer's announcement of the rights issue or bought deal must include either;

  (a) the exercise or conversion price of the company warrants or other convertible securities; or

  (b) a price-fixing formula to determine the exercise or conversion price. The price-fixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified

(2) Where a price-fixing formula is adopted;

  (a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or

  (b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nil-paid rights trading

(3) An offer of company warrants or convertible securities by way of a bought deal must comply with Chapter 8 Part V of the SGX Listing Manual.

Rule 834, SGX Listing Manual

For the purpose of this Part, a "bought deal" is an issue of company warrants or other convertible securities to a financial institution which will in turn offer them to the issuer's shareholders on a pro-rata basis, usually in conjunction with a loan

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	escrow in an independent banking institution until the approval of the increase in authorised capital stock is obtained from the Securities and Exchange Commission and shall be utilised exclusively in accordance with the work program submitted in relation to its application for increase or registration or for the purposes for which the increase or registration was made; Provided that the proposed project shall be related to the corporation's principal business. No amount shall be granted as loans or advances to subscribers, officers/directors of the corporation or any of its affiliated companies. Approval of the registration statement is obtained only after approval of the increase in authorised capital stock. **Section 3, Part B, Article V, PSE Rules on Additional Listing: Offering of Unexercised Rights** The corporation shall engage the services of an underwriter who shall underwrite the entire issue or shares not taken up by the existing shareholders after the second round of offering. The unexercised rights after the first round should first be offered to those shareholders who had previously exercised their rights. **Section 5, Part B, Article V, PSE Rules on Additional Listing: Certification on Amount of Shares Subscribed** The applicant listed company and/or its underwriter shall submit to the PSE, after an exercise of rights offering, a certification stating whether the issue was fully subscribed, oversubscribed, or under-subscribed. a) If the issue is under-subscribed, the underwriter must disclose the amount of shares not subscribed, and with whom they were placed or how they were disposed of. b) In all cases, a new list of stockholders shall be submitted to the PSE within fifteen (15) days from the last day of the offering period. **Section 6, Part B, Article V, PSE Rules on Additional Listing: Subscriptions Receivable** Notwithstanding the existence of subscriptions receivable from a previous rights offering, the PSE may allow the listing of shares of a new rights offering, provided that the unpaid portion of the total subscription to the previous rights offer does not exceed 10% thereof. Provided further, that the listed company, in accordance with its by-laws and/or the relevant sections of the Corporation Code of the	facility provided by that financial institution to the issuer. **Rule 835, SGX Listing Manual** An issuer making a bonus issue of company warrants must also comply with Rules 836 and 837 of the SGX Listing Manual.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	Philippines shall call for the payment of the subscriptions receivable from the previous rights offering referred to in the preceding paragraph and ensure that at least ninety percent (90%) has been paid. **Section 7, Part B, Article V, PSE Rules on Additional Listing: Instalment Payment Schemes** Rights shares declared by the listed company referred to in Section 6 hereof, may be allowed for listing in the PSE, provided that at least twenty-five percent (25%) of the total subscriptions are paid. The applicant listed company must disclose in the offering prospectus the schedule and terms of payment. Payment of the unpaid portion of the subscribed shares has to be received within a reasonable period of time for the completion of the work program. While listing is allowed, actual trading of the shares shall only be permitted once the said shares are fully paid. This shall be in accordance with the procedure relating to trading of rights shares. **Section 8, Part B, Article V, PSE Rules on Additional Listing: Record Date** The applicant listed company, subject to the approval of the PSE and the Securities and Exchange Commission, shall set the record date for any rights issue. Provided, that the proposed record date shall not be less than fifteen trading days from approval by the board of directors of the PSE. **Section 9, Part B, Article V, PSE Rules on Additional Listing: Offering Period** The offering period shall commence not more than thirty (30) calendar days from the record date. The applicant shall submit to the PSE for approval the final draft of its offering/information memorandum and subscription agreement at least seven (7) calendar days before the start of the offering period and prior to the printing of the final draft. **Underlying Shares of Convertible Securities** **Section 1, Part C, Article V, PSE Rules on Additional Listing: Listing of Shares of Stock** As a general rule, issuers may apply for listing of shares of stock arising from conversions (e.g. bond conversion).	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	The listing approval of all remaining underlying shares shall be effective until the end of the conversion and/or exercise period of the convertible securities. **Section 2, Part C, Article V, PSE Rules on Additional Listing: Monitoring of Conversions** The issuer is required to submit a monthly report on the number of convertible securities converted and the corresponding issuance of the underlying shares and the remaining number of unconverted securities, inclusive of information contained in an interim report filed during the reportable month pursuant to the second paragraph of this section, within the first five (5) trading days of the succeeding month.	

Share Option Schemes or Share Schemes

Section 1, Part D, Article V, PSE Rules on Additional Listing: Listing Approval of Stock Option / Stock Purchase Plan

An Issuer which has a newly approved stock option or stock purchase plan by its board or has an existing stock option or stock purchase plan to its employees should inform the PSE as soon as possible of such fact, outlining therein the details of the plan.

The listing approval of all remaining and unexercised option shares shall be effective until the end of the option and/or holding period. These shares shall be removed from the Official Registry of the PSE after the said period.

Section 2, Part D, Article V, PSE Rules on Additional Listing: Board of Directors' and Shareholders' Approval

The Issuer is required to get an approval from the board of directors on any subsequent stock option plan provided however that in the following cases:

(a) If the target beneficiaries are junior officers and employees of the company, the plan should be ratified by the majority of the stockholders;

(b) If the target beneficiaries are the senior officers and directors and persons other than an employee, officer, and director (i.e. other stakeholders), the plan should be endorsed by the Remuneration Committees and ratified by 2/3 of the stockholders.

(c) In instances wherein,

  (i) The plan shall be used to induce first time employees;

  (ii) The plan is the result of an existing and earlier approved plan due to merger and acquisition;

  (iii) The plan is pursuant to a BIR-approved pension plan; and

  (iv) Other such similar plan,

the subject plan shall only require approval of the company's Remuneration Committee and of the board of directors.

Section 3, Part D, Article V, PSE Rules on Additional Listing: Approval of Material

Rule 844, SGX Listing Manual

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:-

(1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company; and

(2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

Rule 845, SGX Listing Manual

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for anyone participant (where applicable) must be stated.

For SGX main board issuers, the following limits must not be exceeded:-

(1) the aggregate number of shares available under all schemes must not exceed 15% of the total number of issued shares excluding treasury shares from time to time;

(2) the aggregate number of shares available to controlling shareholders and their associates must not exceed 25% of the shares available under a scheme;

(3) the number of shares available to each controlling shareholder or his associate must not exceed 10% of the shares available under a scheme;

(4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20% of the shares available under a scheme; and

(5) the maximum discount under the scheme must not exceed 20%. The discount must have been approved by shareholders in a separate resolution.

Offering of Securities in Singapore

Section 240(1), SFA

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	Revision Any alteration or revision to the terms and conditions of a scheme, which are of material nature, must be approved in accordance with Section 2, PSE Rules on Additional Listing, except where the alterations take effect automatically under the previously approved and existing terms of the scheme. Following are instances, among others, that are considered as alteration or revision of material nature: (a) Increase in the number of shares made available under the scheme which is not a result of a previously approved formula; (b) Material expansion in the types of situation that qualifies under the scheme; (c) Material expansion in the class of employees, officers or directors or persons other than being an employee, officer, or director; (d) Material extension of the term; (e) Material change in the method of determining the exercise price. **Section 4, Part D, Article V, PSE Rules on Additional Listing: Filing of Stock Option Plan / Scheme** A detailed statement of the plan or scheme by which the option over the shares or securities shall be exercised must be filed with the PSE simultaneous with the filing of an application for approval of such plan or scheme with the Securities and Exchange Commission or other government agency, when applicable. **Section 5, Part D, Article V, PSE Rules on Additional Listing: Monitoring of Exercise of Stock Option** The issuer is required to submit a monthly report of the number of stock options exercised and the corresponding issuance of shares and the remaining number of unexercised stock option with the first five (5) trading days of the succeeding month.	No person shall make an offer of securities in Singapore unless that offer is accompanied by a prospectus or falls within any of the exemptions provided under the SFA.
Power of Directors to Allot and Issue Shares		
	Please refer to the sections under Part A, Article V, PSE Rules on Additional Listing at paragraph "Issuance of New Shares, Convertible Bonds or Bonds with Warrants" for further details.	**Power of Directors to Allot and Issue Shares** The power to issue shares in a company is usually vested with the directors of that company subject to any restrictions in the articles of association of

that company. However, notwithstanding anything to the contrary in the articles of association of a company, prior approval of the company at a general meeting is required to authorize the directors to exercise any power of the company to issue shares. Such approval need not be specific but may be general.

Rule 805, SGX Listing Manual

Except as provided in Rule 806 of the SGX Listing Manual, an issuer must obtain the prior approval of shareholders in general meeting for the following:-

(1) the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer; or

(2) if a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in:-

(a) the principal subsidiary ceasing to be a subsidiary of the issuer; or

(b) a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary.

Rule 806(1), SGX Listing Manual

A company need not obtain the prior approval of shareholders in a general meeting for the issue of securities if the shareholders had by ordinary resolution in a general meeting, given a general mandate to the directors of the issuer to issue:

(i) shares; or

(ii) convertible securities; or

(iii) additional convertible securities issued pursuant to Rule 829 of the SGX Listing Manual, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or

(iv) shares arising from the conversion of the securities in (ii) and (iii) notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued.

Rule 806(2), SGX Listing Manual

A general mandate must limit the aggregate number of shares and convertible securities that may be issued. The limit must be not more than 50% of the total number of issued shares

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the total number of issued shares excluding treasury shares. Unless prior shareholder approval is required under the SGX Listing Manual, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits. **Rule 806(6), SGX Listing Manual** A general mandate may remain in force until the earlier of the following:- (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By an ordinary resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or (b) it is revoked or varied by ordinary resolution of the shareholders in general meeting.
Specific Mandate		
	Checklist of Documentary Requirements for Listing of Warrants / Underlying Shares of Warrants, No. 6 The PSE requires the submission of a certification that the board of directors and the stockholders of the issuer have approved the issuance of the warrants and the underlying shares.	**Rule 824, SGX Listing Manual** Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.
Prohibition of Unfair Trading Activities		
8.	**Section 27.1, Securities Regulation Code** It shall be unlawful for an insider to sell or buy a security of the issuer, while in possession of material information with respect to the issuer or the security that is not generally available to the public, unless: (a) The insider proves that the information was not gained from such relationship; or (b) If the other party selling to or buying from the insider (or his agent) is identified, the insider proves: (i) that he disclosed the information to the other party, or (ii) that he had reason to believe that the other party otherwise is also in possession of the	**Sections 218 and 219, SFA** Sections 218 and 219 of the SFA prohibit persons from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation.

information. A purchase or sale of a security of the issuer made by an insider, or such insider's spouse or relatives by affinity or consanguinity within the second degree, legitimate or common-law, shall be presumed to have been effected while in possession of material non-public information if transacted after such information came into existence but prior to dissemination of such information to the public and the lapse of a reasonable time for market to absorb such information: Provided, however, That this presumption shall be rebutted upon a showing by the purchaser or seller that he was aware of the material non-public information at the time of the purchase or sale.

Section 27.2, Securities Regulation Code

Information is "material nonpublic" if: (a) It has not been generally disclosed to the public and would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the information; or (b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell or hold a security.

Section 27.3, Securities Regulation Code

It shall be unlawful for any insider to communicate material nonpublic information about the issuer or the security to any person who, by virtue of the communication, becomes an insider, where the insider communicating the information knows or has reason to believe that such person will likely buy or sell a security of the issuer whole in possession of such information.

Section 27.4, Securities Regulation Code

(a) It shall be unlawful where a tender offer has commenced or is about to commence for:

    (i) Any person (other than the tender offeror) who is in possession of material nonpublic information relating to such tender offer, to buy or sell the securities of the issuer that are sought or to be sought by such tender offer if such person knows or has reason to believe that the information is nonpublic and has been acquired directly or indirectly from the tender offeror, those acting on its behalf, the issuer of the securities sought or to be sought by such tender offer, or any insider of such issuer; and

(ii) Any tender offeror, those acting on its behalf, the issuer of the securities sought or to be sought by such tender offer, and any insider of such issuer to communicate material nonpublic information relating to the tender offer to any other person where such communication is likely to result in a violation of Section 27.4 (a)(I).

(b) For purposes of this Section 27, the term "securities of the issuer sought or to be sought by such tender offer" shall include any securities convertible or exchangeable into such securities or any options or rights in any of the foregoing securities.

Section 3.8, Securities Regulation Code

“Insider" means (a) the issuer; (b) a director or officer (or any person performing similar functions) of, or a person controlling the issuer; gives or gave him access to material information about the issuer or the security that is not generally available to the public; (d) A government employee, director, or officer of an exchange, clearing agency and/or self-regulatory organization who has access to material information about an issuer or a security that is not generally available to the public; or (e) a person who learns such information by a communication from any forgoing insiders.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
Securities Market Manipulation		
9.	**Section 24.1, Securities Regulation Code** It shall be unlawful for any person acting for himself or through a dealer or broker, directly or indirectly: (a) To create a false or misleading appearance of active trading in any listed security traded in an exchange of any other trading market: (i) By effecting any transaction in such security which involves no change in the beneficial ownership thereof; (ii) By entering an order or orders for the purchase or sale of such security with the knowledge that a simultaneous order or orders of substantially the same size, time and price, for the sale or purchase of any such security, has or will be entered by or for the same or different parties; or (iii) By performing similar act where there is no change in beneficial ownership. (b) To affect, alone or with others, a securities or transactions in securities that: (i) Raises their price to induce the purchase of a security, whether of the same or a different class of the same issuer or of controlling, controlled, or commonly controlled company by others; or (ii) Creates active trading to induce such a purchase or sale through manipulative devices such as marking the close, painting the tape, squeezing the float, hype and dump, boiler room operations and such other similar devices. (c) To circulate or disseminate information that the price of any security listed in an exchange will or is likely to rise or fall because of manipulative market operations of any one or more persons conducted for the purpose of raising or depressing the price of the security for the purpose of inducing the purpose of sale of such security. (d) To make false or misleading statement with respect to any material fact, which he knew or had reasonable ground to believe was so false or misleading, for the purpose of inducing the purchase or sale of any security listed or traded in an exchange. (e) To effect, either alone or others, any series of transactions for the purchase and/or sale of any security traded in an exchange for the purpose of pegging, fixing or stabilizing the price of such security; unless otherwise allowed by the Securities Regulation Code or by rules of the Securities and Exchange	**Section 198(1), SFA** No person shall effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilizing the price of securities of the corporation on a securities market, with intent to induce the persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.

Commission.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
Board Governance		
10.	**SEC Memorandum Circular No. 19 Series of 2016, Code of Corporate Governance for Publicly-Listed Companies** **Principle**: The company should be headed by a competent, working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its m shareholders and other stakeholders. **Recommendation 1.1**: The Board should be composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector. The Board should always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction. **Recommendation 1.2**: The Board should be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances. **Recommendation 1.3**: The Company should provide in its Board Charter and Manual on Corporate Governance a policy on the training of directors, including an orientation program for first-time directors and relevant annual continuing training for all directors. **Recommendation 1.4**: The Board should have a policy on board diversity. **Recommendation 1.5**: The Board should ensure that it is assisted in its duties by a Corporate Secretary, who should be a separate individual from the Compliance Officer. The Corporate Secretary should not be a member of the Board of Directors and should annually attend a training on corporate governance. **Recommendation 1.6**: The Board should ensure that it is assisted in its duties by a Compliance Officer, who should have a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. The Compliance Officer should not be a member of	**Rule 720 (read with Rule 221) SGX Listing Manual** (1) An issuer must comply with Rule210(5) and Rule 221 (if applicable) on a continuing basis. (2) Without limiting the generality of the foregoing, where a director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds, he must immediately resign from the board of directors of the issuer. An announcement containing the details in Appendix 7.4.2 of the Listing Manual must be made. (3) (a) The SGX-ST may require an issuer to obtain the approval of the SGX-ST for the appointment of a director, a chief executive officer and chief financial officer (or its equivalent rank). (b) The circumstances under which the SGX-ST may effect Rules 720(3)(a) include but are not limited to:- (i) where the issuer is the subject of an investigation into the affairs of the issuer by a special auditor appointed under Rule 704(12), or a regulatory or enforcement agency; (ii) where the integrity of the market may be adversely affected; (iii) where the SGX-ST thinks it necessary in the interests of the public or for the protection of investors; and (iv) where the issuer refused to extend cooperation to the SGX-ST on regulatory matters. (4) Where the SGX-ST is of the opinion that a director or key executive officer of an issuer has: (a) wilfully contravened or wilfully caused the issuer to breach the Listing Rules; (b) wilfully contravened any relevant laws, rules and regulations; or (c) refused to extend cooperation to the SGX-ST or other regulatory agencies in an investigation of wrongdoing related to the issuer such that doubts are cast on the directors' ability to discharge their

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	the Board of Directors and should annually attend a training on corporate governance.	duties as directors, the SGX-ST may take the necessary actions including but not limited to: (i) Publishing the names of the individual directors or key executive officers with relevant information about the contravention or failure to extend cooperation; and (ii) Objecting to appointments of the individual directors or key executive officers to the board of directors of other issuers. **Rule 21(5)(c), SGX Listing Manual** The issuer's board must have at least two non-executive directors who are independent and free of any material business or financial connection with the issuer. **Rule 221, SGX Listing Manual** Foreign issuers are required to have at least two independent directors who are Singapore residents on the board of directors on a continuing basis, and not just on listing.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
Audit Committee		
11.	**SEC Memorandum Circular No. 19 Series of 2016, Code of Corporate Governance for Publicly-Listed Companies** **Principle**: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter. **Recommendation 3.1**: The Board should establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. **Recommendation 3.2**: The Board should establish an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The committee should be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees.	**Rule 11 of the Code of Corporate Governance ("COCG")** The board of directors should establish an audit committee ("**AC**") with written terms of reference which clearly set out its authority and duties. **Rule 11.1, COCG** The AC should comprise at least three directors, all non-executive, the majority of whom including the chairman should be independent. **Rule 11.2, COCG** The board of directors should ensure that the members of the AC are appropriately qualified to discharge their responsibilities. At least 2 members of the AC should have accounting or related financial management expertise or experience, as the board of directors interprets such qualification in its business judgment.
Remuneration Committee		
12.	**SEC Memorandum Circular No. 19 Series of 2016, Code of Corporate Governance for Publicly-Listed Companies** **Principle**: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter. **Recommendation 3.1**: The Board should establish board committees that focus on specific	**Rule 7.1, COCG** The board of directors should set up a remuneration committee ("**RC**") comprising a entirely of non-executive directors, the majority of whom, including the chairman should be independent

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	board functions to aid in the optimal performance of its roles and responsibilities. **Recommendation 3.3**: The Board should establish a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. It should be composed of at least three members, all of whom should be independent directors, including the Chairman.	

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws

Nominating Committee

13. **SEC Memorandum Circular No. 19 Series of 2016, Code of Corporate Governance for Publicly-Listed Companies**

Principle: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1: The Board should establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.

Recommendation 3.3: The Board should establish a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. It should be composed of at least three members, all of whom should be independent directors, including the Chairman.

Rule 4.1, COCG

Companies should establish a nominating committee ("**NC**") to make recommendations to the board on all board appointments. The NC should comprise at least 3 directors, a majority of whom, including the chairman should be independent.

Interested Person Transactions or Connected Transactions

14. **Section 32, Corporation Code of the Philippines**

Dealings of directors, trustees or officers with the corporation

A contract of the corporation with one or more of its directors or trustees or officers is voidable, at the option of such corporation, unless all the following conditions are present:

1. That the presence of such director or trustee in the board meeting in which the contract was approved was not necessary to constitute a quorum for such meeting;

2. That the vote of such director or trustee was not necessary for the approval of the contract;

3. That the contract is fair and reasonable under the circumstances; and

4. That in case of an officer, the contract has been previously authorized by the board of

Chapter 9, SGX Listing Manual

Chapter 9 of the SGX Listing Manual, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the SGX Listing Manual) and interested persons (as defined in the SGX Listing Manual) are required to be disclosed or are subject to the prior approval of shareholders.

Rule 904, SGX Listing Manual

For the purposes of Chapter 9, the following definitions apply:-

(1) "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9;

(2) "entity at risk" means:-

(a) the issuer;

directors.

Where any of the first two conditions set forth in the preceding paragraph is absent, in the case of a contract with a director or trustee, such contract may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock or of at least two-thirds (2/3) of the members in a meeting called for the purpose: Provided, That full disclosure of the adverse interest of the directors or trustees involved is made at such meeting: Provided, however, That the contract is fair and reasonable under the circumstances.

Section 33, Corporation Code of the Philippines

Contracts between corporations with interlocking directors

Except in cases of fraud, and provided the contract is fair and reasonable under the circumstances, a contract between two or more corporations having interlocking directors shall not be invalidated on that ground alone: Provided, That if the interest of the interlocking director in one corporation is substantial and his interest in the other corporation or corporations is merely nominal, he shall be subject to the provisions of the preceding section (Dealings of directors, trustees or officers with the corporation) insofar as the latter corporation or corporations are concerned.

Stockholdings exceeding twenty (20%) percent of the outstanding capital stock shall be considered substantial for purposes of interlocking directors.

Please also refer to the paragraph "Issuance of New Shares, Convertible Bonds or Bonds with Warrants" for further details.

(b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or

(c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.

(3) "financial assistance" includes:-

(a) the lending or borrowing of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and

(b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.

(4) "interested person" means:-

(a) a director, chief executive officer, or controlling shareholder of the issuer; or

(b) an associate of any such director, chief executive officer, or controlling shareholder.

(5) "interested person transaction" means a transaction between an entity at risk and an interested person.

(6) "transaction" includes:-

(a) the provision or receipt of financial assistance;

(b) the acquisition, disposal or leasing of assets;

(c) the provision or receipt of services;

(d) the issuance or subscription of securities;

(e) the granting of or being granted options; and

(f) the establishment of joint ventures or joint investments;

whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

When Announcement Required

Rule 905, SGX Listing Manual

(1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.

(2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

(3) Rule 905(1) and (2) does not apply to any transaction below S$100,000.

When Shareholder Approval Required

Rule 906, SGX Listing Manual

(1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:-

  (a) 5% of the group's latest audited net tangible assets; or

  (b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

(2) Rule 906(1) does not apply to any transaction below S$100,000.

Rule 907, SGX Listing Manual

An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the prescribed format as set out in Rule 907 of the

SGX Listing Manual.

Rule 908, SGX Listing Manual

In interpreting the term "same interested person" for the purpose of aggregation in Rules 905 and 906, the following applies:

(1) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

(2) If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

Rule 918, SGX Listing Manual

If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

Exceptions

Rule 915, SGX Listing Manual

The following transactions are not required to comply with Rules 905, 906 and 907:

(1) A payment of dividends, a subdivision of shares, an issue of securities by way of a bonus issue, a preferential offer, or an off-market acquisition of the issuer's shares, made to all shareholders on a pro-rata basis, including the exercise of rights, options or company warrants granted under the preferential offer.

(2) The grant of options and the issue of securities pursuant to the exercise of options, under an employees' share option scheme approved by the SGX-ST.

(3) A transaction between an entity at risk and an investee company, where the interested person's interest in the investee company,

other than that held through the issuer, is less than 5%.

(4) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the issuer at the time of the transaction.

(5) A transaction between an entity at risk and an interested person for the provision of goods or services if:

(a) the goods or services are sold or rendered based on a fixed or graduated scale, which is publicly quoted; and

(b) the sale prices are applied consistently to all customers or class of customers.

Such transactions include telecommunication and postal services, public utility services, and sale of fixed price goods at retail outlets.

(6) The provision of financial assistance or services by a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business.

(7) The receipt of financial assistance or services from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business.

(8) Director's fees and remuneration, and employment remuneration (excluding "golden parachute" payments.

Rule 916, SGX Listing Manual

The following transactions are not required to comply with Rule 906:-

(1) the entering into, or renewal of a lease or tenancy of real property of not more than 3 years if the terms are supported by independent valuation;

(2) investment in a joint venture with an interested person if:-

(a) the risks and rewards are in proportion to the equity of each joint venture partner;

(b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and

(c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.

(3) The provision of a loan to a joint venture with an interested person if:-

(a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;

(b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and

(c) the issuer confirms by an announcement that its audit committee is of the view that:-

(i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and

(ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

(4) the award of a contract by way of public tender to an interested person if:-

(a) the awarder entity at risk announces the following information:-

(i) the prices of all bids submitted;

(ii) an explanation of the basis for selection of the winning bid; and

(b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		(5) the receipt of a contract which was awarded by way of public tender, by an interested person if:- (a) the bidder entity at risk announces the prices of all bids submitted; and (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.

TAKE OVER OBLIGATIONS

The Singapore Code

The Singapore Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of our voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of our voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1.0% of our voting Shares in any six-month period must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Code.

"Parties acting in concert" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of Shares in a company, to obtain or consolidate effective control of that company. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

- a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- a company and its pension funds and employee share schemes;
- a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis;

- a financial or other professional adviser and its clients in respect of Shares held by the adviser and persons controlling, controlled by or under the same control as the adviser and all the funds managed by the adviser on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client's equity share capital;

- directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;

- partners; and

- an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror within the six months precedingtheacquisitionofSharesthattriggeredthemandatoryofferobligation.

Under the Singapore Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

The Securities Regulation Code

Section 19 of the Securities Regulation Code of the Philippines sets out the law on tender offers. Under Section 19, any person or group of persons acting in concert who intends to acquire at least 15% of any class of any equity security of a listed corporation of any class of any equity security of a corporation with assets of at least ₱50,000,000 and having 200 or more stockholders at least one hundred shares each or who intends to acquire at least 30% of such equity over a period of 12 months shall make a tender offer to stockholders.

The thresholds of 15% or more for a single acquisition or 30% for creeping acquisition as provided for in Section 19 of the SRC have been increased to 35% under Rule 19 of the SRC Rules. Hence, under the SRC Rules:

- Any person or group of persons acting in concert, who intends to acquire fifteen percent (15%) of equity securities in a public company in one or more transactions within a period of twelve (12) months, shall file a declaration to that effect with the SEC.

- Any person or group of persons acting in concert, who intends to acquire thirty five percent (35%) of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company in one or more transactions within a period of twelve (12) months, shall disclose such intention and contemporaneously make a tender offer for the percentage sought to all holders of such securities within the said period.

- Any person or group of persons acting in concert, who intends to acquire thirty five percent (35%) of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company through the Exchange trading system shall not be required to make a tender offer even if such person or group of persons acting in concert acquire the remainder through a block sale if, after acquisition through the Exchange trading system, they fail to acquire their target of thirty five percent (35%) or such outstanding voting shares that is sufficient to gain control of the board.

- Any person or group of persons acting in concert, who intends to acquire thirty five percent (35%) of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company directly from one or more stockholders shall be required to make a tender offer for all the outstanding voting shares. The sale of shares pursuant to the private transaction or block sale shall not be completed prior to the closing and completion of the tender offer.

- If any acquisition that would result in ownership of over fifty percent (50%) of the total outstanding equity securities of a public company, the acquirer shall be required to make a tender offer under the SRC Rules for all the outstanding equity securities to all remaining stockholders of said company at a price supported by a fairness opinion provided by an independent financial advisor or equivalent third party. The acquirer in such a tender offer shall be required to accept all securities tendered.

However, the mandatory tender offer requirement shall not apply to the following:

- any purchase of securities from the unissued capital stock, provided that the acquisition will not result to a 50% or more ownership of shares by the purchaser or such percentage that is sufficient to gain control of the board;

- any purchase of securities from an increase in authorised capital stock;

- purchase in connection with foreclosure proceedings involving a duly constituted pledge or security arrangement where the acquisition is made by the debtor or creditor;

- purchases in connection with privatisation undertaken by the government of the Philippines;

- purchases in connection with corporate rehabilitation under court supervision;

- purchases through an open market at the prevailing market price; and

- merger or consolidation.

When a mandatory tender offer is required, the bidder is compelled to offer the highest price paid by him for such securities during the past six months. Where the offer involves payment by transfer or allotment of securities, such securities must be valued on an equitable basis.

The mandatory tender offer requirement has been judicially interpreted to apply both to direct and indirect acquisitions.

PHILIPPINE TAXATION

The statements made regarding taxation in the Philippines are based on the laws in force at the date hereof and are subject to any changes in law occurring after such date. Subsequent legislative, judicial or administrative changes or interpretations may be retroactive and could affect the tax consequences to the prospective investor.

The tax treatment of a prospective investor may vary depending on such investor's particular situation and certain investors may be subject to special rules not discussed below. The following summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to invest in the Series A Preference Shares and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rates. This summary does not purport to address all tax aspects that may be important to a holder of the Series A Preference Shares.

Prospective purchasers of the Series A Preference Shares are advised to consult their own tax advisers concerning the tax consequences of their investment in the Series A Preference Shares.

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen thereof; a "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines; a non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien engaged in trade or business in the Philippines"; otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a "non-resident alien not engaged in trade or business in the Philippines." A "domestic corporation" is a corporation created or organized in the Philippines under its laws; and a "foreign corporation" means a corporation that is not a domestic corporation. A "resident foreign corporation" is a foreign corporation engaged in trade or business within the Philippines; and a "non-resident foreign corporation" is a foreign corporation not engaged in trade or business within the Philippines.

TAX ON DIVIDENDS

Cash dividends received from a foreign corporation by:

1. individual shareholders who are citizens and residents of the Philippines shall form part of their gross income, which, less personal and additional exemptions, are subject to income tax at progressive rates of between 5% and 32%;

2. individual shareholders who are citizens of the Philippines not residing therein, resident aliens, non-resident aliens engaged in trade or business in the Philippines, and non-resident aliens not engaged in trade or business in the Philippines are not subject to Philippine tax (subject to the paragraph below); and

3. domestic corporations shall form part of their gross income, which, less deductions, is subject to income tax at the rate of 30%.

Where the recipient of the cash is any of the persons enumerated in item 2 above (e.g. a resident foreign corporation or a non-resident foreign corporation), whether the cash dividends will be subject to Philippine tax depends on whether the dividends will be considered as income from a Philippine source. Dividends received from a foreign corporation are, as a rule, considered Philippine source income and therefore taxable in the Philippines unless the income from the Philippines of the foreign corporation declaring dividends, for the three year period preceding the declaration of the dividends, constitutes less than 50% of its entire gross income in said years. If the dividends are taxable applying the preceding rule, then (a) if the recipient is a resident foreign corporation, such dividends shall form part of its gross income, which, less deductions, is subject to income tax at the rate of 30% and (b) if the recipient is a non-resident foreign corporation, such dividends shall form part of its gross income, which, without deductions, is subject to income tax at the rate of 30%.

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

SALE, EXCHANGE OR DISPOSITION OF SERIES A PREFERENCE SHARES

If Sale Was Made Outside the PSE

Income received from the sale in the Philippines, outside the facilities of the PSE, of shares of stock of a foreign corporation by:

1. individual shareholders who are citizens of the Philippines, resident aliens, and non-resident aliens engaged in trade or business in the Philippines shall form part of gross income, which, less personal and additional exemptions, is subject to income tax at progressive rates of between 5% and 32%;

2. non-resident aliens not engaged in trade or business in the Philippines shall form part of their gross income, which, without deductions, is subject to income tax at the rate of 25%;

3. domestic corporations and resident foreign corporations shall form part of gross income, which, less deductions, is subject to income tax at the rate of 30%; and

4. non-resident foreign corporations shall form part of their gross income, which, without deductions, is subject to income tax at the rate of 30%.

Taxes on Transfer of Series A Preference Shares Listed and Traded at the PSE

A sale or other disposition of shares of stock through the facilities of the PSE by a resident or a non-resident holder, other than a dealer in securities, is subject to a stock transaction tax at the rate of 0.5% of the gross selling price or gross value in money of the shares of stock sold or otherwise disposed, unless an applicable treaty exempts such sale from said tax. This tax is required to be collected by and paid to the Government by the selling stockbroker on behalf of his client. The stock transaction tax is classified as a percentage tax in lieu of a capital gains tax. Under certain tax treaties, the exemptions from capital gains tax discussed herein may not be applicable to stock transaction tax.

In addition, VAT of 12.0% is imposed on the commission earned by the PSE-registered broker, and is generally passed on to the client.

The PSE issued Memorandum CN-No. 2012-0046 dated August 22, 2012, which provides that immediately after December 31, 2012, the SEC shall impose a trading suspension for a period of not more than six months, on shares of a listed company which has not complied with the Rule on Minimum Public Ownership ("MPO") requiring listed companies to maintain a minimum percentage of listed securities held by the public at ten percent (10%) of the listed companies issued and outstanding shares at all times. Consequently, the sale of such listed company' shares during the trading suspension may be effected only outside the trading system of the PSE and shall be subject to capital gains tax and documentary stamp tax. On November 7, 2012, the BIR issued Revenue Regulations No. 16-2012 ("R.R. 16-12"), which provides that the sale, barter, transfer, and/or assignment of shares of listed companies that fail to meet the MPO requirement after December 31, 2012 will be subject to capital gains tax and documentary stamp tax. R.R. 16-12 also requires publicly listed companies to submit public ownership reports to the BIR within 15 days after the end of each quarter.

DOCUMENTARY STAMP TAX

The transfer of shares of stock in the Philippines is subject to a documentary stamp tax of ₱0.75 for each ₱200 par value or a fractional part thereof of the share of stock transferred.

The sale, barter or exchange of shares of stock listed and traded at the PSE is exempt from documentary stamp tax.

In addition, the borrowing and lending of securities executed under the securities borrowing and lending program of a registered exchange, or in accordance with regulations prescribed by the appropriate regulatory authority, are likewise exempt from documentary stamp tax. However, the securities borrowing and lending agreement should be duly covered by a master securities borrowing and lending agreement acceptable to the appropriate regulatory authority, and should be duly registered and approved by the BIR.

ESTATE AND GIFT TAXES

The transfer of shares of stock upon the death of an individual holder to his heirs by way of succession, whether such holder was a citizen of the Philippines or an alien, regardless of residence, is subject to Philippine taxes at progressive rates ranging from 5.0% to 20.0%, if the net estate is over ₱200,000. Individual and corporate holders, whether or not citizens or residents of the Philippines, who transfer shares of stock by way of gift or donation are liable to pay Philippine donors' tax on such transfer of shares ranging from 2.0% to 15.0% of the net gifts during the year exceeding ₱100,000. The rate of tax with respect to net gifts made to a stranger (*i.e.*, one who is not a brother, sister, spouse, ancestor, lineal descendant or relative by consanguinity within the fourth degree of relationship) is a flat rate of 30.0%.

Estate and donors' taxes, however, shall not be collected in respect of intangible personal property, such as shares of stock: (a) if the decedent at the time of his death or the donor at the time of the donation was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character, in respect of intangible personal property of citizens of the Philippines not residing in that foreign country, or (b) if the laws of the foreign country of which the decedent or donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

TAXATION OUTSIDE THE PHILIPPINES

The tax treatment of a non-resident holder of shares of stock in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of domicile or business activities and such holder's particular situation.

This Prospectus does not discuss the tax considerations of non-resident holders of shares of stock under laws other than those of the Philippines.

British Virgin Islands Taxation

No stamp or other issuance or transfer taxes or duties and no income, withholding or other taxes are payable in the British Virgin Islands to any political subdivision or taxing authority thereof or therein in connection with any dividend or other distribution made to a holder of Series A Preference Shares or the sale, exchange or redemption of Series A Preference Shares.

THE COMMENTS ABOVE ARE OF A GENERAL NATURE AND, A SUMMARY OF CERTAIN PHILIPPINE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE SHARES. THEY ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE LEGAL OR TAX ADVICE. EACH PROSPECTIVE HOLDER SHOULD CONSULT WITH HIS OWN TAX ADVISER AS TO THE PARTICULAR TAX CONSEQUENCES TO SUCH HOLDER OF PURCHASING, OWNING AND DISPOSING OF THE SERIES A PREFERENCE SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL AND NATIONAL TAX LAWS.

LEGAL MATTERS

Certain legal matters as to Philippine law relating to the Offer will be passed upon by SyCip Salazar Hernandez & Gatmaitan, counsel to the Underwriters, while legal matters as to BVI law relating to the Offer will be passed upon by Conyers Dill & Pearman Pte. Ltd.

The foregoing legal counsels have neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for securities in the Company. None of the legal counsels will receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

INDEPENDENT AUDITORS

The Company has appointed SGV, a member firm of Ernst & Young Global Limited, as the Group's Philippine independent auditors for fiscal year ending 30 April 2016.

The consolidated financial statements of the Company as at and for the year ended 30 April 2016 have been audited by SGV while fiscal year ended 30 April 2015 and for the four months period ended 30 April 2014, appearing in this Prospectus have been audited by R.G. Manabat & Co., its previous auditor, in accordance with Philippine Standards on Auditing.

As part of the 2016 audit, SGV also audited the adjustments described in Note 3.6 that were applied to the 2015 and 2014 consolidated financial statements and the consolidated statement of financial position as at 30 April 2014 to come up with consolidated statement of financial position as at 1 May 2014 presented in the 2016 consolidated financial statements as corresponding figures

The Company has not had any material disagreements on accounting and financial disclosures with its previous and current external auditors for the same periods or any subsequent interim period. R.G. Manabat & Co. and SGV have neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of the Company. R.G. Manabat & Co. and SGV will not receive any direct or indirect interest in the Company or its securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

The following table sets out the aggregate fees for the last two fiscal years for professional services rendered by the Group's external auditors, excluding fees directly related to the Offer.

	FY2016	**FY2015**
	in U.S.$	
Audit and Audit-Related Fees(1)	339,393	322,000
Tax Fees	-	3,968
Non-Audit Fees	-	218,032
Total	**339,393**	**544,000**

Note:

(1) Audit and Audit-Related Fees. This category includes the audit of annual financial statements, review of interim financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements for those calendar years.

The fees presented above include out-of-pocket expenses incidental to the independent auditors' work, the amounts of which do not exceed 15% of the agreed-upon engagement fees.

In relation to the audit of the Company's annual financial statements, pursuant to the Company's corporate governance policies and practices, the Code of Corporate Governance issued on 14 July 2005 by the Council on Corporate Disclosure and Governance, and the 2012 Code, the Company's ARC:

- reviews significant financial reporting issues so as to ensure the integrity of the Company's financial statements and any announcements relating to the Company's financial performance and conducts periodic reviews of all interested persons transactions;

- monitors the adequacy and effectiveness of the Group's internal controls system and internal audit function; and has set in place arrangements to ensure independent investigation of matters such as improprieties in financial reporting;

- makes recommendations to the Board on the appointment, re-appointment and removal of the external auditors including the remuneration and terms of engagement of the external auditors; and

- meets with the Group's external auditors and with the head of the Internal Audit department without the presence of Management at least once a year.

The ARC was set up on 9 July 1999 and currently comprises four members, who are all independent Directors.

INDEX TO FINANCIAL STATEMENTS AND THE FINANCIAL STATEMENTS

Del Monte Pacific Limited

(incorporated in the British Virgin Islands with limited liability)

OFFER SUPPLEMENT

20 March 2017

Initial Offer of 15,000,000 Series A-1 Preference Shares
with an Oversubscription Option of up to 10,000,000 Series A-1 Preference Shares

with Initial Dividend Rate of 6.625% *per annum*

at an Offer Price of U.S.$10.00 per Series A-1 Preference Share
to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.

SOLE ISSUE MANAGER

BDO Capital & Investment Corporation

JOINT LEAD UNDERWRITERS AND BOOKRUNNERS

BDO Capital & Investment Corporation | CHINABANK | PNB Capital | RCBC Capital Corporation

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

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

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

Del Monte Pacific Limited (the "**Company**" or the "**Issuer**"), a corporation organized and existing under the laws of the British Virgin Islands, has prepared a Prospectus dated 20 March 2017 (the "**Prospectus**") relating to the shelf registration and continuous offer and sale to the public in the Philippines, by way of a primary offer, of up to 36,000,000 perpetual, cumulative, non-voting, non-participating, non-convertible preference shares (such shares, the "**Series A Preference Shares**"), with a par value of U.S.$1.00 per preference share, to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. (the "**PSE**").

The Series A Preference Shares will be issued in tranches within a period of three (3) years from the effectivity of the registration statement, subject to applicable regulations (the "**Shelf Period**"), at an offer price of U.S.$10.00 per Series A Preference Share (the "**Offer Price**"). The specific terms of the Series A Preference Shares for each tranche will be determined by the Company considering the prevailing market conditions and provided in an Offer Supplement to be issued at the time of the relevant offering.

The initial offer size will consist of 15,000,000 Series A Preference Shares which will be denominated as "Series A-1 Preference Shares", and in the event of an oversubscription, the Joint Lead Underwriters, with the consent of the Company, reserve the right to increase the size of the initial offer by up to 10,000,000 Series A Preference Shares (the "**Oversubscription Option**", and the Series A Preference Shares pertaining to such option, the "**Oversubscription Option Shares**"), for an aggregate issue size of up to 25,000,000 Series A Preference Shares (this offer, the "**Initial Offer**" and the Series A Preference Shares subject of the Initial Offer, the "**Offer Shares**" or "**Series A-1 Preference Shares**"). The remaining balance of 11,000,000 Series A Preference Shares will be issued in tranches within the Shelf Period. However, in case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period (as defined below) for the Initial Offer, the remaining Series A Preference Shares under shelf registration will be automatically increased by such number of Oversubscription Option Shares that will not be taken up or exercised. Hence, after the Initial Offer, the remaining Series A Preference Shares under shelf registration may potentially revert up to 21,000,000 Series A Preference Shares, which may be issued in tranches within the Shelf Period.

This document constitutes the Offer Supplement relating to the Initial Offer described herein. Unless defined in this Offer Supplement, terms used herein shall be deemed to be defined as set forth in the Prospectus. This Offer Supplement contains the final terms of this Offer and must be read in conjunction with the Prospectus. Full information on the Issuer and this Offer is only available on the basis of the combination of this Offer Supplement and the Prospectus. All information (including disclaimers) contained in the Prospectus are deemed incorporated by reference in this Offer Supplement.

As of the date of this Offer Supplement, the Company has an authorized capital stock of U.S.$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.$1.00. Out of the authorized capital stock, 1,943,214,106 Ordinary Shares are outstanding. The number of Ordinary Shares outstanding excludes 1,721,720 Ordinary Shares held by the Company as treasury shares. The total issued shares are 1,944,935,826 Ordinary Shares, including treasury shares. Following the Initial Offer, the Company will have (i) 1,943,214,106 Ordinary Shares, and (ii) up to 25,000,000 Series A Preference Shares outstanding assuming the

Oversubscription Option is fully exercised, or 15,000,000 Series A Preference Shares outstanding assuming the Oversubscription Option is not exercised.

Assuming full exercise of the Oversubscription Option, the Company expects to raise gross proceeds amounting up to U.S.$250,000,000 and the net proceeds are estimated to be at least U.S.$244,319,674.05 after deducting fees, commissions and expenses relating to the issuance of the Offer Shares. Assuming the Oversubscription Option is not exercised, the Company expects to raise gross proceeds amounting up to U.S.$150,000,000 and the net proceeds are estimated to be at least U.S.$146,481,674.05 after deducting fees, commissions and expenses relating to the issuance of the Offer Shares. The net proceeds of the Initial Offer shall be used primarily by the Company for the partial payment of the outstanding bridge loan facility extended by BDO Unibank, Inc. ("**BDO Unibank**"), the parent company of BDO Capital & Investment Corporation ("**BDO Capital**"). BDO Capital, the Sole Issue Manager and one of the Joint Lead Underwriters, is a wholly-owned subsidiary of BDO Unibank which will receive payment out of the proceeds of the Initial Offer as the lender under the aforementioned bridge loan facility. For a more detailed discussion on the use of proceeds, see "*Use of Proceeds*" of the Prospectus and this Offer Supplement.

The Company is organized under British Virgin Islands law. Subject to any limitations or provisions to the contrary in its Memorandum or Articles of Association, the Company may, by a resolution of directors, declare and pay dividends in money, shares or other property. Dividends shall only be declared and paid out of surplus. No dividends shall be declared and paid, unless the directors determine that immediately after the payment of the dividends: (a) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and (b) the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than its deferred taxes, as shown in its books of accounts, and its capital. For a more detailed discussion on this matter, see "*Dividends and Dividend Policy*" in the Prospectus and "*Conditions on Declaration and Payment of Dividends*" in this Offer Supplement.

The underwriting and selling fees to be paid by the Company in relation to this Initial Offer shall be equivalent to 1.00% of the gross proceeds of the Initial Offer. This shall be inclusive of fees to be paid to BDO Capital, China Bank Capital Corporation, PNB Capital and Investment Corporation and RCBC Capital Corporation in their capacities as the Joint Lead Underwriters and inclusive of commissions to be paid to the Trading Participants of the PSE that qualified as Eligible Brokers (*i.e.*, the Selling Agents). The commission payable to a Selling Agent shall be equivalent to 0.50% of the total proceeds of the sale of the Offer Shares by such Trading Participant. Please see "*Plan of Distribution*" of this Offer Supplement.

The Company filed an application with the Philippine Securities and Exchange Commission (the "**SEC**") to register the Series A Preference Shares under the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799) ("**SRC**") and its implementing regulations (the "**SRC Rules**"). The SEC is expected to issue an order rendering the Registration Statement filed by the Company effective and a corresponding permit to offer securities for sale covering the Initial Offer.

An application was filed by the Company with the PSE for the listing of the Series A Preference Shares on the Main Board of the PSE, which was granted conditional approval on 6 January 2017 and final approval on 17 March 2017. An approval for listing is permissive only and does not constitute a recommendation or endorsement by the PSE or the SEC of the Series A Preference Shares. The PSE assumes no responsibility for the correctness of any of the statements made or opinions expressed in the Prospectus and this Offer Supplement. Furthermore, the PSE makes no representation as to the completeness and expressly disclaims any liability whatsoever for any loss arising from, or in reliance upon, the whole or any part of the contents of the Prospectus and this Offer Supplement.

On 10 November 2016, the SEC approved the PSE Rules on Dollar Denominated Securities (the "**PSE DDS Rules**"). The PSE officially released the final PSE DDS Rules on 2 December 2016. The PSE DDS Rules shall govern the listing, trading and settlement of Dollar Denominated Securities ("**DDS**"). DDS are securities denominated in U.S. dollars which are listed and traded on the PSE. The PSE DDS Rules shall be read in conjunction with the SRC Rules, existing *Bangko Sentral ng Pilipinas* ("**BSP**") regulations, and other relevant laws, rules and regulations, and shall form part of all rules of the PSE. All rules of the PSE, the Securities Clearing Corporation of the Philippines and the Capital Markets Integrity Corporation ("**CMIC**") not inconsistent with the PSE DDS Rules shall apply to the DDS. As the Offer Shares are being applied for listing with the PSE, the PSE DDS Rules will be applicable to such securities.

Upon listing with the PSE, the Offer Shares will be traded under the symbol "**DMPA1**".

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

On 4 August 2016, the BSP, through Resolution No. 1376 of the Monetary Board, approved the Company's offer in the Philippines of the Series A Preference Shares.

The Offer Shares are offered subject to the receipt and acceptance of any order by the Company, and subject to the Company's right to reject any order in whole or in part. It is expected that the Offer Shares will be delivered in book-entry form against payment thereof to the Philippine Depository and Trust Corporation.

ALL REGISTRATION STATEMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CORRECT.

[*This space has been intentionally left blank.*]

By:

Joselito D. Campos, Jr.
Managing Director and Chief Executive Officer

P. Sachdeva

Parag Sachdeva
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this 20 March 2017 in Taguig City, affiants personally appeared and exhibited to me the following identification as competent evidence of identity.

Name	Identification	Date and Place of Issuance/Expiry
Joselito D. Campos, Jr.	Passport ID No. EB7219075	DFA MANILA Jan. 23, 2013
Parag Sachdeva	Passport ID No. Z3084975	SHANGHAI Dec. 24, 2014

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Series of 2017.

EMMANUEL C. PARAS
NOTARY PUBLIC
ROLL NO. 27192
MAKATI CITY, PHILIPPINES

emmanuel C. Paras

EMMANUEL C. PARAS
Notary Public for Makati City
Appointment No. M-71 until Dec. 31, 2018
Roll of Attorney No. 27192
PTR No. 5913902MD • 01/05/17 • Makati City
IBP No. 1057049 • 01/04/17 • Makati Chapter
MCLE Compliance No. V-0015815, 03/15/2016 Makati
SyCipLaw Center, 105 Paseo de Roxas
Makati City, 1226 Metro Manila
Philippines

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Terms of this Offer

The following discussion does not purport to be a complete listing of all the rights, obligations and privileges of the Series A-1 Preference Shares. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective shareholders are enjoined to perform their own independent investigation and analysis of the Issuer and the Series A-1 Preference Shares. Each prospective shareholder must rely on its own appraisal of the Issuer and the proposed equity raising and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to participate in the proposed equity raising and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective shareholder's independent evaluation and analysis.

The following discussion should be read together with, and is qualified in its entirety by reference to, the additional information appearing elsewhere in the Prospectus, including, but not limited to, the discussion on the "Description of the Series A Preference Shares" and "Description of Securities", this Offer Supplement, the Application to Purchase, the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date, and applicable laws and regulations. This discussion may not contain all of the information that prospective investors should consider before deciding to invest in the Series A-1 Preference Shares. Accordingly, any decision by a prospective investor to invest in the Series A-1 Preference Shares should be based on a consideration of the Prospectus, this Offer Supplement, the Application to Purchase, the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date, and applicable laws and regulations as a whole. Should there be any inconsistency between the discussion below and the final documentation, the final documentation shall prevail.

The terms and conditions of this Offer are as follows:

1	**Issuer**	Del Monte Pacific Limited, a company incorporated in the British Virgin Islands with limited liability (the "**Company**" or the "**Issuer**")
2	**Sole Issue Manager**	BDO Capital & Investment Corporation ("**BDO Capital**")
3	**Joint Lead Underwriters and Bookrunners or Underwriters**	BDO Capital, China Bank Capital Corporation ("**China Bank Capital**"), PNB Capital and Investment Corporation ("**PNB Capital**"), and RCBC Capital Corporation ("**RCBC Capital**")
4	**Offer Size**	The initial offer size will consist of 15,000,000 Series A Preference Shares, and in the event of an oversubscription, the Joint Lead Underwriters, with the consent of the Company, reserve the right to increase the size of the initial offer by up to 10,000,000 Offer Shares (the "**Oversubscription Option**", and the Series A Preference Shares pertaining to such option, the "**Oversubscription Option Shares**"), for an aggregate issue size of up to 25,000,000 Series A Preference Shares (this offer, the "**Initial Offer**", and the Series A Preference Shares

		subject of this Initial Offer, the "**Offer Shares**" or the "**Series A-1 Preference Shares"**) . Of the 15,000,000 Offer Shares to be offered, 80% or 12,000,000 Offer Shares are being offered through the Underwriters for subscription and sale to institutional buyers and the general public. The final amount of the commitments of the Underwriters will be determined at the end of the book-building period. The Company plans to make available 20% of the Offer Shares or 3,000,000 Offer Shares for distribution to the respective clients of the Philippine Stock Exchange Inc. (the "**PSE**") Trading Participants (the "**Trading Participants**") that are Eligible Brokers (as defined below) acting as Selling Agents. The Company and the Underwriters will not allocate any Offer Shares for Local Small Investors. Any Offer Shares not taken up by the Trading Participants shall be distributed by the Underwriters directly to their respective clients and the general public. All Offer Shares (except the Oversubscription Option Shares) not taken up by the Eligible Brokers, general public and the Underwriters' clients shall be purchased by the Underwriters pursuant to the terms and conditions of the Underwriting Agreement dated 20 March 2017 by and among the Company and the Underwriters (the "**Underwriting Agreement**").
5	**Purpose**	To partially refinance the loan facility extended by BDO Unibank in the amount of U.S.$350,000,000.00 and to pay the fees and expenses for the Initial Offer.
6	**Par Value**	U.S.$1.00 per share
7	**Issue Price**	U.S.$10.00 per share
8	**Minimum Subscription to the Series A-1 Preference Shares**	Each application to subscribe to the Offer Shares shall be for a minimum of 100 Offer Shares, and thereafter, in multiples of 10 Offer Shares. No application for multiples of any other number of Offer Shares will be considered.
9	**Registration and Listing; Stock Symbol**	To be registered with the Securities and Exchange Commission (the "**SEC**") and listed on the PSE. The Offer Shares are expected to be listed on the PSE Main Board under the symbol "**DMPA1**".
10	**Offer Period**	The Offer Period shall commence at 9:00 a.m. on 22 March 2017 and end at 12:00 p.m. on 28 March 2017. The Issuer and Underwriters reserve the right to extend or terminate the Offer Period with the approval of the SEC and the PSE (as applicable).

11	**Issue Date**	7 April 2017 (the "**Issue Date**")
12	**Listing Date**	7 April 2017 (the "**Listing Date**")
13	**Dividend Payment Dates and Dividend Periods**	The Offer Shares shall, subject to the conditions for the declaration and payment of dividends set out below under "*Conditions on Declaration and Payment of Dividends*", bear cumulative non-participating cash dividends based on the Issue Price, at the Dividend Rate (as such term is defined below) *per annum* from the Issue Date, payable on 7 October 2017 as the first dividend payment date, and thereafter every 7 April and 7 October of each year (each, a "**Dividend Payment Date**"), being the last day of each 6-month period (each, a "**Dividend Period**") following the Issue Date. The dividends on the Offer Shares will be calculated on a 180/360-day basis for each Dividend Period. If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustments as to the amount of dividends to be paid. A "**Business Day**" means a day other than a Saturday or Sunday on which banks in Metro Manila are generally open for normal banking business.
14	**Dividend Rate**	The term "**Dividend Rate**" means (a) from the Issue Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up Date, the higher of the Initial Dividend Rate and the Step Up Rate. Please see below relevant definitions.
15	**Initial Dividend Rate**	The Dividend Rate applicable from the Issue Date up to the Step Up Date shall be at a fixed rate of 6.625% *per annum* (the "**Initial Dividend Rate**").
16	**Step Up Rate**	If the Offer Shares shall not have been redeemed by the Issuer on the fifth anniversary of the Issue Date (the "**Step Up Date**"), the Initial Dividend Rate shall be adjusted on the Step Up Date to the sum of the 10-year U.S. Treasury Bond rate (prevailing as of the Step Up Date) plus Initial Spread plus margin of 2.50% *per annum* (the "**Step Up Rate**"). The "**Initial Spread**" shall be 4.605% *per annum*. However, if the Initial Dividend Rate is higher than the applicable Step Up Rate, there shall be no adjustment to the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.

17	**Conditions on Declaration and Payment of Dividends**	The declaration and payment of dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, to the covenants (financial or otherwise) in the agreements to which the Issuer is a party and the requirements under applicable laws and regulations. If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable the Issuer to pay in full on the same date both dividends on the Offer Shares and the dividends on other shares that have an equal right to dividends as the Offer Shares (the "**Comparable Shares**"), the Issuer may pay dividends on the Offer Shares and any Comparable Shares provided that such dividends are *pro rata* to the amount of the cash dividends scheduled to be paid to the Offer Shares and the Comparable Shares, respectively. The amount scheduled to be paid shall include all dividends due on such date, as well as all accumulated dividends due and payable or dividends in arrears in respect of prior Dividend Periods ("**Dividends in Arrears**"). So long as any of the Series A Preference Shares are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares, issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, *pari passu* with or senior to the Series A Preference Shares. The profits available for distribution are, in general and with some adjustments pursuant to applicable laws and regulations, equal to the Issuer's accumulated, realized profits less accumulated, realized loss and reserves.
18	**Cumulative**	Cash dividends on the Offer Shares will be cumulative. If for any reason the Board of Directors of the Issuer does not declare cash dividends on the Offer Shares for a Dividend Period, the Issuer will not pay a dividend on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which cash dividends are declared, holders of the Offer Shares shall receive the dividends due them on such Dividend Payment Date as well as all Dividends in Arrears. The Issuer covenants that, in the event (for any reason): (a) any dividends due with respect to any Offer Shares then outstanding for any period are

		not declared and paid in full when due; (b) where there remains Dividends in Arrears; or (c) any other amounts payable in respect of the Offer Shares are not paid in full when due, then the Issuer will not: (i) declare or pay any dividends or other distributions in respect of Comparable Shares and shares or securities ranking junior to the Offer Shares (unless such declaration or payment of dividends or distributions in respect of Comparable Shares shall be in accordance with "*Conditions on Declaration and Payment of Cash Dividends*"), or (ii) repurchase or redeem, Comparable Shares, or shares or securities junior to, the Offer Shares (or contribute any moneys to a sinking fund for the redemption of any Comparable Shares, or shares or securities junior to the Offer Shares), until any and all amounts described in (a), (b) and (c) have been paid to the holders of the Offer Shares.
19	**Optional Redemption and Purchase**	As and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Issuer may redeem the Offer Shares in whole (not in part) without the consent of the holder(s) of such Offer Shares: (a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an "**Optional Redemption Date**"), or (b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the "**Early Redemption Date**"). Any redemption of the Offer Shares (other than by reason of a CoC Event which shall be governed by the provisions set out below): (i) may only occur on one of the Optional Redemption Dates or on the Early Redemption Date (without prejudice to the Change of Control provisions below);

		(ii) may only occur if the Issuer has provided the holders of the Offer Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made; and (iii) shall be at the redemption price equal to the aggregate of (1) the Issue Price and (2) any accrued and unpaid dividends in respect of such Offer Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the relevant redemption date (the "**Preference Redemption Price**"). For the avoidance of doubt, the Preference Redemption Price shall include all Dividends in Arrears. The Preference Redemption Price shall be paid within 10 Business Days of the Optional Redemption Date or Early Redemption Date (upon which the redemption occurs). An accounting event ("**Accounting Event**") shall occur if an opinion of a recognized person authorized to provide auditing services has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Offer Shares may no longer be recorded as "equity" pursuant to the International Financial Reporting Standards issued by the International Accounting Standards Board ("**IFRS**"), or such other accounting standards, or such other accounting standards which succeed IFRS, applied by the Issuer for drawing up its consolidated financial statements for the relevant financial year. A tax event ("**Tax Event**") shall occur if any payment to be made by the Issuer to the holders of the Offer Shares becomes subject to any new tax, which makes such payment more burdensome to the Issuer, as a result of changes in any applicable law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer. Please see "*Description of the Series A Preference Shares – Optional Redemption and Purchase*" in the Prospectus for additional information.
20	**Change of Control**	In the event of the occurrence of a CoC Event (as defined below), the Dividend Rate will be increased by 400 basis points commencing and

		including the day falling 180 days after the day on which a CoC Event has occurred. If a CoC Event has occurred and as and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may at any time redeem the Offer Shares in whole (not in part) without the consent of the holders of such Offer Shares, at the redemption price equal to the aggregate of the (1) Issue Price, and (2) (i) any accrued and unpaid dividends computed on the applicable Dividend Rate in respect of such Series A-1 Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the redemption date, and (ii) in case the redemption is made on the 180th day after the day on which a CoC Event has occurred or at any time after the said 180th day, the additional 400 basis points commencing from (and including) the day falling 180 days after the day on which a CoC Event has occurred and ending on (but excluding) the redemption date (the "**CoC Preference Redemption Price**"). For the avoidance of doubt, the CoC Preference Redemption Price shall include all Dividends in Arrears. The CoC Preference Redemption Price shall be paid within 10 Business Days of the date upon which the redemption occurs. Any redemption by reason of a CoC Event may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made. Change of control (the "**CoC Event**") shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation in the Company. For purposes of this paragraph, the word "controlling participation" means ownership of at least 51% of the total issued and outstanding voting capital stock, or the right to elect at least 51% of the total number of the members of the Board of Directors of the Company. Please see "*Description of the Series A Preference Shares – Change of Control: Step Up and Optional Redemption and Purchase*" in the Prospectus for

		additional information.
21	**No Sinking Fund**	The Issuer is not legally required to establish, has not established, and currently has no plans to establish a sinking fund for the redemption of the Offer Shares.
22	**Purchases by the Issuer of Series A-1 Preference Shares**	After Listing Date, the Issuer may purchase the Offer Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Offer Shares so purchased may either be redeemed (pursuant to the terms and conditions of redemption as set out in the Prospectus) and cancelled or kept as treasury shares.
23	**Status; Issue of Additional Shares**	The Offer Shares will constitute the direct and unsecured subordinated obligations of the Issuer ranking at least *pari passu* in all respects and ratably without preference of priority among themselves. The Offer Shares shall rank as regards participation in the Issuer's profits that are legally available for distribution as dividends, if, as, and when declared by the Board of Directors, *pari passu* with all other shares in the capital of the Issuer to the extent that they are expressed to rank *pari passu* therewith and in priority to the Ordinary Shares. The Issuer may issue additional Series A Preference Shares which shall rank at least *pari passu* with the Offer Shares. However, so long as any of the Series A Preference Shares (including the Series A-1 Preference Shares) are issued and outstanding, the Company shall not, without the prior approval of the holders of the outstanding Series A Preference Shares (including the Series A-1 Preference Shares), issue any other class or series of shares which rank, or are expressed to rank, by their terms or by operation of law, *pari passu* with or senior to the Series A Preference Shares (including the Series A-1 Preference Shares).
24	**Voting Rights**	The holders of the Offer Shares, subject to the limitations and qualifications described in the Issuer's Memorandum and Articles of Association, shall have the right to receive notice of any meeting of the members of the Issuer and all reports and balance sheets of the Issuer that are available to the holders of the Ordinary Shares of the Issuer. Generally, the holders of the Offer shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members.

		If a general meeting of the Issuer is convened for the purpose of: (a) reducing the Issuer's authorised or issued share capital; (b) winding up the Issuer; (c) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Issuer; or (d) where the proposal to be submitted to the general meeting directly affects their rights and privileges of holders of the Offer Shares, the holders of Offer Shares shall have the right to attend, speak and vote at such general meeting of the Issuer. Further, the holders of Offer Shares shall have the right to attend, speak and to vote at any general meeting of the Issuer convened when the dividend on the Offer Shares has been duly declared by the Board and has not been paid in full when due and remains unpaid for at least six months.
25	**Non-Participating**	Holders of the Offer Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Offer Shares.
26	**Non-Convertible**	Holders of the Offer Shares shall have no right to convert the Offer Shares to any other preference shares or Ordinary Shares of the Issuer.
27	**No Pre-emptive Rights**	Holders of the Offer Shares shall have no pre-emptive rights to subscribe to any shares (including, without limitation, treasury shares) that will be issued by the Issuer.
28	**Perpetual**	The Offer Shares are perpetual securities with no maturity date.
29	**Liquidation Rights**	In the event of any liquidation, dissolution or winding up (whether voluntarily or involuntarily), the holders of the Offer Shares at the time outstanding will be entitled to receive, in U.S. dollars out of the Issuer's assets available for distribution to shareholders, together with other holders of any of the Issuer's shares ranking, as regards repayment of capital in the aforesaid events, *pari passu* with the Offer Shares and before any distribution of assets is made to holders of any class

		of the Issuer's shares ranking after the Offer Shares as regards repayment of capital in the aforesaid events, an amount equal to the Issue Price plus an amount equal to any dividends declared but unpaid in respect of the previous Dividend Period to (including) the date of commencement of the Company's liquidation, dissolution or winding up ("**Liquidation Distribution**"). If, upon any return of capital in the Issuer's liquidation, dissolution or winding up, the amount payable with respect to the Offer Shares and any other of the Issuer's shares ranking as to any such distribution *pari passu* with the Offer Shares are not paid in full, the holders of the Offer Shares and of such other shares will share ratably in any such distribution of the Issuer's assets in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the Liquidation Distribution to which they are entitled, the holders of the Offer Shares will have no right or claim to any of the Issuer's remaining assets and will not be entitled to any further participation or return of capital in such liquidation, dissolution or winding up.
30	**Taxes**	Please see "*Philippine Taxation*" on page 280 of the Prospectus for the tax consequences of an investment in the Offer Shares. The holders of the Offer Shares shall be responsible for declaring the amount they received as dividend in their respective income tax returns and paying the applicable taxes, as applicable.
31	**Form, Title and Registration of the Offer Shares**	The Offer Shares will be lodged with the Philippine Depository & Trust Corporation ("**PDTC**") as Depository Agent at least two trading days prior to Listing Date through Trading Participants nominated by the applicants. The nominated Trading Participants must be Eligible Brokers. As discussed below under "*Appointment of an Eligible Broker"*, applicants shall indicate in the proper space provided for in the Application to Purchase to be issued and circulated in connection with the Offer (together with the required documents, the "**Application**") the name of the Trading Participants under whose name their Offer Shares will be registered. Such Trading Participant should be an Eligible Broker. After Listing Date, holders of the Offer Shares (the

		"**Shareholders**") may request to receive stock certificates evidencing their investment in the Offer Shares through their nominated Eligible Brokers. Any expense that will be incurred in relation to such issuance shall be for the account of the requesting Shareholder. See "*Philippine Stock Market – Amended Rule on Lodgment of Securities*" *and "- Issuance of Stock Certificates for Certificated Shares*" on page 209 of the Prospectus.
32	**Selling and Transfer Restrictions**	Initial placement of the Offer Shares and subsequent transfers of interests in the Offer Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time and the additional requirements under the PSE DDS Rules for the trading and settlement of the Offer Shares.
33	**Eligible Investors**	The Offer Shares may be owned or subscribed to by any person, partnership, association, corporation, trust account, fund or entity regardless of nationality. In addition, under certain circumstances, the Issuer may reject an application or reduce the number of Offer Shares applied for subscription or purchase. Law may restrict subscription to the Offer Shares in certain jurisdictions. Foreign investors interested in subscribing for or purchasing the Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, shall warrant that their purchase of the Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares. Investors are required to give their consent to the disclosure of their names to the SEC if said information is requested by the SEC in the course of a possible violation of the SRC, SRC Rules and other orders and issuances of the SEC, examination, official inquiry or as part of surveillance procedure, and/or in compliance with pertinent laws.
34	**Procedure for Application**	Applications to Purchase for the subscription of Offer Shares may be obtained from any of the Underwriters or Selling Agents. All Applications shall be evidenced by the Application to Purchase, duly executed in each

		case by an authorized signatory of the applicant and accompanied by two completed signature cards, the corresponding payment for the Offer Shares covered by the Application to Purchase and all other required documents. The duly executed Application to Purchase and required documents should be submitted to the Underwriters or Selling Agents on or prior to the set deadlines for submission of Applications to Underwriters and Selling Agents, respectively. If the applicant is a corporation, partnership or trust or institutional account, the Application must be accompanied by the following documents: a. a certified true copy of the applicant's latest articles of incorporation and by-laws and other constitutive documents, each as amended to date, duly certified by the corporate secretary (or equivalent officer); b. a certified true copy of the applicant's SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer); c. a duly executed and notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing (i) the purchase and subscription of the Offer Shares indicated in the Application and (ii) the designated signatories for the purpose, including their respective specimen signatures; d. two (2) specimen signature cards fully completed and signed by the applicant's authorized signatory/ies, and certified by the applicant's corporate secretary (or equivalent officer); e. copy of two (2) valid government-issued identification cards of the applicant's authorized signatory/ies (certified as a true copy by the Selling Agent or Underwriter that forwarded the Application). If the applicant is a natural person, the Application must be accompanied by the following documents: a. two (2) duly accomplished signature cards containing the specimen signature of the applicant, validated/signed by the Underwriters or the Selling Agent's authorized signatory/ies, whose authority/ies have been submitted to BDO Unibank, Inc. – Trust and Investments Group ("**BDO Trust**") in its capacity as the Stock Transfer Agent;

		b. copy of two (2) valid government-issued identification cards of the applicant, certified as a true copy by the Selling Agent or Underwriter that forwarded the Application; and c. such other documents as may be reasonably require by the Selling Agent or Underwriter(s) in implementation of its internal policies regarding "know your customer" and anti-money laundering. Foreign corporate and institutional applicants who qualify as Eligible Investors, in addition to the documents listed above as applicable, are required to submit in quadruplicate, a representation and warranty stating that their Application will not violate the laws of their jurisdictions of incorporation or organization, and that they are allowed to acquire, purchase and hold the Offer Shares. Proof of remittance or credit to the Receiving Agent's account or, as applicable, the relevant Underwriter's account of an amount equivalent to the full purchase price of the Offer Shares subscribed for shall be submitted together with the Application. Please also see above the discussion under "*Eligible Investors"* on the consent that must be given by an applicant to the disclosure of such applicant's names to the SEC.
35	**Appointment of an Eligible Broker**	Applicants shall indicate in the proper space provided for in the Application to Purchase to be issued and circulated in connection with the Offer the name of the Trading Participants under whose name their Offer Shares will be registered. Such Trading Participant should be an Eligible Broker. The PSE DDS Rules provide the following requirements for a Trading Participant to qualify as an Eligible Broker to engage in dollar denominated trades: 1. A Trading Participant must have attended a DDS training session or seminar conducted by the PSE and must be operationally ready to trade DDS, and shall issue a sworn certification to the PSE attesting to its operational readiness. Notwithstanding the said certification, the PSE has the option to assess the operational readiness of a Trading Participant. 2. A Trading Participant shall have a US dollar deposit account with any universal or commercial bank and a separate US dollar cash settlement

		account with the designated settlement bank. 3. A Trading Participant shall also open a separate cash collateral deposit account for dollar-denominated securities trading with the designated settlement bank for the required cash collateral in US dollars. 4. A Trading Participant shall also obtain the consent of its clients to the disclosure of their names to the SEC, if said information is requested by the SEC in the course of an investigation of a possible violation of the SRC and its implementing rules and regulations and other orders and issuances of the SEC, examination, official inquiry or as part of surveillance procedures, and/or in compliance with other pertinent laws. 5. A Trading Participant shall comply with any other requirements as may be imposed by other regulatory agencies such as, but not limited to, the BSP and SEC. Pursuant to the PSE DDS rules, the PSE shall restrict Trading Participants that fail to comply with such requirements from trading the DDS. In view of the foregoing, the Issuer has identified for purposes of this Initial Offer and as of March 17, 2017, the following Trading Participants as the Eligible Brokers, which are eligible to trade DDS, including the Series A-1 Preference Shares: (1) BDO Securities Corporation; and (2) Armstrong Securities, Inc. An applicant shall appoint any of the above-named Eligible Brokers or any Trading Participant that becomes an Eligible Broker anytime within the Offer Period as may be announced by the PSE, as its broker for the trading of the Offer Shares. Please see additional discussion under "*Requirements for Trading Participants to be Eligible to Trade the Offer Shares; Nominating a Trading Participant which are Eligible Brokers*" set out on page 205 of the Prospectus, particularly on how a Trading Participant may qualify as an Eligible Broker on or after the date of this Offer Supplement.
36	**Payment for the Offer Shares**	The Offer Shares must be paid for in full in U.S. dollars (free and clear of and without any deduction for or on account of any bank charges or other costs and expenses) upon submission of the duly completed and signed Application to Purchase and signature

		cards together with the requisite attachments. Payment for the Offer Shares being subscribed for shall be either through (1) remittance through the Philippine Domestic Dollar Transfer System ("**PDDTS**"), or (2) same bank transfer, in same day U.S. Dollar funds, to the bank account of the Receiving Agent or the relevant Underwriter receiving the Application. The full purchase price for the Offer Shares subscribed for by an applicant should be remitted to the Receiving Agent's account or the relevant Underwriter's account in readily withdrawable funds no later than the applicable deadline. All bank charges (including, without limitation, the PDDTS-remittance related charges to be collected by the remitting bank, any intermediate bank and BDO Unibank as the receiving bank) shall be for the account of the applicant. For this purpose, the applicant shall ensure that the amount to be remitted to the Receiving Agent's or the relevant Underwriter's account shall be increased or grossed up for any bank charges as may be collected by the remitting bank, the receiving bank or any intermediate bank, as will result in the receipt by the Receiving Agent or the relevant Underwriter of the amount that is equivalent to the full purchase price of the Offer Shares subscribed for by such applicant. Receipt by the Receiving Agent or the relevant Underwriter of an amount less than the full purchase price of the Offer Shares subscribed for by an applicant (whether because the deduction was a result of bank charges collected or for any other reason), or receipt by the Receiving Agent or the relevant Underwriter of the purchase price beyond the cut-off time indicated above, may be a ground for rejection of the Application. Proof of remittance or credit to the Receiving Agent's account or, as applicable, the relevant Underwriter's account of an amount equivalent to the full purchase price of the Offer Shares subscribed for shall be submitted together with the Application.
37	**Acceptance/Rejection of Applications**	The actual number of Offer Shares that an applicant will be allowed to subscribe for is subject to the confirmation of the Underwriters. The Issuer reserves the right to accept or reject, in whole or in part, or to reduce any Application due to any grounds specified in the Underwriting Agreement. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer

		shall be rejected. Likewise, receipt by the Receiving Agent or an Underwriter of an amount less than the full purchase price of the Offer Shares subscribed for by an applicant (whether because the deduction was a result of bank charges collected or for any other reason), or receipt by the Receiving Agent or an Underwriter of the purchase price beyond the cut-off time indicated above, may be a ground for rejection of the Application. Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute as approval or acceptance by the Issuer of the Application. An Application, when accepted, shall constitute an agreement between the applicant and the Issuer for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Prospectus and this Offer Supplement. Notwithstanding the acceptance of any Application by the Issuer, the actual subscription by the applicant for the Offer Shares will become effective only upon listing of the Offer Shares on the PSE and upon the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the applicants without interest.
38	**Refunds for Rejected Applications**	In the event that the number of Offer Shares to be allotted to an applicant, as confirmed by an Underwriter, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Issuer, then the Company, through the Receiving Agent or the Underwriter through which the applicant filed the application, shall refund, without interest, within five (5) Business Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. For purposes of refunds for rejection of Applications, an applicant shall indicate in the Application to Purchase the manner by which any refund shall be made by choosing any one of the following options: (1) refund by crediting the Foreign Currency Deposit Unit ("**FCDU**") Account in the name of the Selling Agent/Trading Participant with whom the applicant has filed the Application,

		which FCDU account should be an account maintained with BDO Unibank; (2) refund by coursing through the Underwriter with whom the applicant has filed the Application; (3) refund by crediting the FCDU Account in the name of the applicant, whether such FCDU Account is maintained with BDO Unibank or another bank; or (4) refund by issuance of a dollar demand draft in the name of the applicant, which dollar demand draft shall be delivered to the Underwriter or Selling Agent through which the Application was filed. In choosing this mode, the applicant is deemed to acknowledge that it is aware that the bank draft shall be subject to the clearing period of the shareholder's depository bank. All bank charges in relation to any of the modes of refund indicated above shall be for the account of the applicant, and for this purpose, the amount to be refunded may be reduced by the amount of such bank charges such that the amount that the applicant will eventually receive by way of refund will be less than the amount it remitted during the application process. However, if the reason for the rejection is due to over-subscription of the Offer, all bank charges in relation to any of the modes of refund indicated above shall be for the account of the Issuer. Refunds to be made through the Underwriters or the Selling Agent with whom the applicant has filed the Application, or through the issuance of a dollar demand draft, shall be at the applicant's risk. Rejected Applications to Purchase shall be made available for pick-up at the office of the Receiving Agent or the Underwriter to which an applicant has filed an Application.
39	**Trading and Settlement**	Trading and settlement of the Series A-1 Preference Shares shall be governed by the PSE DDS Rules which are to be read in conjunction with the SRC, existing BSP regulations, and other relevant laws, rules and regulations and to form part of all rules of the PSE. Moreover, pursuant to the DDS Rules, all rules of the PSE, Securities Clearing Corporation of the Philippines and CMIC not inconsistent with the PSE DDS Rules are to apply to the DDS. Please refer to Parts C and D of the PSE DDS Rules for the rules

		on the trading and settlement of DDS in general. Moreover, please see discussion under "*The Philippine Stock Market – Trading*", and "*The Philippine Stock Market – Settlement*", and under "*Listings, Registration, Dealings and Settlement*" in the Prospectus for additional information on trading and settlement. Investors intending to buy securities on or after Listing Date will have to appoint an Eligible Broker and comply with the applicable requirements of such Eligible Broker.
40	**Procedure for Payment of Cash Dividend Declarations**	As of the date of this Offer Supplement, the following shall be the procedure to be followed for payment of cash dividend declarations on the Offer Shares. The procedure as set out below may be revised or amended pursuant to the requirements of or agreement in writing between or among the Paying Agent, PDTC or the Trading Participants which are holding the Offer Shares on behalf of the investors: <u>Payment of Cash Dividends on Scripless Series A-1 Preference Shares</u> (a) *Company's Obligation* – On the designated payment date for the cash dividends declared, the Company shall issue an instruction for the transfer of an amount equivalent to the aggregate cash dividends due on all the scripless Series A-1 Preference Shares, in cleared funds, from its FCDU account maintained with BDO Unibank to the account of BDO Trust in its capacity as the Paying Agent. No tax shall be withheld by the Company from such dividend payments. (b) *Paying Agent's Obligation* – Immediately upon receipt of the cash dividends from the Company, the Paying Agent shall immediately cause the transfer of such cleared funds to the FCDU account of PDTC maintained with BDO Unibank. No tax shall be withheld by the Paying Agent from such dividend payments. For this purpose and before any such cash dividend payment, PDTC shall open an FCDU account with BDO Unibank where all cash dividend payments for the Series A-1 Preference Shares shall be credited. (c) *PDTC's Obligation* – Immediately upon

			receipt of the cash dividends from the Paying Agent, PDTC shall cause the transfer of cleared funds equivalent to the cash dividends due on the Series A-1_Preference Shares in each of the name of the Trading Participants which are Eligible Brokers, from PDTC's FCDU account to each of such TP's FCDU Dividend Account (as defined below). (d) *Trading Participant's (Eligible Broker's) Obligations –* <u>Upon Qualification as an Eligible Broker</u> - A Trading Participant which has qualified to be an Eligible Broker shall open an FCDU account with BDO Unibank where all dividends due on the Series A-1 Preference Shares registered in the name of such Trading Participant will be credited (the "**TP's FCDU Dividend Account**"). For the avoidance of doubt, an FCDU account maintained with other banks (*i.e.*, other than BDO Unibank) are not eligible to be designated as a TP's FCDU Dividend Account. Moreover, subject to the applicable requirements as may be imposed by PDTC, such Eligible Broker shall open a dollar sub-account with PDTC and, during the opening process for the dollar sub-account, shall be required to indicate the TP's FCDU Dividend Account in the dollar sub-account application form that may be obtained from PDTC. The Application to Purchase to be submitted during the Offer Period shall indicate the PDTC dollar sub-account number/code of the Eligible Broker nominated by an Applicant. <u>Upon Receipt of Cash Dividends</u> - Immediately upon receipt of the cash dividends from PDTC, each Trading Participant which is an Eligible Broker and has been nominated by a Shareholder as its broker for the Series A-1 Preference Shares shall ensure immediate remittance of the cash dividends to its relevant clients' FCDU accounts or immediate transfer or turnover of such dividends to its relevant clients depending on their arrangements with such Trading Participant. All bank charges in relation to the remittance, transfer or turnover of the dividends to the investor shall be for the account of such

		investor. By way of illustration, if an investor's FCDU account is maintained with a bank other than BDO Unibank, then the bank charges that its nominated Trading Participant will incur arising from the transfer of the dividends from the TP's FCDU Dividend Account (maintained with BDO Unibank) to such investor's FCDU account maintained with another bank will be for the account of the investor, unless a different arrangement is agreed in writing between the investor and such Trading Participant. By way of another illustration, if the investor does not maintain an FCDU account and the Trading Participant is constrained to arrange for the issuance of a dollar demand draft in the name of the investor, all bank charges in relation to the issuance of such draft will be for the account of the investor, unless a different arrangement is agreed in writing between the investor and such Trading Participant. *Payment of Cash Dividends on Certificated Preference Shares* (a) *Shareholder's Obligation* – The Shareholder, when it requests for the upliftment of the Series A-1 Preference Shares it owns, shall immediately notify in writing the Paying Agent, no later than the record date of the next Dividend Payment Date, of the details of the FCDU account in the name of such shareholder into which all dividends payable on such Series A-1 Preference Shares shall be credited or remitted (the "**Shareholder's Dividend Account**"). (b) *Company's Obligation* – On the designated payment date for the cash dividends declared, the Company shall issue instruction for the transfer of an amount equivalent to the aggregate cash dividends due on all certificated Series A-1 Preference Shares, in cleared funds, from its FCDU account maintained with BDO Unibank to the account of the Paying Agent. No tax shall be withheld by the Company from such dividend payments. (c) *Paying Agent's Obligation* – Immediately upon receipt of the cash dividends from the Company, the Paying Agent shall immediately cause the transfer (whether through PDDTS or other means) of an amount equivalent to the cash dividends due on such

		Series A-1 Preference Shares, in cleared funds, to the Shareholder's Dividend Account. No tax shall be withheld by the Paying Agent from such dividend payments. All bank charges arising from the remittance of the amount from the Paying Agent to the Shareholder's Dividend Account shall be for the account of the shareholder, and shall be deducted from the dividend payments to be remitted. In the event that a Shareholder holding certificated Series A-1 Preference Shares has not nominated a Shareholder's Dividend Account, or if the nominated Shareholder's Dividend Account is already closed, or if for any reason the amount sought to be transferred by the Paying Agent cannot be credited to the nominated Shareholder's Dividend Account, the Paying Agent shall cause the issuance of a U.S. dollar denominated bank draft in the name of such Shareholder for the amount of dividends payable to such Shareholder, less any bank charges in connection with the issuance of such bank draft. The bank draft shall be mailed to the last known mailing address of the shareholder, at the Shareholder's risk. The bank draft shall be subject to the clearing period of the Shareholder's depository bank. Neither the Company nor the Paying Agent shall be liable for any interest on the amount covered by the bank draft, nor shall any of them assume any liability for the risk of loss of the bank draft in the course of transit or delivery to the Shareholder.
41	**Governing Law**	The Offer Shares will be issued pursuant to the laws of the British Virgin Islands.
42	**Process Agent**	The resident agent of the Regional Operating Headquarters of the Issuer in the Philippines.
43	**Selling Agents**	Trading Participants of the PSE that qualify as Eligible Brokers
44	**Share Registrars / Stock Transfer Agent**	**Philippine Branch Share Registrar / Stock Transfer Agent**: BDO Unibank, Inc. – Trust and Investments Group 15th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines

		BVI Share Registrar — Nerine Trust Company (BVI) Limited Nerine Chambers, PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands
45	**(Dividend) Paying Agent**	BDO Unibank, Inc. – Trust and Investments Group 15th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines
46	**Receiving Agent**	BDO Unibank, Inc. – Trust and Investments Group 15th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines
47	**Depository Agent**	Philippine Depository & Trust Corp.
48	**Counsel for the Underwriters**	SyCip Salazar Hernandez & Gatmaitan
49	**British Virgin Island Counsel for the Issuer**	Conyers Dill & Pearman Pte. Ltd.
50	**Expected Timetable**	The timetable of the Offer is as follows: Dividend Rate Setting Date: 20 March 2017 Notice of final Offer Price to the SEC and PSE: 20 March 2017 Offer Period: 22 March 2017 to 28 March 28 2017 Deadline for Trading Participants' Firm Commitment: 24 March 2017 PSE Trading Participants' Allocation: 27 March 2017 Deadline for General Public's Submission of Application: 12:00 P.M., 28 March 2017 Issue Date, Listing Date and Commencement of Trading on the PSE: 7 April 2017 Any change in the dates included above may be subject to approval of the SEC and the PSE and other conditions.
51	**Risk of Investing**	Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Offer Shares. These risks are discussed in the section

		entitled "Risk Factors" and include: risks relating to our business, risks relating to our organization and structure, risks relating to the Philippines and risks relating to the Offer Shares, as set out in the Prospectus.

Use of Proceeds

The Company intends to use the proceeds it receives from this Offer to partially prepay/repay the bridge loan facility extended by BDO Unibank to the Company, in the amount of U.S.$350,000,000.00,[1] which partially financed the acquisition of the DMFI Consumer Food Business, and offer-related costs. This bridge loan facility was extended to up to February 2019 but the Company intends to prepay the loan through the offering of the Series A Preference Shares including this Offer. Part of the proceeds will also be used to cover the expenses for the Offer. The balance of proceeds of this Offer, if any, will be used for general corporate purposes. This prepayment of the BDO Unibank bridge loan will allow the Company to deleverage and strengthen its balance sheet. Such prepayment is allowed under the BDO Unibank bridge loan facility agreement without any fee or penalty. See "*Material Agreements relating to the Acquisition"* on page 155 of the Prospectus.

Further details on the proposed use of proceeds from this tranche are set forth below (assuming Oversubscription Option is not exercised):

Use of Proceeds	Estimated Amounts (in U.S.$)	Percentage	Estimated Timing
Repayment of BDO Unibank Bridge Loan Facility	146,481,674.05	97.65%	April to May 2017
Offer-related costs	3,518,325.95	2.35%	April to June 2017
Estimated Total Proceeds	**150,000,000.00**	**100.0%**	

Assuming full exercise of the Oversubscription Option in the amount of U.S.$100.0 million, the proposed use of proceeds will be:

Use of Proceeds	Estimated Amounts (in U.S.$)	Percentage	Estimated Timing
Repayment of BDO Unibank Bridge Loan Facility	244,319,674.05	97.73%	April to May 2017
Offer-related costs	5,680,325.95	2.27%	April to June 2017
Estimated Total Proceeds	**250,000,000.00**	**100.0%**	

The BDO Unibank bridge loan facility to be paid using the proceeds of this Offer was obtained to partially finance the acquisition of the DMFI Consumer Food Business. On 12 February 2014, the Company obtained a loan from BDO Unibank amounting to U.S.$350.0 million or ₱17. 42 billion, computed as of 31 December 2016 at U.S.$1.00 for ₱49.769, for the purpose of partially financing the acquisition of the DMFI Consumer Food Business. The loan bears interest at the rate of LIBOR plus 3.50% per annum, payable every three months with a final repayment date on 10 February 2019. BDO Unibank is the parent company of BDO Capital, one of the Joint Lead Underwriters.

The balance of proceeds from this Offer, after partially prepaying/repaying the loan facility from BDO Unibank and this Offer-related costs, will be used for general corporate purposes, such as payment of interest related to the BDO Unibank bridge loan and working capital requirements. Out of this Offer-related costs, the Company has already paid the amount of ₱4,846,697.10 as SEC filing fees. The proposed use of proceeds described above represents a best estimate of the use of the net proceeds of this Offer based on the Company's current plans and expenditures. The actual amount and timing of disbursement of the net proceeds

[1]The Peso equivalent of U.S.$ 350,000,000.00 is P17,419,150,000.00, computed using the PDS weighted average rate as of 31 December 2016 (₱49.769 = U.S.$1.00).

from this Offer for the uses stated above will depend on various factors which include, among others, changing market conditions or new information regarding the cost or feasibility of the Company's expansion plans. The Company's cost estimates may change as it develops its plans, and actual costs may be different from its budgeted costs. To the extent that the net proceeds from this Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in interest-bearing short-term demand deposits and/or money market instruments. Aside from underwriting and selling fees, the Underwriters will not receive any of the net proceeds from this Offer.

Based on the Offer Price of U.S.$10.00 per Offer Share and assuming Oversubscription Option is not exercised, the total proceeds from this Offer, the estimated total expenses for this Offer and the estimated net proceeds from this Offer will be:

	Estimated Amounts	
	(PHP)	**(USD)**
Total proceeds from this Offer	**₱7,465,350,000.00**	**$150,000,000.00**
Expenses		
Underwriting and selling fees for the Offer Shares (including fees to be paid to the Underwriter)	₱93,316,875.00	$1,875,000.00
SEC registration, filing and research fees	₱4,846,697.10	$97,383.86
PSE Registration and Listing Fees	₱8,417,192.00	$169,125.20
Estimated professional fees (including legal, accounting, and financial advisory fees)	₱62,990,125.00	$1,265,649.80
Others[1]	₱5,532,675.00	$111,167.09
Total estimated expenses	**₱175,103,564.10**	**$3,518,325.95**
Estimated net proceeds from this Offer	**₱7,290,246,435.90**	**$146,481,674.05**

Note:
*[1] "**Others**" includes expenses for the printing of the Prospectus, roadshows and miscellaneous expenses.*

Assuming full exercise of the Oversubscription Option, set forth below are the total proceeds from this Offer, the estimated total expenses for this Offer and the estimated net proceeds from this Offer:

	Estimated Amounts	
	(PHP)	**(USD)**
Total proceeds from this Offer	**₱12,442,250,000.00**	**$250,000,000.00**
Expenses		
Underwriting and selling fees for the Offer Shares (including fees to be paid to the Underwriter)	₱155,528,125.00	$3,125,000.00
SEC registration, filing and research fees	₱4,846,697.10	$97,383.86
PSE Registration and Listing Fees	₱13,991,320.00	$281,125.20
Estimated professional fees (including legal, accounting, and financial advisory fees)	₱100,316,875.00	$2,015,649.80
Others[1]	₱8,021,125.00	$161,167.09
Total estimated expenses	**₱**282,704,142.10	**$**5,680,325.95
Estimated net proceeds from this Offer	**₱12,159,545,857.90**	**$**244,319,674.05

Note:
*[1] "**Others**" includes expenses for the printing of the Prospectus, roadshows and miscellaneous expenses.*

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

(i) any disbursements made in connection with the planned use of proceeds from this Offer;

(ii) Quarterly Progress Report on the application of the proceeds from this Offer on or before the first 15 days of the following quarter; the Quarterly Progress Report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;

(iii) annual summary of the application of the proceeds on or before January 31 of the following year; the annual summary report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;

(iv) approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the work program; the disbursement or implementation of such reallocation must be disclosed by the Company at least 30 days prior to the actual disbursement or implementation; and

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

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

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

Capitalization and Indebtedness

The following table sets out the Group's debt, shareholders' equity and capitalization as at 31 October 2016, and as adjusted to reflect (i) any material changes to the Company's capitalization since end of the reported period and (ii) the sale of 25,000,000 Series A-1 Preference Shares at the Offer Price of U.S.$10.00 per Series A Preference Share.

	Six months ended 31 October 2016 Actual/Pre-Offer)	**Preference Share Offering Adjustments**	**Post-Offer and Various Debt and Equity Transactions Subsequent[(2)]**
	(U.S.$ in millions)	**(U.S.$ in millions)**	**(U.S.$ in millions)** (Unaudited)
Total debt[(1)]	2,109.1	(244.3)	**1,864.8**
Equity:			
Ordinary Shares………	19.4	–	19.4
Series A Preference Shares………	–	25.0	25.0
Share Premium…………	214.8	219.3	434.1
Reserve for own shares	(0.8)	–	(0.8)
Revaluation reserves and others…………….	(23.2)	–	(23.2)
Retained earnings attributable to the owners of the Company	134.5	–	134.5
Total equity…………	**344.7**	244.3	**589.0**
Total capitalization…	**2,453.8**	–	**2,453.8**

Net Debt to Equity Ratio:

	Six months ended 31 October 2016 (Actual/Pre-Offer)	**Post-Offer**
Total Debt[(1)]	2,109.1	1,864.8
Cash	23.5	23.5
Net Debt[(3)]	2,085.6	1,841.3
Total Equity	344.7	589.0
Net Debt to Equity Ratio	**6.0**	**3.1**

Notes:

(1) "Total Debt" for the purpose of this section refers to loans and borrowings undertaken by the Group.

On 12 February 2014, DMPL utilized the following bridge facilities for the acquisition of DMFI Consumer Food Business:
a) U.S.$350 million BDO Unibank;
b) *U.S.$165 million Bank of the Philippine Islands; and*
c) *U.S.$15.6 million Metropolitan Bank and Trust Company.*

This offer of Offer Shares will partially refinance BDO Unibank's bridge facility of U.S.$350 million and will also form part of DMPL's equity upon settlement. This will allow the Company to deleverage and strengthen its balance sheet.

(2) Total debt before the offer comprises of U.S.$1,115.4 million short term and U.S.$993.7 million long term loans and borrowings. After the offer, total short term loans and borrowings will go down to U.S. $1,864.8 million.

(3) Net Debt refers to loans and borrowings undertaken by the Group after deducting cash.

Plan of Distribution

The Company plans to issue the Offer Shares to institutional and retail investors through a public offering to be conducted through the Underwriters.

THE UNDERWRITERS

BDO Capital, China Bank Capital, PNB Capital, and RCBC Capital have agreed to distribute and sell the Offer Shares at the Offer Price, pursuant to an Underwriting Agreement dated 20 March 2017 by and among the Company and the Underwriters (the "**Underwriting Agreement**"). Subject to the fulfillment of the conditions provided in the Underwriting Agreement, the Underwriters have committed to underwrite the following amounts on a firm basis, subject to agreement on any clawback, clawforward or other such mechanism:

Underwriters	Underwriting Commitment
BDO Capital	U.S.$ 68,000,000
China Bank Capital	U.S.$ 30,000,000
PNB Capital	U.S.$ 25,000,000
RCBC Capital	U.S.$ 27,000,000
Total	**U.S.$150,000,000.00**

The Underwriting Agreement may be terminated in certain circumstances prior to payment being made to the Company of the net proceeds of the Offer Shares.

The underwriting and selling fees to be paid by the Company in relation to this Offer shall be equivalent to 1.00% of the gross proceeds of this Offer. This shall be inclusive of fees to be paid to the Underwriters and inclusive of commissions to be paid to the Trading Participants of the PSE (i.e., the Selling Agents). The commission payable to a Selling Agent shall be equivalent to 0.50% of the total proceeds of the sale of Offer Shares by such Trading Participant.

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

The Underwriters have no direct relations with the Company in terms of ownership by either of their respective major stockholder/s, and have no right to designate or nominate any member of the Board of Directors of the Company.

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

BDO Capital, the Sole Issue Manager and one of the Joint Lead Underwriters and Bookrunners, is the wholly owned investment banking subsidiary of BDO Unibank. It obtained its license from the SEC to operate as an investment house in 1998 and is licensed by the SEC to engage in the underwriting and distribution of securities to the public. BDO Capital is primarily involved in equity management, underwriting and placement, debt management, underwriting and syndication, financial advisory services, project finance and securities trading. Its senior executives have extensive experience in the capital markets and performed lead roles in a substantial number of major equity and debt issues, both locally and internationally. Since 1998, BDO Capital has underwritten several public and private offerings of equity and debt in the Philippines. As of the date of the Prospectus, BDO Capital has an authorized capital stock of ₱400,000,000.00 and paid up capital stock of ₱300,000,000.00. In its 18 years of existence, BDO Capital has undertaken capital markets transactions for both the Government and the private sector.

BDO Unibank, the creditor of the Company to whom most of the proceeds for this Offer will be paid (please see section on "*Use of Proceeds*" on page 28 of this Offer Supplement), did not interfere with the exercise by BDO Capital of the due diligence required under applicable regulations.

China Bank Capital, a subsidiary of China Banking Corporation, provides a wide range of investment banking services to clients across different sectors and industries. Its primary business is to help enterprises raise capital by arranging or underwriting debt and equity transactions, such as project financing, loan syndications, bonds and notes issuances, securitizations, initial and follow-on public offerings, and private equity placements. China Bank Capital also advises clients on structuring, valuation, and execution of corporate transactions, including mergers, acquisitions, divestitures, and joint ventures. It was established and licensed as an investment house in 2015 as the spin-off of China Banking Corporation's investment banking group, which was organized in 2012.

PNB Capital, an investment house duly licensed by the SEC to engage in underwriting or distribution of securities to the public with a non-bank, non-quasi banking license, was incorporated on 30 July 1997, and commenced operations on 8 October 1997. It is a wholly-owned subsidiary of the Philippine National Bank. As of 31 December 2014, it had an authorized and paid-up capital of ₱350.0 million. Its principal business is providing investment banking services, namely, debt underwriting (such as bonds and commercial papers), equity underwriting, private placements, loan syndications and financial advisory services. PNB Capital is authorized to buy and sell for its own account, securities issued by private corporations and the government of the Philippines. As of 31 December 2014, total assets of PNB Capital was ₱556.2 million while total capital was ₱549.5 million.

RCBC Capital is a licensed investment house providing a complete range of capital-raising and financial advisory services. Established in 1974, RCBC Capital has over 40 years of experience in the underwriting of equity, quasi-equity and debt securities, as well as in managing and arranging the syndication of loans, and in financial advisory. RCBC Capital is a wholly-owned subsidiary of the Rizal Commercial Banking Corporation and a part of the Yuchengco Group of Companies, one of the country's largest fully integrated financial services conglomerates.

SALE AND DISTRIBUTION

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

Of the 15,000,000 Offer Shares to be offered, 80% or 12,000,000 Offer Shares are being offered through the Underwriters for subscription and sale to institutional buyers and the general public. The Company plans to make available 20% or 3,000,000 Offer Shares for distribution to the respective clients of the Eligible Brokers, acting as Selling Agents, , subject to reallocation as may be determined by the Underwriters. The Company has identified for purposes of this Initial Offer and as of March 17, 2017, the following Trading Participants as the Eligible Brokers: (1) BDO Securities Corporation and (2) Armstrong Securities, Inc.

However, any Trading Participant that becomes an Eligible Broker anytime within the Offer Period as may be announced by the PSE shall be entitled to an allocation of the Offer Shares.

Eligible Brokers may undertake to purchase more than their allocation. Any requests for shares in excess of their allocation may be satisfied via the reallocation of any Offer Shares not taken up by other Eligible Brokers. The "*Implementing Guidelines for the Reservation and Allocation of Del Monte Pacific Limited's U.S. Dollar-Denominated Series A-1 Preference Shares Through the Joint Lead Underwriters*" will be circulated among the Trading Participants, and Trading Participants are enjoined to carefully consider and review the procedure set out in such guidelines.

The Company and the Underwriters will not allocate any Offer Shares for Local Small Investors as such is only applicable to initial public offerings.

Any Offer Shares (excluding the Oversubscription Option Shares) not taken up by the Eligible Brokers shall be distributed by the Underwriters directly to their respective clients and the general public. All Offer Shares (excluding the Oversubscription Option Shares) not taken up by the Eligible Brokers, general public and the Underwriters' clients shall be purchased by the Underwriters pursuant to the terms and conditions of the Underwriting Agreement.

TERM OF APPOINTMENT

The engagement of the Underwriters shall subsist so long as the SEC Permit to Sell remains valid, unless otherwise terminated pursuant to the Underwriting Agreement.

MANNER OF DISTRIBUTION

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

No shares are designated to be sold to specific persons.

EXPENSES

All out-of-pocket expenses, including, but not limited to, registration with the SEC, printing, publication, communication and signing expenses incurred by the Sole Issue Manager and Bookrunner in the negotiation, and execution of the transaction will be for the Company's account, irrespective of whether this Offer is completed. Such expenses are to be reimbursed upon presentation of a composite statement of account. See "*Use of Proceeds*" on page 28 of this Offer Supplement for details of expenses.

DEL MONTE PACIFIC LIMITED
Craigmuir Chambers
PO Box 71 Road Town, Tortola
British Virgin Islands

SOLE ISSUE MANAGER

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Makati City 0726, Philippines

JOINT LEAD UNDERWRITERS AND BOOKRUNNERS

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Philippines

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Philippines

PNB Capital and Investment Corporation
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Philippines

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Singapore 048583

Del Monte Pacific Limited and its Subsidiaries

Financial Statements
30 April 2016

and

Independent Auditors' Report

SGV
Building a better working world

A member firm of Ernst & Young Global Limited

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BOA/PRC Reg. No. 0001,
December 14, 2015, valid until December 31, 2018
SEC Accreditation No. 0012-FR-4 (Group A),
November 10, 2015, valid until November 9, 2018

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Del Monte Pacific Limited

We have audited the accompanying consolidated financial statements of Del Monte Pacific Limited and Subsidiaries (the Group) and the separate financial statements of Del Monte Pacific Limited (the Company), which comprise the statements of financial position as at 30 April 2016, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Philippine 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 the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group'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 present fairly, in all material respects, the financial position of the Group and of the Company as at 30 April 2016, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matter

The financial statements of the Group and of the Company as at 30 April 2015 and 2014 and for the year ended 30 April 2015 and four months ended 30 April 2014 were audited by another auditor who expressed an unmodified opinion on those statements on 28 July 2015.

SYCIP GORRES VELAYO & CO.

Catherine E. Lopez

Catherine E. Lopez
Partner
CPA Certificate No. 86447
SEC Accreditation No. 0468-AR-3 (Group A),
1 May 2016, valid until 1 May 2019
Tax Identification No. 102-085-895
BIR Accreditation No. 08-001998-65-2015
27 February 2015, valid until 26 February 2018
PTR No. 5321648, 4 January 2016, Makati City

25 July 2016

Del Monte Pacific Limited and its Subsidiaries

Statements of financial position
As at 30 April 2016, 2015 and 1 May 2014
(In US$'000)

	Note	Group 30 April 2016	Group 30 April 2015 (As restated*)	Group 1 May 2014 (As restated*)	Company 30 April 2016	Company 30 April 2015 (As restated*)	Company 1 May 2014 (As restated*)
Noncurrent assets							
Property, plant and equipment - net	6	563,614	578,359	504,953	–	–	–
Investments in subsidiaries	7	–	–	–	749,133	765,798	800,325
Investments in joint ventures	8	22,820	22,590	21,008	2,551	2,551	–
Intangible assets and goodwill	9	750,373	759,700	742,763	–	–	–
Deferred tax assets - net	10	100,899	86,303	47,157	–	–	–
Biological assets	12	37,468	41,606	37,462	–	–	–
Employee benefits	22	–	–	10,673	–	–	–
Other noncurrent assets	11	25,941	28,985	23,688	–	–	–
		1,501,115	1,517,543	1,387,704	751,684	768,349	800,325
Current assets							
Biological assets	12	87,994	87,034	82,461	–	–	–
Inventories	13	845,233	749,549	808,671	–	–	–
Trade and other receivables	14	175,532	184,402	158,868	145,240	105,723	104,512
Prepaid expenses and other current assets	15	35,597	39,870	57,388	257	137	43
Cash and cash equivalents	16	47,203	35,618	28,401	361	6,126	232
		1,191,559	1,096,473	1,135,789	145,858	111,986	104,787
Noncurrent assets held for sale	17	1,950	8,113	–	–	–	–
		1,193,509	1,104,586	1,135,789	145,858	111,986	104,787
Total assets		2,694,624	2,622,129	2,523,493	897,542	880,335	905,112
Equity							
Share capital	18	19,449	19,449	12,975	19,449	19,449	12,975
Retained earnings	19	148,866	97,332	140,515	148,866	97,332	140,515
Reserves	19	134,926	148,750	26,597	135,065	148,889	26,736
Equity attributable to owners of the Company	39	303,241	265,531	180,087	303,380	265,670	180,226
Non-controlling interests	39	61,971	58,644	67,255	–	–	–
Total equity		365,212	324,175	247,342	303,380	265,670	180,226
Noncurrent liabilities							
Loans and borrowings	20	1,116,422	1,272,945	934,385	129,234	348,250	–
Employee benefits	22	97,118	129,199	99,060	–	–	–
Environmental remediation liabilities	23	6,313	4,580	4,241	–	–	–
Deferred tax liabilities - net	10	1,092	1,092	1,092	–	–	–
Other noncurrent liabilities	21	62,586	61,163	46,880	–	–	–
		1,283,531	1,468,979	1,085,658	129,234	348,250	–
Current liabilities							
Loans and borrowings	20	727,360	445,542	919,579	348,630	102,630	602,491
Employee benefits	22	33,651	43,080	33,621	–	–	–
Trade and other payables	24	281,043	339,054	237,167	116,298	163,785	122,395
Current tax liabilities		3,827	1,299	126	–	–	–
		1,045,881	828,975	1,190,493	464,928	266,415	724,886
Total liabilities		2,329,412	2,297,954	2,276,151	594,162	614,665	724,886
Total equity and liabilities		2,694,624	2,622,129	2,523,493	897,542	880,335	905,112

** see Note 3.6*

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Del Monte Pacific Limited and its Subsidiaries

Income statements
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	Group: Year ended 30 April 2016	Group: Year ended 30 April 2015 (As restated*)	Group: Four months ended 30 April 2014 (As restated*)	Company: Year ended 30 April 2016	Company: Year ended 30 April 2015 (As restated*)	Company: Four months ended 30 April 2014 (As restated*)
Revenue	25	2,267,837	2,186,689	386,128	–	–	–
Cost of sales		(1,785,985)	(1,778,531)	(348,291)	–	–	–
Gross profit		481,852	408,158	37,837	–	–	–
Distribution and selling expenses		(201,031)	(199,160)	(39,630)	–	–	–
General and administrative expenses		(150,121)	(190,892)	(47,455)	(13,968)	(6,417)	(2,024)
Other income (expenses) - net		31,038	16,896	(5,971)	67	(582)	(190)
Results from operating activities		161,738	35,002	(55,219)	(13,901)	(6,999)	(2,214)
Finance income		2,231	400	391	2	8	21
Finance expense		(99,581)	(99,861)	(18,247)	(21,703)	(25,294)	(5,574)
Net finance expense	27	(97,350)	(99,461)	(17,856)	(21,701)	(25,286)	(5,553)
Share in (loss) profit of investments in joint ventures and subsidiaries, net of tax	30	(1,717)	(2,453)	(1,154)	87,141	(10,898)	(37,007)
Profit (loss) before taxation	26	62,671	(66,912)	(74,229)	51,539	(43,183)	(44,774)
Tax (expense) credit – net	28	(8,139)	17,917	24,382	(5)	–	–
Profit (loss) for the year/period		54,532	(48,995)	(49,847)	51,534	(43,183)	(44,774)
Profit (loss) attributable to:							
Non-controlling interests		2,998	(5,812)	(5,073)	–	–	–
Owners of the Company		51,534	(43,183)	(44,774)	51,534	(43,183)	(44,774)
		54,532	(48,995)	(49,847)	51,534	(43,183)	(44,774)
Earnings per share							
Basic earnings (loss) per share (US cents)	29	2.65	(3.10)	(3.45)			
Diluted earnings (loss) per share (US cents)	29	2.65	(3.10)	(3.45)			

** see Note 3.6*

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Del Monte Pacific Limited and its Subsidiaries

Statements of comprehensive income
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	Year ended 30 April 2016	Year ended 30 April 2015 (As restated*)	Four months ended 30 April 2014 (As restated*)
Group				
Profit (loss) for the year/period		54,532	(48,995)	(49,847)
Other comprehensive income				
Items that will or may be reclassified subsequently to profit or loss:				
Currency translation differences		(13,476)	(1,655)	695
Effective portion of changes in fair value of cash flow hedges		(10,553)	(16,643)	(4,368)
Income tax effect on cash flow hedges	10	4,090	6,244	1,660
		(19,939)	(12,054)	(2,013)
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement plans		(428)	(23,184)	(4,743)
Income tax effect on remeasurement of retirement plans	10	7,647	8,806	1,192
Tax impact on revaluation reserve	10	(1,504)	–	–
		5,715	(14,378)	(3,551)
Other comprehensive loss for the year/period, net of tax		(14,224)	(26,432)	(5,564)
Total comprehensive income (loss) for the year/period		40,308	(75,427)	(55,411)
Total comprehensive income (loss) attributable to:				
Non-controlling interests		3,138	(8,615)	(4,972)
Owners of the Company		37,170	(66,812)	(50,439)
		40,308	(75,427)	(55,411)

** see Note 3.6*

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Del Monte Pacific Limited and its Subsidiaries

Statements of comprehensive income
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Year ended 30 April 2016	Year ended 30 April 2015 (As restated*)	Four months ended 30 April 2014 (As restated*)
Company			
Profit (loss) for the year/period	51,534	(43,183)	(44,774)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss:			
Share in currency translation differences of subsidiaries	(13,478)	(1,468)	498
Share in effective portion of changes in fair value of cash flow hedges of a subsidiary	(9,323)	(15,000)	(3,906)
Income tax effect on cash flow hedges	3,543	5,700	1,484
	(19,258)	(10,768)	(1,924)
Items that will not be reclassified to profit or loss:			
Share in remeasurement of retirement plans of subsidiaries	6,398	(12,861)	(3,741)
Share in the income tax effect on revaluation reserve of a subsidiary	(1,504)	–	–
	4,894	(12,861)	(3,741)
Other comprehensive loss for the year/period, net of tax	(14,364)	(23,629)	(5,665)
Total comprehensive income (loss) for the year/period	37,170	(66,812)	(50,439)

** see Note 3.6*

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Del Monte Pacific Limited and its Subsidiaries

Statements of changes in equity
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

		<---------- Attributable to owners of the Company								---------->			
	Note	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure -ment of retirement plans	Hedging reserve	Share option reserve	Reserve for own shares	Retained earnings	Total	Non-controlling interests	Total equity
Group													
2016													
At 30 April 2015, as previously reported		19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	(629)	105,664	273,856	59,590	333,446
Impact of change in accounting policy	3.6	–	–	7	–	–	–	–	–	(8,332)	(8,325)	(946)	(9,271)
At 30 April 2015, as restated		19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,531	58,644	324,175
Total comprehensive income for the year													
Profit for the year		–	–	–	–	–	–	–	–	51,534	51,534	2,998	54,532
Other comprehensive income													
Currency translation differences		–	–	(13,478)	–	–	–	–	–	–	(13,478)	2	(13,476)
Tax impact on revaluation reserve		–	–	–	(1,504)	–	–	–	–	–	(1,504)	–	(1,504)
Remeasurement of retirement plans	22	–	–	–	–	6,398	–	–	–	–	6,398	821	7,219
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(5,780)	–	–	–	(5,780)	(683)	(6,463)
Total other comprehensive income (loss)		–	–	(13,478)	(1,504)	6,398	(5,780)	–	–	–	(14,364)	140	(14,224)
Total comprehensive income (loss) for the year		–	–	(13,478)	(1,504)	6,398	(5,780)	–	–	51,534	37,170	3,138	40,308
Transactions with owners of the Company recognised directly in equity													
Contributions by and distributions to owners of the Company													
Acquisition of treasury shares		–	–	–	–	–	–	–	(173)	–	(173)	–	(173)
Value of employee services received for issue of share options	26	–	–	–	–	–	–	713	–	–	713	–	713
Capital injection by non-controlling interests		–	–	–	–	–	–	–	–	–	–	189	189
Total contributions by and distributions to owners		–	–	–	–	–	–	713	(173)	–	540	189	729
At 30 April 2016	19	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	(802)	148,866	303,241	61,971	365,212

Del Monte Pacific Limited and its Subsidiaries
Statements of changes in equity (cont'd)
Years/period ended 30 April 2016, 2015 and 2014

(In US$'000)

Group	*Note*	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plans	Hedging reserve	Share option reserve	Reserve for own shares	Retained earnings	Total	Non-controlling interests	Total equity
		<------ Attributable to owners of the Company ------>											
2015													
At 1 May 2014, as previously reported		12,975	69,205	(44,874)	9,506	(4,370)	(2,422)	174	(629)	143,711	183,276	67,603	250,879
Impact of change in accounting policy	3.6	–	–	7	–	–	–	–	–	(3,196)	(3,189)	(348)	(3,537)
At 1 May 2014, as restated		12,975	69,205	(44,867)	9,506	(4,370)	(2,422)	174	(629)	140,515	180,087	67,255	247,342
Total comprehensive income for the year													
Loss for the year		–	–	–	–	–	–	–	–	(43,183)	(43,183)	(5,812)	(48,995)
Other comprehensive income													
Currency translation differences		–	–	(1,468)	–	–	–	–	–	–	(1,468)	(187)	(1,655)
Remeasurement of retirement plans	22	–	–	–	–	(12,861)	–	–	–	–	(12,861)	(1,517)	(14,378)
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(9,300)	–	–	–	(9,300)	(1,099)	(10,399)
Total other comprehensive loss		–	–	(1,468)	–	(12,861)	(9,300)	–	–	–	(23,629)	(2,803)	(26,432)
Total comprehensive loss for the year		–	–	(1,468)	–	(12,861)	(9,300)	–	–	(43,183)	(66,812)	(8,615)	(75,427)
Transactions with owners of the Company recognised directly in equity													
Contributions by and distributions to owners of the Company													
Proceeds from issue of ordinary shares	18	6,474	148,562	–	–	–	–	–	–	–	155,036	–	155,036
Transactions costs related to issuance of share capital		–	(2,924)	–	–	–	–	–	–	–	(2,924)	–	(2,924)
Value of employee services received for issue of share options	26	–	–	–	–	–	–	144	–	–	144	–	144
Capital injection by non-controlling interests		–	–	–	–	–	–	–	–	–	–	4	4
Total contributions by and distributions to owners		6,474	145,638	–	–	–	–	144	–	–	152,256	4	152,260
At 30 April 2015, as restated	19	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,531	58,644	324,175

Del Monte Pacific Limited and its Subsidiaries
Statements of changes in equity (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

		<---------- Attributable to owners of the Company									---------->		
Group	**Note**	**Share capital**	**Share premium**	**Translation reserve**	**Revaluation reserve**	**Remeasure -ment of retirement plans**	**Hedging reserve**	**Share option reserve**	**Reserve for own shares**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
2014													
At 1 January 2014, as previously reported		12,975	69,205	(45,373)	9,506	(629)	–	126	(629)	185,475	230,656	(2,273)	228,383
Impact of change in accounting policy	3.6	–	–	8	–	–	–	–	–	(186)	(178)	–	(178)
At 1 January 2014, as restated		12,975	69,205	(45,365)	9,506	(629)	–	126	(629)	185,289	230,478	(2,273)	228,205
Total comprehensive income for the period													
Loss for the period		–	–	–	–	–	–	–	–	(44,774)	(44,774)	(5,073)	(49,847)
Other comprehensive income													
Currency translation differences		–	–	498	–	–	–	–	–	–	498	197	695
Remeasurement of retirement plans	22	–	–	–	–	(3,741)	–	–	–	–	(3,741)	190	(3,551)
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(2,422)	–	–	–	(2,422)	(286)	(2,708)
Total other comprehensive income (loss)		–	–	498	–	(3,741)	(2,422)	–	–	–	(5,665)	101	(5,564)
Total comprehensive income (loss) for the period		–	–	498	–	(3,741)	(2,422)	–	–	(44,774)	(50,439)	(4,972)	(55,411)
Transactions with owners of the Company recognised directly in equity													
Contributions by and distributions to owners of the Company													
Capital injection by non-controlling interests		–	–	–	–	–	–	–	–	–	–	74,500	74,500
Value of employee services received for issue of share options	26	–	–	–	–	–	–	48	–	–	48	–	48
Total contributions by and distributions to owners		–	–	–	–	–	–	48	–	–	48	74,500	74,548
At 30 April 2014, as restated	19	12,975	69,205	(44,867)	9,506	(4,370)	(2,422)	174	(629)	140,515	180,087	67,255	247,342

Del Monte Pacific Limited and its Subsidiaries

Statements of changes in equity (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	Share capital	Share premium	Share in translation reserve of subsidiaries	Share in revaluation reserve of subsidiaries	Share in remeasure-ment of retirement plans of subsidiaries	Share in hedging reserve of a subsidiary	Share option reserve	Reserve for own shares	Retained earnings	Total equity
Company											
2016											
At 30 April 2015, as previously reported		19,449	214,982	(46,342)	9,506	(17,231)	(11,722)	318	(629)	105,664	273,995
Impact of change in accounting policy	3.6	–	–	7	–	–	–	–	–	(8,332)	(8,325)
At 30 April 2015, as restated		19,449	214,982	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,670
Total comprehensive income for the year											
Profit for the year		–	–	–	–	–	–	–	–	51,534	51,534
Other comprehensive income											
Currency translation differences		–	–	(13,478)	–	–	–	–	–	–	(13,478)
Tax impact on revaluation reserve		–	–	–	(1,504)	–	–	–	–	–	(1,504)
Remeasurement of retirement plans	22	–	–	–	–	6,398	–	–	–	–	6,398
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(5,780)	–	–	–	(5,780)
Total other comprehensive income (loss)		–	–	(13,478)	(1,504)	6,398	(5,780)	–	–	–	(14,364)
Total comprehensive income (loss) for the year		–	–	(13,478)	(1,504)	6,398	(5,780)	–	–	51,534	37,170
Transactions with owners of the Company recognised directly in equity											
Contributions by and distributions to owners of the Company											
Acquisition of treasury shares		–	–	–	–	–	–	–	(173)	–	(173)
Value of employee services received for issue of share options	26	–	–	–	–	–	–	713	–	–	713
Total contributions by and distributions to owners		–	–	–	–	–	–	713	(173)	–	540
At 30 April 2016	19	19,449	214,982	(59,813)	8,002	(10,833)	(17,502)	1,031	(802)	148,866	303,380

Del Monte Pacific Limited and its Subsidiaries
Statements of changes in equity (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

Company	Note	Share capital	Share premium	Share in translation reserve of subsidiaries	Share in revaluation reserve of subsidiaries	Share in remeasure-ment of retirement plans of subsidiaries	Share in hedging reserve of a subsidiary	Share option reserve	Reserve for own shares	Retained earnings	Total equity
2015											
At 1 May 2014, as previously reported		12,975	69,344	(44,874)	9,506	(4,370)	(2,422)	174	(629)	143,711	183,415
Impact of change in accounting policy	3.6	–	–	7	–	–	–	–	–	(3,196)	(3,189)
At 1 May 2014, as restated		12,975	69,344	(44,867)	9,506	(4,370)	(2,422)	174	(629)	140,515	180,226
Total comprehensive income for the year											
Loss for the year		–	–	–	–	–	–	–	–	(43,183)	(43,183)
Other comprehensive income											
Currency translation differences		–	–	(1,468)	–	–	–	–	–	–	(1,468)
Remeasurement of retirement plans	22	–	–	–	–	(12,861)	–	–	–	–	(12,861)
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(9,300)	–	–	–	(9,300)
Total other comprehensive loss		–	–	(1,468)	–	(12,861)	(9,300)	–	–	–	(23,629)
Total comprehensive loss for the year		–	–	(1,468)	–	(12,861)	(9,300)	–	–	(43,183)	(66,812)
Transactions with owners of the Company recognised directly in equity											
Contributions by and distributions to owners of the Company											
Proceeds from issue of ordinary shares	18	6,474	148,562	–	–	–	–	–	–	–	155,036
Transactions costs related to issuance of share capital		–	(2,924)	–	–	–	–	–	–	–	(2,924)
Value of employee services received for issue of share options	26	–	–	–	–	–	–	144	–	–	144
Total contributions by and distributions to owners		6,474	145,638	–	–	–	–	144	–	–	152,256
At 30 April 2015, as restated	19	19,449	214,982	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,670

Del Monte Pacific Limited and its Subsidiaries

Statements of changes in equity (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	Share capital	Share premium	Share in translation reserve of subsidiaries	Share in revaluation reserve of subsidiaries	Share in remeasure-ment of retirement plans of subsidiaries	Share in hedging reserve of a subsidiary	Share option reserve	Reserve for own shares	Retained earnings	Total equity
Company											
2014											
At 1 January 2014, as previously stated		12,975	69,344	(45,373)	9,506	(629)	–	126	(629)	185,475	230,795
Impact of change in accounting policy	3.6	–	–	8	–	–	–	–	–	(186)	(178)
At 1 January 2014, restated		12,975	69,344	(45,365)	9,506	(629)	–	126	(629)	185,289	230,617
Total comprehensive income for the period											
Loss for the period		–	–	–	–	–	–	–	–	(44,774)	(44,774)
Other comprehensive income											
Currency translation differences		–	–	498	–	–	–	–	–	–	498
Remeasurement of retirement plans	22	–	–	–	–	(3,741)	–	–	–	–	(3,741)
Effective portion of changes in fair value of cash flow hedges		–	–	–	–	–	(2,422)	–	–	–	(2,422)
Total other comprehensive income (loss)		–	–	498	–	(3,741)	(2,422)	–	–	–	(5,665)
Total comprehensive income (loss) for the period		–	–	498	–	(3,741)	(2,422)	–	–	(44,774)	(50,439)
Transactions with owners of the Company recognised directly in equity											
Contributions by and distributions to owners of the Company											
Value of employee services received for issue of share options	26	–	–	–	–	–	–	48	–	–	48
Total contributions by and distributions to owners		–	–	–	–	–	–	48	–	–	48
At 30 April 2014, as restated	19	12,975	69,344	(44,867)	9,506	(4,370)	(2,422)	174	(629)	140,515	180,226

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Del Monte Pacific Limited and its Subsidiaries

Statements of cash flows
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	Group: Year ended 30 April 2016	Group: Year ended 30 April 2015 (As restated*)	Group: Four months ended 30 April 2014 (As restated*)	Company: Year ended 30 April 2016	Company: Year ended 30 April 2015 (As restated*)	Company: Four months ended 30 April 2014 (As restated*)
Cash flows from operating activities							
Profit (loss) for the year/period		54,532	(48,995)	(49,847)	51,534	(43,183)	(44,774)
Adjustments for:							
Amortisation of intangible assets	9	9,327	7,560	1,434	–	–	–
Depreciation of property, plant and equipment	6	64,823	51,423	13,803	–	–	–
Impairment loss (reversal of impairment) of property, plant and equipment	6	4,928	(508)	(172)	–	–	–
Loss on disposal of property, plant and equipment		1,052	1,278	41	–	–	–
Equity-settled share-based payment transactions	26	713	144	48	161	144	48
Share in loss (profit) of investments in joint ventures and subsidiaries, net of tax	30	1,717	2,453	1,154	(87,141)	10,898	37,007
Finance income	27	(2,231)	(400)	(391)	(2)	(8)	(21)
Finance expense	27	99,581	99,861	18,247	21,703	25,294	5,574
Tax expense – current	28	12,729	7,189	820	–	–	–
Tax credit – deferred	28	(4,590)	(25,106)	(25,202)	5	–	–
Ineffective portion of cash flow hedges		5,193	319	–	–	–	–
Bargain purchase on acquisition of Sager Creek	5	–	(26,568)	–	–	–	–
Defined benefit plan amendment	22	(39,422)	–	–	–	–	–
Impairment losses on assets held for sale	26	1,659	–	–	–	–	–
Deconsolidation of a subsidiary	26	–	5,186	–	–	–	–
		210,011	73,836	(40,065)	(13,740)	(6,855)	(2,166)
Changes in:							
Other assets		(13,277)	10,951	(6,867)	–	–	–
Inventories		(103,705)	128,225	92,655	–	–	–
Biological assets		(3,932)	(9,040)	(6,750)	–	–	–
Trade and other receivables		22,851	(42,480)	59,997	(2)	(6,013)	–
Prepaid expenses and other current assets		(2,787)	(18,001)	(35,519)	(83)	(90)	(40)
Trade and other payables		(97,072)	98,580	(4,119)	2,834	860	4,390
Amounts due from subsidiaries (non-trade)		–	–	–	–	–	6,412
Employee benefits		18,989	10,180	1,323	–	–	–
Operating cash flows		31,078	252,251	60,655	(10,991)	(12,098)	8,596
Taxes paid		(38)	(12,623)	(5,982)	–	–	–
Net cash flows provided by (used in) operating activities		31,040	239,628	54,673	(10,991)	(12,098)	8,596

** see Note 3.6*

Del Monte Pacific Limited and its Subsidiaries

Statements of cash flows (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

	Note	<---- Group	----	---->	<---- Company	----	---->
		Year ended 30 April 2016	Year ended 30 April 2015 (As restated*)	Four months ended 30 April 2014 (As restated*)	Year ended 30 April 2016	Year ended 30 April 2015 (As restated*)	Four months ended 30 April 2014 (As restated*)
Cash flows from investing activities							
Interest received		357	353	111	–	–	21
Proceeds from disposal of property, plant and equipment and assets held for sale		3,775	353	63	–	–	–
Purchase of property, plant and equipment		(60,309)	(75,179)	(17,980)	–	–	–
Investments in joint ventures		(1,947)	(4,249)	(2,271)	–	(2,551)	–
Acquisition of Consumer Food Business, net of cash acquired	5	–	–	(1,783,497)	–	–	(630,500)
Purchase of Sager Creek	5	–	(75,000)	–	–	–	–
Deconsolidation of a subsidiary		–	(1,258)	–	–	–	–
Withdrawal to escrow account related to the Acquisition of Consumer Food Business		–	–	100,000	–	–	100,000
Net cash flows used in investing activities		(58,124)	(154,980)	(1,703,574)	–	(2,551)	(530,479)
Cash flows from financing activities							
Interest paid		(85,682)	(88,111)	(7,650)	(19,907)	(27,087)	(5,574)
Proceeds from borrowings		1,113,193	1,270,084	2,133,766	233,000	16,000	602,491
Repayment of borrowings		(986,800)	(1,411,388)	(558,176)	(207,000)	(167,000)	–
Proceeds from issue of share capital		–	155,036	–	–	155,036	–
Payment of transactions costs related to issuance of share capital		–	(2,924)	–	–	(2,924)	–
Repayment of loans to subsidiaries		–	–	–	–	–	(75,095)
Capital injection by non-controlling interests of subsidiaries		189	4	74,500	–	–	–
Acquisition of treasury shares		(173)	–	–	(173)	–	–
Payment of amounts due to subsidiaries (non-trade)		–	–	–	(6,170)	41,716	–
Decrease (increase) in due from subsidiaries (non-trade)		–	–	–	5,485	4,802	–
Net cash flows provided by (used in) financing activities		40,727	(77,299)	1,642,440	5,235	20,543	521,822

** see Note 3.6*

Del Monte Pacific Limited and its Subsidiaries

Statements of cash flows (cont'd)
Years/period ended 30 April 2016, 2015 and 2014
(In US$'000)

		<--- Group	--->		<--- Company	--->	
	Note	**Year ended 30 April 2016**	**Year ended 30 April 2015 (As restated*)**	**Four months ended 30 April 2014 (As restated*)**	**Year ended 30 April 2016**	**Year ended 30 April 2015 (As restated*)**	**Four months ended 30 April 2014 (As restated*)**
Net increase (decrease) in cash and cash equivalents		13,643	7,349	(6,461)	(5,756)	5,894	(61)
Effect of exchange rate changes held in foreign currency and translation adjustments on cash and cash equivalents		(2,058)	(132)	1,941	(9)	–	–
Cash and cash equivalents at beginning of year/period		35,618	28,401	32,921	6,126	232	293
Cash and cash equivalents at end of year/period	16	47,203	35,618	28,401	361	6,126	232

** see Note 3.6*

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

These notes form an integral part of the financial statements.

The accompanying financial statements were approved and authorised for issuance by the Board of Directors (BOD) on 25 July 2016.

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, developing, manufacturing, marketing, distributing and selling packaged fruits and vegetables, canned and fresh pineapples, pineapple concentrate, tropical mixed fruit, tomato-based products, broth and certain other food products mainly under the brand names of "Del Monte", "S&W", "Contadina", "College Inn" and other brands.

The immediate holding company is NutriAsia Pacific Limited whose ultimate shareholders are NutriAsia Inc and Well Grounded Limited, which at 30 April 2016 and 2015, and 1 May 2014 held 57.8% and 42.2% interest in NutriAsia Pacific Limited, respectively, through their intermediary company, NutriAsia Holdings Limited. NutriAsia Pacific Limited, NutriAsia Inc and Well Grounded Limited are incorporated in the British Virgin Islands.

The financial statements of the Group as at and for the year ended 30 April 2016 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interests in joint ventures.

2. Going concern – The Company

The Company's current liabilities are higher by US$319.1 million compared to current assets as at 30 April 2016 (30 April 2015: US$154.4 million, 30 April 2014: US$620.1 million). Management believes that the Company will be able to pay its liabilities as and when they fall due. Accordingly, the use of going concern assumption is appropriate taking into account the following:

- the Group's net current assets position of US$147.6 million as at 30 April 2016 and the Group's expected positive cash flows from its operations;
- The ability of the Company to raise additional equity through issuance of subordinated perpetual securities to the shareholders in the next twelve months; and
- The ability of the Company to extend the maturity dates of certain of its financing facilities to more than twelve months after the reporting date.

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). IFRS includes statements named IFRS, International Accounting Standards (IAS), International Financial Reporting and Interpretations Committee and Standing Interpretations Committee Interpretations issued by the International Accounting Standards Board (IASB).

3.2 Basis of measurement

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

3.3 Functional and presentation currency

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

3.4 Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 7 – Determination of control over subsidiaries
Note 8 – Classification of the joint arrangement
Note 36 – Leases: whether an arrangement contains a lease
Note 37 – Contingencies

Estimates and underlying assumptions

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.

3. Basis of preparation (cont'd)

3.4 Use of estimates and judgements (cont'd)

Estimates and underlying assumptions (cont'd)

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 6 – Useful lives of property, plant and equipment
Note 7 – Recoverability of investments in subsidiaries
Note 8 – Recoverability of investments in joint ventures
Note 9 – Useful lives of intangible assets and impairment of goodwill and intangible assets
Note 10 – Realisability of deferred tax assets
Note 12 – Cost of growing crops and fair value of livestock and harvested crops
Note 13 – Allowance for inventory obsolescence and net realisable value
Note 14 – Impairment of trade receivables
Note 22 – Measurement of employee benefit obligations
Note 28 – Measurement of tax
Note 35 – Determination of fair values
Note 37 – Provisions

3.5 Measurement of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3. Basis of preparation (cont'd)

3.5 Measurement of fair value (cont'd)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.6 Change in accounting policy

In fiscal year 2016, the Group elected to change the method of valuing inventory to the first-in first-out (FIFO) method. Previously, the cost of finished goods inventory was based on the weighted average method. The FIFO method assumes that the items of inventory that were produced first are sold first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced. The Group believes that the change results in the financial statements providing more reliable and relevant information and results in a fairer and more reasonable valuation of inventory as it more closely reflects the actual physical flows of the finished goods. The Group also reclassified certain of its costs, expenses and sales deductions, based on their nature, for the year/period ended 30 April 2015 and 2014 to align with presentation for the year ended 30 April 2016.

The change in inventory costing and reclassification of accounts were applied on a retrospective basis and comparative statements for fiscal years 2015 and 2014 have been restated to reflect the changes in accounting policies. The following table summarises the material impact resulting from the above change in accounting policy:

<u>Statements of financial position</u>

	Group			Company		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 30 April 2015						
Investments in subsidiaries	–	–	–	774,123	(8,325)	765,798
Deferred tax assets - net	80,773	5,530	86,303	–	–	–
Inventories	764,350	(14,801)	749,549	–	–	–
Total assets	845,123	(9,271)	835,852	774,123	(8,325)	765,798
Retained earnings	105,664	(8,332)	97,332	105,664	(8,332)	97,332
Reserves	148,743	7	148,750	148,882	7	148,889
Non-controlling interests	59,590	(946)	58,644	–	–	–
Total equity	313,997	(9,271)	304,726	254,546	(8,325)	246,221
At 1 May 2014						
Investments in subsidiaries	–	–	–	803,514	(3,189)	800,325
Deferred tax assets - net	45,108	2,049	47,157	–	–	–
Inventories	814,257	(5,586)	808,671	–	–	–
Total assets	859,365	(3,537)	855,828	803,514	(3,189)	800,325
Retained earnings	143,711	(3,196)	140,515	143,711	(3,196)	140,515
Reserves	26,590	7	26,597	26,729	7	26,736
Non-controlling interests	67,603	(348)	67,255	–	–	–
Total equity	237,904	(3,537)	234,367	170,440	(3,189)	167,251

3. Basis of preparation (cont'd)

3.6 Change in accounting policy (cont'd)

Income statements

	Group: As previously reported US$'000	Group: Adjustments US$'000	Group: As restated US$'000	Company: As previously reported US$'000	Company: Adjustments US$'000	Company: As restated US$'000
For the year ended 30 April 2015						
Revenue	2,159,375	27,314	2,186,689	–	–	–
Cost of sales	(1,769,516)	(9,015)	(1,778,531)	–	–	–
Distribution and selling expenses	(145,877)	(53,283)	(199,160)	–	–	–
General and administrative expenses	(216,289)	25,397	(190,892)	–	–	–
Other income (expenses) - net	16,520	376	16,896	–	–	–
Share of loss in investments in subsidiaries and joint ventures, net of tax	–	–	–	(5,762)	(5,136)	(10,898)
Tax (expense) credit – net	14,440	3,477	17,917	–	–	–
Loss for the year	(43,261)	(5,734)	(48,995)	(38,047)	(5,136)	(43,183)
Non-controlling interests	(5,214)	(598)	(5,812)	–	–	–
Owners of the Company	(38,047)	(5,136)	(43,183)	(38,047)	(5,136)	(43,183)
For the four months ended 30 April 2014						
Revenue	378,799	7,329	386,128	–	–	–
Cost of sales	(342,698)	(5,593)	(348,291)	–	–	–
Distribution and selling expenses	(32,541)	(7,089)	(39,630)	–	–	–
Other income (expenses) - net	(5,923)	(48)	(5,971)	–	–	–
Share of loss in investments in joint ventures and subsidiaries, net of tax	–	–	–	(33,997)	(3,010)	(37,007)
Tax (expense) credit – net	22,339	2,043	24,382	–	–	–
Loss for the period	(46,489)	(3,358)	(49,847)	(41,764)	(3,010)	(44,774)
Non-controlling interests	(4,725)	(348)	(5,073)	–	–	–
Owners of the Company	(41,764)	(3,010)	(44,774)	(41,764)	(3,010)	(44,774)

Earnings per share

	Group: As previously reported	Group: Adjustments	Group: As restated
For the year ended 30 April 2015			
Basic loss per share (US cents)	(2.74)	(0.36)	(3.10)
Diluted loss per share (US cents)	(2.74)	(0.36)	(3.10)
For the four months ended 30 April 2014			
Basic loss per share (US cents)	(3.22)	(0.23)	(3.45)
Diluted loss per share (US cents)	(3.22)	(0.23)	(3.45)

3. Basis of preparation (cont'd)

3.6 Change in accounting policy (cont'd)

The change in accounting policy has no significant impact in the statements of cash flows for the year/period ended 30 April 2015 and 2014.

3.7 Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Group has adopted the following standards, amendments to standards, including any consequential amendments to other standards, and interpretations with a date of initial application of 1 May 2015. The adoption of these new standards, amendments to standards, interpretations has no significant impact to the Group.

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

Annual Improvements to IFRSs: 2010 – 2012 and 2011 - 2013 Cycles – Amendments were made to a total of nine standards, with changes made to the standards on business combinations and fair value measurement in both cycles. Earlier application is permitted, in which case the related consequential amendments to other IFRSs would also apply. Special transitional requirements have been set for amendments to the following standards: IFRS 2, IAS 16, IAS 38 and IAS 40. The following are the said improvements or amendments to IFRSs, none of which has a significant effect on the financial statements of the Group:

(i) *Meaning of 'vesting condition'* (*Amendment to IFRS 2*). IFRS 2 has been amended to clarify the definition of 'vesting condition' by separately defining 'performance condition' and 'service condition.' The amendment also clarifies both: how to distinguish between a market and a non-market performance condition; and the basis on which a performance condition can be differentiated from a non-vesting condition.

(ii) *Classification and measurement of contingent consideration* (*Amendments to IFRS 3*). The amendments clarify the classification and measurement of contingent consideration in a business combination. When contingent consideration is a financial instrument, its classification as a liability or equity is determined by reference to *IAS 32 Financial Instruments: Presentation*, rather than to any other IFRSs. Contingent consideration that is classified as an asset or a liability is always subsequently measured at fair value, with changes in fair value recognised in profit or loss.

Consequential amendments are also made to *IAS 39 Financial Instruments: Recognition and Measurement* and *IFRS 9 Financial Instruments* to prohibit contingent consideration from subsequently being measured at amortised cost. In addition, *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* is amended to exclude provisions related to contingent consideration.

(iii) *Scope exclusion for the formation of joint arrangements (Amendment to IFRS 3*). IFRS 3 has been amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements in *IFRS 11 Joint Arrangements* – i.e. including joint operations – in the financial statements of the joint arrangements themselves.

3. Basis of preparation (cont'd)

3.7 Adoption of New or Revised Standards, Amendments to Standards and Interpretations (cont'd)

(iv) *Disclosures on the aggregation of operating segments* (*Amendment to IFRS 8*). IFRS 8 has been amended to explicitly require the disclosure of judgements made by management in applying the aggregation criteria. The disclosures include: a brief description of the operating segments that have been aggregated; and the economic indicators that have been assessed in determining that the operating segments share similar economic characteristics. In addition, this amendment clarifies that a reconciliation of the total of the reportable segments' assets to the entity's assets is required only if this information is regularly provided to the entity's chief operating decision maker. This change aligns the disclosure requirements with those for segment liabilities.

(v) *Restatement of accumulated depreciation (amortisation) on revaluation* (*Amendments to IAS 16 and IAS 38*). The amendments clarify the requirements of the revaluation model in IAS 16 and IAS 38, recognising that the restatement of accumulated depreciation (amortisation) is not always proportionate to the change in the gross carrying amount of the asset. IAS 16 and IAS 38 have been amended to clarify that, at the date of revaluation: the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset – e.g. restated in proportion to the change in the carrying amount or by reference to observable market data; and the accumulated depreciation (amortisation) is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or the accumulated depreciation (amortisation) is eliminated against the gross carrying amount of the asset.

(vi) *Definition of 'related party' (Amendment to IAS 24).* The definition of a 'related party' is extended to include a management entity that provides key management personnel (KMP) services to the reporting entity, either directly or through a group entity. For related party transactions that arise when KMP services are provided to a reporting entity, the reporting entity is required to separately disclose the amounts that it has recognised as an expense for those services that are provided by a management entity; however, it is not required to 'look through' the management entity and disclose compensation paid by the management entity to the individuals providing the KMP services. The reporting entity will also need to disclose other transactions with the management entity under the existing disclosure requirements of IAS 24 – e.g. loans.

(vii) *Inter-relationship of IFRS 3 and IAS 40 (Amendment to IAS 40)*. IAS 40 has been amended to clarify that an entity should assess whether an acquired property is an investment property under IAS 40 and perform a separate assessment under IFRS 3 to determine whether the acquisition of the investment property constitutes a business combination. Entities will still need to use judgement to determine whether the acquisition of an investment property is an acquisition of a business under IFRS 3.

(viii) *Scope of portfolio exception (Amendment to IFRS 13).* IFRS 13 has been amended to clarify that the portfolio exception can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IAS 39.

4. 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 3.6, which addresses change in accounting policy.

4.1 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.

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. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in the income statement.

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

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 the income statement.

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 are measured either 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. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition-date fair value unless another measurement is required by 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.

4. Significant accounting policies (cont'd)

4.1 Basis of consolidation (cont'd)

(i) Business combination (cont'd)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in the income statement. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Investments in subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through power over the investee. Specifically, the Company controls an investee if and only if the Company has:

- power over the investee (i.e. existing rights that give the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Company has less than majority of the voting rights or similar rights to an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date control is transferred to the Company and cease to be consolidated from the date control is transferred out of the Company. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intra-group assets and liabilities, equity, income expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

4. Significant accounting policies (cont'd)

4.1 Basis of consolidation (cont'd)

(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) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the income statement.

(v) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill of initial recognition, see Note 5.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of the joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the joint ventures.

(vi) Investments in joint ventures

Joint ventures are those entities 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.

Investments in joint ventures are accounted for using the equity method. They are recognised initially 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 joint ventures, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in joint ventures, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

4. Significant accounting policies (cont'd)

4.1 Basis of consolidation (cont'd)

(vii) 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.

(viii) Investments in subsidiaries and joint ventures in the separate financial statements

Interest in subsidiaries and joint ventures are accounted for using the equity method. The Company early adopted the amendments to *IAS 27 Equity Method in Separate Financial Statements*. It is initially recognised at cost, which includes transactions costs. Subsequent to the initial recognition, the financial statements include the Company'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.

When the Company's share of losses exceeds its interest in subsidiaries and joint ventures, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has an obligation to fund the investee's operations or has made payments on behalf of the investee.

4.2 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. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

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 the income statement, except for differences which are recognised in (OCI) arising on the retranslation of qualifying cash flow hedges to the extent the hedge is effective.

4. Significant accounting policies (cont'd)

4.2 Foreign currency (cont'd)

(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, 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 of 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 the income statement.

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.

(iii) Foreign operation in hyperinflationary economy

Financial statements of a foreign entity with a functional currency of a country that has a highly inflationary economy, are restated to reflect changes in the general price level or index in that country before translation into US Dollars.

In adjusting for hyperinflation, a general price index is applied to all non-monetary items in the financial statements (including equity) and the resulting gain or loss, which is the gain or loss on the entity's net monetary position, is recognised in the income statement. Monetary items in the closing statement of financial position, which are defined as money held and items to be received or paid in money, are not adjusted.

In 2015, the Group deconsolidated its subsidiary which has operations in Venezuela. Venezuela is a hyperinflationary economy. The Venezuelan exchange control regulations have resulted in other-than-temporary lack of exchangeability between the Venezuelan Bolivar and US Dollars. This has restricted the Venezuelan entity's ability to pay dividends and obligations denominated in US Dollar. The exchange regulations, combined with other recent Venezuelan regulations, have constrained the Venezuelan entity's ability to maintain normal production. Due to the Group's inability to effectively control the operations of the entity, the Group deconsolidated the subsidiary with effect from February 2015 (Note 7).

4. Significant accounting policies (cont'd)

4.3 Current versus Noncurrent Classification

The Group presents assets and liabilities in the statements of financial position based on current/noncurrent classification. An asset is current when:

- It is expected to be realised or intended to be sold or consumed in the normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realised within 12 months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and deferred tax liabilities are classified as noncurrent assets and liabilities, respectively.

4.4 Intangible assets

(i) Indefinite intangible assets

Intangible assets are measured at cost less accumulated impairment losses.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in the income statement as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

4. Significant accounting policies (cont'd)

4.4 Intangible assets (cont'd)

(iii) 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.

(iv) 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 the income statement as incurred.

(v) Amortisation

Amortisation is calculated based on the cost of the 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 and, from the date that they are available for use. The estimated useful lives for the current period and comparative years are as follows:

Trademarks	-	10 to 40 years
Customer relationships	-	8 to 20 years

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

4.5 Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss (FVPL), held-to-maturity (HTM) financial assets, loans and receivables and available-for-sale (AFS) financial assets. The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at FVPL and other financial liabilities. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Classification is determined at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date. The Group has no financial assets and liabilities at FVPL, HTM financial assets, and AFS financial assets as at 30 April 2016 and 2015, and 1 May 2014.

(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 are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

4. Significant accounting policies (cont'd)

4.5 Financial instruments (cont'd)

(i) Non-derivative financial assets (cont'd)

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, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. 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.

Non-derivative financial assets comprise of loans and receivables.

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, and cash and cash equivalents. Cash and cash equivalents comprise bank balances and cash on hand.

(ii) Non-derivative financial liabilities

Financial liabilities are recognised initially on 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, are cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has an enforceable 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. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

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.

4. Significant accounting policies (cont'd)

4.5 Financial instruments (cont'd)

(iii) Derivative financial instruments, including hedge accounting

The Group uses derivative financial instruments for the purpose of managing risks associated with interest rates, currencies, transportation and certain commodities. The Group does not trade or use instruments with the objective of earning financial gains on fluctuations in the derivative instrument alone, nor does it use instruments where there are not underlying exposures. All derivative instruments are recorded in the statement of financial position at fair value. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether the instrument has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, the Group designates the hedging instrument based upon the exposure being hedged, as a fair value hedge, cash flow hedge, or a hedge of a net investment in a foreign operation.

On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be 'highly effective' in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80 - 125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; any directly attributable transaction costs are recognised in the income statement as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the income statement.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the income statement.

The amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to the income statement.

4. Significant accounting policies (cont'd)

4.6 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 the income statement. A decrease in value is recognised in the income statement where it exceeds the increase previously recognised in the revaluation reserve. Upon disposal, any related revaluation reserve is transferred from other comprehensive income to retained earnings 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 assets to a working condition for their intended use, when the Group has an obligation to remove the asset or restore the site as estimate of the costs 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 the item, and is recognised net within other income/other expenses in the income statement.

(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 component 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 the income statement as incurred.

4. Significant accounting policies (cont'd)

4.6 Property, plant and equipment (cont'd)

(iii) Depreciation

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 in the income statement on a straight-line basis over their estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. 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.

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.

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

Buildings, land improvements and leasehold improvements	-	3 to 50 years or lease term, whichever is shorter
Machineries and equipment	-	3 to 30 years
Dairy and breeding herd	-	3½ years to 6 years

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

4.7 Biological assets

The Group's biological assets include: (a) growing crops consisting of pineapple and papaya; (b) breeding and dairy herd; (c) growing herd; and (d) cattle for slaughter. Agricultural produce include: (a) pineapple and papaya fruits harvested from the Group are growing crops and (b) cut meat from the cattle for slaughter.

The Group's biological assets are accounted for as follows:

Growing Crops

Growing crops are measured at cost reduced by the estimated costs of harvests. Costs to grow include purchase costs, land preparation expenses, and direct expenses during the cultivation of the primary, ratoon and, if needed, re-ratoon crops. The accumulated costs are deferred and are amortised as raw product costs upon harvest. Raw product cost is the estimated cost of the actual volume of harvest in a given period.

4. Significant accounting policies (cont'd)

4.7 Biological assets (cont'd)

The cost method of valuation is 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 that are expected to be harvested within 12 months are classified as current assets in the statement of financial position.

Dairy and Breeding Herd

The dairy and breeding herd are measured at cost less accumulated depreciation. The breeding and dairy herd have useful lives of 3½ to 6 years. The cost method was used since fair value cannot be measured reliably. The breeding and dairy herd 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. Dairy and breeding herd are classified under property, plant and equipment in the statement of financial position.

Growing Herd

Growing herd is measured at cost. The cost method was used since the fair value cannot be measured reliably. Growing herd has no defined active market since it has not yet been identified if this will be for breeding or for slaughter. Growing herd is classified as noncurrent assets in the statement of financial position.

Cattle for Slaughter

Cattle for slaughter are measured at each reporting date at their fair value less point-of-sale costs. Gains and losses arising from changes in fair values are included in profit or loss for the period in which they arise. Cattle for slaughter are classified as current assets in the statement of financial position.

The Group's agricultural produce are accounted for as follows:

Agricultural Produce

The Group's agricultural produce, at the point of harvest, is measured at their fair value less estimated point-of-sale costs on initial recognition. Point-of-sale costs include expenses such as commissions to brokers and dealers, as applicable. The fair value less the estimated point-of-sale costs of the agricultural produce is the deemed cost of the raw product which forms part of the cased goods.

Cut Meat

Cut meat is measured at each reporting date at their fair value less point-of-sale costs. Gains and losses arising from changes in fair values are included in profit or loss for the period in which they arise.

4. Significant accounting policies (cont'd)

4.8 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

(a) There is a change in contractual terms, other than a renewal or extension of the arrangement;

(b) A renewal option is exercised or extension granted, unless that term of the renewal or extension was initially included in the lease term;

(c) There is a change in the determination of whether fulfillment is dependent on a specified asset; or

(d) There is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) above, and at the date of renewal or extension period for scenario (b).

Group as Lessee

Leases where the lessor retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

4.9 Inventories

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

The cost of raw materials, packaging materials, traded goods, cost of production materials and storeroom items is based on the FIFO 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.

The costs of conversion include costs directly related to the units of production, and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

The allocation of fixed production overheads is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average for the periods or seasons under normal circumstances, taking into account the seasonal business cycle of the Group.

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

The cost of growing crops transferred from biological assets is its fair value less cost to sell at the date of harvest.

4. Significant accounting policies (cont'd)

4.10 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(s) have occurred after the initial recognition of the asset, and that the loss event(s) had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets 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, or economic conditions that correlate with defaults.

Loans and receivables

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and 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.

Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and 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 judgement 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 the income statement and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the income statement.

4. Significant accounting policies (cont'd)

4.10 Impairment (cont'd)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than biological assets, 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.

Impairment losses are recognised in the income statement. 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.

Joint ventures

An impairment loss in respect of joint ventures is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in the income statement. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

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.

Goodwill that forms part of the carrying amount of an investment in a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in a joint venture may be impaired.

4. Significant accounting policies (cont'd)

4.10 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

Joint ventures (cont'd)

When conducting the annual impairment test for goodwill, the Group compares the estimated fair value of the CGU containing goodwill to its recoverable amount. Goodwill is allocated to a CGU or group of CGUs that represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. The Group has one CGU. The recoverable amount is computed using two approaches: the value-in-use approach, which is the present value of expected cash flows, discounted at a risk adjusted weighted average cost of capital; and the fair value less cost to sell approach, which is based on using market multiples of companies in similar lines of business. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a 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.

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 on a pro rata basis.

An impairment loss in respect of goodwill is not reversed.

Intangible assets with indefinite lives, are components of the CGU containing goodwill and the impairment assessment is as described above.

4.11 Noncurrent assets held for sale

Noncurrent assets held for sale are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in the income statement.

Once classified as held for sale, property, plant and equipment are no longer depreciated.

4. Significant accounting policies (cont'd)

4.12 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 the income statement 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 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 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.

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 benefit to 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 that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in staff cost 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.

When the plan amendment or curtailment occurs, the Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group in connection with the settlement.

4. Significant accounting policies (cont'd)

4.12 Employee benefits (cont'd)

(ii) Defined benefit pension plan (cont'd)

Multi-employer plans

The Group participates in several multi-employer pension plans, which provide defined benefits to certain union employees. The Group accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as other defined benefit plan. For certain union employee related retirement plans, except when sufficient information is not available to use defined benefit accounting, in such which case the Group accounts for a plan as if it was a defined contribution plan.

(iii) Other plans

The Group has various other non-qualified retirement plans and supplemental retirement plans for executives, designed to provide benefits in excess of those otherwise permitted under the Group's qualified retirement plans. These plans are unfunded and comply with Internal Revenue Service (IRS) rules for non-qualified plans.

(iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in the income statement in the period in which they arise.

(v) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, 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 are recognised as an expense once the Group has announced the plan to affected employees.

(vi) 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.

4. Significant accounting policies (cont'd)

4.12 Employee benefits (cont'd)

(vii) Share-based payment transactions

The Group grants share awards and share options for the shares of the Group to employees of the Group. The fair value of incentives granted is recognised as an employee benefit 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 recognised over the period during which the employees become unconditionally entitled to the shares.

Share options

The fair value, measured at grant date, is recognised over the vesting period during which the employees become unconditionally entitled to the options. At each reporting date, the Group 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 benefit expense and as a corresponding adjustment to equity over the remaining vesting period.

4.13 Share Capital and Retained earnings

(i) Share capital

Ordinary shares

Ordinary shares are classified as equity. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. 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.

Share premium

Share premium represents the excess of consideration received over the par value of common stock.

4. Significant accounting policies (cont'd)

4.13 Share Capital and Retained earnings (cont'd)

(ii) Retained Earnings

Retained earnings include profit attributable to the equity holders of the Group and reduced by dividends declared on share capital.

(iii) Dividends

Dividends are recognised as a liability and deducted from retained earnings when they are declared.

4.14 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. The unwinding of the discount is recognised as finance cost.

(i) Environment remediation liabilities

In accordance with the Group's environment policy and applicable legal requirements, a provision for environmental remediation obligations and the related expense, is recognised when such losses are probable and the amounts of such losses can be estimated reliably. Accruals for estimated losses for environmental remediation obligations are recognised no later than the completion of the remedial feasibility study. These accruals are adjusted as further information develops or circumstances change.

(ii) Retained insurance liabilities

The Group accrues for retained-insurance risks associated with the deductible portion of any potential liabilities that might arise out of claims of employees, customers or other third parties for personal injury or property damage occurring in the course of the Group's operations. A third-party actuary is engaged to assist the Group in estimating the ultimate cost of certain retained insurance risks. Additionally, the Group's estimate of retained-insurance liabilities is subject to change as new events or circumstances develop which might materially impact the ultimate cost to settle these losses.

4. Significant accounting policies (cont'd)

4.15 Revenue recognition

(i) Sale of goods

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 measured 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 Company's right to receive payment is established.

4.16 Lease payments

Payments made under operating leases are recognised in the income statement 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.

Rent expense is being recognised on a straight-line basis over the life of the lease. The difference between rent expense recognised and rental payments, as stipulated in the lease, is reflected as deferred rent in the statements of financial position.

4.17 Finance income and finance costs

Finance income comprises interest income earned mainly from bank deposits. Interest income is recognised as it accrues in the income statement, using the effective interest method.

Finance expense comprises interest expense on borrowings. 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.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

4. Significant accounting policies (cont'd)

4.18 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 joint ventures 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.

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.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

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 judgements about future events. New information may become available that causes the Group to change its judgement 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.

4.19 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 the restricted share plan and share options granted to employees.

4. Significant accounting policies (cont'd)

4.20 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.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly non-recurring expenses.

4.21 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

4.22. New standards and interpretations issued but not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 May 2016. However, the Group has not applied the following new or amended standards in preparing these financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's financial statements.

- *Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11).* The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business. Business combination accounting also applies to the acquisition of additional interests in a joint operation while the joint operator retains joint control. The additional interest acquired will be measured at fair value. The previously held interests in the joint operation will not be remeasured.

  The amendments place the focus firmly on the definition of a business, because this is key to determining whether the acquisition is accounted for as a business combination or as the acquisition of a collection of assets. As a result, this places pressure on the judgement applied in making this determination.

  The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The Group is currently assessing the impact of these amendments to *IAS 16 Property, Plant and Equipment* and *IAS 41 Agriculture* on its financial position and financial performance.

- *Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41).* Bearer plants are now in the scope of *IAS 16 Property, Plant and Equipment* for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41. A bearer plant is a plant that: is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction.

  Although the amendments withdraw mandatory fair value measurement, a company will still need information about future cash flows to determine the recoverable amount of a bearer plant when an indicator of impairment exists.

  The amendments are effective for annual periods beginning on or after 1 January 2016. Early adoption is permitted.

  The Group is currently assessing the impact of these amendments to IAS 16 and IAS 41 on its financial position and financial performance.

4. Significant accounting policies (cont'd)

4.22. New standards and interpretations issued but not yet adopted (cont'd)

- *Annual Improvements to IFRSs 2012 – 2014 Cycle.* This cycle of improvements contains amendments to four standards, none of which are expected to have significant impact on the Group's financial statements. The amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

  - *Changes in method for disposal (Amendment to IFRS 5).* IFRS 5 is amended to clarify that:

    - if an entity changes the method of disposal of an asset (or disposal group) – i.e. reclassifies an asset (or disposal group) from held-for-distribution to owners to held-for-sale (or vice versa) without any time lag – then the change in classification is considered a continuation of the original plan of disposal and the entity continues to apply held-for-distribution or held-for-sale accounting. At the time of the change in method, the entity measures the carrying amount of the asset (or disposal group) and recognises any write-down (impairment loss) or subsequent increase in the fair value less costs to sell/distribute of the asset (or disposal group); and

    - if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held-for-distribution, then it ceases held-for-distribution accounting in the same way as it would cease held-for-sale accounting.

    Any change in method of disposal or distribution does not, in itself, extend the period in which a sale has to be completed.

    The amendment to IFRS 5 is applied prospectively in accordance with IAS 8 to changes in methods of disposal that occur on or after 1 January 2016.

  - *Offsetting disclosures in condensed interim financial statements (Amendment to IFRS 7).* IFRS 7 is also amended to clarify that the additional disclosures required by *Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)* are not specifically required for inclusion in condensed interim financial statements for all interim periods; however, they are required if the general requirements of *IAS 34 Interim Financial Reporting* require their inclusion.

    The amendment to IFRS 7 is applied retrospectively, in accordance with *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.*

  - *Disclosure of information "elsewhere in the interim financial report' (Amendment to IAS 34).* IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements, may be disclosed "elsewhere in the interim financial report" – i.e. incorporated by cross-reference from the interim financial statements to another part of the interim financial report (e.g. management commentary or risk report). The interim financial report is incomplete if the interim financial statements and any disclosure incorporated by cross-reference are not made available to users of the interim financial statements on the same terms and at the same time.

    The amendment to IAS 34 is applied retrospectively, in accordance with *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.*

4. Significant accounting policies (cont'd)

4.22. New standards and interpretations issued but not yet adopted (cont'd)

- *Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)* clarifies that:

  - A subsidiary that provides investment–related services should not be consolidated if the subsidiary itself is an investment entity.

  - The exemption from preparing consolidated financial statements for an intermediate held by an investment entity, even though the investment entity does not consolidate the intermediate.

  - When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.

  The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted.

- *Disclosure Initiative (Amendments to IAS 1)* addresses some concerns expressed about existing presentation and disclosure requirements and to ensure that entities are able to use judgement when applying IAS 1. The amendments clarify that:

  - Information should not be obscured by aggregating or by providing immaterial information.

  - Materiality considerations apply to all parts of the financial statements, even when a standard requires a specific disclosure.

  - The list of line items to be presented in the statement of financial position and statement of profit or loss and other comprehensive income can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

  - An entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss.

  The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted.

Effective 1 May 2018

- *IFRS 9 Financial Instruments (2014).* IFRS 9 (2014) replaces IAS 39 *Financial Instruments: Recognition and Measurement* and supersedes the previously published versions of IFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). IFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. IFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

4. Significant accounting policies (cont'd)

4.22. New standards and interpretations issued but not yet adopted (cont'd)

Effective 1 May 2018 (cont'd)

The new standard is to be applied retrospectively for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Group is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

- *IFRS 15 Revenue from Contract with Customers.* IFRS 15 was issued in May 2014 by the IASB and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to customers. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

  IFRS 15 is effective for annual periods beginning on or after 1 January 2018. The Group is currently assessing the impact of the IFRS 15 and plans to adopt this new standard on revenue on the required effective date.

Effective 1 May 2019

- *IFRS 16 Leases* supersedes IAS 17 *Leases* and the related Philippine Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognised on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements. Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases. New estimates and judgemental thresholds that affect the identification, classification and measurement of lease transactions, as well as requirements to reassess certain key estimates and judgements at each reporting date were introduced.

  IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group is currently assessing the potential impact of IFRS 16 and plans to adopt this new standard on leases on the required effective date.

5. Acquisition of business

(i) Acquisition of Sager Creek

The Group, through its wholly-owned U.S. subsidiary, Sager Creek Foods, Inc. (formerly Vegetable Acquisition Corp.), has acquired Sager Creek Vegetable Company's ("Sager Creek") vegetable business effective 10 March 2015 in San Francisco, U.S.A. Sager Creek is a producer of specialty vegetables for the foodservice and retail markets headquartered in Siloam Springs, Arkansas. Sager Creek has manufacturing operations located in North Carolina, Arkansas, and Wisconsin. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others. The cash price paid for the Sager Creek assets is US$75.0 million. Such price was established through an auction process and negotiations between the parties. The acquisition cost was financed through Del Monte Foods Inc.'s ("DMFI") revolving credit facility, the payment for which will be secured by the acquired assets.

The acquisition of Sager Creek's business provides the Group access to new customers and new retail product offerings and the opportunity to expand on Sager Creek's foodservice business platform, while driving significant operating synergies in the Group's network of vegetable production facilities.

During the period from the date of acquisition on 10 March 2015 to 30 April 2015, Sager Creek contributed revenue of US$29.5 million and an operating loss of US$0.2 million to the Group's results. If the acquisition had occurred on 1 May 2014, management estimates that the contribution to the consolidated revenue for the year ended 30 April 2015 would have been US$251.6 million, and operating loss would have been US$23.3 million.

(a) Consideration transferred

The consideration for the acquisition of Sager Creek was US$75.0 million and subject to post closing working capital adjustments.

(b) Acquisition-related costs

The Group incurred acquisition-related costs in respect of the acquisition of Sager Creek amounting to US$0.5 million and US$0.8 million for the years ended 30 April 2016 and 2015, respectively. These costs, which include external legal fees and due diligence costs, are included as part of "General and administrative expenses" account in the consolidated income statement.

5. Acquisition of business (cont'd)

(i) Acquisition of Sager Creek (cont'd)

(c) Identifiable assets acquired and liabilities assumed

The transaction was accounted for as a business acquisition under the purchase method of accounting. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of the acquisition:

	Note	**Fair values recognised on acquisition 10 March 2015 US$'000**
Property, plant and equipment	6	39,511
Intangible assets	9	25,400
Other non-current assets		2,117
Inventories		53,589
Assets held for sale		8,113
Other current assets		4,412
Trade and other payables		(31,113)
Other non-current liabilities		(461)
Total identifiable net assets		101,568

Of the US$25.4 million of acquired intangible assets, US$13.5 million was assigned to customer relationships and US$11.9 million was assigned to trademarks and trade names.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Property, plant and equipment: Market comparison technique and cost technique: The valuation model considered market prices for similar items when available, and depreciated replacement cost as appropriate.

Intangible assets: Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.

Inventories: Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

5. Acquisition of business (cont'd)

(i) Acquisition of Sager Creek (cont'd)

(d) Bargain purchase

Bargain purchase arising from the acquisition has been recognised as follows:

	US$'000
Total consideration transferred	75,000
Fair value of identifiable net assets	(101,568)
Bargain purchase	(26,568)

This acquisition resulted in a bargain purchase transaction because the fair value of assets acquired exceeded the total of the fair value of consideration paid. The gain on bargain purchase is included as part of "Other income (expenses) - net" account in the 2015 consolidated income statement. The Group believes that the bargain purchase arose mainly because the transaction occurred at a more rapid pace than what would be considered a normal transaction timeframe for similar purchase transactions. The prior owners had a short time period to close the deal so that the new buyer handles the grower and other commitments for the upcoming grower season and it was important to the acquiree to get these commitments signed. The process was subject to a limited competitive bidding process, due to the need to close quickly.

(ii) Acquisition of Consumer Food Business

On 10 October 2013, the Company and the Group's wholly owned subsidiary, DMFI entered into a purchase agreement with Del Monte Corporation, now known as The J.M. Smucker Company or "Smucker's" (also formerly known as "Big Heart Pet Brands") ("the Seller"), to acquire all of the shares of certain subsidiaries of the Seller and acquire certain assets and assume certain liabilities related to the Seller's consumer food business ("Consumer Food Business") for a purchase price of US$1,675.0 million subject to a post-closing working capital adjustment (the "Acquisition"). The transaction was completed on 18 February 2014.

The Consumer Food Business sells products under the Del Monte, Contadina, College Inn, S&W and other brand names, as well as private label products, to key customers. The Consumer Food Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with the leading market share for branded products in both fruit and vegetable.

As a result of the acquisition, the Group gained access to a well-established, attractive and profitable branded consumer business in the US. The Group generated 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 Group realised synergies by leveraging its vertical integration, benefiting from economies of scale and value-added expansion and optimising operations over time.

5. Acquisition of business (cont'd)

(ii) Acquisition of Consumer Food Business (cont'd)

In order to support the continued and uninterrupted operation of the Consumer Food Business following the close date, a transition services agreement, dated 18 February 2014 was made by and between the Seller, DMFI and the Company. Beginning on the close date, the Seller provided transition services relating to warehousing, transportation, customer financial services, IT services/use of system and administration (accounting/finance).

From the date of acquisition on 18 February 2014 to 30 April 2014, the Consumer Food Business contributed revenue of US$293.0 million and loss of US$43.3 million to the Group's results. If the acquisition had occurred on 1 January 2014, management estimates that contribution to consolidated revenue would have been US$525.0 million, and consolidated loss for the period would have been US$58.0 million. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2014.

(a) Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred.

	US$'000
Original purchase price	1,675,000
Working capital adjustments	110,981
Total cash consideration	1,785,981
Settlement of pre-existing relationship	(1,160)
Total consideration transferred	1,784,821

The cash consideration includes the post-closing working capital adjustments of US$111.0 million which was calculated based on the difference between the target working capital stipulated in the purchase agreement and the Seller's good faith estimate of working capital and was paid upon the completion of the acquisition on 18 February 2014.

Based on the Seller's calculation of working capital, the Seller requested an additional upward adjustment to the post-closing working capital adjustment of US$16.4 million plus interest accrued from 18 February 2014 through to the date of payment. DMFI served its Notice of Disagreement asserting that the Sellers' statement setting forth its calculation of closing working capital is in breach of several provisions of the Agreement and that the Seller is not entitled to any adjustment to the purchase price on account of working capital, including the additional post-closing working capital adjustment of US$16.4 million plus interest accrued, and the post-closing adjustment amount must be returned.

5. Acquisition of business (cont'd)

(ii) Acquisition of Consumer Food Business (cont'd)

(a) Consideration transferred (cont'd)

In March 2015, the parties submitted this dispute to an independent certified public accounting firm for resolution pursuant to the Purchase Agreement. On 25 April 2016, the parties entered into a settlement agreement, under which the Seller paid/refunded to DMFI US$38.0 million in full satisfaction of the post-closing working capital amount adjustment under the Purchase Agreement. The resulting settlement gain is included as part of "Other income (expenses) - net" account in the consolidated income statement for the financial year ended 30 April 2016.

Settlement of pre-existing relationship

The Group and the Seller were parties to a long-term supply contract in respect of processed foods (three-year notice of termination was served by the Group in November 2011) in North America (except Canada), Mexico and the Caribbean.

On the completion of the acquisition on 18 February 2014, the Seller's rights and obligations under the supply contract were transferred to DMFI. The loss of US$1.2 million on settlement of the pre-existing relationship is included as part of "Other income (expenses) - net" account in the consolidated income statements. This amount is the lower of the termination amount and the value of the off-market element of the contract. The fair value of the agreement at the date of acquisition was approximately US$1.2 million, which relates to the unfavourable aspect of the contract to the Group relative to market prices.

(b) Acquisition-related costs

The Group incurred a total of US$2.2 million for the year ended 30 April 2015 (four months ended 30 April 2014: US$33.4 million) of acquisition-related costs in respect of the Acquisition. These costs, which include external legal fees and due diligence costs, are included as part of "General and administrative expenses" account in the consolidated income statements.

5. Acquisition of business (cont'd)

(ii) Acquisition of Consumer Food Business (cont'd)

(c) Identifiable assets acquired and liabilities assumed

The following table summarises the recognised fair values of identifiable assets acquired and liabilities assumed at the date of acquisition.

	Note	**Fair values recognised on acquisition (provisional) 18 February 2014 US$'000**	**Adjustments during window period US$'000**	**Fair values recognised on acquisition (final) 30 April 2015 US$'000**
Property, plant and equipment	*6*	395,268	3,546	398,814
Intangible assets	*9*	529,000	(4,000)	525,000
Other assets		22,619	(359)	22,260
Deferred tax assets	*10*	8,534	45	8,579
Inventories		797,459	–	797,459
Cash and cash equivalents		2,484	–	2,484
Trade and other receivables		124,698	805	125,503
Trade and other payables		(144,335)	–	(144,335)
Current employee benefits		(4,563)	172	(4,391)
Other liabilities		(46,277)	(697)	(46,974)
Deferred tax liabilities		–	(1,092)	(1,092)
Non-current employee benefits		(105,465)	2,644	(102,821)
Total identifiable net assets acquired		1,579,422	1,064	1,580,486
Goodwill	*9*	205,399	(1,064)	204,335
Total consideration transferred		1,784,821	–	1,784,821
Less: Cash and cash equivalents acquired		(2,484)	–	(2,484)
Acquisition of Consumer Food Business, net of cash acquired		1,782,337	–	1,782,337

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Property, plant and equipment: Market comparison technique and cost technique: The valuation model considered market prices for similar items when available, and depreciated replacement cost as appropriate.

Intangible assets: Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.

Inventories: Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

5. Acquisition of business (cont’d)

(ii) Acquisition of Consumer Food Business (cont'd)

(c) Identifiable assets acquired and liabilities assumed (cont’d)

Trade and other receivables comprised gross contractual amounts due of US$126.1 million, of which, US$0.6 million was expected to be uncollectible at the date of acquisition. Of the US$525.0 million of acquired intangible assets, US$107.0 million was assigned to customer relationships and US$418.0 million was assigned to trademarks. Customer relationships and amortisable trademarks will be amortised over 10 - 20 years.

Retrospective adjustment

During the fiscal year 2015, the Group retrospectively adjusted the provisional amounts recognised at the acquisition date to reflect new information about facts and circumstances that existed as of the acquisition date that affected the measurement of the amounts initially recognised or would have resulted in the recognition of other assets or liabilities with a corresponding adjustment to goodwill. In the same year, the Group also revised comparative information for prior periods presented in the financial statements as needed, including making changes to depreciation, amortisation, or other income as a result of changes made to provisional amounts recognised as of 30 April 2014.

(d) Goodwill

Goodwill arising from the acquisition has been recognised as follows.

	Note	US$’000
Total consideration transferred		1,784,821
Fair value of identifiable net assets		1,580,486
Goodwill	*9*	204,335

The goodwill is attributable mainly to the 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 as well as synergies between the Consumer Food Business and the different subsidiaries under the Group. Furthermore, with greater access for its products, the Group expects to realise synergies by leveraging its vertical integration, benefiting from economies of scale and value-added expansion and optimising operations over time.

6. Property, plant and equipment - net

	<--- At cost			--->	Valuation	
Group	**Buildings, land improvements and leasehold improvements US$'000**	**Machineries and equipment US$'000**	**Dairy and breeding herd US$'000**	**Construction -in-progress US$'000**	**Freehold land US$'000**	**Total US$'000**
Cost/Valuation						
At 1 May 2015	203,068	465,657	228	29,781	72,068	770,802
Additions	2,895	8,255	–	50,860	–	62,010
Disposals	(727)	(4,180)	–	–	–	(4,907)
Reclassifications	9,173	38,489	–	(41,877)	(5,785)	–
Currency realignment	(2,098)	(9,008)	(11)	(473)	(521)	(12,111)
At 30 April 2016	212,311	499,213	217	38,291	65,762	815,794
At 1 May 2014	181,123	369,478	229	33,100	57,608	641,538
Additions through business combinations	14,603	10,462	–	–	14,446	39,511
Additions	3,998	14,367	–	77,075	9	95,449
Disposals	(140)	(5,615)	–	–	–	(5,755)
Reclassifications	3,481	76,921	–	(80,402)	–	–
Currency realignment	3	44	(1)	8	5	59
At 30 April 2015	203,068	465,657	228	29,781	72,068	770,802

6. Property, plant and equipment – net (cont'd)

	<------ At cost			------>	Valuation	
	Buildings, land improvements and leasehold improvements US$'000	**Machineries and equipment US$'000**	**Dairy and breeding herd US$'000**	**Construction -in-progress US$'000**	**Freehold land US$'000**	**Total US$'000**
Group						
Cost/Valuation						
At 1 January 2014	34,234	156,765	230	16,522	15,382	223,133
Additions through business combinations	145,613	199,750	–	11,283	38,622	395,268
Finalisation of purchase price allocation	(696)	579	–	38	3,625	3,546
Additions	25	368	–	19,380	–	19,773
Disposals	–	(373)	–	–	–	(373)
Reclassifications	2,058	12,014	–	(14,072)	–	–
Currency realignment	(111)	375	(1)	(51)	(21)	191
At 30 April 2014	181,123	369,478	229	33,100	57,608	641,538
Accumulated depreciation and impairment losses						
At 1 May 2015	25,940	166,275	228	–	–	192,443
Charge for the year	11,692	53,131	–	–	–	64,823
Impairment loss	2,159	2,379	–	–	390	4,928
Disposals	(334)	(2,310)	–	–	–	(2,644)
Currency realignment	(819)	(6,540)	(11)	–	–	(7,370)
At 30 April 2016	38,638	212,935	217	–	390	252,180

6. Property, plant and equipment - net (cont'd)

	<---- At cost			---->	Valuation	
	Buildings, land improvements and leasehold improvements US$'000	**Machineries and equipment US$'000**	**Dairy and breeding herd US$'000**	**Construction -in-progress US$'000**	**Freehold land US$'000**	**Total US$'000**
Group						
Accumulated depreciation and impairment losses						
At 1 May 2014	15,914	120,442	229	–	–	136,585
Charge for the year	10,316	50,355	–	–	–	60,671
Reversal of impairment loss	(205)	(303)	–	–	–	(508)
Disposals	(6)	(4,145)	–	–	–	(4,151)
Currency realignment	(79)	(74)	(1)	–	–	(154)
At 30 April 2015	25,940	166,275	228	–	–	192,443
At 1 January 2014	13,740	109,698	230	–	–	123,668
Charge for the period	2,285	11,518	–	–	–	13,803
Reversal of impairment loss	(67)	(105)	–	–	–	(172)
Disposals	–	(371)	–	–	–	(371)
Currency realignment	(44)	(298)	(1)	–	–	(343)
At 30 April 2014	15,914	120,442	229	–	–	136,585
Carrying amounts						
At 30 April 2016	173,673	286,278	–	38,291	65,372	563,614
At 30 April 2015	177,128	299,382	–	29,781	72,068	578,359
At 1 May 2014	165,209	249,036	–	33,100	57,608	504,953

6. Property, plant and equipment - net (cont'd)

As at 30 April 2016 and 2015 and 1 May 2014, the Group has no significant 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.

The table below summarises the valuation of freehold land held by the Group as at 30 April 2016 in various locations:

Located in	Valuation US$'000	Date of valuation
The Philippines	6,853	31 December 2013
United States of America (Consumer Foods Business)	42,264	17 February 2014
United States of America (Sager Creek)	14,446	30 April 2015
Singapore	8,505	31 December 2013
	72,068	

The Group engaged independent appraisers to determine the fair values of its freehold land. Revaluations are performed at regular intervals to ensure that the fair value of the freehold land does not differ materially from its carrying amount. Management evaluated that the fair values of freehold land at the respective valuation dates approximate their fair values as of the reporting date. The assumptions used in determining the fair value are disclosed in Note 35.

The carrying amount of the freehold land of the Group as at 30 April 2016 would be US$58.7 million (30 April 2015: US$59.1 million, 30 April 2014: US$44.7 million) had the freehold land been carried at cost less impairment losses.

Plant closure

In April 2016, the Group announced its intention to close Sager Creek's plant in Turkey, North Carolina and has started implementation of its termination plan following the approval by the Board of Directors after the plant continued to experience sub-optimal production activities despite efforts to improve operations. The Group closed the plant's canning facilities and the remainder of the production lines are in the process of being redeployed to other production locations as at period end.

In connection with the plant closure, the Group recognised impairment loss on related property, plant and equipment amounting to US$4.9 million (Note 26) (presented under "general and administrative expenses"). Further, the plant closure resulted in the recognition of inventory writedown amounting to US$5.5 million and additional environmental remediation liabilities amounting to US$1.8 million (Note 23).

Under the termination plan, approximately 300 employees are expected to be terminated in fiscal year 2017. The Group recognised provisions for employee severance benefits amounting to US$1.4 million, with US$1.2 million outstanding as at 30 April 2016 (presented under "Employee benefits"). Related equipment removal costs amounting to US$2.3 million, together with other related costs, were recognised and included under "Trade and other payables". These expenditures are expected to be incurred in 2017.

6. Property, plant and equipment - net (cont'd)

Source of estimation uncertainty

The Group estimates the useful lives of its property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experiences with similar assets. It is possible, however, that future financial performance could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amount and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property, plant and equipment would increase recorded depreciation expense and decrease non-current assets.

7. Investments in subsidiaries

	30 April 2016 US$'000	30 April 2015 US$'000 (As restated*)	1 May 2014 US$'000 (As restated*)
Unquoted equity shares, at cost	640,699	640,699	640,699
Amounts due from subsidiaries (non-trade)	75,243	75,243	75,243
	715,942	715,942	715,942
Accumulated share of profit of subsidiaries, net of dividend declaration and tax	113,337	115,638	126,536
Accumulated share of other comprehensive loss of subsidiaries, net of tax	(80,146)	(65,782)	(42,153)
Interests in subsidiaries	749,133	765,798	800,325

**see Note 3.6*

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 investments in the subsidiaries.

7. Investments in subsidiaries (cont'd)

Details of the Company's subsidiaries are as follows:

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 30 April 2016 %	30 April 2015 %	1 May 2014 %
Held by the Company					
Del Monte Pacific Resources Limited ("DMPRL") [5]	Investment holding	British Virgin Islands	100.00	100.00	100.00
DMPL India Pte Ltd ("DMPLI") [2]	Investment holding	Singapore	100.00	100.00	100.00
DMPL Management Services Pte Ltd ("DMPL Mgt Svcs") [2]	Providing administrative support and liaison services to the Group	Singapore	100.00	100.00	100.00
GTL Limited ("GTL Ltd")[6]	Trading food products mainly under the brand names, "Del Monte" and buyer's own label	Federal Territory of Labuan, Malaysia	100.00	100.00	100.00
S&W Fine Foods International Limited ("S&W") [6]	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	100.00
DMPL Foods Limited ("DMPLFL") [7]	Investment holding	British Virgin Islands	89.43	89.43	89.43
Held by DMPRL					
Central American Resources, Inc ("CARI")[6]	Investment holding	Panama	100.00	100.00	100.00

7. Investments in subsidiaries (cont'd)

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 30 April 2016 %	30 April 2015 %	1 May 2014 %
Held by CARI					
Del Monte Philippines, Inc ("DMPI") [1]	Growing, processing and distribution of food products mainly under the brand name "Del Monte".	Philippines	100.00	100.00	100.00
Dewey Limited ("Dewey") [7]	Mainly investment holding	Bermuda	100.00	100.00	100.00
Pacific Brands Philippines, Inc [7]	Inactive	State of Delaware, U.S.A.	100.00	100.00	100.00
South Bukidnon Fresh Trading Inc ("SBFTI") [c] [1]	Production, packing, sale and export of food products	Philippines	100.00	100.00	–
Held by DMPLI					
Del Monte Foods India Private Limited ("DMFIPL") [a] [4]	Manufacturing, processing and distributing food, beverages and other related products	Mumbai, India	100.00	100.00	100.00
DMPL India Limited [4]	Investment holding	Mauritius	94.45	94.20	93.90
Held by DMPI					
Philippines Packing Management Services Corporation ("PPMSC") [1]	Management, logistics and support services	Philippines	100.00	100.00	100.00
Del Monte Txanton Distribution Inc ("DMTDI") [b] [1]	Trading, selling and distributing food, beverages and other related products	Philippines	40.00	40.00	–
Held by Dewey					
Dewey Sdn. Bhd. [3]	Owner of various trademarks	Malaysia	100.00	100.00	100.00
Held by DMPLFL					
Del Monte Foods Holdings Limited ("DMFHL") [1]	Investment holding	British Virgin Islands	89.43	89.43	89.43
Held by DMFHL					
Del Monte Foods Holdings Inc. ("DMFHI")[5]	Investment holding	State of Delaware, U.S.A.	89.43	89.43	–

7. Investments in subsidiaries (cont'd)

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 30 April 2016 %	30 April 2015 %	1 May 2014 %
Held by DMFHI					
Del Monte Foods Inc. ("DMFI") [5]	Manufacturing, processing and distributing food, beverages and other related products	State of Delaware, U.S.A	89.43	89.43	89.43
Held by DMFI					
Sager Creek Foods, Inc. (formerly Vegetable Acquisition Corp.) [5]	Manufacturing, processing and distributing food, beverages and other related products	State of Delaware, U.S.A.	89.43	89.43	–
Del Monte Andina C.A. [5]	Manufacturing, processing and distributing food, beverages and other related products	Venezuela	–	–	89.43
Del Monte Colombiana S.A. [3]	Manufacturing, processing and distributing food, beverages and other related products	Colombia	81.97	81.97	89.40
Industrias Citricolas de Montemorelos, S.A. de C.V. (ICMOSA) [3]	Manufacturing, processing and distributing food, beverages and other related products	Mexico	89.43	89.43	89.43
Del Monte Peru S.A.C.[4]	Distribution food, beverages and other related products	Peru	89.43	89.43	89.43
Del Monte Ecuador DME C.A. [4]	Distribution food, beverages and other related products	Ecuador	89.43	89.43	89.43
Hi-Continental Corp. [4]	Lessee of real property	State of California, U.S.A.	89.43	89.43	89.43
College Inn Foods [4]	Inactive	State of California, U.S.A.	89.43	89.43	89.43
Contadina Foods, Inc.[4]	Inactive	State of Delaware, U.S.A.	89.43	89.43	89.43
S&W Fine Foods, Inc.[4]	Inactive	State of Delaware, U.S.A.	89.43	89.43	89.43

7. Investments in subsidiaries (cont'd)

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 30 April 2016 %	30 April 2015 %	1 May 2014 %
Held by Del Monte Andina C.A.					
Del Monte Argentina S.A. [3]	Inactive	Argentina	–	–	89.43

(a) 0.1% held by DMPRL
(b) DMTDI is consolidated as the Group has de facto control over the entity. Management believes that the Group has control over DTMTDI since it is exposed, or has rights, to variable returns and has the ability to affect those returns through its power over DMTDI.
(c) The Group has agreement with the shareholders of SBFTI where the Group is to receive substantially all the returns related to its operations and its net assets. The Group is able to direct the entity's activities and operations and is deemed to have 100% control over SBFTI. Effective 1 May 2015, SBFTI is held by CARI.
[1] Audited by SyCip Gorres Velayo & Co. ("SGV")
[2] Audited by Ernst and Young LLP ("EY") Singapore
[3] Audited by Ernst & Young member firms in the respective countries
[4] Audited by other certified public accountants. Subsidiary is not significant under rule 718 of the SGX-ST Listing Manual
[5] Not required to be audited in the country of incorporation. Audited by SGV for the purpose of group reporting
[6] Not required to be audited in the country of incorporation. Audited by Ernst and Young LLP, Singapore for the purpose of group reporting
[7] Not required to be audited in the country of incorporation

The Company regularly reassesses whether it controls an investee of facts and circumstances indicate that there are changes to one or more of the three elements of control listed on Note 4. The Company determined that it exercised control on all its subsidiaries as it has all elements of control.

In fiscal year 2015, the Group deconsolidated its subsidiary, Del Monte Andina C.A., an entity which has operations in Venezuela. Venezuela has a hyperinflationary economy. The Venezuelan exchange control regulations have resulted in other-than-temporary lack of exchangeability between the Venezuelan Bolivar and US Dollar. This has restricted the Venezuelan entity's ability to pay dividends and obligations denominated in US Dollars. The exchange regulations, combined with other recent Venezuelan regulations, have constrained the Venezuelan entity's ability to maintain normal production. Due to the Group's inability to effectively control the operations of the entity, the Group deconsolidated the subsidiary with effect from February 2015. The equity interest in this entity is determined to be the cost of investment of the entity at the date of deconsolidation. The investment is carried at cost less impairment.

The deconsolidation of the Venezuelan entity resulted in a loss from deconsolidation of US$5.2 million, which was recognised as part of "Other income (expenses) – net" in the 2015 income statement (Note 26).

7. Investments in subsidiaries (cont'd)

Prior to deconsolidation, the Group treated Venezuela as a highly inflationary economy based upon the three-year cumulative inflation rate, effective as of 18 February 2014, the date of the completion of the acquisition of the Consumer Food Business. The functional currency for the Group's Venezuelan subsidiary is the Venezuelan Bolivar. Management has restated the subsidiary's financial statements, whereby financial information recorded in the hyperinflationary currency is adjusted using the current cost approach by applying the Venezuelan National Consumer Price Index to calculate the inflation adjustment factor of 1.10 and expressed this in the measuring unit (the hyperinflationary currency) current at the end of the reporting period. The Group used the official SICAD I rate to translate these financial statements for purposes of consolidation. The financial statements for the South American entity are based on a historical cost basis.

Source of estimation uncertainty

When the subsidiary has suffered recurring operating losses, a test is made to assess whether the interests in subsidiary has suffered any impairment by determining the recoverable amount. This determination requires significant judgement and estimation. An estimate is made of the future profitability, cash flow, financial health and near-term business outlook of the subsidiary, 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.

8. Investments in joint ventures

Name of joint venture	Principal activities	Place of incorporation and business	Effective equity held by the Group 30 April 2016 %	30 April 2015 %	1 May 2014 %
FieldFresh Foods Private Limited ("FFPL") *	Production and sale of fresh and processed fruits and vegetable food products	India	47.23	47.08	46.95
Nice Fruit Hong Kong Limited (NFHKL) #	Production and sale of frozen fruits and vegetable food products	Hong Kong	35.00	35.00	–

* Audited by Deloitte Haskins & Sells, Gurgaon, India.
\# Audited by Ernst and Young Hong Kong. Not material to the Group as at 30 April 2016.

8. Investments in joint ventures (cont'd)

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

	Year ended 30 April 2016 US$'000	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**
Revenue	65,838	62,285	18,966
Loss from continuing operations [a]	(3,398)	(4,564)	(2,307)
Other comprehensive income	(3)	(369)	(794)
Total comprehensive income	(3,401)	(4,933)	(3,101)
[a] Includes:			
- depreciation	168	264	28
- interest expense	2,605	2,876	275
Non-current assets	17,110	18,365	20,319
Current assets [b]	23,842	19,292	19,906
Non-current liabilities [c]	(25,271)	(25,821)	(29,277)
Current liabilities [d]	(14,283)	(10,807)	(8,720)
Net assets	1,398	1,029	2,228
Includes			
[b] Cash and cash equivalents	96	70	40
[c] Non-current financial liabilities (excluding trade and other payables)	13,548	25,821	29,277
[d] Current financial liabilities (excluding trade and other payables)	11,727	–	5,151

	Year ended 30 April 2016 US$'000	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**
Group's interest in net assets of FFPL at beginning of the year/period	20,419	21,008	20,193
Capital injection during the year	1,950	1,694	2,271
Group's share of:			
- loss from continuing operations	(1,705)	(2,149)	(1,083)
- other comprehensive income	(3)	(134)	(373)
- total comprehensive income	(1,708)	(2,283)	(1,456)
Carrying amount of interest at end of the year/period	20,661	20,419	21,008

8. Investments in joint ventures (cont'd)

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

	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000
Group's interest in net assets of NFHKL at beginning of the year/period	2,171	–
Capital injection during the year	–	2,552
Group's share of:		
- loss from continuing operations	(12)	(171)
- other comprehensive income	–	(210)
- total comprehensive income	(12)	(381)
Carrying amount of interest at end of the year/period	2,159	2,171

Determination of the type of joint arrangement

The Group determines the classification of a joint venture depending upon the parties' rights and obligations arising from the arrangement in the normal course of business. When making an assessment, the Group considers the following:

(a) the structure of the joint arrangement.
(b) when the joint arrangement is structured through a separate vehicle:

i. the legal form of the separate vehicle;
ii. the terms of the contractual arrangement; and
iii. when relevant, other facts and circumstances.

The Group determined that its interests in FFPL and NFHKL are joint ventures as the arrangements are structured in a separate vehicle and that it has rights to the net assets of the arrangements. The terms of the contractual arrangements do not specify that the parties have rights to the assets and obligations for the liabilities relating to the arrangements.

Source of estimation uncertainty

When the joint venture has suffered recurring 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 judgement and estimation. 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 9) 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 cash flow projections.

8. Investments in joint ventures (cont'd)

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.

	30 April 2016 %	30 April 2015 %	1 May 2014 %
Discount rate	22.5	17.1	14.3
Revenue growth rate	19.0 – 21.0	16.0 – 21.0	22.0 – 40.0
Terminal growth rate	5.0	5.0	5.0

The fiscal year 2016 discount rate is a pre-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 32.6% (2015: 57%) at a market interest rate of 10.0% (2015: 12.2%).

Revenue growth rate is expressed as compound annual growth rates in the initial five years of the plan. In the first year of the business plan, revenue growth rate was projected at 19% (2015:16%) based on the near-term business plan and market demand. The annual revenue growth included in the cash flow projections for four years was projected at the growth rate based on the historical growth in volume and prices and industry growth.

A long-term growth rate into perpetuity has been determined based on management's estimate of the long-term compound annual growth rate in the Indian Economy 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 interest in joint venture and trademark (Note 9) and accordingly no impairment loss is recorded.

Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount		
	30 April 2016 %	30 April 2015 %	1 May 2014 %
Group			
Discount rate	0.1	0.7	2.1
Revenue growth rate	(0.2)	(0.3)	(1.6)

9. Intangible assets and goodwill

	Goodwill US$'000	Indefinite life trademarks US$'000	Amortisable trademarks US$'000	Customer relationships US$'000	Total US$'000
Cost					
At 1 May 2015	203,432	394,000	58,210	120,500	776,142
Adjustment	–	14,043	(22,130)	–	(8,087)
At 30 April 2016	203,432	408,043	36,080	120,500	768,055
At 1 May 2014	204,335	394,000	46,310	107,000	751,645
Additions through business combinations	–	–	11,900	13,500	25,400
Deconsolidation of a subsidiary	(903)	–	–	–	(903)
At 30 April 2015	203,432	394,000	58,210	120,500	776,142
At 1 January 2014	–	–	22,310	–	22,310
Additions through business combinations	205,399	394,000	24,000	111,000	734,399
Purchase price adjustment	(1,064)	–	–	(4,000)	(5,064)
At 30 April 2014	204,335	394,000	46,310	107,000	751,645
Accumulated amortisation					
At 1 May 2015	–	–	9,907	6,535	16,442
Amortisation	–	–	2,276	7,051	9,327
Adjustment	–	–	(8,087)	–	(8,087)
At 30 April 2016	–	–	4,096	13,586	17,682
At 1 May 2014	–	–	7,878	1,004	8,882
Amortisation	–	–	2,029	5,531	7,560
At 30 April 2015	–	–	9,907	6,535	16,442
At 1 January 2014	–	–	7,448	–	7,448
Amortisation	–	–	430	1,004	1,434
At 30 April 2014	–	–	7,878	1,004	8,882
Carrying amounts					
At 30 April 2016	203,432	408,043	31,984	106,914	750,373
At 30 April 2015	203,432	394,000	48,303	113,965	759,700
At 1 May 2014	204,335	394,000	38,432	105,996	742,763

9. Intangible assets and goodwill (cont'd)

Goodwill

Goodwill arising from the acquisition of Consumer Food Business (Note 5) was allocated to DMFI and its subsidiaries, which is considered as one CGU.

Indefinite life trademarks

Management has assessed the following trademarks as having indefinite useful lives as the Group has exclusive access to the use of these trademarks on a royalty free basis.

America trademarks

The indefinite life trademarks arising from the acquisition of Consumer Food Business (Note 5) relate to those of DMFI for the use of the "Del Monte" trademark in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The Philippines trademarks

A subsidiary, Dewey, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("The Philippines 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 a joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the company's product under the "Del Monte" brand name.

Asia 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$10.0 million.

Impairment Test

Management has performed impairment testing for all indefinite life trademarks and concluded that no impairment exist at the reporting date. The "Del Monte" and "College Inn" trademarks in the United States are included in the DMFI CGU containing goodwill for the impairment assessment as described above. The Indian sub-continent trademark and the investment in FFPL were allocated to Indian sub-continent CGU (Note 8).

9. Intangible assets and goodwill (cont'd)

During the period ended 27 April 2014, no impairment test was performed on goodwill and America trademarks with indefinite useful life given the recent acquisition of Consumer Food Business (Note 5). In 2016 and 2015, the recoverable amount of the CGU was based on fair value less costs of disposal, being greater than the Value-in-use (VIU):

	30 April 2016 US$'000	30 April 2015 US$'000
Value-in-use	1,950,000	1,840,000
Fair value less costs of disposal	2,110,000	2,060,000
Recoverable amount	2,110,000	2,060,000

As of valuation date in January 2016 and 2015, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US$275.8 million and US$313.2 million, respectively.

Value-in-use

The VIU is the present value of expected cash flows, discounted at a risk-adjusted weighted average cost of capital.

The key assumptions used in the estimation of the recoverable amount using the VIU approach are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and were based on historical data from both external and internal sources.

	2016 %	2015 %
Discount rate	8.0	8.0
Terminal value growth rate	2.0	2.0
Budgeted EBITDA growth rate (average of next five years)	7.9	21.6

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible range of debt leveraging of 35% (30 April 2015: 41%) at a risk free interest rate of 4% (30 April 2015: 4%).

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate consistent with the assumption that a market participant would make.

Budgeted EBITDA was estimated taking into account past experience adjusted as follows:

- Revenue growth was projected taking into account the average growth levels experienced over the past five years and estimated sales volume and price growth for the next five years. It was assumed that sales price would increase in line with forecast inflation over the next five years.
- The amounts are probability-weighted.

9. Intangible assets and goodwill (cont'd)

Fair value less costs of disposal

Fair value less costs of disposal is determined using the market approach, which makes use of prices and other relevant information generated by market transactions involving similar companies.

The Market Comparable Method was used in applying the Market Approach, making use of market price data of companies engaged in the same or similar line of business as that of the Company. Stocks of these companies are traded in a free and open market or in private transactions. The process involves the identification of comparable companies, calculation and application of market multiples representing ratios of invested capital or equity to financial measures of the Company, application of an appropriate control premium to the companies being compared, and adjustment for any non-operating assets or liabilities or working capital excess/deficit to arrive at an indication of Business Enterprise Value.

The approach involves the use of both observable inputs and unobservable inputs (e.g. projected revenue and EBITDA, and adjusted market multiples). Accordingly, the fair value measurement is categorised under level 3 of the fair value hierarchy.

Comparable companies were selected from comprehensive lists and directories of public companies in the packaged foods industry. Potential comparable companies were analysed based on various factors, including, but not limited to, industry similarity, financial risk, company size, geographic diversification, profitability, growth characteristics, financial data availability, and active trading volume. The following comparable companies were selected:

- B&G Foods Inc.
- Campbell Soup Company
- ConAgra Foods, Inc.
- General Mills, Inc.
- Hormel Foods Corporation
- Seneca Foods Corp.
- Treehouse Foods, Inc.

Calculation of the market multiples considered Market Value of Invested Capital (MVIC), the sum of the market values of a comparable company's common stock, interest-bearing debt and preferred stock, assuming that the book value of the comparable companies' debt approximated the market value of the debt. Adjustments to the market multiples were made to reflect the difference between the estimated size of the Company and each comparable company, improving comparability based on relative size difference prospects. Relative size adjustment factors were calculated based on a regression of a Price / Earnings ratio using size as an independent variable. The market multiples selected and applied to the Company's financial results in the analysis were as follows:

	2016		**2015**	
	Selected multiple	**Assigned weight**	**Selected multiple**	**Assigned weight**
MVIC/Revenue – Last twelve months	1.1x	25%	1.0x	33%
MVIC/Revenue – Projected	0.9x	25%	0.9x	33%
MVIC/EBITDA – Last twelve months	15.7x	25%	15.2x	0%
MVIC/EBITDA – Projected	11.9x	25%	12.3x	33%

9. Intangible assets and goodwill (cont'd)

Sensitivity analysis

Management has identified that a reasonably possible change in the market multiples could cause the carrying amount to exceed the recoverable amount. The following table shows the amount to which the market multiples would need to change independently for the estimated recoverable amount of the DMFI CGU to be equal to its carrying amount.

	Breakeven Multiple
MVIC/Revenue – Last twelve months	0.9x
MVIC/Revenue – Projected	0.8x
MVIC/EBITDA – Last twelve months	15.7x
MVIC/EBITDA – Projected	8.5x

Source of estimation uncertainty

Goodwill and the indefinite life trademarks are assessed for impairment annually. The impairment assessment requires an estimation of the VIU and fair value less costs of disposal of the CGU to which the goodwill and indefinite life trademarks 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 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.

Amortisable trademarks and customer relationships

	Net carrying amount			**Remaining amortisation period (years)**		
	30 April 2016	**30 April 2015**	**1 May 2014**	**2016**	**2015**	**2014**
	US$'000	**US$'000**	**US$'000**			
Indian sub-continent trademark	–	4,111	4,301	–	21.7	22.7
The Philippines trademarks	–	1,773	1,887	–	15.7	16.7
Asia S&W trademark	39	8,216	8,484	2.2	32.7	33.7
America S&W trademark	1,563	1,763	1,963	7.8	8.8	9.8
America Contadina trademark	19,597	20,697	21,797	17.8	18.8	19.8
Sager Creek trademarks	10,785	11,743	–	10.9	11.9	–
	31,984	48,303	38,432			

In 2016, "Del Monte" trademark in the Philippines and India and "S&W" trademark in Asia excluding label development were reclassified to indefinite life trademarks. This change in estimated useful life resulted in a decrease in amortisation expense by US$0.6 million in 2016.

9. Intangible assets and goodwill (cont'd)

Amortisable trademarks and customer relationships (cont'd)

Asia S&W trademark

The amortisable trademark pertains to “Label Development” trademark.

America trademarks

The amortisable trademarks relate to the exclusive right to use of the “S&W” trademark in the United States, Canada, Mexico and certain countries in Central and South America and “Contadina” trademark in the United States, Canada, Mexico South Africa and certain countries in Asia Pacific, Central America, Europe, Middle East and South America market.

Sager Creek trademarks

The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others.

Customer relationships

Customer relationships relate to the network of customers where DMFI and Sager Creek has established relationships with the customers, particularly in the United States market through contracts.

	Net carrying amount			Remaining amortisation period (years)		
	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000	2016	2015	2014
DMFI customer relationships	95,313	100,663	105,996	17.8	18.8	19.8
Sager Creek customer relationships	11,601	13,302	–	6.9	7.9	–
	106,914	113,965	105,996			

Management has included the DMFI trademarks and customer relationships in the DMFI CGU impairment assessment and concluded that no impairment exists at the reporting date. On the other hand, no impairment loss was recognized on Sager Creek trademark and customer relationships.

Source of estimation uncertainty

The Group estimates the useful lives of its amortisable trademarks and customer relationships based on the period over which the assets are expected to be available for use. The estimated useful lives of the trademarks and customer relationships are reviewed periodically and are updated if expectations differ from previous estimates due to legal or other limits on the use of the assets. A reduction in the estimated useful lives of amortisable trademarks and customer relationships would increase recorded amortisation expense and decrease non-current assets.

10. Deferred tax

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.

Deferred tax assets and liabilities of the Group are attributable to the following:

	Assets			Liabilities		
	30 April 2016 US$'000	**30 April 2015 US$'000 (As restated*)**	**1 May 2014 US$'000 (As restated*)**	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Group						
Provisions	6,675	4,162	3,784	–	–	–
Employee benefits	43,485	32,013	9,086	–	–	–
Property, plant and equipment – net	–	–	–	(34,667)	(29,025)	(5,596)
Intangible assets and goodwill	–	–	–	(44,794)	(20,394)	(4,393)
Effective portion of changes in fair value of cash flow hedges	13,403	7,324	1,660	–	–	–
Tax loss carry-forwards	103,643	78,618	39,641	–	–	–
Inventories	3,256	5,170	–	–	–	(1,634)
Biological assets	–	–	–	(1)	(314)	(749)
Others	8,807	7,657	4,266	–	–	–
Deferred tax assets/(liabilities)	179,269	134,944	58,437	(79,462)	(49,733)	(12,372)
Set off of tax	(78,370)	(48,641)	(11,280)	78,370	48,641	11,280
Deferred Taxes	100,899	86,303	47,157	(1,092)	(1,092)	(1,092)

**see Note 3.6*

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

	At 1 May 2015 US$'000 (As restated*)	**Recognised in profit or loss US$'000 (Note 28)**	**Recognised in other comprehen-sive income US$'000**	**Currency realignment US$'000**	**At 30 April 2016 US$'000**
30 April 2016					
Provisions	4,162	2,681	–	(168)	6,675
Employee benefits	32,013	4,061	7,647	(236)	43,485
Property, plant and equipment - net	(29,025)	(4,256)	(1,504)	118	(34,667)
Intangible assets and goodwill	(20,394)	(24,400)	–	–	(44,794)
Effective portion of changes in fair value of cash flow hedges	7,324	1,989	4,090	–	13,403
Tax loss carry-forwards	78,618	25,030	–	(5)	103,643
Inventories	5,170	(1,914)	–	–	3,256
Biological assets	(314)	230	–	83	(1)
Others	7,657	1,169	–	(19)	8,807
	85,211	4,590	10,233	(227)	99,807

**see Note 3.6*

10. Deferred tax (cont'd)

	At 1 May 2014 US$'000 (As restated*)	Recognised in profit or loss US$'000 (Note 28) (As restated*)	Recognised in other com- prehensive income US$'000	Deconsolida- tion of a subsidiary US$'000	Currency realignment US$'000	At 30 April 2015 US$'000
30 April 2015						
Provisions	3,784	310	–	–	68	4,162
Employee benefits	9,086	14,118	8,806	–	3	32,013
Property, plant and equipment - net	(5,596)	(22,578)	–	(830)	(21)	(29,025)
Intangible assets and goodwill	(4,393)	(16,001)	–	–	–	(20,394)
Effective portion of changes in fair value of cash flow hedges	1,660	(580)	6,244	–	–	7,324
Tax loss carry-forwards	39,641	38,977	–	–	–	78,618
Inventories	(1,634)	6,800	–	–	4	5,170
Biological assets	(749)	431	–	–	4	(314)
Others	4,266	3,629	–	(194)	(44)	7,657
	46,065	25,106	15,050	(1,024)	14	85,211

**see Note 3.6*

	At 1 January 2014 US$'000	Acquisi- tion of the Business US$'000 (Note 5)	Re- cognised in profit or loss US$'000 (Note 28) (As restated*)	Re- cognised in other com- prehensive income US$'000	Finalisa- tion of Purchase Price Allocation US$'000 (Note 5)	Currency re- alignment US$'000	At 30 April 2014 US$'000 (As restated*)
30 April 2014							
Deferred tax assets							
Provisions	11,369	–	(7,572)	–	–	(13)	3,784
Employee benefits	562	5,092	2,242	1,192	–	(2)	9,086
Property, plant and equipment - net	(2,360)	784	(2,988)	–	(1,048)	16	(5,596)
Intangible assets and goodwill	–	–	(4,393)	–	–	–	(4,393)
Effective portion of changes in fair value of cash flow hedges	–	–	–	1,660	–	–	1,660
Tax loss carry-forwards	–	–	39,641	–	–	–	39,641
Inventories	1,110	–	(2,744)	–	–	–	(1,634)
Biological assets	(1,006)	–	253	–	–	4	(749)
Others	886	2,658	763	–	–	(41)	4,266
	10,561	8,534	25,202	2,852	(1,048)	(36)	46,065

**see Note 3.6*

10. Deferred tax (cont'd)

The total amount of potential income tax consequences that would arise from the payment of dividends by a subsidiary to the Company, on the total retained earnings as at 30 April 2016, is approximately US$6.8 million (30 April 2015: US$8.9 million, 30 April 2014: US$6.0 million).

No provision has been made in respect of this potential income tax as it is the Company's intention to reinvest these reserves and not to distribute them as dividends.

Sources of estimation uncertainty

As at 30 April 2016, deferred tax assets amounting to US$103.7 million (30 April 2015: US$78.6 million, 1 May 2014: US$39.6 million) of DMFI have been recognised in respect of the tax loss carry forwards because management assessed that it is probable that future taxable profit, will be available against which DMFI can utilise these benefits. DMFI incurred operating loss in the prior years. Management expects profitable growth coming from revenue strategies and cost efficiencies in the future. To the extent that profitable growth does not materialise in the future periods, deferred tax assets of US$170.3 million may not be realised. The net operating loss carry forward maybe realised up to a 20-year period from the year the loss was incurred.

11. Other noncurrent assets

	Group		
	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Advances to growers	10,342	9,333	7,691
Advance rentals and deposits	6,628	7,424	5,271
Excess insurance	4,500	7,083	5,843
Land expansion (development costs of acquired leased areas)	2,171	2,404	2,229
Prepayments	1,273	2,423	1,621
Others	1,027	318	1,033
	25,941	28,985	23,688

Excess insurance relate mainly to reimbursements from insurers to cover the workers' compensation (Note 21).

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 or lease term, whichever is shorter.

Others comprise land development costs incurred on leased land used for the cultivation of growing crops. These costs are amortised over a period of 10 years or remaining life of leasehold improvements, whichever is shorter.

12. Biological assets

	Group 30 April 2016 US$'000	Group 30 April 2015 US$'000	Group 1 May 2014 US$'000
Livestock (at cost)			
At beginning of the year/period	1,446	1,613	1,685
Purchases of livestock	525	568	191
Sales of livestock	(451)	(736)	(257)
Currency realignment	(73)	1	(6)
At end of the year/period	1,447	1,446	1,613
Growing crops (at cost)			
At beginning of the year /period	127,194	118,310	111,489
Additions	86,327	90,891	27,370
Harvested	(83,092)	(82,107)	(20,202)
Currency realignment	(6,414)	100	(347)
At end of the year /period	124,015	127,194	118,310

	Group 30 April 2016 US$'000	Group 30 April 2015 US$'000 (As restated)	Group 1 May 2014 US$'000 (As restated)
Current	87,994	87,034	82,461
Noncurrent	37,468	41,606	37,462
Totals	125,462	128,640	119,923

	Note	Group 30 April 2016 US$'000	Group 30 April 2015 US$'000	Group 1 May 2014 US$'000
Fair value of agricultural produce harvested recognised under inventories	35	98,412	94,600	21,800

Growing crops

	Group 30 April 2016	Group 30 April 2015	Group 1 May 2014
Hectares planted with growing crops			
− Pineapples	15,822	15,227	14,922
− Papaya	205	194	211
Fruits harvested from the growing crops: (in metric tons)			
− Pineapples	622,842	675,584	170,561
− Papaya	4,903	8,187	1,613

12. Biological assets (cont'd)

Growing crops

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.

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.

Risk Management strategy related to agricultural activities

(i) *Regulatory and environmental risks*

The Group is subject to laws and regulations in the Philippines in which it operates its agricultural activities. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws.

(ii) *Supply and demand risks*

The Group is exposed to risks arising from fluctuations in the price and sales volume of pineapples and papayas. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

(iii) *Climate and other risks*

The Group's pineapple plantations are exposed to the risk of damage from climate changes, diseases, forest fires, flood, and other natural forces. To manage these risks, the Group develops and executes a long-term strategic plan and annual operating plan, supported by a contingency plan and risk management measures ensuring business continuity should there be a natural catastrophes. The Group is also insured against natural disasters such as floods and earthquakes.

12. Biological assets (cont'd)

Source of estimation uncertainty

The fair values of pineapple fruits are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest, as determined by the Group. The market price is derived from average sales price of the processed product adjusted for margin and associated costs related to production. The estimated margin and associated costs of production are affected by inflation, foreign exchange rates, commodities prices and available supply. Changes in these factors will affect the estimates in the determination of fair values of harvested crops. The Group reviews and monitors these estimates regularly and for the financial year 2016, the non-current portion of Expenditure Future Crop was reclassified as non-current asset. The reclassification was applied retrospectively.

The valuation techniques and significant unobservable inputs used in determining the fair value of these biological assets are discussed in Note 35.

13. Inventories

		Group	
	30 April 2016 US$'000	**30 April 2015 US$'000 (As restated*)**	**1 May 2014 US$'000 (As restated*)**
Finished goods			
- at cost	644,667	534,709	596,298
- at net realisable value	12,843	10,372	20,579
Semi-finished goods			
- at cost	327	759	866
- at net realisable value	11,292	10,682	10,354
Raw materials and packaging supplies			
- at net realisable value	176,104	193,027	180,574
	845,233	749,549	808,671

**see Note 3.6*

Inventories recognised as an expense in cost of sales amounted to US$1,316.5 million for the year ended 30 April 2016 (30 April 2015: US$1,267.9 million, four months ended 30 April 2014: US$199.1 million) (Note26).

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

			Group	
	Note	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
At beginning of the year/period		11,701	7,982	7,868
Allowance for the year/period	26	2,926	5,992	2,650
Write-off against allowance		(1,508)	(2,279)	(2,516)
Currency realignment		(404)	6	(20)
At end of the year/period		12,715	11,701	7,982

13. Inventories (cont'd)

The allowance for inventory obsolescence recognised during the period is included in "Cost of sales".

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.

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories expected to be realised. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after reporting date to the extent that such events confirm conditions existing at the reporting date. The Group reviews on a continuous basis the product movement, changes in customer demands and introductions of new products to identify inventories which are to be written down to the net realisable values. The write-down of inventories is reviewed periodically to reflect the accurate valuation in the financial records. An increase in write-down of inventories would increase the recorded cost of sales and operating expenses and decrease current assets.

14. Trade and other receivables

	<------------- Group	------------->		<------------ Company	----------->	
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Trade receivables	152,936	177,677	156,149	–	–	–
Non trade receivables	22,677	9,495	16,371	2	–	–
Amounts due from joint venture (non-trade)	6,013	6,013	–	6,013	6,013	–
Amounts due from subsidiaries (non-trade)	–	–	–	139,225	99,710	104,512
Allowance for doubtful accounts – trade	(1,640)	(2,643)	(7,428)	–	–	–
Allowance for doubtful accounts - nontrade	(4,454)	(6,140)	(6,224)	–	–	–
Trade and other receivables	175,532	184,402	158,868	145,240	105,723	104,512

The amounts due from subsidiaries and joint venture are unsecured, interest-free and repayable on demand. There is no allowance for doubtful debts arising from these outstanding balances.

14. Trade and other receivables (cont'd)

The ageing of trade and non-trade receivables at the reporting date is:

	Group			
	Gross		Impairment losses	
At 30 April 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	97,404	13,967	–	–
Past due 0 - 60 days	35,835	846	–	–
Past due 61 - 90 days	3,825	799	–	–
Past due 91 - 120 days	3,688	122	–	–
More than 120 days	12,184	6,943	(1,640)	(4,454)
	152,936	22,677	(1,640)	(4,454)

	Group			
	Gross		Impairment losses	
At 30 April 2015	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	123,528	2,523	–	–
Past due 0 - 60 days	31,685	169	–	–
Past due 61 - 90 days	4,166	57	(26)	–
Past due 91 - 120 days	7,310	32	–	–
More than 120 days	10,988	6,714	(2,617)	(6,140)
	177,677	9,495	(2,643)	(6,140)

	Group			
	Gross		Impairment losses	
At 1 May 2014	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	114,736	9,133	–	(459)
Past due 0 - 60 days	27,814	181	(197)	–
Past due 61 - 90 days	1,421	122	–	–
Past due 91 - 120 days	271	55	(3)	–
More than 120 days	11,907	6,880	(7,228)	(5,765)
	156,149	16,371	(7,428)	(6,224)

The recorded impairment loss falls within the Group's historical experience in the collection of accounts receivables. Therefore, management believes that there is no significant additional credit risk beyond what has been recorded.

Movements in allowance for impairment during the year/period are as follows:

		Group		
	Note	**Trade US$'000**	**Nontrade US$'000**	**Total US$'000**
At 1 May 2015		2,643	6,140	8,783
Allowance reversed	26	(707)	(648)	(1,355)
Write-off against allowance		(263)	(938)	(1,201)
Currency realignment		(33)	(100)	(133)
At 30 April 2016		1,640	4,454	6,094

14. Trade and other receivables (cont'd)

	Note	Group Trade US$'000	Group Nontrade US$'000	Group Total US$'000
At 1 May 2014		7,428	6,224	13,652
Allowance reversed	26	(4,652)	(81)	(4,733)
Write-off against allowance		(144)	(4)	(148)
Currency realignment		11	1	12
At 30 April 2015		2,643	6,140	8,783

	Note	Group Trade US$'000	Group Nontrade US$'000	Group Total US$'000
At 1 January 2014		6,511	5,515	12,026
Allowance recognised	26	1,220	714	1,934
Write-off against allowance		(282)	–	(282)
Currency realignment		(21)	(5)	(26)
At 30 April 2014		7,428	6,224	13,652

Allowance for doubtful accounts are based on specific and collective assessment by the Company.

Source of estimation uncertainty

The Group maintains allowance for impairment of accounts receivables 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 judgement or utilised different estimates. An increase in the Group's allowance for impairment would increase the Group's recorded operating expenses and decrease current assets.

15. Prepaid expense and other current assets

	Note	Group 30 April 2016 US$'000	Group 30 April 2015 US$'000	Group 1 May 2014 US$'000	Company 30 April 2016 US$'000	Company 30 April 2015 US$'000	Company 1 May 2014 US$'000
Prepaid expenses		24,397	23,375	40,046	257	137	43
Downpayment to contractors and suppliers		9,025	15,677	17,342	–	–	–
Derivative asset	34	1,473	818	–	–	–	–
Others		702	–	–	–	–	–
		35,597	39,870	57,388	257	137	43

15. Prepaid expense and other current assets (cont'd)

Prepaid expenses consist of advance payments for insurance, advertising, rent and taxes, among others.

16. Cash and cash equivalents

	<------------- Group --------->			<----------- Company ------->		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Cash on hand	50	47	50	–	–	–
Cash in bank	47,153	34,223	28,351	361	6,126	232
Marketable security	–	1,348	–	–	–	–
Cash and cash equivalents	47,203	35,618	28,401	361	6,126	232

Certain of the cash and bank balances earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.45% per annum.

17. Noncurrent assets held for sale

In March 2015, management committed to a plan to sell part of the property, plant and equipment of Sager Creek. Accordingly, these assets are presented as noncurrent assets held for sale. Efforts to sell the assets have started and a sale is expected within twelve months.

The Group recognised impairment loss on assets held for sale amounting to US$1.7 million in 2016 (Note 26). There is no cumulative income or expense included in other comprehensive income relating to the assets held for sale.

18. Share capital

	Company					
	30 April 2016		**30 April 2015**		**1 May 2014**	
	No. of shares ('000)	**US$'000**	**No. of shares ('000)**	**US$'000**	**No. of shares ('000)**	**US$'000**
Authorised:						
Ordinary shares of US$0.01 each	3,000,000	30,000	3,000,000	30,000	3,000,000	30,000
Preference shares of US$1.00 each	600,000	600,000	600,000	600,000	600,000	600,000
	3,600,000	630,000	3,600,000	630,000	3,600,000	630,000
Issued and fully paid:						
Ordinary shares of US$0.01 each	1,944,936	19,449	1,944,936	19,449	1,297,500	12,975

18. Share capital (cont'd)

Reconciliation of number of outstanding ordinary shares in issue:

	Company		
	Year ended 30 April 2016 ('000)	**Year ended 30 April 2015 ('000)**	**Four months ending 1 May 2014 ('000)**
At beginning of the year/period	1,944,035	1,296,600	1,296,600
Acquisition of own shares	(821)	–	–
Issued for cash	–	647,435	–
At end of the year/period	1,943,214	1,944,035	1,296,600

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.

In April 2014, the Company increased its authorised share capital from US$20.0 million, divided into 2,000,000,000 ordinary shares at US$0.01 per share, to US$630.0 million, divided into 3,000,000,000 ordinary shares at US$0.01 per share and 600,000,000 preference shares at US$1.00 per share. The preference shares may be issued in one or more series, each such class of shares will have rights and restrictions as the Board of Directors may designate. The terms and conditions of the authorised preference share will be finalised upon issuance.

On 30 October 2014, the Company had additional ordinary shares listed and traded on the Philippine Stock Exchange. The Company had offered and sold by way of primary offer, 5,500,000 shares at an offer price of 17.00 Philippine pesos (Php) per share.

In March 2015, the Company issued 641,935,335 shares at an exercise price of S$0.325 or Php10.60 for each share in Singapore and the Philippines, respectively.

Capital management

The Board's policy is to maintain a sound 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, retained earnings and total reserves as presented in the statements of financial position. The Board of Directors monitors the return on capital, which the Group defines as profit or loss for the year divided by total shareholders' equity. The Board also monitors the level of dividends paid to ordinary shareholders.

The bank loans of the Group contain various capital covenants with respect to capital maintenance and ability to incur additional indebtedness. The Board ensures that loan covenants are considered as part of its capital management through constant monitoring of covenant results through interim and full year results.

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

19. Retained Earnings and Reserves

Retained earnings

Appropriated

On 12 December 2013, the BOD of DMPI approved the appropriation of US$6.0 million to fund various long planned capital expenditures, specifically for the construction of facilities, line expansion, acquisition of spare parts and vehicles, and recondition and overhaul of equipment commencing on various dates in 2013.

On 18 March 2016, the BOD of DMPI approved appropriation of retained earnings amounting to US$41.8 million to fund long-range plan capital expenditure requirements, provided, that the specific projects will be subject to prior approval of DMPI's BOD.

As at 30 April 2016, the total appropriation of retained earnings amounted to US$181.3 million (30 April 2015: US$147.1 million). This is intended to fund the Company's various long range plan capital expenditure requirements majority of which can be completed by year 2021, provided that, the specific projects for which the appropriation will be expended is still subject to prior approval of the Board.

Unappropriated

The retained earnings is restricted for the payment of dividends to the extent representing the accumulated equity in net earnings of the subsidiaries and unrealised asset revaluation reserve. The accumulated equity in net earnings of the subsidiaries is not available for dividend distribution until such time that the Company receives the dividends from the subsidiaries.

Reserves

	<------------ Group ----------->			<--------- Company --------->		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Share premium	214,843	214,843	69,205	214,982	214,982	69,344
Translation reserve	(59,813)	(46,335)	(44,867)	(59,813)	(46,335)	(44,867)
Revaluation reserve	8,002	9,506	9,506	8,002	9,506	9,506
Remeasurement of retirement plan	(10,833)	(17,231)	(4,370)	(10,833)	(17,231)	(4,370)
Hedging reserve	(17,502)	(11,722)	(2,422)	(17,502)	(11,722)	(2,422)
Share option reserve	1,031	318	174	1,031	318	174
Reserve for own shares	(802)	(629)	(629)	(802)	(629)	(629)
	134,926	148,750	26,597	135,065	148,889	26,736

Under the British Virgin Islands law in whose jurisdiction the Company operates, the Company's share premium and retained earnings 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$0.14 million, which arose from the acquisition of a subsidiary, Del Monte Pacific Resources Limited, under common control in 1999.

19. Retained Earnings and Reserves (cont'd)

The share premium account includes any premium received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account, net of any related income tax effects.

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

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 plans.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss (Note 21).

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

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At 30 April 2016, the Group held 1,721,000 (30 April 2015: 900,000, 1 May 2014: 900,000) of the Company's shares.

20. Loans and borrowings

	<------------ Group ------------>			<----------- Company ----------->		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**	**30 April 2016 US$'000**	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Current liabilities						
Unsecured bank loans	501,481	347,180	807,271	348,630	102,630	602,491
Secured bank loans	225,879	98,362	112,308	–	–	–
	727,360	445,542	919,579	348,630	102,630	602,491
Non-current liabilities						
Unsecured bank loans	193,224	348,250	11,225	129,234	348,250	–
Secured bank loans	923,198	924,695	923,160	–	–	–
	1,116,422	1,272,945	934,385	129,234	348,250	–
	1,843,782	1,718,487	1,853,964	477,864	450,880	602,491

20. Loans and borrowings (cont'd)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

				30 April 2016		**30 April 2015**		**1 May 2014**	
	Currency	**Nominal interest rate** % p. a.	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**	**Face value US$'000**	**Carrying amount US$'000**	**Face value US$'000**	**Carrying amount US$'000**
Group									
Unsecured bank loans	PHP	2.30-4.50	2016-2020	97,697	97,697	110,984	110,984	80,473	80,473
Unsecured bank loans	BSF	9.00	2015	–	–	–	–	1,400	1,709
Unsecured bank loans	USD	1.15-2.50	2016	119,145	119,145	133,566	133,566	122,597	122,597
Unsecured bridging loans	USD	2.13-4.50	2020	130,000	129,234	104,000	102,630	605,000	602,492
Unsecured bank loan	PHP	3-Mos PDSTF + 1/95 (GRT)	2015	–	–	–	–	11,225	11,225
Unsecured bank loan	USD	90 days libor + 3.25	2017	350,000	348,630	350,000	348,249	–	–
Secured bank loan under ABL Credit Agreement	USD	Libor rate + 2% to 4.25%	2016	225,442	221,971	99,000	94,488	109,000	103,693
Secured First lien term loan	USD	Higher of Libor +3.25% or 4.25%	2016-2021	694,025	677,220	701,125	680,588	710,000	685,602
Secured Second lien term Loan	USD	Higher of Libor + 7.25% or 8.25%	2021	260,000	249,885	260,000	247,982	260,000	246,173
				1,876,309	1,843,782	1,758,675	1,718,487	1,899,695	1,853,964

				30 April 2016		**30 April 2015**		**1 May 2014**	
	Currency	**Nominal interest rate** % p.a.	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**	**Face value US$'000**	**Carrying amount US$'000**	**Face value US$'000**	**Carrying amount US$'000**
Company									
Unsecured bridging loans	USD	1.50-4.00	2017 to 2020	480,000	477,864	454,000	450,880	605,000	602,491

PDSTF – Philippine Dealing System Treasury Fixing Rate
GRT – Gross Receipt Tax

The unsecured bridging loans of US$454.0 million as at 30 April 2015 (1 May 2014: US$605.0 million) were obtained by the Company to finance the Acquisition (Note 5) and its related costs.

20. Loans and borrowings (cont'd)

Long Term Borrowings

Long Term Borrowings	Principal Amount (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g. annually, quarterly, etc.)	Interest already paid 1 May 2015 to 30 April 2016 (In '000)
Senior secured variable rate first lien term loan	USD 710,000	Higher of Libor +3.25% or 4.25%	2021	0.25% quarterly principal payments from April 30, 2014 to January 31, 2021; Balance due in full at its maturity, February 18, 2021.	USD 30,167
Senior secured second lien variable rate term loan	USD 260,000	Higher of Libor + 7.25% or 8.25%	2021	Due in full at its maturity, August 18, 2021.	USD 21,748
BDO bridging facility	USD 350,000	90d Libor + 3.5% margin	2017	Quarterly interest payment and principal on maturity date.	USD 13,145
BDO Long-Term Loan	USD 30,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD 949
BDO Long-Term Loan	USD 100,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD 3,425
BDO Long-Term Loan	PHP 3,000,000	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020	Quarterly interest payment and principal on maturity date.	PHP 91,219

The balance of unamortised debt issuance cost follows:

		Group			Company		
	Note	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000	Four months ended 30 April 2014 US$'000	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000	Four months ended 30 April 2014 US$'000
Beginning of year/period		40,188	45,731	44,780	3,120	2,509	–
Additions		1,114	4,767	2,897	900	4,387	3,205
Amortisation	27	(8,775)	(10,310)	(1,946)	(1,884)	(3,776)	(696)
End of year/period		32,527	40,188	45,731	2,136	3,120	2,509

Secured Term Loan Credit Agreements

The Group is a party to a First Lien term loan credit agreement and a Second Lien term loan credit agreement (the "Term Loan Credit Agreements") with the lenders party thereto, Citibank, N.A., as administrative agent and collateral agent, and the other agents named therein, that provided for a US$710.0 million First Lien Term Loan and a US$260.0 million Second Lien Term Loan with terms of seven years and seven years plus six months, respectively.

20. Loans and borrowings (cont'd)

Secured Term Loan Credit Agreements (cont'd)

Interest Rates. Loans under the First and Second Lien Term Loans bear interest at a rate equal to an applicable margin, plus, at the Group's option, either (i) a LIBOR rate (with a floor of 1.00%) or (ii) a base rate (with a floor of 2.00%) equal to the highest of (a) the federal funds rate plus 0.50%, (b) CitiBank, N.A.'s "prime commercial rate" and (c) the one-month LIBOR Quoted Rate plus 1.00%. As of 30 April 2016, the interest rate for First Lien Term Loans is 4.25% (30 April 2015: 4.25%) and the interest rate for Second Lien Term Loans is 8.25% (30 April 2015: 8.25%).

Principal Payments. The First Lien Term Loan generally requires quarterly scheduled principal payments of 0.25% of the outstanding principal per quarter from 30 April 2014 to 31 January 2021. The balance is due in full on the maturity date of 18 February 2021. Scheduled principal payments with respect to the First Lien Term Loan are subject to reduction following any mandatory or voluntary prepayments on terms and conditions set forth in the First Lien Term Loan Credit Agreement.

The Second Lien Term Loan is due in full at its maturity date of 18 August 2021.

The Term Loan Credit Agreements also require the Group to prepay outstanding loans under the First Lien Term Loan and the Second Lien Term Loan, subject to certain exceptions, with, among other things:

- 50% (which percentage will be reduced to 25% if the leverage ratio is 4.0x or less and to 0% if the leverage ratio is 3.0x or less) of the annual excess cash flow, as defined in the First Lien Term Loan Credit Agreement;

- 100% of the net cash proceeds of certain casualty events and non-ordinary course asset sales or other dispositions of property for a purchase price above US$2.0 million, in each case, subject to the Group's right to reinvest the proceeds; and

- 100% of the net cash proceeds of any incurrence of debt, other than proceeds from debt permitted under the First Lien Term Loan Credit Agreement.

Ability to Incur Additional Indebtedness. The Group has the right to request an additional US$100 million plus an additional amount of secured indebtedness under the First Lien Term Loan and the Second Lien Term Loan. Lenders under this facility are under no obligation to provide any such additional loans, and any such borrowings will be subject to customary conditions precedent, including satisfaction of a prescribed leverage ratio, subject to the identification of willing lenders and other customary conditions precedent.

ABL Credit Agreement

The Group is a party to a credit agreement (the "ABL Credit Agreement") with Citibank, N.A., as administrative agent, and the other lenders and agents parties thereto, as amended, that provides for senior secured financing of up to US$442 million (with all related loan documents, and as amended from time to time, the ABL Facility) with a term of five years.

20. Loans and borrowings (cont'd)

ABL Credit Agreement (cont'd)

Interest Rates. Borrowings under the ABL Credit Agreement bear interest at an initial interest rate equal to an applicable margin, plus, at the Group's option, either (i) a LIBOR rate, or (ii) a base rate equal to the highest of (a) the federal funds rate plus 0.50%, (b) Citibank, N.A.'s "prime commercial rate" and (c) the one-month LIBOR rate plus 1.00%. The applicable margin with respect to LIBOR borrowings is currently 2.0% (and may increase to 2.25% depending on average excess availability) and with respect to base rate borrowings is currently 1.00% (and may increase to 1.25% depending on average excess availability).

Commitment Fees. In addition to paying interest on outstanding principal under the ABL Credit Agreement, the Group is required to pay a commitment fee that was initially 0.375% per annum in respect of the unutilised commitments thereunder. The commitment fee rate from time to time is 0.375% or 0.25% depending on the amount of unused commitments under the ABL Credit Agreement for the prior fiscal quarter. The Group must also pay customary letter of credit fees between 1.75% to 2.25% based on average excess availability, and fronting fees equal to 0.125% of the face amount for each letter of credit issued.

Availability under the ABL Credit Agreement. Availability under the ABL Credit Agreement is subject to a borrowing base. The borrowing base, determined at the time of calculation, is an amount equal to: (a) 85% of eligible accounts receivable and (b) the lesser of (1) 75% of the net book value of eligible inventory and (2) 85% of the net orderly liquidation value of eligible inventory, of the Group at such time, less customary reserves. The ABL Credit Agreement will terminate, and the commitments thereunder will mature, on 18 February 2019. As of 30 April 2016, there were US$225.4 million (30 April 2015: US$99.0 million) of loans outstanding under the ABL Credit Agreement, the amount of letters of credit issued under the ABL Credit Agreement was US$11.4 million (30 April 2015: US$14.1 million) and the Group's net availability under the ABL Credit Agreement was US$201.8 million (30 April 2015: US$264.7 million). The interest rate on the ABL Credit Agreement was approximately 3.15% on 30 April 2016 (30 April 2015: 2.79%).

The ABL Credit Agreement includes a sub-limit for letters of credit and for borrowings on same-day notice, referred to as "swingline loans."

Ability to Incur Additional Indebtedness. The commitments under the ABL Facility may be increased, subject only to the consent of the new or existing lenders providing such increases, such that the aggregate principal amount of commitments does not exceed US$442 million. The lenders under this facility are under no obligation to provide any such additional commitments, and any increase in commitments will be subject to customary conditions precedent. Notwithstanding any such increase in the facility size, the Group's ability to borrow under the facility will remain limited at all times by the borrowing base (to the extent the borrowing base is less than the commitments).

Guarantee of Obligations under the Term Loan Credit Agreements and the ABL Credit Agreement

All obligations of the Group under the *Term Loan Credit Agreements and the ABL Credit Agreement* are unconditionally guaranteed by the Company and by substantially all existing and future, direct and indirect, wholly owned material restricted domestic subsidiaries of the Group, subject to certain exceptions.

20. Loans and borrowings (cont'd)

Security Interests

Indebtedness under the First Lien Term Loan is generally secured by (i) a first priority pledge of all of the equity interests of the Group, (ii) a second priority lien on all ABL Priority Collateral of the Group and (iii) a first priority lien on substantially all other properties and assets of the Group. The Second Lien Term Loan is generally secured by (i) a second priority pledge of all of the equity interests of the Group, (ii) a third priority lien on all ABL Priority Collateral of the Group and (iii) a second priority lien on substantially all other properties and assets of the Group. The ABL Credit Agreement is generally secured by a first priority lien on the Group's inventories and accounts receivable and by a third priority lien on substantially all other assets.

Restrictive and Financial Covenants

The Term Loan Credit Agreements and the ABL Credit Agreement contain restrictive covenants that limit the Group's ability and the ability of its subsidiaries to take certain actions.

Term Loan Credit Agreement and ABL Credit Agreement Restrictive Covenants. The restrictive covenants in the Term Loan Credit Agreement and the ABL Credit Agreement include covenants limiting the Group's ability, and the ability of the Group's restricted subsidiaries, to incur additional indebtedness, create liens, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions or repurchase the Group's capital stock, make investments, loans or advances, prepay certain indebtedness, engage in certain transactions with affiliates, amend agreements governing certain subordinated indebtedness adverse to the lenders, and change the Group's lines of business.

Financial Maintenance Covenants. The Term Loan Credit Agreements and ABL Credit Agreement generally do not require that the Group comply with financial maintenance covenants. The ABL Credit Agreement, however, contains a financial covenant that applies if availability under the ABL Credit Agreement (US$201.8 million at 30 April 2016; US$264.7 million at 30 April 2015) falls below a certain level. As of 30 April 2016, the financial covenant was not applicable.

Effect of Restrictive and Financial Covenants. The restrictive and financial covenants in the Term Loan Credit Agreements and the ABL Credit Agreement may adversely affect the Group's ability to finance its future operations or capital needs or engage in other business activities that may be in its interest, such as acquisitions.

Unsecured Bank Loans

Certain unsecured bank loan agreements contain various affirmative and negative covenants that are typical of these types of facilities such as financial covenants relating to required debt-to-equity ratio, interest cover and maximum annual capital expenditure restrictions. These covenants include requirements for delivery of periodic financial information and restrictions and limitations on indebtedness, investments, acquisitions, guarantees, liens, asset sales, disposals, mergers, changes in business, dividends and other transfers.

The Group is compliant with its loan covenants as at 30 April 2016 and 2015.

21. Other noncurrent liabilities

	Group 30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Workers' compensation	30,969	32,101	30,921
Derivative liabilities	21,527	20,090	4,368
Deferred rental liabilities	5,173	5,823	7,466
Accrued lease liabilities	4,440	2,352	968
Other payables	477	797	3,157
	62,586	61,163	46,880

Workers' compensation are liabilities for wage replacement and medical benefits to employees injured in the course of employment in exchange for mandatory relinquishment of the employee's right to sue his or her employer for the tort of negligence.

Derivative liabilities

The Group uses interest rate swaps, commodity swaps and forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity costs, transportation and foreign currency exchange rates. The Group continually monitors its positions and the credit rating of the counterparties involved to mitigate the amount of credit exposure to any one party.

As of 30 April 2016, the Group designated each of its derivative contracts as a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognised asset or liability ("cash flow hedge"). The following cash flow hedges were outstanding for the Group:

	Note	Group 30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Interest rate swap valuation	33	(35,115)	(20,090)	(4,368)
Peso FX contracts	33	1,473	(1,003)	–
Commodity contracts	33	(1,630)	818	–
Total		(35,272)	(20,275)	(4,368)
Included in :				
Prepaid expense and other current assets	15	1,473	818	–
Trade and other payables	24	(15,218)	(1,003)	–
Other noncurrent liabilities		(21,527)	(20,090)	(4,368)
		(35,272)	(20,275)	(4,368)

22. Employee benefits

	Group 30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Net defined benefit asset	–	–	10,673
Total employee benefit asset (non-current)	–	–	10,673
Post-retirement benefit obligation	41,908	94,643	88,506
Executive Retirement Plan	9,758	11,147	10,971
Cash incentive award	1,773	–	–
Short-term employee benefits	19,389	35,360	20,582
Other plans	7,732	4,280	3,124
Net defined benefit liability	50,209	26,849	9,498
Total net defined benefit liability	130,769	172,279	132,681
Current	33,651	43,080	33,621
Non-Current	97,118	129,199	99,060
	130,769	172,279	132,681

The Group contributes to the following post-employment defined benefit plans:

The DMPI Plan

DMPI has a funded defined benefit plan wherein starting on the date of membership of an employee in the DMPI Plan, DMPI contribute to the retirement fund 7.00% of the member's salary as defined every month. In addition, DMPI contributes periodically to the fund the amounts which shall be required, if any, to meet the guaranteed minimum benefit provision of the plan. Such contributions shall not be allocated nor credited to the individual accounts of the members, but shall be retained in a separate account to be used in cases where guaranteed minimum benefit applies.

Benefits are based on the total amount of contributions and earnings credited to the personal retirement account of the plan member at the time of separation or the 125% of the final basis salary multiplied by the number of credited years of service under the plan, whichever is higher. The manner of payment is lump sum, payable on retirement. 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.

DMPI expects to pay US$3.1 million in contributions to the pension plan in fiscal year 2017.

22. Employee benefits (cont'd)

The DMFI Plan

The Company sponsors a qualified defined benefit pension plan (the “DMFI Plan”) and several unfunded defined benefit post-retirement plans providing certain medical, dental, and life insurance benefits to eligible retired, salaried, non-union hourly and union employees. The DMFI Plan comprises of two parts:

The first part is a cash balance plan which provides benefits for eligible salaried employees and provides that a participant’s benefit derives from the accumulation of monthly compensation and interest credits. Compensation credits are calculated based upon the participant’s eligible compensation and age each month. Interest credits are calculated each month by applying an interest factor to the previous month’s ending balance. Participants may elect to receive their benefit in the form of an annuity or a lump sum.

The second part is an arrangement which provides for grandfathered and suspended hourly participants a traditional pension benefit based upon service, final average compensation and age at termination. This plan was frozen since 31 December 1995, which the active participation of certain participants was grandfathered and the active participation of other participants was suspended.

DMFI currently meets and plans to continue to meet the minimum funding levels required under local legislation, which imposes certain consequences on DMFI’s defined benefit plan if it does not meet the minimum funding levels. DMFI has not made any contributions during the year.

DMFI expects to contribute US$8.0 million in 2017.

Changes in Assumptions and Methods since Last Actuarial Valuation

The mortality assumption was changed from RP-2014 non-annuitant tables projected with MP-2014 generational improvements in mortality, distinguished by sex, to “RP-2015” (2006 rates of the RP-2014 table with generational projection of improvements in mortality from 2006 to 2015 based on MP-2015) non-annuitant tables projected with MP-2015 generation improvements in mortality, distinguished by sex.

The termination and retirement rate assumptions were updated based on an experience study reflecting actual experience from 2010 to 2014 for the Legacy DMRPHE.

The discount rate of 3.50% was developed using Willis Towers Watson’s BOND:Link and using the plans projected cash flows.

The compensation increase assumption was reduced from 4.00% to 3.00% based on future expectations.

22. Employee benefits (cont'd)

Movement in net defined benefit liability (asset)

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability (asset) and its components:

	Defined benefit obligation			Fair value of plan assets			Net defined benefit liability/(asset)		
	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Group									
Balance, Beginning	515,041	482,221	42,275	(393,549)	(394,890)	(40,399)	121,492	87,331	1,876
Included in profit or loss									
Current service cost	10,120	10,444	2,266	–	–	–	10,120	10,444	2,266
Plan administration cost	–	–	–	–	514	–	–	514	–
Interest cost/ (income)	20,876	21,192	4,752	(15,773)	(17,226)	(3,923)	5,103	3,966	829
Past service cost (plan amendments)	(40,470)	–	–	–	–	–	(40,470)	–	–
Curtailment gain	(3,814)	–	–	–	–	–	(3,814)	–	–
Settlement loss	–	–	–	5,669	–	–	5,669	–	–
	501,753	513,857	49,293	(403,653)	(411,602)	(44,322)	98,100	102,255	4,971
Included in OCI									
Remeasurements loss/(gain)									
- Actuarial loss/(gain) arising from:									
- financial assumptions	(2,061)	11,973	4,532	–	–	–	(2,061)	11,973	4,532
- demographic assumptions	(6,183)	33,046	765	–	–	–	(6,183)	33,046	765
- experience adjustment	(4,486)	(7,657)	(2,755)	–	–	–	(4,486)	(7,657)	(2,755)
- Return on plan assets excluding interest income	–	–	–	16,227	(14,026)	2,138	16,227	(14,026)	2,138
- Effect of movements in exchange rates	(2,210)	12	(111)	1,693	(3)	149	(517)	9	38
	(14,940)	37,374	2,431	17,920	(14,029)	2,287	2,980	23,345	4,718
Others									
Additions through business combinations	–	–	435,127	–	–	(356,163)	–	–	78,964
Contributions paid into the plan	–	–	(465)	(5,979)	(4,108)	(1,322)	(5,979)	(4,108)	(1,787)
Benefits paid	(48,116)	(36,189)	(4,165)	45,132	36,189	4,630	(2,984)	–	465
	(48,116)	(36,189)	430,497	39,153	32,081	(352,855)	(8,963)	(4,108)	77,642
Balance at 30 April	438,697	515,042	482,221	(346,580)	(393,550)	(394,890)	92,117	121,492	87,331

22. Employee benefits (cont'd)

Represented by:

	Net defined benefit liability/(asset)		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Net defined benefit asset	–	–	(10,673)
Post-retirement benefit obligation	41,908	94,643	88,506
Net defined benefit liability	50,209	26,849	9,498
	92,117	121,492	87,331

During fiscal year 2016, a change to the post-retirement benefits plan of certain non-union employees were made where current retiree medical and dental benefits were replaced for contributions to a health reimbursement arrangement (HRA) account. As a result of the plan amendment, the Group's defined benefit obligation decreased by US$39.4 million. A corresponding reduction against past service cost was recognised as part of "General and administrative expenses" account in the 2016 consolidated income statement.

During fiscal year 2015, the actuarial assumptions used in the pension valuation of the arrangements for a number of employees in the United States were adjusted to reflect longer lifespans of Americans. As a result of the change in these assumptions, the Group's defined benefit obligation increased by US$24.2 million. A corresponding remeasurement in retirement reserve was recognised in other comprehensive income during 2015.

Plan assets

Plan assets comprise:

	Group		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Interest-bearing cash/bank deposits	3,622	7,495	4,971
Real estate	12,852	12,514	9,659
Common collective trust funds			
Fixed income	85,663	12,286	13,471
Equity fund	115,634	134,951	114,738
Mutual funds			
Equity fund	8,926	250	19,291
Debt instruments			
Corporate	40,238	47,373	50,265
Government	53,649	62,045	61,212
Others	6,388	10,519	9,030
Equity securities			
Quoted	3,237	87,302	54,206
Unquoted	–	426	441
Others	16,372	18,389	17,152
Total investments	346,581	393,550	354,436
Add: Residual fair value of plan assets to be transferred	–	–	40,454
Fair value of plan assets	346,581	393,550	394,890

22. Employee benefits (cont'd)

In accordance with the Purchase Agreement with the seller (Note 5), an initial transfer representing the fair value of plan assets related to the Consumer Food Business was completed in connection with the closing date of 18 February 2014. The fair value of plan assets includes the estimated residual fair value of plan assets to be transferred within 270 days after the acquisition date.

The BOD of DMFI 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. DMFI'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.

DMFI's investment objectives are to ensure that the assets of its qualified defined benefit plan are invested to provide an optimal rate of investment return on the total investment portfolio, consistent with the assumption of a reasonable risk level, and to ensure that pension funds are available to meet the plan's benefit obligations as they become due.

DMFI believes that a well-diversified investment portfolio, including both equity and fixed income components, will result in the highest attainable investment return with an acceptable level of overall risk. DMFI's investment policies and procedures are designed to ensure that the plan's investments are in compliance with the Employee Retirement Income Security Act ("ERISA").

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 April 2016 wherein the results of these valuations form the basis of the fair value of the funded obligations and plan assets as at 30 April 2016.

The principal actuarial assumptions used for accounting purposes expressed as weighted average were:

	<------------- DMFI ------------>			**<------------- DMPI ------------>**		
	30 April 2016	**30 April 2015**	**30 April 2014**	**30 April 2016**	**30 April 2015**	**30 April 2014**
Discount rate (per annum)	4.10% - 4.35%	4.50% - 4.75%	4.60% - 4.75%	5.23%	5.18%	5.27%
Future salary increases (per annum)	3.00% - 4.00%	3.00% - 4.00%	3.63% - 4.00%	6.80%	6.00%	6.00%
Current health care cost trend rate	7.60%/7.90%	7.80%/8.30%	7.80%/8.30%	–	–	–
Ultimate health care cost trend rate	4.00%	4.00%	4.00%	–	–	–

Since the defined benefit plans and other benefits liabilities are measured on a discounted basis, the discount rate is a significant assumption. The discount rate was determined based on an analysis of interest rates for high-quality, long-term corporate debt at each measurement date. In order to appropriately match the bond maturities with expected future cash payments, the Group utilised differing bond portfolios to estimate the discount rates for the defined benefits pension plans and for the postretirement benefits.

22. Employee benefits (cont'd)

The discount rate used to determine the defined benefit plans and for the postretirement benefits projected benefit obligation as of the balance sheet date is the rate in effect at the measurement date. The same rate is also used to determine the defined benefit pension plans and postretirement benefits for the following fiscal year. The long-term rate of return for defined benefits pension plans' assets is based on the Group's historical experience; the defined benefits pension plans' investment guidelines and the Group's expectations for long-term rates of return. The defined benefits pension plans' investment guidelines are established based upon an evaluation of market conditions, tolerance for risk and cash requirements for benefit payments.Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows.

As at 30 April 2016 and 2015, the weighted average duration of DMPI's defined benefit retirement obligation is 19.30 years and 18.26 years, respectively.

The projected future benefit payments for the DMPI plan are as follows:

	Normal Retirement	Other than Normal Retirement	Total
Less than one year	2,835	1,948	4,783
More than one year to five years	10,471	9,717	20,188
More than five years	89,146	79,345	168,761

The weighted average duration of DMFI's defined benefit retirement obligation for each year are as follows.

	Duration (years)		
	30 April 2016	30 April 2015	1 May 2014
Qualified retirement plan	9.8	9.0	8.3
Post-retirement benefits plan	12.3	14.0	12.6
Executive retirement plans	7.3 - 9.6	7.9 - 9.0	4.9 – 6.7

The projected future benefit payments for the DMFI plan are as follows:

	Normal Retirement	Other than Normal Retirement	Total
Less than one year	28,290	2,449	30,739
More than one year to five years	113,038	10,644	123,682
More than five years	130,627	13,445	144,072

The weighted-average asset allocation of the Group's pension plan assets and weighted-average target allocation as of the measurement date from date of incorporation is as follows:

	30 April 2016	Target Allocation Range
Equity securities	37%	31-51%
Debt securities	54%	42-64%
Other	9%	2-19%
Total	100%	

22. Employee benefits (cont'd)

	30 April 2015	Target Allocation Range
Equity securities	43%	31-51%
Debt securities	52%	42-64%
Other	5%	2-19%
Total	100%	

	1 May 2014	Target Allocation Range
Equity securities	43%	31-51%
Debt securities	52%	42-64%
Other	5%	2-19%
Total	100%	

The plan exposes the Group to market risk.

The BOD of DMFI 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 BOD of DMFI 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.

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, 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.

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions 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 the respective percentages below.

Defined benefit obligation	<------------------------------		**DMFI**			---------------------------->
	2016		**2015**		**2014**	
	0.5% increase US$'000	0.5% decrease US$'000	0.5% increase US$'000	0.5% decrease US$'000	0.5% increase US$'000	0.5% decrease US$'000
Discount rate (per annum)	($16,802)	$18,411	($16,070)	$17,498	($13,672)	$14,781
Future salary increases (per annum)	$1,610	($1,569)	$1,426	($1,381)	$1,289	($1,246)

22. Employee benefits (cont'd)

Defined benefit obligation	<------------------------------DMPI---------------------------->					
	2016		**2015**		**2014**	
	1.0% increase US$'000	1.0% decrease US$'000	1.0% increase US$'000	1.0% decrease US$'000	1.0% increase US$'000	1.0% decrease US$'000
Discount rate (per annum)	(2,687)	2,967	(2,478)	2,892	(2,484)	2,871
Future salary increases (per annum)	1,371	(1,340)	2,663	(2,321)	2,579	(2,269)

The above sensitivities are based on the average duration of the benefit obligation determined at the date of the last full actuarial valuation at 30 April 2016 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.

Sensitivity analysis

Post-retirement benefit obligation

	2016		**2015**		**2014**	
	1.0% increase US$'000	1.0% decrease US$'000	1.0% increase US$'000	1.0% decrease US$'000	1.0% increase US$'000	1.0% decrease US$'000
Health care cost trend rates (per annum)	4,278	(3,525)	12,441	(10,128)	$10,359	($8,560)

Accumulated Postretirement Benefit Obligation

The Accumulated Postretirement Benefit Obligation is computed in accordance with IAS 19 Employee Benefits. This quantity is the actuarial present value of all benefits attributed under the Cost Method to service rendered prior to a particular date. Prior to an employee's full eligibility date, the accumulated postretirement benefit obligation as of a particular date for an employee is the portion of the expected postretirement benefit obligation attributed to that employee's service rendered to that date; on and after the full eligibility date, the accumulated and expected postretirement benefit obligations for an employee are the same.

Source of estimation uncertainty

Accumulated postretirement benefit obligation is determined using certain actuarial estimates and assumptions relating to the annual rate(s) of change in the cost of health care benefits currently provided by the postretirement benefit plans due to factors other than changes in the composition of the plan population by age and dependency status, for each year from the measurement date until the end of the period in which benefits are expected to be paid. These estimates and assumptions directly influence the amount of the pension assets/liabilities and expense recognised in the financial statements.

22. Employee benefits (cont'd)

Multi-employer plans

The Group participates in several multi-employer pension plans, which provide defined benefits to covered union employees. Contributions rates to the multi-employer plans are provided in the collective bargaining agreements for the covered union employees. The contribution rates are expressed in terms of specific amounts to be contributed based on hours worked by covered union employees.

The risks of participating in the multi-employer pension plans are as follows:

- assets contributed to the multi-employer plan by the Group may be used to provide benefits to employees of other participating employers;
- if a participating employer stops contributing to the plan, the unfunded obligations of the plan allocable to such withdrawing employer may be partially borne by the Group; and
- if the Group stops participating in some of its multi-employer pension plans, the Group may be required to pay those plans an amount based on its allocable share of the underfunded status of the plan, referred to as a withdrawal liability.

Defined Contribution Plans

The Group participates in two defined contribution plans. Group contributions to these defined contribution plans are based on employee contributions and compensation. The expense recognised under these plans for the year ended 30 April 2016 was US$3.8 million (30 April 2015: US$3.7 million).

Other plans

The Group has various other nonqualified retirement plans and supplemental retirement plans for executives, designed to provide benefits in excess of those otherwise permitted under the Group's qualified retirement plans. These plans are unfunded and comply with IRS rules for nonqualified plans. Remeasurements on retirement reserve related to certain of these plans are recognised as other comprehensive income.

23. Environmental remediation liabilities

		Group		
	Note	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
At beginning of the year/period		4,580	4,241	–
Assumed through business combination	5	–	–	4,236
Provision made during the period	6	1,815	339	5
Provisions used during the period		(82)	–	–
At end of the year/period		6,313	4,580	4,241

Provision for environmental remediation relates to legal or constructive obligation of a subsidiary to make good and restore plant sites.

24. Trade and other payables

		<------------- Group ------------->			<------------- Company ------------>		
	Note	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Trade payables		167,197	191,085	126,948	–	–	–
Accrued operating expenses							
Advertising		23,405	16,566	33,191			
Professional fees		7,620	9,072	6,232	4,587	4,388	4,941
Taxes and insurance		6,146	1,213	505	–	–	–
Miscellaneous		44,438	70,578	53,749	–	–	–
Derivative liabilities	21	15,218	1,003	–	–	–	–
Accrued payroll expenses		6,875	38,122	3,178	3,359	–	–
Advances from customers		2,465	3,189	2,513	–	–	–
Withheld from employees (taxes and social security cost)		1,527	6,214	7,300	–	–	–
Other payables		6,152	2,012	3,551	351	226	–
Amounts due to subsidiaries (non-trade)		–	–	–	108,001	159,171	117,454
		281,043	339,054	237,167	116,298	163,785	122,395

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

Accrued miscellaneous include interest, freight and warehousing and customs and other importation incidental costs.

25. Revenue

Revenue of the Group comprises gross invoiced sales of goods, 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.

Revenue for fiscal year ended 30 April 2016 is net of discounts of US$85.2 million, returns of US$19.0 million and direct promotions of US$485.2 million. Revenue for fiscal year ended 30 April 2015 is net of discounts of US$83.3 million, returns of US$21.1 million and direct promotions of US$482.6 million.

26. Profit (loss) before taxation

Profit (loss) before taxation is arrived at after charging (crediting):

		<---------------- Group ---------------->			<------------- Company ------------->		
	Note	**Year ended 30 April 2016 US$'000**	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**	**Year ended 30 April 2016 US$'000**	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**
Allowance for inventory obsolescence	13	2,926	5,992	2,650	–	–	–
Impairment of (reversal of allowance for) trade and nontrade receivables	14	(1,355)	(4,733)	1,934	–	–	–
Amortisation of intangible assets	9	9,327	7,560	1,434	–	–	–
Audit fees							
- paid to the auditors of the Company*		339	322	246	339	302	246
- paid to other auditors		2,374	2,658	200	354	37	–
Changes in fair value of agricultural produce harvested and sold		22,060	15,456	3,161	–	–	–
Depreciation of property, plant and equipment	6	64,823	60,671	13,803	–	–	–
Loss on deconsolidation of a subsidiary	7	–	5,186	–	–	–	–
Loss on disposal of property, plant and equipment		1,052	1,278	41	–	–	–
Impairment loss (reversal of impairment) on property, plant and equipment	6	4,928	(508)	(172)	–	–	–
Inventories recognised as cost of sales	13	1,316,517	1,267,927	199,089	–	–	–
Professional expenses related to the Acquisition							
- paid to the auditors of the Company		–	–	546		–	–
Non-audit fees							
- paid to the auditors of the Company*		–	222	–	–	218	–
- paid to other auditors		579	590	8	99	–	–
Operating lease rentals	36	52,141	52,444	10,310	–	–	–
Impairment loss on noncurrent assets held for sale	17	1,659	–	–	–	–	–
Research and development expenses		12,615	13,077	2,886	–	–	–
Income from post-closing working capital amount	5	(38,000)	–	–	–	–	–
Bargain purchase on acquisition of Sager Creek	5	–	(26,568)	–	–	–	–
Acquisition-related costs pertaining to Consumer Food Business	5	–	2,200	33,400	–	–	–

**excludes professional expenses related to the Acquisition of Consumer Food Business*

26. Profit (loss) before taxation (cont'd)

Profit (loss) before taxation is arrived at after charging (crediting) (cont'd):

	Note	Group: Year ended 30 April 2016 US$'000	Group: Year ended 30 April 2015 US$'000	Group: Four months ended 30 April 2014 US$'000	Company: Year ended 30 April 2016 US$'000	Company: Year ended 30 April 2015 US$'000	Company: Four months ended 30 April 2014 US$'000
Staff costs							
Pension costs – defined benefit pension plan**		(23,392)	14,924	3,095	–	–	–
Pension costs – provident fund		5,131	5,114	404	–	–	–
Social security costs		20,471	16,853	2,231	–	–	–
Equity-settled share-based payment transactions	32	713	144	48	161	144	48
Wages and salaries		375,982	364,079	45,365	8,768	3,076	815

***includes effect of post-retirement medical plan amendment and enhanced early retirement program*

Other expenses not included above are advertising and marketing costs, freight, warehousing costs and others.

27. Net finance expense

	Note	Group: Year ended 30 April 2016 US$'000	Group: Year ended 30 April 2015 US$'000	Group: Four months ended 30 April 2014 US$'000	Company: Year ended 30 April 2016 US$'000	Company: Year ended 30 April 2015 US$'000	Company: Four months ended 30 April 2014 US$'000
Finance income							
Interest income from bank deposits		365	400	112	2	4	21
Foreign exchange gain		1,866	–	279	–	4	–
		2,231	400	391	2	8	21
Finance expense							
Interest expenses on bank loans		(89,843)	(84,347)	(16,284)	(19,809)	(21,518)	(4,878)
Amortisation of debt issue cost, discount	20	(8,775)	(10,310)	(1,946)	(1,884)	(3,776)	(696)
Foreign exchange loss		(963)	(5,204)	(17)	(10)	–	–
		(99,581)	(99,861)	(18,247)	(21,703)	(25,294)	(5,574)
Net finance expense		(97,350)	(99,461)	(17,856)	(21,701)	(25,286)	(5,553)

28. Tax expense (credit) - net

	Note	Group		
		Year ended 30 April 2016 US$'000	**Year ended 30 April 2015 US$'000 (As restated*)**	**Four months ended 30 April 2014 US$'000 (As restated*)**
Current tax expense				
- current year		12,729	7,189	820
Deferred tax credit				
- origination and reversal of temporary differences	10	(4,590)	(25,106)	(25,202)
		8,139	(17,917)	(24,382)
Reconciliation of effective tax rate				
Profit (loss) before taxation		62,671	(66,912)	(74,229)
Taxation on profit at weighted average of the applicable tax rates		18,600	(23,452)	(25,025)
Non-deductible expenses		(10,461)	5,535	643
		8,139	(17,917)	(24,382)

** see Note 3.6*

	Group		
	Year ended 30 April 2016 US$'000	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**
Applicable 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	38%	38%	38%
- Mexico	30%	30%	30%
- Venezuela	#	#	34%

* based on gross profit for the year/period
\# not applicable

DMPI's core production operations in Cagayan de Oro City, Philippines is under Philippine Packing Agricultural Export Processing Zone. This new zone has been established in accordance with the policies of the Philippine Economic Zone Authority ("PEZA"). DMPI enjoys certain fiscal and non-fiscal incentives including a 5% (2015 and 2014: 5%) tax on gross profit in lieu of the statutory 30% (2015 and 2014: 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 the PEZA's requirements which includes exporting 70% of its production. This current tax incentive will expire in fiscal year 2017.

28. Tax expense (credit) – net (cont'd)

DMPI has received the PEZA approval for a second zone, the Bukidnon Agro-Resources Export Zone, for agri-development projects. This current tax incentive will expire in fiscal year 2018.

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.

Sources of estimation uncertainty

The Group has exposure to income taxes in several foreign jurisdictions. Significant judgement 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.

29. Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year/period.

	Group		
	Year ended 30 April 2016	**Year ended 30 April 2015 (As restated*)**	**Four months ended 30 April 2014 (As restated*)**
Profit (loss) attributable to owners of the Company (US$'000)	51,534	(43,183)	(44,774)
Weighted average number of ordinary shares ('000):			
Issued ordinary shares at 1 May/1 January	1,944,035	1,297,500	1,297,500
Effect of own shares held	(426)	(900)	(900)
Effects of shares issued	–	94,211	–
Weighted average number of ordinary shares during the year/period	1,943,609	1,390,811	1,296,600
Basic earnings (loss) per share (in US cents)	2.65	(3.10)	(3.45)

* *see Note 3.6*

29. Earnings (loss) per share (cont'd)

Diluted earnings (loss) per share

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 Del Monte Pacific RSP, with the potential ordinary shares weighted for the period outstanding.

	Group		
	Year ended 30 April 2016	**Year ended 30 April 2015 (As restated*)**	**Four months ended 30 April 2014 (As restated*)**
Profit/(Loss) attributable to owners of the Company (US$'000)	51,534	(43,183)	(44,774)
Diluted weighted average number of shares ('000):			
Weighted average number of ordinary shares at end of year/period (basic)	1,943,609	1,390,811	1,296,600
Potential ordinary shares issuable under share options	736	–	–
Weighted average number of ordinary shares issued (diluted)	1,944,345	1,390,811	1,296,600
Diluted earnings (loss) per share (in US cents)	2.65	(3.10)	(3.45)

** see Note 3.6*

The potential ordinary shares issuable under the Del Monte RSP were excluded from the diluted weighted average number of ordinary shares calculation for the year ended 30 April 2015 and four months ended 30 April 2014 because their effect would decrease the loss per share and have an anti-dilutive effect.

30. Operating segments

Geographical segments

Americas

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

30. Operating segments (cont'd)

Asia Pacific

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

Europe

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

Product segments

Packaged fruit and vegetable

The Packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte and S&W brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavours in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This would also include non branded sales to South America.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

Segment assets

Segment assets consist primarily of property, plant and equipment, intangible assets, trade and other receivables, biological assets, inventories and investments in joint ventures.

30. Operating segments (cont'd)

Information about reportable segments

	Americas			Asia Pacific			Europe			Total		
	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)
Revenue												
Packaged/processed fruit and vegetable	1,446,602	1,326,855	225,135	116,100	109,374	16,610	19,039	23,489	6,944	1,581,741	1,459,718	248,689
Beverage	28,691	27,512	6,423	132,268	124,215	25,614	14,755	10,173	3,176	175,714	161,900	35,213
Culinary	294,486	310,852	53,033	122,063	117,984	16,115	–	–	–	416,549	428,836	69,148
Fresh fruit and others	90	52,266	11,952	93,743	83,969	21,126	–	–	–	93,833	136,235	33,078
Total	**1,769,869**	**1,717,485**	**296,543**	**464,174**	**435,542**	**79,465**	**33,794**	**33,662**	**10,120**	**2,267,837**	**2,186,689**	**386,128**
Gross profit												
Packaged/processed fruit and vegetable	268,307	206,744	13,033	31,444	28,225	1,656	5,510	3,570	651	305,261	238,539	15,340
Beverage	4,033	1,159	8	39,188	35,021	3,887	6,022	870	(76)	49,243	37,050	3,819
Culinary	56,409	51,990	4,189	46,212	45,643	4,780	–	–	–	102,621	97,633	8,969
Fresh fruit and others	12	12,987	3,676	24,715	21,949	6,033	–	–	–	24,727	34,936	9,709
Total	**328,761**	**272,880**	**20,906**	**141,559**	**130,838**	**16,356**	**11,532**	**4,440**	**575**	**481,852**	**408,158**	**37,837**
Share of loss in investments in joint ventures, net of tax												
Packaged/processed fruit and vegetable	–	–	–	(523)	(746)	(150)	–	–	–	(523)	(746)	(150)
Beverage	–	–	–	(123)	(156)	(115)	–	–	–	(123)	(156)	(115)
Culinary	–	–	–	(1,001)	(1,367)	(623)	–	–	–	(1,001)	(1,367)	(623)
Fresh fruit and others	–	–	–	(70)	(184)	(266)	–	–	–	(70)	(184)	(266)
Total	–	–	–	**(1,717)**	**(2,453)**	**(1,154)**	–	–	–	**(1,717)**	**(2,453)**	**(1,154)**

** see Note 3.6*

30. Operating segments (cont'd)

Information about reportable segments

	Americas			Asia Pacific			Europe			Total		
	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000 (As restated*)	Four months ended 30 April 2014 US$'000 (As restated*)
Profit (loss) before taxation												
Packaged/processed fruit and vegetable	9,501	(69,383)	(33,640)	10,828	8,737	(5,095)	3,020	9	(1,259)	23,349	(60,637)	(39,994)
Beverage	(1,795)	(4,757)	(1,935)	11,577	10,103	(5,322)	4,347	(635)	(914)	14,129	4,711	(8,171)
Culinary	2,233	(26,256)	(8,422)	19,171	20,345	(6,192)	–	–	–	21,404	(5,911)	(14,614)
Fresh fruit and others	(5,440)	(8,803)	259	9,229	6,736	481	–	–	–	3,789	(2,067)	740
Total	**4,499**	**(109,199)**	**(43,738)**	**50,805**	**45,921**	**(16,128)**	**7,367**	**(626)**	**(2,173)**	**62,671**	**(63,904)**	**(62,039)**
Other Material Non-Cash Items												
Depreciation and amortisation	56,971	40,588	9,245	17,179	18,395	5,992	–	–	–	74,150	58,983	15,237
Capital expenditure	42,823	57,334	9,640	17,486	17,845	8,340	–	–	–	60,309	75,179	17,980
Segment assets	2,243,508	2,137,740	2,066,014	432,429	452,487	419,015	18,687	31,902	38,464	2,694,624	2,622,129	2,523,493
Segment liabilities	1,556,300	1,520,878	1,392,325	750,369	765,527	868,939	22,743	11,549	14,887	2,329,412	2,297,954	2,276,151

** see Note 3.6*

30. Operating segments (cont'd)

Reconciliation of reportable segment profit or loss, assets and capital expenditures

	Group		
	Year ended 30 April 2016 US$'000	**Year ended 30 April 2015 US$'000**	**Four months ended 30 April 2014 US$'000**
		(As restated*)	**(As restated*)**
Profit (loss) before taxation per operating segment	62,671	(63,904)	(62,039)
Unallocated amounts:			
- acquisition related costs	–	(3,008)	(11,030)
- settlement of pre-existing relationship	–	–	(1,160)
Profit (loss) before taxation as reported	62,671	(66,912)	(74,229)

** see Note 3.6*

Major customer

Revenues from a major customer of the Americas segment for the year ended 30 April 2016 amounted to approximately US$585.0 million or 26% (year ended 30 April 2015: US$496.7 million or 23%, four months ended 30 April 2014: US$56.5 million or 15%) of the Group's total revenue. The customer accounted for approximately 16% of trade and other receivables at 30 April 2016 (30 April 2015: 15%, 1 May 2014: 14%).

31. Seasonality of operations

The Group's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. For Americas, products are sold heavily during the Thanksgiving and Christmas seasons. As such, the Group's sales are usually highest during the three months from August to October.

The Group operates 16 production facilities (30 April 2015: 17 production facilities) in the U.S., Mexico, Philippines and Venezuela. Fruit plants are located in California and Washington in the United States and Philippines, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana.

The US Consumer Food Business has a seasonal production cycle that generally runs between the months of June and October. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

32. 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. Those options granted by the Company prior to 24 July 2009 are 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 sought to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to excel in their performance and are currently targeted at executives in key positions.

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 0.540 Singapore dollar (S$) 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.

On 1 July 2015, 57,918 shares were awarded at the market price of S$0.385 per share to six Directors, arising from the rights issue of shares carried out by the Company on 10 March 2015. The grant of the additional 57,918 share awards was for the adjustment to account for the dilutive effect arising from the rights issue on the unvested share awards previously granted by the Company.

32. Share option and incentive plans (cont'd)

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 reporting date, are as follows:

ESOP

Date of grant of options	Exercise period	Exercise price	Options outstanding		
			30 April 2016	30 April 2015	30 April 2014
		S$			
7 March 2008	Up to 60%: 7 March 2010 – 6 March 2011 40%: 7 March 2011 – 6 March 2018	0.627	750,000	750,000	750,000
30 April 2013*	Up to 100%: 30 April 2013 – 6 March 2018	0.627	150,000	150,000	150,000
1 July 2015	Up to 100%: 6 March 2018	0.578	75,765	–	–
			975,765	900,000	900,000

* 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.

32. Share option and incentive plans (cont'd)

As at the reporting date, a total of 975,765 options remain 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
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
1 July 2015	Up to 60%: 22 August 2016 – 21 August 2017 40%: 22 August 2017 – 21 August 2018	0.385	57,918	57,918
			745,918	745,918

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 the 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/awards and assumptions

Date of grant of options/awards	7 March 2008	30 April 2013	1 July 2015	12 May 2009	29 April 2011	30 April 2013	22 August 2013	1 July 2015
	<----------------ESOP		------------->	<--------------- Del Monte Pacific RSP				------------->
Fair value at measurement date	US$0.12	US$0.18	US$0.29	US$0.37	US$0.40	US$0.18	US$0.65	US$0.29
Share price (Singapore Dollars) at grant date	0.615	0.810	0.385	0.540	0.485	0.810	0.840	0.385
Exercise price (Singapore Dollars)	0.627	0.627	0.578	–	–	–	–	–
Expected volatility	5.00%	2.00%	2.00%	–	–	–	3.00%	2.00%
Time to maturity	2 years	2 years	2 years	–	–	–	1 year	2 years
Risk-free interest rate	3.31%	1.51%	2.51%	–	–	–	2.69%	2.51%

32. Share option and incentive plans (cont'd)

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.

Del Monte Foods Holding Equity Compensation Plan ("ECP")

The 2014 Equity Compensation Plan was adopted by the Board of Directors of DMFHI effective 24 September 2014. The 2014 Plan provided for the grant of stock options to key executives. 9,000,000 shares of common stock of DMFHI were reserved for grant under the plan.

During 2015, DMFHI granted 7,065,000 stock options. As of 30 April 2016, 2,265,000 shares of common stock were available for future grant.

The options granted under the Plan are subject to service-based and performance-based vesting and vest annually over seven years and have a term of 10 years. The grant date fair value of these options is US$1.22.

The fair value for stock options granted was estimated at the date of grant using a Black-Scholes option pricing model. This model estimates the fair value of the options based on a number of assumptions, such as expected option life, interest rates, the current fair market value and expected volatility of common stock and expected dividends. The expected term of options granted was based on the "simplified" method. Expected stock price volatility was determined based on the historical volatilities of comparable companies over a historical period that matches the expected life of the options. The risk-free interest rate was based on the expected U.S. Treasury rate over the expected life. The dividend yield was based on the expectation that no dividends will be paid. The following table presents the weighted-average assumptions for performance-based stock options granted for the periods indicated:

	11 November 2015	**24 September 2014**
Expected life (in years)	5.5	3
Expected volatility	38.49%	34.32%
Risk-free interest rate	1.64%	0.97%
Dividend yield	0%	0%

32. Share option and incentive plans (cont'd)

Stock option activity and related information during the periods indicated was as follows:

	2016		2015	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding at beginning of year	6,735,000	5.00	–	–
Cancelled	(6,735,000)	5.00	–	–
Granted	7,405,000	5.39	7,065,000	5.00
Forfeited	(785,000)	5.39	(330,000)	5.00
Exercised	–	–	–	–
Outstanding at end of year	6,620,000	5.39	6,735,000	5.00
Exercisable at end of year	–	–	–	–

The expense recognised in profit or loss for equity-settled share based payments amounted to US$0.7 million in the current year and was included in personnel cost.

33. Financial risk management

The Group has exposure to the following risks from financial instruments:

- credit risk
- interest rate risk
- liquidity risk
- market risk
- foreign exchange risk
- commodity price risk

Risk management framework

The Board of Directors of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit and Risk Committee (ARC) is responsible for monitoring the Group's risk management policies developed by management.

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 ARC 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 ARC 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 ARC.

33. Financial risk management (cont'd)

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 BOD of the Group continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. The carrying amounts of financial assets in the statements of financial position represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and Company do not hold any collateral in respect of their financial assets.

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 countries in which customers are located, as these factors may have an influence on credit risk.

The ARC 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 credit ratings, where 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 credit worthiness may transact with the Group only on a prepayment or Letters of Credit basis.

Exposure to credit risk

At the reporting date, the maximum exposure to credit risk for loans and receivables, excluding cash on hand, by geographic region was:

			Group	
	Note	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Americas		133,729	124,739	121,335
Europe		8,558	10,210	6,469
Asia Pacific		80,398	85,024	59,415
	14,16	222,685	219,973	187,219

At 30 April 2016, the Group's most significant customer accounted for 16% of the trade and other receivables carrying amount (30 April 2015: 15%, 1 May 2014: 14%).

33. Financial risk management (cont'd)

Credit risk (cont'd)

Impairment losses

The ageing of loans and receivables excluding cash on hand that were not impaired at the reporting date was:

Group	Note	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Not past due		164,476	167,629	151,761
Past due 0 - 60 days		36,681	31,854	27,798
Past due 61 - 90 days		4,624	4,197	1,543
Past due 91 - 120 days		3,810	7,342	323
More than 120 days		13,094	8,951	5,794
	14,16	222,685	219,973	187,219

As at 30 April 2016 and 2015 and 1 May 2014, the Company's loans and receivables were all not past due.

The table below shows the credit quality of the Group's financial assets based on their historical experience with the corresponding third parties:

		30 April 2016			
	Note	Grade A	Grade B	Grade C	Total
		US$'000	US$'000	US$'000	US$'000
Cash in banks	16	47,153	–	–	47,153
Trade and other receivables	14	–	175,532	6,094	181,626
		47,153	175,532	6,094	228,779

		30 April 2015			
	Note	Grade A	Grade B	Grade C	Total
		US$'000	US$'000	US$'000	US$'000
Cash in banks and cash equivalents	16	35,571	–	–	35,571
Trade and other receivables	14	–	184,402	8,783	193,185
		35,571	184,402	8,783	228,756

		1 May 2014			
	Note	Grade A	Grade B	Grade C	Total
		US$'000	US$'000	US$'000	US$'000
Cash in banks	16	28,351	–	–	28,351
Trade and other receivables	14	–	158,868	13,652	172,520
		28,351	158,868	13,652	200,871

As at 30 April 2016, 30 April 2015 and 1 May 2014, the Company's cash in banks and trade and other receivables were all classified under Grade A and Grade B respectively.

33. Financial risk management (cont'd)

Credit risk (cont'd)

Grade A financial assets pertain to those cash that are deposited in reputable banks. Grade B includes receivables that are collected on their due dates even without an effort from the Group to follow them up, while receivables which are collected on their due dates provided that the Group made a persistent effort to collect them are included under Grade C receivables.

The Group believes that the unimpaired amount past due by more than 60 days are still collectible in full, based on historical payment behaviour and extensive analysis of customers' risk rating. An analysis of the credit quality of loans and receivables that are neither past due nor impaired indicates that they are of acceptable risk.

The Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain securities to ensure prompt observance and performance of the obligations of its distributors and other buyers from time to time. 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 Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain securities to ensure prompt observance and performance of the obligations of its distributors and other buyers from time to time. 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.

Cash in banks and cash equivalents

Cash in banks and cash equivalents are held with banks and financial institutions which are regulated.

The percentages of cash in banks and cash equivalents held in the following regions are:

	30 April 2016 %	30 April 2015 %	1 May 2014 %
Group			
United States of America	63	2	66
Philippines	11	70	21
Hong Kong	25	26	13
Singapore	1	2	–
Company			
United States of America	–	–	4
Philippines	78	20	88
Hong Kong	22	80	8

Apart from the information stated above, the Group and Company have no significant concentration of credit risk with any single counterparty or group counterparties.

33. Financial risk management (cont'd)

Credit risk (cont'd)

Derivatives

The derivatives are entered into with banks and financial institutions which are regulated.

Interest rate risk

The Group's cash balances are placed with reputable global banks and financial institutions. The Group manages its interest rate risks by placing the cash balances with varying maturities and interest rate terms. This includes investing the Group's temporary excess liquidity in short-term low-risk securities from time to time. 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.

Interest rate profile of interest-bearing financial instruments

The interest rate profile of the interest-bearing financial instruments as reported to management of the Group is as follows:

	Group			Company		
	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000	30 April 2016 US$'000	30 April 2015 US$'000	1 May 2014 US$'000
Fixed rate instruments						
Loans and borrowings	565,960	789,960	910,964	129,234	102,630	602,492
Variable rate instruments						
Loans and borrowings	1,277,822	928,527	943,000	348,630	348,250	–
Interest rate swaps	35,115	20,090	4,368	–	–	–
	1,312,937	948,617	947,368	348,630	348,250	–

33. Financial risk management (cont'd)

Interest rate risk (cont'd)

Cash flow sensitivity analysis for variable rate instruments

At the reporting date, if interest rates had moved as illustrated in the table below, with all other variables held constant, profit/loss before tax in the next 12 months and equity would have been affected as follows:

	Profit/loss before tax in the next 12 months		Equity	
	100 bp increase US$'000	100 bp decrease US$'000	100 bp increase US$'000	100 bp decrease US$'000
Group				
30 April 2016				
Variable rate instruments	(5,681)	5,681	–	–
Interest rate swaps	–	–	(15,806)	6,606
Cash flow sensitivity (net)	(5,681)	5,681	(15,806)	6,606
30 April 2015				
Variable rate instruments	(9,611)	9,611	–	–
Interest rate swaps	–	–	(15,432)	12,181
Cash flow sensitivity (net)	(9,611)	9,611	(15,432)	12,181
30 April 2014				
Variable rate instruments	(9,812)	9,812	–	–
Interest rate swaps	–	–	(18,915)	19,937
Cash flow sensitivity (net)	(9,812)	9,812	(18,915)	19,937

As at 30 April 2016, if the interest rate had moved by 100bp increase and decrease, with all other variables held constant, the Company's profit before tax in the next 12 months and equity would have been affected by US$0.1million decrease and US$0.1million increase, respectively.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage 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 excluding DMFI is entitled to a total of US$991.0 million (30 April 2015: US$928.0 million, 1 May 2014: US$1,043.0 million) in credit lines, of which 29% (30 April 2015: 22%, 1 May 2014: 22%) remain available. The lines are mostly for short term financing requirements, with US$194.0 million (30 April 2015: US$11.0 million, 1 May 2014: US$11.0 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.

33. Financial risk management (cont'd)

Liquidity risk (cont'd)

The Group is able to increase the commitments under the ABL Facility, subject only to the consent of the new or existing lenders providing such increases, such that the aggregate principal amount of commitments does not exceed US$450.0 million. The lenders under this facility are under no obligation to provide any such additional commitments, and any increase in commitments will be subject to customary conditions precedent. Notwithstanding any such increase in the facility size, the Group's ability to borrow under the facility will remain limited at all times by the borrowing base (to the extent the borrowing base is less than the commitments).

The Group has the right to request an additional US$100.0 million plus an additional amount of secured indebtedness under the First Lien Term Loan and the Second Lien Term Loan. Lenders under this facility are under no obligation to provide any such additional loans, and any such borrowings will be subject to customary conditions precedent, including satisfaction of a prescribed leverage ratio, subject to the identification of willing lenders and other customary conditions precedent.

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

Group	Note	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-5 years US$'000	More than 5 years US$'000
30 April 2016						
Derivative financial liabilities						
Interest rate swaps used for hedging, net-settled	21	35,115	36,130	15,218	20,912	–
Commodity contracts	21	1,630	1,630	1,630	–	–
		36,745	37,760	16,848	20,912	–
Non-derivative financial liabilities						
Unsecured bank loans						
- Short-term		501,481	517,695	517,695	–	–
- Long-term		193,224	219,402	7,313	212,089	–
Secured bank loans						
- Short-term		225,879	232,542	232,542	–	–
- Long-term		923,198	1,226,975	57,895	1,169,080	–
Trade and other payables*		263,354	263,354	263,354	–	–
		2,107,136	2,459,968	1,078,799	1,381,169	–

**excludes derivative liabilities and advances from customers*

33. Financial risk management (cont'd)

Liquidity risk (cont'd)

Group	Note	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-5 years US$'000	More than 5 years US$'000
30 April 2015						
Derivative financial liabilities						
Interest rate swaps used for hedging, net-settled	21	20,090	10,523	–	9,654	869
Foreign currency forward contracts used for hedging, net settled	21	1,003	1,003	1,003	–	–
		21,093	11,526	1,003	9,654	869
Non-derivative financial liabilities						
Unsecured bank loans						
- Short-term		347,180	349,204	349,204	–	–
- Long-term		348,250	376,271	13,153	363,118	–
Secured bank loans						
- Short-term		98,362	108,862	108,862	–	–
- Long-term		924,695	1,349,704	56,479	1,024,120	269,105
Other noncurrent liabilities						
- Other payables		797	797	–	797	–
Trade and other payables*		334,862	334,862	334,862	–	–
		2,054,146	2,519,700	862,560	1,388,035	269,105
1 May 2014						
Derivative financial liabilities						
Interest rate swaps used for hedging, net-settled	21	4,368	8,460	–	9,994	(1,534)
Non-derivative financial liabilities						
Unsecured bank loans						
- Short-term		807,271	811,522	811,522	–	–
- Long-term		11,225	11,297	72	11,225	–
Secured bank loans						
- Short-term		112,308	117,875	117,875	–	–
- Long-term		923,160	1,361,181	51,418	327,125	982,638
Other noncurrent liabilities						
- Other payables		3,157	3,157	–	3,157	–
Trade and other payables*		234,654	234,654	234,654	–	–
		2,091,775	2,539,686	1,215,541	341,507	982,638

**excludes derivative liabilities and advances from customers*

33. Financial risk management (cont'd)

Liquidity risk (cont'd)

Company	Carrying amount US$'000	Contractual cash flows US$'000	Less than 1 year US$'000	1-5 years US$'000	More than 5 years US$'000
30 April 2016					
Non-derivative financial liabilities					
Unsecured bank loans					
- Long-term	129,234	155,204	7,313	147,891	–
- Short-term	348,630	364,542	364,542	–	–
Trade and other payables	116,298	116,298	116,298	–	–
	594,162	636,044	488,153	147,891	–
30 April 2015					
Non-derivative financial liabilities					
Unsecured bank loans					
- Long-term	348,250	376,271	13,153	363,118	–
- Short-term	102,630	104,355	104,355	–	–
Trade and other payables	163,785	163,785	163,785	–	–
	614,665	644,411	281,293	363,118	–
1 May 2014					
Non-derivative financial liabilities					
Unsecured short-term bridging loan	602,491	609,949	609,949	–	–
Trade and other payables	122,395	122,395	122,395	–	–
	724,886	732,344	732,344	–	–

The Group's bank loans contain loan covenants, for which breaches will require the Group to repay the loans earlier than indicated in the above table. The covenants are constantly monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance.

For derivative financial liabilities, the disclosure shows net cash from amounts for derivatives that are net cash settled.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and commodity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

33. Financial risk management (cont'd)

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 the US Dollar, Mexican Peso and Venezuelan Bolivar.

Group entities 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.

From time to time, the Group manages its exposure to fluctuations in foreign currency exchange rates by entering into forward contracts to cover a portion of its projected expenditures paid in foreign currency. The Group accounts for these contracts as cash flow hedges.

At the reporting date, the Group's exposure to foreign currencies is as follows:

	US Dollar US$'000	Mexican Peso US$'000	Venezuela Bolivar US$'000
30 April 2016			
Trade and other receivables	25,675	3,813	–
Cash and cash equivalents	4,630	294	–
Other non-current assets	1,454	–	–
Loans and borrowings	(33,704)	–	–
Trade and other payables	(59,062)	(5,334)	–
	(61,007)	(1,227)	–
30 April 2015			
Trade and other receivables	134,664	2,502	–
Cash and cash equivalents	1,184	208	–
Other non-current assets	1,554	–	–
Loans and borrowings	(9,644)	–	–
Trade and other payables	(83,565)	(6,033)	–
	44,193	(3,323)	–
1 May 2014			
Trade and other receivables	72,632	460	11,983
Cash and cash equivalents	1,652	872	2,154
Other non-current assets	2,136	(3,988)	(1,400)
Loans and borrowings	(72,600)	–	–
Trade and other payables	(3,810)	–	(11,337)
	10	(2,656)	1,400

The Company has no significant exposure to foreign currencies as at 30 April 2016 and 2015, and 1 May 2014.

33. Financial risk management (cont'd)

Foreign exchange risk (cont'd)

Sensitivity analysis

A 10% strengthening of the group entities' foreign currencies against their respective functional currency at the reporting date would have increased (decreased) loss/profit before taxation and equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

A 10% weakening of the group entities' foreign currencies against their respective functional currency would have the equal but opposite effect on the amounts shown below, on the basis that all other variables remain constant.

	US Dollar		Mexican Peso		Venezuelan Bolivar	
	Profit (loss) before taxation US$'000	Equity US$'000	Profit (loss) before taxation US$'000	Equity US$'000	Profit (loss) before taxation US$'000	Equity US$'000
30 April 2016						
10% strengthening	6,101	–	(123)	2,222	–	–
10% weakening	(6,101)	–	123	(2,222)	–	–
30 April 2015						
10% strengthening	(4,419)	–	(332)	1,933	–	–
10% weakening	4,419	–	332	(931)	–	–
30 April 2014						
10% strengthening	(1)	–	(266)	–	140	–
10% weakening	1	–	266	–	(140)	–

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.

Certain commodities such as diesel fuel and natural gas (collectively, "commodity contracts") are used in the production and transportation of the Group's products. Generally these commodities are purchased based upon market prices that are established with the vendors as part of the procurement process. The Group uses futures, swaps, and swaption or option contracts, as deemed appropriate; to reduce the effect of price fluctuations on anticipated purchases. These contracts may have a term of up to 24 months.

33. Financial risk management (cont'd)

Commodity price risk (cont'd)

Sensitivity analysis

A 10% change in commodity prices at the reporting date would have decreased (increased) profit before taxation and increased (decreased) equity by the amounts shown below.

	Loss/profit before taxation US$'000	Equity US$'000
30 April 2016		
10% increase in commodity price	(281)	(494)
10% decrease in commodity price	281	494

At 30 April 2015 and 1 May 2014, there were no outstanding commodity contracts.

34. 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:

	Note	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Group						
30 April 2016						
Cash and cash equivalents	16	47,203	–	–	47,203	47,203
Trade and other receivables	14	175,532	–	–	175,532	175,532
Derivative asset	15	–	1,473	–	1,473	1,473
		222,735	1,473	–	224,208	224,208
Loans and borrowings	20	–	–	1,843,782	1,843,782	1,822,868
Trade and other payables*	24	–	15,218	263,354	278,572	278,572
Derivative liabilities	21	–	21,527	–	21,527	21,527
		–	36,745	2,107,136	2,143,881	2,122,967

**excludes advances from customers*

34. Accounting classification and fair values

Fair values versus carrying amounts (cont'd)

Group	Note	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
30 April 2015						
Cash and cash equivalents	16	35,618	–	–	35,618	35,618
Trade and other receivables	14	184,402	–	–	184,402	184,402
Derivative asset	15	–	818	–	818	818
		220,020	818	–	220,838	220,838
Loans and borrowings	20	–	–	1,718,487	1,718,487	1,712,728
Trade and other payables*	24	–	1,003	334,862	335,865	335,865
Derivative liabilities	21	–	20,090	–	20,090	20,090
		–	21,093	2,053,349	2,074,442	2,068,683
1 May 2014						
Cash and cash equivalents	16	28,401	–	–	28,401	28,401
Trade and other receivables	14	158,868	–	–	158,868	158,868
		187,269	–	–	187,269	187,269
Loans and borrowings	20	–	–	1,853,964	1,853,964	1,853,964
Trade and other payables*	24	–	–	234,654	234,654	234,654
Derivative liabilities	21	–	4,368	–	4,368	4,368
		–	4,368	2,088,618	2,092,986	2,092,986

**excludes advances from customers*

34. Accounting classification and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

	Note	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Company						
30 April 2016						
Cash and cash equivalents	16	361	–	–	361	361
Trade and other receivables	14	145,240	–	–	145,240	145,240
		145,601	–	–	145,601	145,601
Loans and borrowings	20	–	–	477,864	477,864	503,958
Trade and other payables	24	–	–	116,298	116,298	116,298
		–	–	594,162	594,162	620,256
30 April 2015						
Cash and cash equivalents	16	6,126	–	–	6,126	6,126
Trade and other receivables	14	105,723	–	–	105,723	105,723
		111,849	–	–	111,849	111,849
Loans and borrowings	20	–	–	450,880	450,880	454,798
Trade and other payables	24	–	–	163,785	163,785	163,785
		–	–	614,665	614,665	618,583
1 May 2014						
Cash and cash equivalents	16	232	–	–	232	232
Trade and other receivables	14	104,512	–	–	104,512	104,512
		104,744	–	–	104,744	104,744
Loans and borrowings	20	–	–	602,491	602,491	605,000
Trade and other payables	24	–	–	122,395	122,395	122,395
		–	–	724,886	724,886	727,395

35. Determination of fair values

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorisation at the end of each reporting period.

For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

		30 April 2016			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	15	–	1,473	–	1,473
Non-financial assets					
Fair value of agricultural produce harvested	12	–	–	98,412	98,412
Noncurrent assets held for sale	17	–	–	1,950	1,950
Freehold land	6	–	–	65,372	65,372
Financial liabilities					
Derivative liabilities	21	–	36,745	–	36,745

		30 April 2015			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	15	–	818	–	818
Non-financial assets					
Fair value of agricultural produce harvested	12	–	–	94,600	94,600
Noncurrent assets held for sale	17	–	–	8,113	8,113
Freehold land	6	–	–	72,068	72,068
Financial liabilities					
Derivative liabilities	21	–	21,093	–	21,093

35. Determination of fair values (cont'd)

Fair value hierarchy (cont'd)

	Note	1 May 2014 Level 1	Level 2	Level 3	Totals
Non-financial assets					
Fair value of agricultural produce harvested	12	–	–	21,800	21,800
Freehold land	6	–	–	57,608	57,608
Financial liabilities					
Derivative liabilities	21	–	4,368	–	4,368

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial instruments measured at fair value

Type	Valuation technique
Forward exchange contracts	Market comparison technique: The fair values are based on brokers' quotes. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Interest rate swaps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve.
Commodities contracts	Market comparison technique: The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.

35. Determination of fair values (cont'd)

Financial instruments not measured at fair value

Type	Valuation technique
Financial liabilities	The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date (Level 2). The fair value of the loan is based on the discounted value of expected future cash flows using risk free rates and credit spread ranging from 2.6% to 4.7% (Level 3).
Other financial assets and liabilities	The notional amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are, because of the short period to maturity, assumed to approximate their fair values. All other financial assets and liabilities are discounted to determine their fair values.

Non-financial assets

The valuation techniques used for measuring the fair value of material assets acquired in both Sager Creek acquisition and DMFI were as follows:

Assets	Valuation technique
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considered market prices for similar items when available, and depreciated replacement cost as appropriate.
Trademarks	Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.
Customer relationship	Multi-Period Excess Earnings Method: Multi-Period Excess Earnings Method considers the present value of the incremental after-tax cash flows specific to the intangible asset after deducting contributory asset charges.
Inventories	Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

35. Determination of fair values (cont'd)

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	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 method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighbourhood, utility, terrain, and the time element involved.
Livestock	Sales Comparison Approach: the valuation model is based on market price of livestock of similar age, weight, breed and genetic make-up (Level 3).	The unobservable inputs are age, average weight and breed.
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit adjusted for margin and costs to sell (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for fresh products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product (concentrates, pineapple beverages, sliced pineapples, etc.) adjusted for margin and associated costs related to production (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for processed products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.

36. Commitments

Operating lease commitments

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group have commitments for future minimum lease payments under non-cancellable operating leases as follows:

	Group		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Within one year	51,299	47,790	48,754
Between one to five years	134,973	115,888	129,363
More than five years	55,077	51,341	54,301
	241,349	215,019	232,418

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.

Operating Lease Commitments – Group as Lessee

The Group has entered into various lease agreements as a lessee. The Group had determined that the significant risks and rewards on properties leased from third parties are retained by the lessors.

Purchase commitments

The Group has entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes, packaging services and ingredients. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements as follows:

	Group		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Within one year	387,548	542,227	387,605
After one year but within five years	284,728	296,530	199,691
After five years	340,724	339,052	77,033
	1,013,000	1,177,809	664,329

36. Commitments (cont'd)

Future capital expenditure

	Group		
	30 April 2016 US$'000	**30 April 2015 US$'000**	**1 May 2014 US$'000**
Capital expenditure not provided for in the financial statements			
- approved by Directors and contracted for	15,266	53,478	7,440
- approved by Directors but not contracted for	65,950	29,249	121,560
	81,216	82,727	129,000

The Group is also committed to incur capital expenditure of US$1.8 million (30 April 2015: US$2.0 million, 1 May 2014: US$0.9 million) in relation to its interest in a joint venture, which is expected to be settled within one year.

37. Contingencies

As at 30 April 2016, a subsidiary, DMPL India Limited has a contingent liability amounting to US$6.8 million (30 April 2015: US$8.9 million, 1 May 2014: US$9.9 million) in the form of a letter of undertaking securing 50% of the obligations of FFPL under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

Matters Assumed in Connection with the Consumer Food Business

As described in Note 1 and Note 4, the Group acquired the Consumer Food Business in February 2014. In connection with the acquisition of the Consumer Food Business, the Group assumed the legal matters described below from the Seller.

Kosta Misbranding Class Action

On 5 April 2012, Plaintiff (Kosta) filed a complaint against Seller in the U.S. District Court for the Northern District of California alleging false and misleading advertising under California's consumer protection laws. Plaintiff alleges that Seller made a variety of false and misleading labeling and advertising claims including, but not limited to lycopene and antioxidant claims for tomato products and claims that Seller misled consumers with respect to its refrigerated fruit products. The complaint sought certification as a class action. On 30 July 2015 the Court denied Plaintiff's motion for class certification. Plaintiff has appealed this ruling to the U.S. Ninth Circuit Court of Appeal. The appeal has been fully briefed. Oral arguments are expected to be scheduled for 2017. The Group cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

37. Contingencies (cont'd)

Fresh Del Monte Produce Inc. vs. Seller

On 19 December 2013, Fresh Del Monte Produce Inc. ("FDP") filed a complaint against Seller in the U.S. District Court for the Southern District of New York for breach of a 1989 License Agreement ("License"). FDP asserts that Seller committed a breach by denying FDP's requests for additional rights under the License. DMFI denies these claims and counterclaimed for breach of contract, trademark infringement, and unfair competition on 31 March 2014. Among other things, DMFI asserts that FDP committed a breach and trademark infringement by marketing under the Del Monte trademark pasteurised juice products, processed avocado and guacamole products, and combination products that combine fresh and non-fresh ingredients. Both parties seek declaratory, monetary, and injunctive relief from the other. Discovery is proceeding in the cases, and no trial date has been set. The Group cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

In a separate matter, DMFI initiated an arbitration action against an affiliate of FDP for breach of another license agreement by using the Del Monte brand on cafes and a delivery service in the Middle East. The arbitration panel issued its ruling in July 2016, finding that the FDP affiliate's activities are permitted under the license agreement but that the affiliate breached the terms of the license agreement in the manner in which it used the Del Monte trademarks. The arbitration panel is expected to rule on the appropriate cure for these breaches in Summer 2016.

Resolved Dispute with Smucker's

On 18 February 2014, DMFI consummated the acquisition of the Consumer Food Business of Smucker's. The purchase price to be paid by DMFI at closing was adjusted upward in the amount of US$111.0 million (the "Closing Adjustment Amount") based on the difference between the target working capital agreed by the parties in the Purchase Agreement and Smucker's' good faith estimate of working capital on the day immediately preceding the closing date. Based on Smucker's' calculation of closing working capital, Smucker's seeks an additional upward adjustment to the purchase price in the amount of US$16.3 million, together with interest accrued from the closing date through the date of payment.

On 18 June 2014, DMFI served its Notice of Disagreement asserting that Smucker's' statement setting forth its calculation of closing working capital is in breach of several provisions of the Purchase Agreement and that Smucker's is not entitled to any adjustment of the purchase price on account of working capital, including the US$16.3 million it now seeks, and the Closing Adjustment Amount must be returned.

In March 2015, the parties have submitted this dispute to an independent certified public accounting firm for resolution pursuant to the Purchase Agreement. An initial ruling on the closing working capital calculation was issued in July 2015. The parties continued discussions and on 25 April 2016, have entered into a settlement agreement, under which Smucker's paid/refunded to DMFI US$38.0 million in full satisfaction of the post-closing working capital amount adjustment under the Purchase Agreement. The resulting settlement gain was recognised in "Other income (expenses) - net" account in the consolidated income statement for the year ended 30 April 2016 (Note 26).

37. Contingencies (cont'd)

Other legal cases

FDP vs. DMPL

On September 29, 2015, FDP filed an action against DMPL with the New York Supreme Court. FDP alleged that DMPL failed to comply with its contractual obligation to use commercially reasonable efforts to curb supply of parallel imports of Del Monte branded products into FDP's territories. Among other things, FDP claims that DMPL violated the settlement agreements by refusing to sell adequate products to FDP to curb parallel imports. DMPL believes that it has complied with its contractual obligations. DMPL cannot at this time reasonably estimate a range of exposure, if any, of the potential liability. The case is in discovery stage during which documents are produced and depositions of witnesses are taken.

Four (4) Labour disputes versus DMPI (Mindanao)

Amount of contention is immaterial. For filing of position papers and appeals to the proper courts.

Other

The Group is the subject of, or a party to, other various suits and pending or threatened litigation. While it is not feasible to predict or determine the ultimate outcome of these matters. The Group believes that none of these legal proceedings will have a material adverse effect on its financial position.

38. 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.

38. Related parties (cont'd)

Other than those disclosed elsewhere in the financial statements, there are no other significant transactions with related parties.

Group **Category/ Transaction**	**Year**	**Amount of the transaction US$'000**	**Outstanding balance - receivables/ (payables) US$'000**	**Terms**	**Conditions**
Under Common Control					
▪ Shared IT services	**2016**	**215**	**79**	Due and demandable;	Unsecured;
	2015	419	-	non-interest bearing	no impairment
	2014	27	45		
▪ Sale of tomato paste	**2016**	**1,111**	**-**	Due and demandable;	Unsecured;
	2015	1,627	748	non-interest bearing	no impairment
	2014	641	641		
▪ Inventory count shortage	**2016**	**25**	**-**	Due and demandable;	Unsecured;
	2015	363	57	non-interest bearing	no impairment
	2014	-	-		
▪ Purchases	**2016**	**826**	**-**	Due and demandable;	Unsecured;
	2015	392	-	non-interest bearing	no impairment
	2014	43	-		
▪Tollpack fees	**2016**	**551**	**(63)**	Due and demandable;	Unsecured
	2015	472	-	non-interest bearing	
	2014	169	-		
Other Related Party					
▪Management fees from DMPI retirement fund	**2016**	**4**	**261**	Due and demandable;	Unsecured;
	2015	5	272	non-interest bearing	no impairment
	2014	2	277		
▪ Rental to DMPI Retirement	**2016**	**1,365**	**(3)**	Due and demandable;	Unsecured;
	2015	1,519	5	non-interest bearing	no impairment
	2014	169	(15)		
▪ Rental to NAI Retirement	**2016**	**529**	**(166)**	Due and demandable;	Unsecured
	2015	582	-	non-interest bearing	
	2014	-	-		
▪Rental to DMPI provident fund	**2016**	**5**	**-**	Due and demandable;	Unsecured;
	2015	-	-	non-interest bearing	no impairment
	2014	5	-		
▪Purchase of services to DMPI retirement	**2016**	**30**	**-**	Due and demandable;	Unsecured;
	2015	-	-	non-interest bearing	no impairment
	2014	8	-		
	2016	**4,661**	**108**		
	2015	5,379	1,082		
	2014	1,064	948		

38. Related parties (cont'd)

Company

Category/ Transaction	Year	Amount of the Transaction US$'000	Outstanding Balance: Due from Related Parties US$'000	Outstanding Balance: Due to Related Parties US$'000	Terms	Conditions
Subsidiaries						
▪ Dividend income	**2016**	**90,000**	**183,619**	-	Due and	Unsecured;
	2015	-	99,240	-	demandable;	no
	2014	-	104,082	-	non-interest bearing	impairment
▪ Reimbursement of expenses	**2016**	**5,617**	**475**	**-**	Due and	Unsecured;
	2015	4,891	470	-	demandable;	no
	2014	6,412	431	-	non-interest bearing	impairment
▪ Cash advance	**2016**	**3,350**	**-**	**152,514**	Due and	Unsecured
	2015	40,903	-	155,864	demandable;	
	2014	75,357	-	114,961	non-interest bearing	
▪ Management fees payable to subsidiaries	**2016**	**697**	**-**	**487**	Due and	Unsecured
	2015	813	-	3,307	demandable;	
	2014	263	-	2,493	non-interest bearing	
Joint Venture						
▪ Cash advance	**2016**	**3**	**6,016**	**-**	Due and	Unsecured;
	2015	3,462	6,013	-	demandable; non-interest bearing	no impairment
▪ Investment	**2016**	**-**	**-**	**-**	Due and	Unsecured;
	2015	2,551	-	-	demandable; non-interest bearing	no impairment
	2016		**190,110**	**153,001**		
	2015		105,723	159,171		
	2014		104,513	117,454		

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.

38. Related parties (cont'd)

Key management personnel compensation

Key management personnel of the Group are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Directors of the Company and key executive officers (excluding executive directors) are considered as key management personnel of the Group.

The key management personnel compensation is as follows:

	<---- Group	---->		<---- Company	---->	
	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000	Four months ended 30 April 2014 US$'000	Year ended 30 April 2016 US$'000	Year ended 30 April 2015 US$'000	Four months ended 30 April 2014 US$'000
Directors:						
Fees and remuneration	2,778	1,870	563	2,345	1,805	543
Key executive officers (excluding Directors):						
Short-term employee benefits	2,580	2,530	4,828	1,359	1,378	274
Post-employment benefits	129	78	460	–	–	–

39. Non-controlling interest in subsidiaries

The following table summarises the information relating to the Group's subsidiaries with material non-controlling interests, based on their respective financial statements prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in Group's accounting policies.

	30 April 2016 US$'000	30 April 2015 US$'000 (As restated*)	1 May 2014 US$'000 (As restated*)
DMPLFL			
Ownership interests held by non-controlling interests	10.57%	10.57%	10.57%
Revenue	1,778,002	1,708,937	293,439
Profit (loss)	29,374	(53,106)	(46,985)
Other comprehensive income	1,325	(26,519)	1,980
Total comprehensive income			
Attributable to non-controlling interests:			
- Profit (loss)	3,104	(5,612)	(4,966)
- Other comprehensive income	140	(2,803)	119
Total comprehensive income	3,244	(8,415)	(4,847)
Non-current assets	1,307,257	1,314,243	1,189,387
Current assets	901,776	807,622	856,366
Non-current liabilities	(1,155,181)	(1,108,700)	(1,062,906)
Current liabilities	(443,950)	(434,514)	(323,114)
Net assets	609,902	578,651	659,733
Net assets attributable to non-controlling interests	64,451	61,148	69,791
Cash flows provided by (used in) operating activities	(18,005)	192,394	71,821
Cash flows used in investing activities	(39,104)	(132,160)	(1,793,137)
Cash flows provided by (used in) financing activities, before dividends to non-controlling interests	57,646	(77,775)	1,738,601
Currency realignment	84	(521)	1,341
Net increase (decrease) in cash and cash equivalents	621	(18,062)	18,626

** see Note 3.6*

40. Subsequent events

On 29 June 2016, the Company declared a dividend of 1.33 US cents (US$0.0133) per share, representing a 50% payout of fiscal year 2016 net profit.

At the end of June 2016, the Group announced its intention to implement a cost-reduction program which includes the reduction of the Group's workforce by the end of calendar year 2016 to enable the Group to adapt to current market conditions. However, an estimate of the total cost at the completion of the restructuring cannot be made at this time.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Del Monte Pacific Limited and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended April 30, 2016 and 2015, and for the four months period ended April 30, 2014, including 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 consolidated 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 consolidated financial statements and submits the same to the Stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has examined the consolidated financial statements of the company for the year ended April 30, 2016 (R.G. Manabat & Co. for the year ended April 30, 2015 and four months period ended April 30, 2014) in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

Signature____
Rolando C. Gapud, Executive Chairman

Signature____
Joselito D. Campos, Jr., Managing Director & Chief Executive Officer

Signature____
Parag Sachdeva, Chief Financial Officer

Signed as of the 25th day of July 2016

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

Before me, a Notary Public in and for Makati City, personally appeared on this 25th day of July, 2016, Mr. Joselito D. Campos, Jr. with Passport No. EB7219075 issued on 23 Jan 2013 at DFA-Manila, who was identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his signature on the instrument was voluntarily affixed by him for the purposes stated therein, and who declared to me that he has executed the instrument as his 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.

JUANITO H. VINCULADO
NOTARY PUBLIC
APPT. NO. M-194 UNTIL DEC. 31, 2017
PTR 11000419J / LAS PIÑAS
IBP 1010174 / 10/27/15 PPLM
Roll No. 41092 / MCLE IV-0008817

Doc. No. 181;
Page No. 37;
Book No. 30;
Series of 2016.

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 separate financial statements for the years ended April 30, 2016 and 2015, and for the four months ended April 30, 2014, including 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 consolidated 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 separate financial statements and submits the same to the Stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has examined the separate financial statements of the company for the year ended April 30, 2016 (R.G. Manabat & Co. for the year ended April 30, 2015 and four months period ended April 30, 2014) in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

Signature____
Rolando C. Gapud, Executive Chairman

Signature____
Joselito D. Campos, Jr., Managing Director & Chief Executive Officer

Signature____
Parag Sachdeva, Chief Financial Officer

Signed as of this 25th day of July, 2016

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

Before me, a Notary Public in and for Makati City, personally appeared on this 25th day of July, 2016, Mr. Joselito D. Campos, Jr. with Passport No. EB7219075 issued on 23 Jan 2013 at DFA-Manila, who was identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his signature on the instrument was voluntarily affixed by him for the purposes stated therein, and who declared to me that he has executed the instrument as his 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.

JUANITO H. VINCULADO
NOTARY PUBLIC
APPT. NO. M-194 UNTIL DEC. 31, 2017
PTR 11000419J / LAS PIÑAS
IBP 1010174 / 10/27/15 PPLM
Roll No. 41092 / MCLE IV-00085

Doc. No. 180;
Page No. 36;
Book No. 30;
Series of 2016.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Del Monte Pacific Limited and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended April 30, 2016 and 2015, and for the four months period ended April 30, 2014, including 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 consolidated 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 consolidated financial statements and submits the same to the Stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has examined the consolidated financial statements of the company for the year ended April 30, 2016 (R.G. Manabat & Co. for the year ended April 30, 2015 and four months period ended April 30, 2014) in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

Signature____

Rolando C. Gapud, Executive Chairman

Signature____

Joselito D. Campos, Jr., Managing Director & Chief Executive Officer

Signature____

Parag Sachdeva, Chief Financial Officer

Signed as of the 25th day of July 2016

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

Before me, a Notary Public in and for Makati City, personally appeared on this 1st day of August, 2016, Mr. Parag Sachdeva with Passport No. Z3084975 issued on 24 December 2014 in Shanghai, who was identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his signature on the instrument was voluntarily affixed by him for the purposes stated therein, and who declared to me that he has executed the instrument as his 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.

Doc. No. 191;
Page No. 39;
Book No. 30;
Series of 2016.

JUANITO H. VINCULADO
NOTARY PUBLIC
APPT. NO. M-194 UNTIL DEC. 31, 2017
PTR 11000419J / LAS PIÑAS
IBP 1010174 / 10/27/15 PPLM
Roll No. 41092 / MCLE IV-0008817

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 separate financial statements for the years ended April 30, 2016 and 2015, and for the four months ended April 30, 2014, including 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 consolidated 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.

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Joselito D. Campos, Jr., Managing Director & Chief Executive Officer

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Parag Sachdeva, Chief Financial Officer

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Page No. 39
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Signature____
Parag Sachdeva, Chief Financial Officer

Signed as of the 25th day of July 2016

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

Before me, a Notary Public in and for Makati City, personally appeared on this 28th day of July, 2016, Mr. Rolando C. Gapud with Passport No. EB7643069 issued on 14 Mar 2013 at PCG-Hong Kong, who was identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that his signature on the instrument was voluntarily affixed by him for the purposes stated therein, and who declared to me that he has executed the instrument as his 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.

Doc. No. 182;
Page No. 37;
Book No. 30
Series of 2016.

JUANITO H. VINCULADO
NOTARY PUBLIC
APPT. NO. M-194 UNTIL DEC. 31, 2017
PTR 11000419J / LAS PIÑAS
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FOR FINANCIAL STATEMENTS

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MAKATI CITY, METRO MANILA) S.S.

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Roll No. 41092 / MCLE IV-0008817

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors
Del Monte Pacific Limited
Craigmuir Chambers
PO Box 71 Road Town, Tortola
British Virgin Islands

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Del Monte Pacific Limited and Subsidiaries (the Group) as at and for the year ended 30 April 2016 and have issued our report thereon dated 25 July 2016. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with Securities Regulation Code Rule 68, As Amended (2011), and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Catherine E. Lopez
Catherine E. Lopez
Partner
CPA Certificate No. 86447
SEC Accreditation No. 0468-AR-3 (Group A),
1 May 2016, valid until 1 May 2019
Tax Identification No. 102-085-895
BIR Accreditation No. 08-001998-65-2015
27 February 2015, valid until 26 February 2018
PTR No. 5321648, 4 January 2016, Makati City

25 July 2016

Del Monte Pacific Limited and Subsidiaries
Index to the Consolidated Financial Statements and Supplementary Schedules
30 April 2016

Schedule A – Financial assets

Name of issuing entity/Description of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the Statements of Financial Position US$'000	Value based on market quotations at 30 April 2016 US$'000	Income received and accrued US$'000
Cash	–	47,203	47,203	365
Trade and other receivables	–	175,532	175,532	–
Loans and other receivables	**–**	**222,735**	**222,735**	**365**

Schedule B – Amounts receivable from directors, officers, employees and related parties and principal stockholders (other than related parties)

Name and designation of debtor	Balance at beginning of period US$'000	Additions US$'000	Amounts collected US$'000	Amounts written off US$'000	Current US$'000	Non-current US$'000	Balance at end of period US$'000
Advances to officers and employees	391	7,515	(7,541)	–	103	262	365
	391	7,515	(7,541)	–	103	262	365

Schedule C – Amounts receivable from related parties which are eliminated during the consolidation of the Financial Statements

Name and designation of debtor	Balance at beginning of period US$'000	Additions US$'000	Amounts collected US$'000	Amounts written off US$'000	Current US$'000	Non-current US$'000	Balance at end of period US$'000
Del Monte Philippines, Inc.	132,761	239,722	(182,650)	–	35,204	154,629	189,833
Central American Resources, Inc.	52,467	39,091	–	–	91,559	–	91,559
Dewey Sdn. Bhd.	35,750	14,687	–	–	50,437	–	50,437
Dewey Limited	5,908	(5,908)	–	–	–	–	–
Del Monte Pacific Resources Limited	99,262	39,376	–	–	138,638	–	138,638
GTL Limited	163,820	171,372	(165,278)	–	169,914	–	169,914
S&W Fine Foods International Limited	20,531	5,304	(9,732)	–	16,103	–	16,103
DMPL Management Services Pte Ltd.	8,547	1,019	(6,524)	–	3,042	–	3,042
Del Monte Pacific Limited	99,697	84,648	–	–	184,345	–	184,345
Del Monte Foods Incorporated	6,194	(5,898)	–	–	296	–	296
South Bukidnon Fresh Trading, Inc.	–	336	–	–	336	–	336
	624,937	583,749	(364,184)	–	689,874	154,629	844,503

Schedule D – Intangible assets – Other assets

Description	**Balance at beginning of period US$'000**	**Additions through acquisition US$'000**	**Additions US$'000**	**Adjustment US$'000**	**Charged to cost and expenses US$'000**	**Charged to other accounts US$'000**	**Currency translation adjustments US$'000**	**Balance at end of period US$'000**
Goodwill	203,432	–	–	–	–	–	–	203,432
Indefinite life trademarks	394,000	–	–	14,043	–	–	–	408,043
Amortisable trademarks	48,303	–	–	(14,043)	(2,276)	–	–	31,984
Customer relationships	113,965	–	–	–	(7,051)	–	–	106,914
Total	**759,700**	–	–	–	(9,327)	–	–	**750,373**

Schedule E – Long-term debt

Title of issue and type of obligation	Amount authorised by indenture US$'000	Outstanding balance US$'000	Current portion of long-term debt US$'000	Non-current portion of long-term debt US$'000	Interest rates	Final maturity
Unsecured bank loans						
BDO Bridging facility	350,000	350,000	350,000	–	90 days libor + 3.5 Margin	2017
BDO long-term loan	100,000	100,000	–	100,000	4.5%	2020
BDO long-term loan	30,000	30,000	–	30,000	4.5%	2020
BDO long-term loan	63,990	63,990	–	63,990	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020
Secured bank loans						
Secured First lien term loan	710,000	694,025	7,100	686,925	Higher of Libor +3.25% or 4.25%	2016-2021
Secured Second lien term Loan	260,000	260,000	–	260,000	Higher of Libor + 7.25% or 8.25%	2021
Long-term Debt	1,513,990	1,498,015	357,100	1,140,915		
Less: Unamortized debt issue cost	–	–	(4,563)	(24,493)		
			352,537	1,116,422		

Schedule F – Indebtedness to related parties

Description	Name of related party	Balance at beginning of period	Balance at end of period

Not Applicable

Schedule G – Guarantees of securities of other issuers

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee

Not Applicable

Schedule H – Capital stock

Description	Number of shares authorised '000	Number of shares issued '000	Treasury shares '000	Number of shares issued and outstanding '000	Number of shares reserved for options '000	Number of shares held: Related party '000	Number of shares held: Directors and officers '000	Number of shares held: Others '000
Ordinary shares	3,000,000	1,944,936	1,722	1,943,214	1,722	1,303,257	18,852	621,105
Preference shares	600,000	–	–	–	–	–	–	–
	3,600,000	**1,944,936**	**1,722**	**1,943,214**	**1,722**	**1,303,257**	**18,852**	**621,105**

Del Monte Pacific Limited and Subsidiaries
II. SCHEDULE OF EFFECTIVE STANDARDS AND INTERPRETATIONS

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		✓		
IFRSs Practice Statement Management Commentary				✓
INTERNATIONAL Financial Reporting Standards				
IFRS 1 (Revised)	First-time Adoption of International Financial Reporting Standards			✓
	Amendments to IFRS 1 and IAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate			✓
	Amendments to IFRS 1: Additional Exemptions for First-time Adopters			✓
	Amendment to IFRS 1: Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters			✓
	Amendments to IFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			✓
	Amendments to IFRS 1: Government Loans			✓
	Amendment to IFRS 1: First-time Adoption of International Financial Reporting Standards - Meaning of 'Effective IFRSs'			✓
IFRS 2	Share-based Payment	✓		
	Amendments to IFRS 2: Vesting Conditions and Cancellations	✓		
	Amendments to IFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Amendments to IFRS 2: Share-based Payment – Definition of Vesting Condition	✓		
IFRS 3 (Revised)	Business Combinations	✓		
	Business Combinations – Accounting for Contingent Consideration in a Business Combination	✓		
	Business Combinations – Scope Exceptions for Joint Arrangements	✓		
IFRS 4	Insurance Contracts			✓
	Amendments to IAS 39 and IFRS 4: Financial Guarantee Contracts			✓
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	✓		
	Amendment to IFRS 5: Changes in Methods of Disposal	Not early adopted		
IFRS 6	Exploration for and Evaluation of Mineral Resources			✓
IFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to IAS 39 and IFRS 7: Reclassification of Financial Assets	✓		
	Amendments to IFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to IFRS 7: Disclosures - Transfers of Financial Assets			✓
	Amendments to IFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	✓		

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
	Amendments to IFRS 7: Mandatory Effective Date of IFRS 9 and Transition Disclosures			✓
	Amendments to IFRS 7: Disclosures - Servicing Contracts	Not early adopted		
	Amendments to IFRS 7: Applicability of the Amendments to IFRS 7 to Condensed Interim Financial Statements	Not early adopted		
IFRS 8	Operating Segments	✓		
	Amendments to IFRS 8: Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets	✓		
IFRS 9	Financial Instruments	Not early adopted		
	Amendments to IFRS 9: Mandatory Effective Date of IFRS 9 and Transition Disclosures	Not early adopted		
	Amendments to IFRS 9: Hedge Accounting	Not early adopted		
IFRS 10	Consolidated Financial Statements	✓		
	Amendments to IFRS 10: Investment Entities			✓
	Amendments to IFRS 10: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not early adopted		
	Amendments to IFRS 10: Applying the Consolidated Exception	Not early adopted		
IFRS 11	Joint Arrangements	✓		
	Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	Not early adopted		
IFRS 12	Disclosure of Interests in Other Entities	✓		
	Amendments to IFRS 12: Investment Entities			✓
IFRS 13	Fair Value Measurement	✓		
	Amendment to IFRS 13: Short-term Receivables and Payables	✓		
	Amendment to IFRS 13: Fair Value Measurement - Portfolio Exception			✓
IFRS 14	Regulatory Deferral Accounts	Not early adopted		
IFRS 15	Revenue from Contracts with Customers	Not early adopted		
IFRS 16	Leases	Not early adopted		
International Accounting Standards				
IAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to IAS 1: Capital Disclosures	✓		
	Amendments to IAS 32 and IAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to IAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Amendments to IAS 1: Presentation of Financial Statements – Disclosure Initiative	Not early adopted		
IAS 2	Inventories	✓		
IAS 7	Statement of Cash Flows	✓		
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		**Adopted**	**Not Adopted**	**Not Applicable**
IAS 10	Events after the Reporting Period	✓		
IAS 11	Construction Contracts			✓
IAS 12	Income Taxes	✓		
	Amendment to IAS 12 - Deferred Tax: Recovery of Underlying Assets			✓
IAS 16	Property, Plant and Equipment	✓		
	Amendment to IAS 16: Property, Plant and Equipment - Revaluation Method - Proportionate Restatement of Accumulated Depreciation			✓
	Amendment to IAS 16: Clarification of Acceptable Methods of Depreciation and Amortization	Not early adopted		
	Amendment to IAS 16: Agriculture - Bearer Plants	Not early adopted		
IAS 17	Leases	✓		
IAS 18	Revenue	✓		
IAS 19 (Revised)	Employee Benefits	✓		
	Amendments to IAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	✓		
	Amendments to IAS 19: Defined Benefit Plans: Employee Contributions	✓		
	Amendments to IAS 19: Regional Market Issue Regarding Discount Rate	Not early adopted		
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
IAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation	✓		
IAS 23 (Revised)	Borrowing Costs	✓		
IAS 24 (Revised)	Related Party Disclosures	✓		
	Amendments to IAS 24: Key Management Personnel	✓		
IAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
IAS 27 (Amended)	Separate Financial Statements	✓		
	Amendments to IAS 27: Investment Entities			✓
	Amendments to IAS 27: Equity Method in Separate Financial Statements	✓		

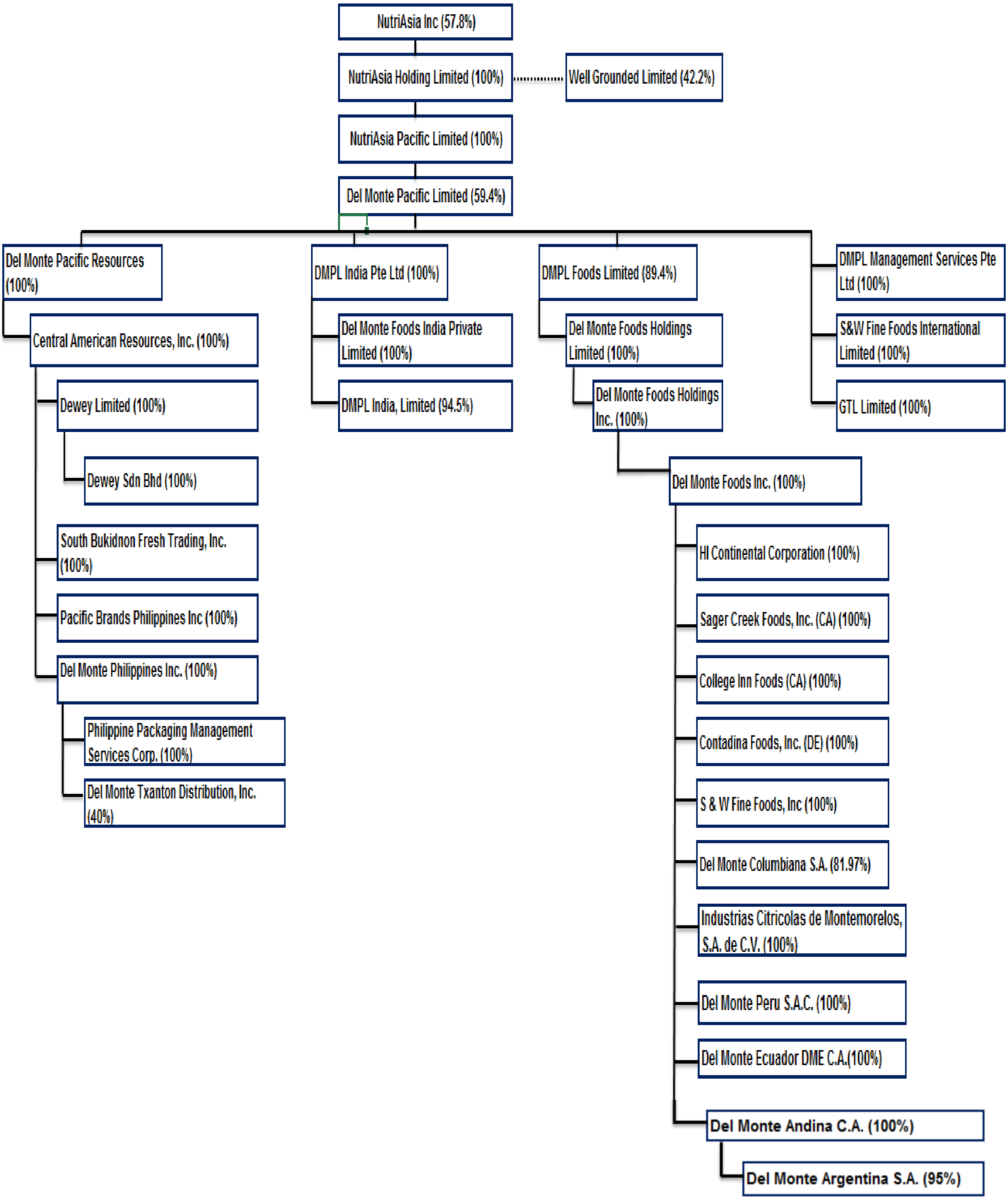
INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		**Adopted**	**Not Adopted**	**Not Applicable**
IAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not early adopted		
	Amendments to IAS 28: Investment Entities: Applying Consolidation Exception	Not early adopted		
IAS 29	Financial Reporting in Hyperinflationary Economies			✓
IAS 31	Interests in Joint Ventures	✓		
IAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to IAS 32 and IAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to IAS 32: Classification of Rights Issues			✓
	Amendments to IAS 32: Offsetting Financial Assets and Financial Liabilities	✓		
IAS 33	Earnings per Share	✓		
IAS 34	Interim Financial Reporting	✓		
	Amendments to IAS 34: Disclosure of Information 'Elsewhere in the Interim Financial Report	Not early adopted		
IAS 36	Impairment of Assets	✓		
	Amendments to IAS 36: Recoverable Amount Disclosures for Non-Financial Assets	✓		
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
IAS 38	Intangible Assets	✓		
	Amendments to IAS 38: Revaluation Method - Proportionate Restatement of Accumulated Amortization			✓
	Amendments to IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	Not early adopted		
IAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to IAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to IAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions	✓		
	Amendments to IAS 39: The Fair Value Option			✓
	Amendments to IAS 39 and IFRS 4: Financial Guarantee Contracts			✓
	Amendments to IAS 39 and IFRS 7: Reclassification of Financial Assets			✓
	Amendments to IAS 39 and IFRS 7: Reclassification of Financial Assets - Effective Date and Transition			✓
	Amendments to IFRIC - 9 and IAS 39: Embedded Derivatives	✓		
	Amendment to IAS 39: Eligible Hedged Items	✓		
	Amendment to IAS 39: Novation of Derivatives and Continuation of Hedge Accounting			✓
IAS 40	Investment Property			✓
	Amendments to IAS 40			✓

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
IAS 41	Agriculture	✓		
	Amendments to IAS 41: Bearer Plants	Not early adopted		
International Financial Reporting and Interpretations Committee				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease	✓		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies			✓
IFRIC 8	*Scope of IFRS 2*			✓
IFRIC 9	Reassessment of Embedded Derivatives	✓		
	Amendments to IFRIC - 9 and IAS 39: Embedded Derivatives	✓		
IFRIC 10	*Interim Financial Reporting and Impairment*	✓		
IFRIC 11	IFRS 2 - Group and Treasury Share Transactions			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	✓		
	Amendments to IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 15	Agreements for the Construction of Real Estate			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 18	Transfers of Assets from Customers			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies			✓
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-15	Operating Leases - Incentives			✓
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			✓
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease			✓
SIC-29	Service Concession Arrangements: Disclosures.			✓
SIC-31	Revenue - Barter Transactions Involving Advertising Services			✓

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
SIC-32	Intangible Assets - Web Site Costs			✓

Note: Standards and interpretations tagged as "Not Applicable" are those standards and interpretations which were adopted but the entity has no significant covered transaction as at 30 April 2016.

III. Map of Relationships of the Companies within the Group



IV. Financial Ratios

Ratio	Formula	30 April 2016	30 April 2015	30 April 2014
(i) Liquidity Analysis Ratios:				
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.3	1.0
Quick Ratio	(Current Assets - Inventories - Prepaid expenses and other current assets - Biological Assets – Noncurrent assets held for sale) / Current Liabilities	0.2	0.3	0.2
(ii) Solvency Ratio	Total Assets / Total Liabilities	1.2	1.1	1.1
Financial Leverage Ratios:				
Debt Ratio	Total Debt/Total Assets	0.9	0.9	0.9
Debt-to-Equity Ratio	Total Debt/Total Stockholders' Equity	6.4	7.1	9.2
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	7.4	8.1	10.2
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	1.6	0.3	-3.1
(v) Debt/EBITDA Ratios	Total Debt/ Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	9.9	26.6	-55.8
(vi) Profitability Ratios				
Gross Profit Margin	Revenue - Cost of Sales / Revenue	21.25%	18.67%	9.80%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Revenue	2.27%	-1.97%	-11.60%
Net Profit Margin	Net Profit / Revenue	2.40%	-2.24%	-12.91%
Return on Assets	Net Profit / Total Assets	2.02%	-1.87%	-1.98%
Return on Equity	Net Profit / Total Stockholders' Equity	14.93%	-15.11%	-20.15%

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
July 31, 2016 and for the three months ended
July 31, 2016 and 2015
(With Comparative Audited Consolidated Statement of
Financial Position as at April 30, 2016)

Unaudited Interim Consolidated Statements of Financial Position

	Note	As at 31 July 2016 US$'000	As at 30 April 2016 US$'000
Noncurrent assets			
Property, plant and equipment	6, 16	**566,750**	563,614
Investments in joint venture	8	**23,816**	22,820
Intangible assets and goodwill	7, 16	**748,036**	750,373
Deferred tax assets		**112,454**	100,899
Other noncurrent assets	9, 16	**27,893**	25,941
Biological assets		**37,259**	37,468
		1,516,208	1,501,115
Current assets			
Inventories	16	**1,014,936**	845,233
Biological assets	16	**88,438**	87,994
Trade and other receivables	10, 15	**152,658**	175,532
Prepaid and other current assets		**32,806**	35,597
Cash and cash equivalents	11, 15	**20,494**	47,203
		1,309,332	1,191,559
Assets held for sale	19	**1,950**	1,950
		1,311,282	1,193,509
Total assets		**2,827,490**	2,694,624
Equity			
Share capital	20	**19,449**	19,449
Retained Earnings		**140,146**	148,866
Reserves		**134,344**	134,926
Equity attributable to owners of the Company		**293,939**	303,241
Non-controlling interests		**59,914**	61,971
Total equity		**353,853**	365,212
Noncurrent liabilities			
Financial liabilities	12, 15,16	**1,117,593**	1,116,422
Other non-current liabilities	13	**63,069**	62,586
Employee Benefits		**96,041**	97,118
Environmental remediation liabilities		**4,506**	6,313
Deferred Tax liabilities		**1,096**	1,092
		1,282,305	1,283,531
Current liabilities			
Trade and other payables	14, 15	**361,764**	281,043
Financial liabilities	12, 15, 16	**785,469**	727,360
Current Tax liabilities		**4,916**	3,827
Employees Benefits		**39,183**	33,651
		1,191,332	1,045,881
Total liabilities		**2,473,637**	2,329,412
Total equity and liabilities		**2,827,490**	2,694,624

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

Unaudited Consolidated Income Statements

	Note	Three months ended 31 July 2016 US$'000	Three months ended 31 July 2015 US$'000
Revenue		**465,523**	478,698
Cost of sales		**(371,939)**	(376,201)
Gross profit		**93,584**	102,497
Distribution and selling expenses		**(45,305)**	(46,563)
General and administrative expenses	18	**(41,262)**	(47,980)
Other expenses		**238**	(5,314)
Results from operating activities		**6,755**	2,640
Finance income		**734**	1,238
Finance expense		**(27,363)**	(22,903)
Net finance expense		**(26,629)**	(21,665)
Share of loss of joint ventures, net of tax		**(359)**	(578)
Profit (loss) before taxation		**(20,233)**	(19,603)
Tax benefit/(expense) – current		**(1,768)**	(1,474)
Tax benefit/(expense) – deferred		**11,180**	(8,925)
		9,412	7,451
Profit (loss) for the period	17	**(10,821)**	(12,152)
Profit (loss) attributable to:			
Owners of the Company		**(8,720)**	(10,676)
Non-controlling interest		**(2,101)**	(1,476)
Earnings per share			
Basic profit (loss) per share (US cents)	21	**(0.45)**	(0.55)
Diluted profit (loss) per share (US cents)	21	**(0.45)**	(0.55)

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

Unaudited Statement Comprehensive Income

	Three months ended 31 July 2016 US$'000	Three months ended 31 July 2015 US$'000 (Restated)
Profit (loss) for the period	**(10,821)**	(12,152)
Other comprehensive income (loss)		
Items that will not be classified to profit or loss		
Remeasurements of retirement plans	**(6,158)**	(7,409)
Income tax effect	**7,647**	8,806
	1,489	1,397
Items that will or may be reclassified subsequently to profit or loss		
Currency translation differences	**(1,323)**	(6,818)
Effective portion of changes in fair value of cash flow hedges	**(5,110)**	(8,500)
Income tax effect	**4,090**	6,244
	(2,343)	(9,074)
Other comprehensive income/(loss) for the period, net of tax	**(854)**	(7,677)
Total comprehensive income/(loss) for the period	**(11,675)**	(19,829)
Total comprehensive income/(loss) attributable to:		
Non-controlling interests	**(2,055)**	(1,553)
Owners of the Company	**(9,620)**	(18,276)

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

Unaudited Interim Consolidated Statements of Changes in Equity
Three months ended 31 July 2015 (Restated)

	<------	------	------	------	------ Attributable to owners of the Company ------	------	------	------	------	------>		
Group	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure-ment of retirement plans US$'000**	**Hedging reserve US$'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**
2015												
At 1 May 2015, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	(629)	105,664	273,856	59,590	333,446
Impact of change in accounting policy	–	–	7	–	–	–	–	–	(8,332)	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	-	97,322	265,531	58,644	324,175
Total comprehensive income for the year												
Loss for the year	–	–	–	–	–	–	–	–	(10,676)	(10,676)	(1,476)	(12,152)
Other comprehensive income												
Currency translation differences	–	–	(6,827)	–	–	–	–	–	–	(6,827)	9	(6,818)
Remeasurement of retirement plans	–	–	–	–	1,245	–	–	–	–	1,245	152	1,397
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(2,018)	–	–	–	(2,018)	(238)	(2,256)
Total other comprehensive income	–	–	(6,827)	–	1,245	(2,018)	–	–	–	(7,600)	(77)	(7,677)
Total comprehensive income for the period	–	–	(6,827)	–	1,245	(2,018)	–	–	(10,676)	(18,276)	(1,553))	(19,829)
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Value of employee services received for issue of share options	–	(26)	–	–	–	–	-	–	–	(26)	–	(26)
Issuance of new ordinary shares			–	–	–	–	38	–	–	38	–	38
Total contributions by and distributions to owners		(26)	–	–	–	–	38	–	–	12	–	12
At 31 July 2015	19,449	214,817	(53,162)	9,506	(15,986)	(13,740)	356	(629)	86,656	247,267	57,091	304,358

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

Unaudited Interim Consolidated Statements of Changes in Equity (continued)
Three months ended 31 July 2016

	<--- Attributable to owners of the Company									--->		
Group	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure -ment of retirement plans US$'000**	**Hedging reserve US$'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**
2016												
At 1 May 2016	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	(802)	148,866	303,241	61,971	365,212
Total comprehensive income for the year												
Loss for the year	–	–	–	–	–	–	–	–	(8,720)	(8,720)	(2,101)	(10,821)
Other comprehensive income												
Currency translation differences	–	–	(1,322)	–	–	–	–	–	–	(1,322)	(1)	(1,323)
Remeasurement of retirement plans	–	–	–	–	1,336	–	–	–	–	1,336	153	1,489
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(912)	–	–	–	(912)	(108)	(1,020)
Total other comprehensive income	–	–	(1,322)	–	1,336	(912)	–	–	–	(898)	44	(854)
Total comprehensive income for the period	–	–	(1,322)	–	1,336	(912)	–	–	(8,720)	(9,618)	(2,057)	(11,675)
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Value of employee services received for issue of share options	–	–	–	–	–	–	316	–	–	316	–	316
Total contributions by and distributions to owners	–	–	–	–	–	–	316	–	–	316	–	316
At 31 July 2016	**19,449**	**214,843**	(61,135)	8,002	(9,497)	(18,414)	1,347	(802)	140,146	293,939	59,914	353,853

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

Unaudited Interim Consolidated Statements of Cash Flows

	Three months ended 31 July	
	FY2017 US$'000	**FY2016 US$'000 (Restated)**
Cash flows from operating activities		
Profit/(loss) for the period	**(10,821)**	(12,152)
Adjustments for:		
Depreciation of property, plant and equipment	**15,397**	14,537
Amortisation of intangible assets	**1,764**	2,475
Reversal of impairment loss on property, plant and equipment	**-**	(121)
Loss on disposal of property, plant and equipment	**743**	115
Equity-settled share-based payment transactions	**316**	38
Share of loss of joint venture, net of tax	**359**	578
Finance income	**(734)**	(1238)
Finance expense	**27,363**	22,903
Tax expense/(benefit), net	**(9,412)**	(7,451)
Net Loss on Derivative on financial Statement	**2,342**	3,132
Changes in:		
Other assets	**10,737**	(1,951)
Inventories	**(165,540)**	(193,270)
Biological assets	**(758)**	(1,324)
Trade and other receivables	**16,240**	18,523
Prepaid and other current assets	**(2,048)**	(4,484)
Trade and other payables	**70,172**	15,279
Employee benefits	**3,793**	(380)
Operating cash flows	**(40,087)**	(144,791)
Taxes paid	**-**	(1,132)
Net cash flows provided by/(used in) operating activities	**(40,087)**	(145,923)
Cash flows from investing activities		
Interest received	**126**	98
Proceeds from disposal of property, plant and equipment	**56**	4
Purchase of property, plant and equipment	**(19,541)**	(9,796)
Additional investment in joint venture	**(1,359)**	(1,102)
Net cash flows used in investing activities	**(20,718)**	(10,796)

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

Unaudited consolidated statement of cash flows (continued)

	Note	Three months ended 31 July 2016 US$'000	Three months ended 31 July 2015 US$'000
Cash flows from financing activities			
Interest paid		**(22,636)**	(18,950)
Proceeds from/(repayment of) borrowings		**57,864**	163,156
Net cash flows provided by financing activities		**35,228**	144,206
Net increase/(decrease) in cash and cash equivalents		**(25,577)**	(12,513)
Cash and cash equivalents at 1 May		**47,203**	35,618
Effect of exchange rate changes on balances held in foreign currency		**(1,132)**	(3,226)
Cash and cash equivalents at 31 July	11	**20,494**	19,879

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

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

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, developing, manufacturing, marketing, distributing and selling packaged fruits and vegetables, canned and fresh pineapples, pineapple concentrate, tropical mixed fruit, tomato-based products, broth and certain other food products mainly under the brand names of *"Del Monte", "S&W"*, *"Contadina*", *"College Inn"* and other brands.

The immediate holding company is NutriAsia Pacific Limited whose ultimate shareholders are NutriAsia Inc and Well Grounded Limited, which at 31 July 2016 held 57.8% and 42.2% (30 April 2016: 57.8% and 42.2%) interest in NutriAsia Pacific Limited respectively, through their intermediary company, NutriAsia Holdings Limited. NutriAsia Pacific Limited, NutriAsia Inc and Well Grounded Limited are incorporated in the British Virgin Islands.

The financial statements of the Group as at and for the year ended 31 July 2016 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at July 31, 2016 and for the three months ended July 31, 2016 and 2015 have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2016 annual audited consolidated financial statements, comprising the consolidated financial statements of financial position as at April 30, 2016 and 2015 and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended April 30, 2016, 2015, and four months ended April 30, 2014.

2.2 Basis of measurement

The accompanying 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.

3. Significant accounting policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's 2016 annual consolidated financial statements.

The Group will adopt the following new or revised standards and amendments to standards on the respective effective dates:

- IFRS 9 Financial Instruments. IFRS 9 effective 1 January 2018
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) effective 1 January 2016
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 14 Regulatory Deferral Accounts effective 1 January 2016
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) effective 1 January 2016
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28,
  Investment Entities: Applying the Consolidation Exception effective 1 January 2016
- Amendments to IFRS 10 and IAS 28,
  Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective 1 January 2016
- Amendments to IAS 1, Disclosure Initiative effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 cycle effective 1 January 2016
- IFRS 16, Leases effective 1 January 2019

4. Operating segments

Geographical segments

Americas

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

Asia Pacific

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

Europe

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

Product segments

Packaged fruit and vegetable

The Packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte and S&W brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavours in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This would also include non branded sales to South America.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

Segment assets

Segment assets consist primarily of property, plant and equipment, intangible assets, trade and other receivables, biological assets, inventories and investments in joint ventures.

The Group revised its segment reporting to show the packaged fruit and packaged vegetable categories separately.

Information about reportable segments

	Americas		Asia Pacific		Europe and Middle East		Total	
	Three months ended 31 July		Three months ended 31 July		Three months ended 31 July		Three months ended 31 July	
	2016 US$'000	2015 US$'000	2016 US$'000	2015 US$'000	2016 US$'000	2015 US$'000	2016 US$'000	2015 US$'000
Revenue								
Packaged fruit	**129,016**	133,594	**26,591**	21,349	**3,510**	4,535	**159,117**	159,478
Packaged vegetable	**155,181**	170,931	**509**	598	**–**	908	**155,690**	172,437
Beverage	**9,915**	6,698	**34,524**	34,184	**928**	-	**45,367**	40,882
Culinary	**55,953**	62,464	**26,281**	24,060	**–**	-	**82,234**	86,524
Others	**97**	11	**23,018**	19,366	**–**	–	**23,115**	19,377
Total	**350,162**	373,697	**110,923**	99,558	**4,438**	5,443	**465,523**	478,698
Gross profit								
Packaged fruit	**21,242**	23,933	**7,512**	4,402	**1,202**	955	**29,956**	29,290
Packaged vegetable	**24,916**	37,005	**148**	154	**–**	–	**139,240**	37,159
Beverage	**2,684**	1,064	**12,224**	10,131	**372**	(30)	**29,230**	11,165
Culinary	**7,511**	9,799	**10,734**	9,181	**–**	–	**83,837**	18,980
Others	**(79)**	(2)	**5,119**	5,904	**–**	–	**10,096**	5,823
Total	**56,274**	71,800	**35,737**	29,772	**1,574**	925	**93,584**	102,497
Share of joint venture, net of tax								
Packaged fruit	–	–	**(56.81)**	(57)	–	(57)	**(56.81)**	(57)
Packaged vegetable	–	–	**(20.32)**	-	–	(20)	**(20.32)**	-
Beverage	–	–	**(29)**	(44)	–	(29)	**(73)**	(44)
Culinary	–	–	**(239)**	(238)	–	(239)	**(477)**	(238)
Fresh fruit and others	–	–	**(14)**	(239)	–	(14)	**(253)**	(239)
Total	–	–	**(359)**	(578)	–	(359)	**(359)**	(578)
Profit/(loss)before taxation								
Packaged fruit	**(15,011)**	(7,996)	**3,093**	133	**705**	531	**(11,213)**	(7,332))
Packaged vegetable	**(12,158)**	(10,896)	**78**	84	**–**	–	**(12,080)**	(10,812)
Beverage	**(80)**	(548)	**4,962**	2,649	**270**	(148)	**5,152**	1,953
Culinary	**(8,418)**	(7,286)	**5,174**	3,436	**–**	-	**(3,244)**	(3,850)
Others	**386**	(1,393)	**767**	1,831	**–**	–	**1,153**	438
Total	**(35,282)**	(28,119)	**14,074**	8,133	**975**	383	**(20,233)**	(19,603)

	Americas		**Asia Pacific**		**Europe and Middle East**		**Total**	
	31 July 2016	**30 April 2016**	**31 July 2016**	**30 April 2016**	**31 July 2016**	**30 April 2016**	**31 July 2016**	**30 April 2016**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Reportable								
segment assets	**2,366,706**	2,243,508	**451,981**	432,429	**8,803**	18,687	**2,827,490**	2,694,624
segment liabilities	**1,728,240**	1,556,300	**719,397**	750,369	**26,000**	22,743	**2,473,637**	2,329,412
Capital expenditure	**16,408**	8,240	**3,133**	1,556	–	–	**19,541**	9,796

Major customer

Revenues from a major customer of the Americas segment for the quarter end 31 July 2016 and 2015 amounted to US$134.5 million and US$135.6 million, representing 29% and 29% of the total revenue, respectively.

5. Seasonality of operations

The Group's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. For Americas, products are sold heavily during the Thanksgiving and Christmas seasons.

The Group operates several production facilities in the U.S., Mexico, Philippines and Venezuela. Fruit plants are located in California and Washington in the United States and Philippines, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana.

The US Consumer Food Business has a seasonal production cycle that generally runs between the months of June and July. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

6. Property, plant and equipment

During the three months ended 31 July 2016, the Group acquired assets with a cost of US$19.5 million (three months ended 31 July 2015: US$13.2 million). There was no significant disposal of property, plant and equipment in the three months ended 31 July 2016 and 31 July 2015.

7. Intangible assets and goodwill

	Goodwill US$'000	Indefinite life trademarks US$'000	Amortisable trademarks US$'000	Customer relationship US$'000	Total US$'000
Cost					
At 30 April 2016	203,432	416,130	36,080	120,500	776,142
At 1 May 2016/31 Jul 16	203,432	416,130	36,080	120,500	776,142
Accumulated amortisation					
At 1 May 2015	-	-	9,907	6,535	16,442
Reclassification		8,087	(8,087)		-
Amortisation	-	-	2,276	7,051	9,327
At 30 April 2016		8,087	4,096	13,586	25,769
	-	-			
At 1 May 2016	-	8,087	4,096	13,586	25,769
Amortisation			578	1,759	2,337
At 31 July 2016	-	8,087	4,674	15,345	28,106
Carrying amounts					
At 30 April 2016	203,432	408,043	31,984	106,914	750,373
At 31 July 2016	203,432	408,043	31,406	105,155	748,036

Goodwill

Goodwill arising from the acquisition of DMFI was allocated to DMFI and its subsidiaries, which is considered as one cash generating unit ("CGU").

Indefinite life trademarks

Management has assessed the following trademarks as having indefinite useful lives as the Group has exclusive access to the use of these trademarks on a royalty free basis.

America trademarks

The indefinite life trademarks arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the "Del Monte" trademark in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The Philippines trademarks

A subsidiary, Dewey, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("The Philippines 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 a joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the company's product under the "Del Monte" brand name.

Asia 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$10.0 million.

Amortisable trademarks and customer relationships

	Net Carrying amount		Remaining amortisation period (years)	
	31July 2016 US$'000	30 April 2016 US$'000	31 July 2016	30 April 2016
America Contadina trademark	19,322	19,597	17.6	17.8
Sager Creek trademarks	10,536	10,785	10.7	10.9
Asia S&W trademark	35	39	2.0	2.2
America S&W trademark	1,513	1,563	7.6	7.8
	31,406	31,984		

Asia S&W trademark

The amortisable trademark pertains to "Label Development" trademark.

America trademarks

The amortisable trademarks relate to the exclusive right to use of the "S&W" trademark in the United States, Canada, Mexico and certain countries in Central and South America and "Contadina" trademark in the United States, Canada, Mexico South Africa and certain countries in Asia Pacific, Central America, Europe, Middle East and South America market.

Sager Creek trademarks

The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others.

Customer relationships

Customer relationships relate to the network of customers where DMFI and Sager Creek has established relationships with the customers, particularly in the United States market through contracts.

	Net carrying amount		Remaining amortisation period (years)	
	31 July 2016 US$'000	30 April 2016 US$'000	31 July 2016	30 April 2016
DMFI customer relationships	93,975	95,313	17.6	17.8
Sager Creek customer relationships	11,180	11,601	6.7	6.9
	105,155	106,914		

Management has included the DMFI customer relationships in the DMFI CGU impairment assessment and concluded no impairment exist at the reporting date.

Goodwill, indefinite life trademarks and customer relationship have no impairment indication at reporting date.

Estimating useful lives of amortisable trademarks and customer relationships

The Group estimates the useful lives of its amortisable trademarks and customer relationships based on the period over which the assets are expected to be available for use. The estimated useful lives of the trademarks and customer relationships are reviewed periodically and are updated if expectations differ from previous estimates due to legal or other limits on the use of the assets. A reduction in the estimated useful lives of amortisable trademarks and customer relationships would increase recorded amortisation expense and decrease non-current assets.

8. Joint venture

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

Name of joint venture	Principal activities	Place of Incorporation and Business	Effective Equity Held by the Group as at April 30	
			As at 31 Jul 2016 %	As at 30 Apr 2016 %
FieldFresh Foods Private Limited ("FFPL")	Production and sale of fresh and processed fruits and vegetable food products	India	**47.32**	47.23
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	**35.00**	35.00

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

	31 July 2016 US$'000	30 April 2016 US$'000
Assets		
Current assets	25,693	23,842
Noncurrent assets	16,566	17,110
Total assets	**42,259**	40,952
Liabilities		
Current liabilities	(14,195)	(14,283)
Noncurrent liabilities	(24,944)	(25,271)
Total liabilities	**(39,139)**	(39,554)
Net Assets	**3,120**	1,398

	31 July 2016 US$'000	30 April 2016 US$'000
Results		
Revenue	17,630	65,838
Loss from continuing operations	(701)	(3,398)
Other comprehensive income	14	(3)
Total comprehensive income	(687)	(3,401)

	FFPL		NFHKL	
	31 July 2016	**30 April 2016**	**31 July 2016**	**30 April 2016**
	US$'000	US$'000	**US$'000**	US$'000
Group's interest in net assets of investee at beginning of period	20,661	20,419	2,158	2,171
Capital injection during the year	1,342	1,950	**-**	-
Group's share of:		-	**-**	
- loss from continuing operations	(350)	(1,705)	**(9)**	(12)
- other comprehensive income	14	(3)	**-**	-
- total comprehensive loss	**(336)**	**(1,708)**	**(9)**	(12)
Carrying amount of interest in investee at end of period	21,667	20,661	**2,149**	2,159

Source of Estimation Uncertainty

When the joint venture has suffered recurring 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 judgement and estimation. 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 cash flow projections.

9. Other noncurrent assets

	31July 2016	**30 April 2016**
	US$'000	**US$'000**
Deferred Charges	388	
Advances to growers	12,029	10,342
Excess insurance	4,500	6,628
Advance rentals and deposits	6,834	4,500
Land expansion (development costs of acquired leased areas)	2,412	2,171
Prepayments, non-current	688	1,273
Others	1,042	1,027
	27,893	**25,941**

Excess insurance relate mainly to reimbursements from insurers to cover the workers' compensation.

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.

10. Trade and other receivables

	31 July 2016 US$'000	30 April 2016 US$'000
Trade receivables	133,853	152,936
Non trade receivables	18,835	22,677
Amounts due from joint venture (non-trade)	6,013	6,013
Allowance for doubtful accounts – trade	(1,643)	(1,640)
Allowance for doubtful accounts - nontrade	(4,400)	(4,454)
Trade and other receivables	152,658	175,532

The amounts due from subsidiaries and joint venture are unsecured, interest-free and repayable on demand. There is no allowance for doubtful debts arising from these outstanding balances.

The ageing of trade and non-trade receivables at the reporting date is:

	Group			
	Gross		Impairment losses	
At 31 July 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	88,800	16,425	–	–
Past due 0 - 60 days	23,675	613	–	–
Past due 61 - 90 days	6,682	(910)	–	–
Past due 91 - 120 days	2,852	601	–	–
More than 120 days	11,844	8,119	(1,643)	(4,400)
	133,853	24,848	(1,643)	(4,400)

	Group			
	Gross		Impairment losses	
At 30 April 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	97,404	13,967	–	–
Past due 0 - 60 days	35,835	846	–	–
Past due 61 - 90 days	3,825	799	–	–
Past due 91 - 120 days	3,688	122	–	–
More than 120 days	12,184	6,943	(1,640)	(4,454)
	152,936	22,677	(1,640)	(4,454)

The recorded impairment loss falls within the Group's historical experience in the collection of accounts receivables. Therefore, management believes that there is no significant additional credit risk beyond what has been recorded.

11. Cash and cash equivalents

	31 July 2016 US$'000	30 April 2016 US$'000
Cash in bank	20,015	47,153
Cash on hand	54	50
Short term placement	425	-
Cash and cash equivalent	20,494	47,203

Cash and cash equivalents comprise cash balances. Certain of the cash and bank balances earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.45% per annum.

12. Financial liabilities

	31 July 2016 US$'000	30 April 2016 US$'000
Current liabilities		
Unsecured bank loans	485,999	501,481
Secured bank loans	299,470	225,879
	785,469	**727,360**
Non-current liabilities		
Unsecured bank loans	192,999	193,224
Secured bank loans	924,594	923,198
	1,117,593	**1,116,422**
	1,903,062	**1,843,782**

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate %	Year of maturity	31 July 2016 Face value US$'000	31 July 2016 Carrying amount US$'000	30 April 2016 Face value US$'000	30 April 2016 Carrying amount US$'000
Group							
Unsecured bank loans	PHP	2.10-4.75	2016-2020	**103,651**	**103,651**	97,697	97,697
Unsecured bank loans	USD	1.15-2.50	2016	**97,000**	**97,000**	119,145	119,145
Unsecured bridging loans	USD	2.13-4.15	2020	**130,000**	**129,279**	130,000	129,234
Unsecured bank loan	USD	90 days LIBOR +3.25%	2017	**350,000**	**349,068**	350,000	348,630
Secured bank loan under ABL Credit Agreement	USD	Libor +3.25%	2017	**300,483**	**297,298**	225,442	221,971
Secured First lien term loan	USD	Higher of Libor +3.25% or 4.25%	2016-2021	**692,250**	**676,405**	694,025	677,220
Secured Second lien term Loan	USD	Higher of Libor + 7.25% or 8.25%	2021	**260,000**	**250,360**	260,000	249,885
				1,933,385	**1,903,062**	1,876,309	1,843,782

New Loan Availment

The group financial liabilities increased by US$ 60 million mainly driven by the increase in DMFI loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the "ABL Facility") from US$ 222 million to US$ 297 million as of July 31, 2016.

Long Term Borrowings

Long Term Borrowings	Principal Amount (In Thousands)	Interest Rate	Maturity	Payment Terms (e.g. annually, quarterly, etc.)	Interest already paid May 1, 2016 to Jul 31, 2016	
Senior secured variable rate first lien term loan	USD 710,000	Higher of Libor +3.25% or 4.25%	2021	0.25% quarterly principal payments from April 30, 2014 to July 31, 2021; Balance due in full at its maturity, February 18, 2021.	USD	7,395
Senior secured second lien variable rate term loan	USD 260,000	Higher of Libor + 7.25% or 8.25%	2021	Due in full at its maturity, August 18, 2021.	USD	5,363
BDO bridging facility	USD 350,000	90d Libor + 3.5% margin	2017	Quarterly interest payment and principal on maturity date.	USD	3,596
BDO Long-Term Loan	USD 30,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	–
BDO Long-Term Loan	USD 100,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	–
BDO Long-Term Loan	PHP 3,000,000	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020	Quarterly interest payment and principal on maturity date.	Php	35,831

13. Other noncurrent liabilities

	31 July 2016 US$'000	**30 April 2016 US$'000**
Derivative liabilities	**30,924**	21,527
Workers' compensation	**22,330**	30,969
Deferred rental liabilities	**6,460**	5,173
Accrued lease liabilities	**2,905**	4,440
Other payables	**445**	477
	63,069	62,586

14. Trade and other payables

	31July 2016 US$'000	**30 April 2016 US$'000**
Trade payables	**237,681**	167,197
Accrued operating expenses		
Advertising	**24,760**	23,405
Professional fees	**14,387**	7,620
Taxes and insurance	**5,975**	6,146
Miscellaneous	**54,927**	44,438
Derivative liabilities	**14,799**	15,218
Accrued payroll expenses	**6,783**	6,875
Advances from customers	**1,286**	2,465
Withheld from employees (taxes and social security cost)	**1,093**	1,527
Other payables	**73**	6,152
	361,764	281,043

15. 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:

	Note	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Group						
31 July 2016						
Cash and cash equivalents	*11*	20,494	–	–	20,494	20,494
Trade and other receivables	*10*	152,658	–	–	152,658	152,658
		173,152	–	–	173,152	173,152
Financial liabilities	*12*	–	–	1,903,062	1,903,062	1,842,792
Trade and other payables*	*14*	–	14,799	345,679	360,478	360,478
Derivative liabilities	*13*	–	22,330	–	22,330	22,330
		–	37,129	2,248,741	2,285,870	2,225,600
30 April 2016						
Cash and cash equivalents	*11*	47,203	–	–	47,203	47,203
Trade and other receivables	*10*	175,532	–	–	175,532	175,532
Derivative asset		–	1,473	–	1,473	1,473
		222,735	1,473	–	224,208	224,208
Financial liabilities	*12*	–	–	1,843,782	1,843,782	1,822,868
Trade and other payables*	*14*	–	15,218	263,354	278,572	278,572
Derivative liabilities	*13*	–	21,527	–	21,527	21,527
		–	36,745	2,107,136	2,143,881	2,122,967

* *excludes advances from customers*

16. Determination of fair values

Fair value hierarchy

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.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

	31 July 2016			
	Level 1	**Level 2**	**Level 3**	**Totals**
Non-financial assets				
Fair value of agricultural produce harvested	–	–	22,279	22,279
Noncurrent assets held for sale	–	–	1,950	1,950
Freehold land	–	–	65,346	65,346
Financial liabilities				
Derivative liabilities	–	37,129	–	37,129

	30 April 2016			
	Level 1	**Level 2**	**Level 3**	**Totals**
Financial assets				
Derivative assets	–	1,473	–	1,473
Non-financial assets				
Fair value of agricultural produce harvested	–	–	98,412	98,412
Noncurrent assets held for sale	–	–	1,950	1,950
Freehold land	–	–	65,372	65,372
Financial liabilities				
Derivative liabilities	–	36,745	–	36,745

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Determination of fair values of financial assets

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial instruments measured at fair value

Type	Valuation technique
Forward exchange contracts	Market comparison technique: The fair values are based on brokers' quotes. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Interest rate swaps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve.
Commodities contracts	Market comparison technique: The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.

Financial instruments not measured at fair value

Type	Valuation technique
Financial liabilities	The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date (Level 3). The fair value of the loan is based on the discounted value of expected future cash flows using risk free rates and credit spread.
Other financial assets and liabilities	The notional amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are, because of the short period to maturity, assumed to approximate their fair values. All other financial assets and liabilities are discounted to determine their fair values.

Non-financial assets

The valuation techniques used for measuring the fair value of material assets acquired in both Sager Creek acquisition and DMFI were as follows:

Assets	Valuation technique
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considered quoted market prices for similar items when available, and depreciated replacement cost as appropriate.
Assets held for sale	Market comparison technique: The fair values are based on brokers' quotes or assessments.
Trademarks	Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.
Customer relationship	Multi-Period Excess Earnings Method: Multi-Period Excess Earnings Method considers the present value of the incremental after-tax cash flows specific to the intangible asset after deducting contributory asset charges.
Inventories	Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	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 (Level 3). The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison.	The unobservable inputs used to determine market value are the net prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighbourhood, utility, terrain, and the time element involved.

Assets	Valuation technique	Significant unobservable inputs
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit adjusted for margin and costs to sell.	The unobservable inputs are estimated future pineapple gross margin per ton specific for fresh products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product (concentrates, pineapple beverages, sliced pineapples, etc) adjusted for margin and associated costs related to production.	The unobservable inputs are estimated future pineapple gross margin per ton specific for processed products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.

17. Profit/(loss) for the period

The following items have been included in arriving at profit/(loss) for the period:

	Three months ended 31 July	
	2016	**2015**
	US$'000	**US$'000**
Provision for inventory obsolescence	**6,940**	6,225
Reversal of allowance for doubtful receivables (trade)	**49**	103
Amortisation of intangible assets	**1,764**	2,475
Depreciation of property, plant and equipment	**15,397**	14,537

18. General and administrative expenses

This account consists of the following:

	31 July 2016 US$'000	31 July 2015 US$'000
Professional and contracted services	8,567	11,030
Personnel costs	21,070	20,498
Computer costs	3,243	3,243
Facilities expense	1,851	1,851
Postage and telephone	1,111	968
Travelling and business meals	817	839
Employee-related expenses	297	297
Rental	555	514
Machinery and equipment maintenance	259	234
Utilities	156	173
Materials and supplies	199	144
Research and development projects	195	278
Auto operating and maintenance costs	71	113
Miscellaneous overhead	3,373	3,217
Totals	**41,762**	**47,980**

19. Assets held for sale

In March 2015, management committed to a plan to sell part of the assets of Sager Creek. Accordingly, these assets are presented as assets held for sale. Efforts to sell the assets have started and a sale is expected within twelve months.

	31 July 2016 US$'000	30 April 2016 US$'000
Property, plant and equipment	1,950	1,950
Assets held for sale	1,950	1,950

There is no cumulative income or expenses included in other comprehensive income relating to the assets held for sale.

20. Share capital

		31 July 2016		30 April 2016	
		No. of shares ('000)	US$'000	No. of shares ('000)	US$'000
Authorised:					
Ordinary shares of	US$0.01 each	3,000,000	30,000	3,000,000	30,000
Preference shares of	US$1.00 each	600,000	600,000	600,000	600,000
		3,600,000	630,000	3,600,000	630,000
Issued and fully paid:					
Ordinary shares of	US$0.01 each	1,944,936	19,449	1,944,936	19,449

Reconciliation of number of outstanding ordinary shares in issue:

	Year ended 31 July 2016 ('000)	Year ended 30 April 2016 ('000)
At beginning of the year/period	1,944,035	1,944,035
Acquisition of own shares	(821)	(821)
Issued for cash	–	–
At end of the year/period	1,943,214	1,943,214

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.

In April 2014, the Company increased its authorised share capital from US$20.0 million, divided into 2,000,000,000 ordinary shares at US$0.01 per share, to US$630.0 million, divided into 3,000,000,000 ordinary shares at US$0.01 per share and 600,000,000 preference shares at US$1.00 per share. The preference shares may be issued in one or more series, each such class of shares will have rights and restrictions as the Board of Directors may designate. The terms and conditions of the authorised preference share will be finalised upon issuance.

On 30 October 2014, the Company had additional ordinary shares listed and traded on the Philippine Stock Exchange. The Company had offered and sold by way of primary offer, 5,500,000 shares at an offer price of 17.00 Philippine pesos (Php) per share.

In March 2015, the Company issued 641,935,335 shares at an exercise price of S$0.325 or Php10.60 for each share in Singapore and the Philippines, respectively.

Total shares outstanding were at 1,943,214,106 as of 31 July 2016; (31 July 2015: 1,944,035,406). The Group successfully placed out 5.5 million ordinary shares in the Philippines on 30 October 2014 and successfully completed a Rights Issue in March 2015 resulting in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 July 2016 (31 July 2015: US$19.5 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan.

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 July 2016 (31 July 2015: 900,420). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 July 2016.

Capital management

The Board's policy is to maintain a sound 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 or loss for the year divided by total shareholders' equity. The Board also monitors the level of dividends paid to ordinary shareholders.

The bank loans of the Group contain various capital covenants with respect to capital maintenance and ability to incur additional indebtedness. The Board ensures that loan covenants are considered as part of its capital management through constant monitoring of covenant results through interim and full year results.

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

21. Earnings per share

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

	Three months ended 31 July	
	2016	**2015**
Basic profit/(loss) per share is based on:		
Profit/(loss) for the period attributable to owners of the Company (US$'000)	**(8,720)**	(10,676)
Basic weighted average number of ordinary shares ('000):		
Issued ordinary shares at 1 May	**1,943,214**	1,944,035
Effect of shares issued during the year	–	–
Weighted average number of ordinary shares at end of period (basic)	**1,943,214**	1,944,035
Basic profit/(loss) per share (in US cents)	**(0.45)**	(0.55)

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.

	Three months ended 31 July	
	2016	**2015**
Diluted profit/(loss) per share is based on:		
Profit/(loss) for the period attributable to owners of the Company (US$'000)	**(8,720)**	(10,676)

Diluted weighted average number of shares ('000):		
Weighted average number of ordinary shares (basic)	**1,943,214**	1,944,035
Effect of share options on issue	–	–
Weighted average number of ordinary issued and potential shares assuming full conversion	**1,943,214**	1,944,035
Diluted profit/(loss) per share (in US cents)	**(0.45)**	(0.55)

The potential ordinary shares issuable under the Del Monte RSP were excluded from the diluted weighted average number of ordinary shares calculation because their effect would decrease the loss per share and have an anti-dilutive effect.

22. Commitments and contingencies

Operating lease commitments

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group have commitments for future minimum lease payments under non-cancellable operating leases at approximately US$235.8 million.

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.

Purchase commitments

The Group has entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements at approximately US$1,108.7 million.

DMPL India Limited

As at 31 July 2016, a subsidiary, DMPL India Limited has a contingent liability amounting to INR417.6 million or an equivalent of US$8.6 million (30 April 2016: US$8.4 million) in the form of a letter of undertaking securing 50% of the obligations of FFPL under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

23. 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:

Category/ Transaction	Period (as of)	Amount of the transaction	Outstanding balance - receivables/ (payables)	Terms	Conditions
Under Common Control					
▪ Shared IT services	**July 2016**	**172**	**1,203**	Due and demandable;	Unsecured;
	April 2016	215	79	non-interest bearing	no impairment
▪ Sale of tomato paste	**July 2016**	-	**-**	Due and demandable;	Unsecured;
	April 2016	1,111	-	non-interest bearing	no impairment
▪ Inventory Count	**July 2016**	**-**	**(4,052)**	Due and demandable;	Unsecured;
Shortage	April 2016	25	-	non-interest bearing	no impairment
Purchases	**July 2016**	**168**	**-**	Due and demandable;	Unsecured;
	April 2016	826	-	non-interest bearing	no impairment
Tollpack fees	**July 2016**	**170**	**-**	Due and demandable;	Unsecured;
	April 2016	551	(63)	non-interest bearing	no impairment
Other Related Party					
▪ Management fees from DMPI retirement	**July 2016**	**1**	**12,039**	Due and demandable;	Unsecured;
fund	April 2016	4	261	non-interest bearing	no impairment
▪ Rental to DMPI	**July 2016**	**393**	**-**	Due and demandable;	Unsecured;
Retirement	April 2016	1,365	(3)	non-interest bearing	no impairment
▪ Rental to NAI	**July 2016**	**135**	**-**	Due and demandable;	Unsecured;
Retirement	April 2016	529	(166)	non-interest bearing	no impairment
▪ Rental to DMPI	**July 2016**	**1**	**-**	Due and demandable;	Unsecured;
provident fund	April 2016	5	-	non-interest bearing	no impairment
▪ Purchase of services to	**July 2016**	**1,047**	**-**	Due and demandable;	Unsecured;
DMPI retirement	April 2016	30	-	non-interest bearing	no impairment
	July 2016	**2,087**	**9,190**		
	April 2016	4,661	108		

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.

24. Other Matters

a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.

b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favourable or unfavourable impact on net sales or revenues or income from continuing operations.

c. There were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual statements of financial position date.

d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

e. The effects of seasonality or cyclicality on the interim operations of the Group's businesses are explained in Note 4, Operating Segments.

f. The Group's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of July 31 2016. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short and long-term loans.

g. The 2015 comparative information was restated to reflect the adjustment from WAC to FIFO.

Annex A

Key Performance Indicators

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

A. Current Ratio

	31-Jul-16	31-Jul-15	30-Apr-16	Benchmark
Current Ratio	1.1	1.2	1.1	Minimum of 1.20

Current ratio decreased due to higher current financial liabilities

B. Debt to Equity

	31-Jul-16	31-Jul-15	30-Apr-16	Benchmark
Debt to Equity	7.0	8.1	6.4	Maximum of 2.50

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

C. Net Profit Margin

	31-Jul-16	31-Jul-15	30-Apr-16	Benchmark
Net Profit Margin attributable to owners of the company	-1.87%	-2.23%	2.27%	Minimum of 3%

The Group incurred a net loss of US$8.7 million for the quarter, a lower loss versus prior year period's loss of US$10.7 million. This quarter's loss of US$8.7 million included US$2.8 million of non-recurring expenses from severance and closure of the North Carolina plant. Without the non-recurring expenses, the Group reported a recurring net loss of US$5.9 million, subtantially lower than last year's US$9.0 million.

D. Return on Asset

	31-Jul-16	31-Jul-15	30-Apr-16	Benchmark
Return on Asset	-0.38%	-0.44%	2.02%	Minimum of 1.21

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

E. Return on Equity

	31-Jul-16	31-Jul-15	30-Apr-16	Benchmark
Return on Equity	**-3.06%**	**-3.99%**	**14.93%**	**Minimum of 8%**

Unfavorable earnings since first quarter is seasonally the weakest quarter of DMFI.

Material Changes in Accounts

A. Cash and cash equivalent

Lower Sales also reflect on profit performance.

B. Inventories

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

C. Property, plant and equipment

Increase is driven mainly on capital expenditures for the period.

E. Intangible assets

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

F. Deferred tax assets

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

H. Trade & other payables

Increase in trade and other payables are mainly due to purchases to support working capital build during the quarter.

H. Financial liabilities

Increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

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

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

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
31 October 2016 and for the six months ended
31 October 2016 and 2015
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2016)

Unaudited Interim Consolidated Statements of Financial Position

	Note	As at 31 October 2016 US$'000	As at 30 April 2016 US$'000
Noncurrent assets			
Property, plant and equipment – net	6, 19	**563,726**	563,614
Investments in joint ventures	8	**24,915**	22,820
Intangible assets and goodwill	7, 19	**745,699**	750,373
Deferred tax assets – net		**104,127**	100,899
Biological assets	10,	**36,180**	37,468
Other noncurrent assets	9, 19	**28,073**	25,941
		1,502,720	1,501,115
Current assets			
Biological assets	10	**83,524**	87,994
Inventories	11	**1,158,585**	845,233
Trade and other receivables	12, 18	**245,201**	175,532
Prepaid and other current assets	13	**30,857**	35,597
Cash and cash equivalents	14, 18	**23,488**	47,203
		1,541,655	1,191,559
Noncurrent assets held for sale	22	**1,050**	1,950
		1,542,705	1,193,509
Total assets		**3,045,425**	2,694,624
Equity			
Share capital	23	**19,449**	19,449
Retained earnings		**134,480**	148,866
Reserves		**129,611**	134,926
Equity attributable to owners of the company		**283,540**	303,241
Non-controlling interests		**61,207**	61,971
Total equity		**344,747**	365,212
Noncurrent liabilities			
Loans and borrowings	15, 18,19	**1,115,417**	1,116,422
Employee benefits		**99,482**	97,118
Environmental remediation liabilities		**4,507**	6,313
Deferred tax liabilities		**1,116**	1,092
Other non-current liabilities	16	**57,158**	62,586
		1,277,680	1,283,531
Current liabilities			
Loans and borrowings	15, 18,19	**993,707**	727,360
Employees benefits		**36,856**	33,651
Trade and other payables	17, 18	**388,185**	281,043
Current tax liabilities		**4,250**	3,827
		1,422,998	1,045,881
Total liabilities		**2,700,678**	2,329,412
Total equity and liabilities		**3,045,425**	2,694,624

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

Unaudited Consolidated Income Statements

	Note	Six months ended 31 October 2016 US$'000	Six months ended 31 October 2015 US$'000 (Restated)	Three months ended 31 October 2016 US$'000	Three months ended 31 October 2015 US$'000 (Restated)
Revenue		**1,101,725**	1,145,458	**636,202**	666,760
Cost of sales		**(861,243)**	(893,609)	**(489,305)**	(517,407)
Gross profit		**240,482**	251,849	**146,897**	149,353
Distribution and selling expenses		**(99,683)**	(101,248)	**(54,378)**	(54,685)
General and administrative expenses	21	**(81,026)**	(53,363)	**(39,264)**	(5,383)
Other income (expenses) - net		**1,177**	(8,553)	**939**	(3,239)
Results from operating activities		**60,950**	88,685	**54,194**	86,046
Finance income		**4,109**	2,204	**3,871**	966
Finance expense		**(55,794)**	(47,659)	**(28,927)**	(24,756)
Net finance expense		**(51,685)**	(45,455)	**(25,056)**	(23,790)
Share in loss of joint ventures, net of tax		**(776)**	(903)	**(417)**	(325)
Profit before taxation		**8,489**	42,327	**28,721**	61,931
Tax expense – current		**(4,180)**	(4,137)	**(2,412)**	(2,662)
Tax benefit – deferred		**5,908**	2,294	**(5,272)**	(6,632)
		1,728	(1,843)	**(7,684)**	(9,294)
Profit for the period		**10,217**	40,484	**21,037**	52,637
Profit (loss) attributable to:					
Non-controlling interest		**(1,225)**	3,408	**876**	4,884
Owners of the Company		**11,442**	37,076	**20,161**	47,753
Earnings per share					
Basic profit per share (US cents)	24	**0.59**	1.91	**1.04**	2.46
Diluted profit per share (US cents)	24	**0.59**	1.91	**1.04**	2.46

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

Unaudited Statement Comprehensive Income

	Six months ended 31 October		Three months ended 31 October	
	2016	**2015**	**2016**	**2015**
	US$'000	**US$'000 (Restated)**	**US$'000**	**US$'000 (Restated)**
Profit for the period	**10,217**	40,484	**21,037**	52,637
Other comprehensive income (loss)				
Items that will not be classified to profit or loss				
Remeasurement of retirement plans	**4,086**	1,323	**10,244**	8,732
Income tax effect on remeasurement of retirement plans	**(1,162)**	4,866	**(8,809)**	(3,940)
	2,924	6,189	**1,435**	4,792
Items that will or may be reclassified subsequently to profit or loss				
Currency translation differences	**(9,769)**	(13,643)	**(8,446)**	(6,825)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)	**6,931**	3,843
Income tax effect on cash flow hedges	**(914)**	1,075	**(4,458)**	(5,169)
	(8,316)	(17,225)	**(5,973)**	(8,151)
Other comprehensive loss for the period, net of tax	**(5,392)**	(11,036)	**(4,538)**	(3,359)
Total comprehensive income for the period	**4,825**	29,448	**16,499**	49,278
Total comprehensive income (loss) attributable to:				
Non-controlling interests	**(764)**	3,672	**1,290**	5,226
Owners of the Company	**5,589**	25,776	**15,209**	44,052

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

Unaudited Interim Consolidated Statements of Changes in Equity (continued)
Six months ended 31 October 2016

	<------------------- Attributable to owners of the Company								------------------->		
Company	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure -ment of retirement plans US$'000**	**Hedging reserve US$'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**
2016												
At 1 May 2016	**19,449**	**214,843**	**(59,813)**	**8,002**	**(10,833)**	**(17,502)**	**1,031**	**(802)**	**148,866**	**303,241**	**61,971**	**365,212**
Total comprehensive income for the year												
Profit/(loss) for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11,442**	**11,442**	**(1,225)**	**10,217**
Other comprehensive income												
Currency translation differences	**–**	**–**	**(9,768)**	**–**	**–**	**–**	**–**	**–**	**–**	**(9,768)**	**(1)**	**(9,769)**
Remeasurement of retirement plans	**–**	**–**	**–**	**–**	**2,615**	**–**	**–**	**–**	**–**	**2,615**	**309**	**2,924**
Effective portion of changes in fair value of cash flow hedges	**–**	**–**	**–**	**–**	**–**	**1,300**	**–**	**–**	**–**	**1,300**	**153**	**1,453**
Total other comprehensive income	**–**	**–**	**(9,768)**	**–**	**2,615**	**1,300**	**–**	**–**	**–**	**(5,853)**	**461**	**(5,392)**
Total comprehensive income for the period	**–**	**–**	**(9,768)**	**–**	**2,615**	**1,300**	**–**	**–**	**11,442**	**5,589**	**(764)**	**4,825**
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Value of employee services received for issue of share options	**–**	**–**	**–**	**–**	**–**	**–**	**538**	**–**	**–**	**538**	**–**	**538**
Payment of dividends	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(25,828)**	**(25,828)**	**–**	**(25,828)**
Total contributions by and distributions to owners	**–**	**–**	**–**	**–**	**–**	**–**	**538**	**–**	**(25,828)**	**(25,290)**	**–**	**(25,290)**
At 31 October 2016	**19,449**	**214,843**	**(69,581)**	**8,002**	**(8,218)**	**(16,202)**	**1,569**	**(802)**	**134,480**	**283,540**	**61,207**	**344,747**

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

Unaudited Interim Consolidated Statements of Changes in Equity
Six months ended 31 October 2015 (Restated)

	<------ Attributable to owners of the Company ------>											
Company	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure-ment of retirement plans US$'000**	**Hedging reserve US$'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**
2015												
At 1 May 2015, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	(629)	105,664	273,856	59,590	333,446
Impact of change in accounting policy	–	–	7	–	–	–	–	–	(8,332)	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,531	58,644	324,175
Total comprehensive income for the year												
Loss for the year	–	–	–	–	–	–	–	–	37,076	37,076	3,408	40,484
Other comprehensive income												
Currency translation differences	–	–	(13,647)	–	–	–	–	–	–	(13,647)	4	(13,643)
Remeasurement of retirement plans	–	–	–	–	6,765	–	–	–	–	6,765	(576)	6,189
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(4,418)	–	–	–	(4,418)	836	(3,582)
Total other comprehensive income	–	–	(13,647)	–	6,765	(4,418)	–	–	–	(11,300)	264	(11,036)
Total comprehensive income for the period	–	–	(13,647)	–	6,765	(4,418)	–	–	37,076	25,776	3,672	29,448
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Acquisition of treasury shares	–	–		–	–	–	–	(63)	–	(63)	–	(63)
Transactions costs related to rights issue	–	7	–	–	–	–	–	–	–	7	–	7
Value of employee services received for issue of share options	–	–	–	–	–	–	79	–	–	79	–	79
Total contributions by and distributions to owners	–	7	–	–	–	–	79	(63)	–	23	–	23
At 31 October 2015	19,449	214,850	(59,982)	9,506	(10,466)	(16,140)	397	(692)	134,408	291,330	62,316	353,646

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

Unaudited Interim Consolidated Statements of Cash Flows

	Six months ended 31 October 2016 US$'000	Six months ended 31 October 2015 US$'000 (Restated)
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(238)
Net loss on derivative on financial statement	**1,400**	–
Share in loss of joint ventures, net of tax	**776**	903
Equity-settled share-based payment transactions	**538**	79
Loss on disposal of property, plant and equipment	**203**	277
Finance income	**(4,109)**	(2,204)
Tax expense (benefit), net	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)
	94,168	83,264
Changes in:		
Other noncurrent assets	**1,648**	(3,553)
Inventories	**(305,837)**	(351,855)
Biological assets	**1,642**	(3,998)
Trade and other receivables	**(83,092)**	(51,021)
Prepaid and other current assets	**993**	3,865
Trade and other payables	**89,367**	41,568
Employee benefits	**7,464**	4,638
Operating cash flows	**(193,647)**	(277,092)
Taxes paid	**(25)**	(1,829)
Net cash flows used in operating activities	**(193,672)**	(278,921)
Cash flows from investing activities		
Interest received	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,483**	526
Purchase of property, plant and equipment	**(32,279)**	(22,567)
Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

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

Unaudited Interim Consolidated Statements of Cash Flows (continued)

	Note	Six months ended 31 October	
		2016	**2015**
		US$'000	**US$'000 (Restated)**
Cash flows from financing activities			
Interest paid		**(47,826)**	(40,752)
Proceeds from borrowings		**611,368**	687,561
Repayment of borrowings		**(344,300)**	(355,540)
Dividends paid		**–**	–
Dividends paid		**(25,828)**	–
Acquisition of treasury shares		**–**	(63)
Net cash flows provided by financing activities		**193,414**	291,206
Net decrease in cash and cash equivalents		**(22,116)**	(10,706)
Cash and cash equivalents at 1 May		**47,203**	35,618
Effect of exchange rate changes on balances held in foreign currency		**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	14	**23,488**	22,084

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

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

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, developing, manufacturing, marketing, distributing and selling packaged fruits and vegetables, canned and fresh pineapples, pineapple concentrate, tropical mixed fruit, tomato-based products, broth and certain other food products mainly under the brand names of *"Del Monte", "S&W"*, *"Contadina*", *"College Inn"* and other brands.

The immediate holding company is NutriAsia Pacific Limited whose ultimate shareholders are NutriAsia Inc ("NAI") and Well Grounded Limited, which at 31 October 2016 held 57.8% and 42.2% (30 April 2016: 57.8% and 42.2%) interest in NutriAsia Pacific Limited respectively, through their intermediary company, NutriAsia Holdings Limited. NutriAsia Pacific Limited, NutriAsia Inc and Well Grounded Limited are incorporated in the British Virgin Islands.

The financial statements of the Group as at and for the period ended 31 October 2016 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 October 2016 and for the six months ended October 31, 2016 and 2015 have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2016 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2016 and 2015 and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended 30 April 2016 and 2015, and for the four months ended 30 April 2014.

2.2 Basis of measurement

The accompanying 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 judgements, 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.

3. Significant accounting policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2016 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2016, which did not have significant impact to the Group:

- IFRS 14, Regulatory Deferral Accounts effective 1 January 2016
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) effective 1 January 2016
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28, Investment Entities: Applying the Consolidation Exception effective 1 January 2016
- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective 1 January 2016
- Amendments to IAS 1, Disclosure Initiative effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 cycle effective 1 January 2016

For the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants), the Group is in the process of finalizing its approach and quantification of its impact and will effect the same by FY2017 year end.

The Group will adopt the following new or revised standards and amendments to standards on the respective effective dates:

- IFRS 9, Financial Instruments. IFRS 9 effective 1 January 2018
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 16, Leases effective 1 January 2019

4. Operating segments

Geographical segments

Americas

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

Asia Pacific

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

Europe

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

Product segments

Packaged fruit and vegetable

The Packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte and S&W brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavours in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This would also include non branded sales to South America.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

Segment assets

Segment assets consist primarily of property, plant and equipment, intangible assets, trade and other receivables, biological assets, inventories and investments in joint ventures.

The Group revised its segment reporting to show the packaged fruit and packaged vegetable categories separately.

Information about reportable segments

	Americas Six months ended 31 October		Asia Pacific Six months ended 31 October		Europe and Middle East Six months ended 31 October		Total Six months ended 31 October	
	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)
Revenue								
Packaged fruit	**309,664**	321,415	**59,458**	44,789	**6,392**	8,992	**375,514**	375,196
Packaged vegetable	**376,981**	431,113	**959**	1,030	**–**	–	**377,940**	432,143
Beverage	**15,873**	13,940	**67,387**	67,289	**1,453**	4,518	**84,713**	85,747
Culinary	**139,547**	149,813	**67,232**	64,585	**–**	–	**206,779**	214,398
Others	**497**	11	**56,282**	37,963	**–**	–	**56,779**	37,974
Total	**842,562**	916,292	**251,318**	215,656	**7,845**	13,510	**1,101,725**	1,145,458
Gross profit								
Packaged fruit	**54,945**	56,181	**17,524**	10,805	**2,334**	2,135	**74,803**	69,121
Packaged vegetable	**71,752**	94,407	**325**	260	**–**	–	**72,077**	94,667
Beverage	**3,958**	2,285	**22,180**	19,877	**498**	715	**26,636**	22,877
Culinary	**24,848**	29,456	**27,549**	25,514	**–**	–	**52,397**	54,970
Others	**110**	(5)	**14,459**	10,219	**–**	–	**14,569**	10,214
Total	**155,613**	182,324	**82,037**	66,675	**2,832**	2,850	**240,482**	251,849
Share of joint venture, net of tax								
Packaged fruit	**–**	–	**(109)**	(123)	**–**	–	**(109)**	(123)
Packaged vegetable	**–**	–	**(117)**	(147)	**–**	–	**(117)**	(147)
Beverage	**–**	–	**(52)**	(74)	**–**	–	**(52)**	(74)
Culinary	**–**	–	**(463)**	(492)	**–**	–	**(463)**	(492)
Fresh fruit and others	**–**	–	**(35)**	(67)	**–**	–	**(35)**	(67)
Total	**–**	–	**(776)**	(903)	**–**	–	**(776)**	(903)
Profit/(loss) before taxation								
Packaged fruit	**(9,256)**	389	**8,840**	2,137	**1,508**	1,045	**1,092**	3,571
Packaged vegetable	**(12,420)**	20,605	**101**	(31)	**–**	–	**(12,319)**	20,574
Beverage	**502**	(718)	**8,781**	5,930	**323**	133	**9,606**	5,345
Culinary	**(6,723)**	1,419	**10,960**	10,716	**–**	–	**4,237**	12,135
Others	**1,754**	(2,732)	**4,119**	3,434	**–**	–	**5,873**	702
Total	**(26,143)**	18,963	**32,801**	22,186	**1,831**	1,178	**8,489**	42,327

	Americas		**Asia Pacific**		**Europe and Middle East**		**Total**	
	31 Oct 2016	**30 April 2016**	**31 Oct 2016**	**30 April 2016**	**31 Oct 2016**	**30 April 2016**	**31 Oct 2016**	**30 April 2016**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Reportable segment assets	**2,567,464**	2,243,508	**467,699**	432,429	**10,262**	18,687	**3,045,425**	2,694,624
segment liabilities	**1,863,822**	1,556,300	**778,026**	750,369	**58,830**	22,743	**2,700,678**	2,329,412
Capital expenditure	**26,875**	42,823	**5,404**	17,486	–	–	**32,279**	60,309

Major customer

Revenues from a major customer of the Americas segment for the quarters ended 31 October 2016 and 2015 amounted to US$311.5 million and US$295.0 million, representing 28% and 26% of the total revenue, respectively.

5. Seasonality of operations

The Group's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. For Americas, products are sold heavily during the Thanksgiving and Christmas seasons.

The Group operates several production facilities in the U.S., Mexico, Philippines and Venezuela. Fruit plants are located in California and Washington in the United States and Philippines, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana.

The Del Monte Foods, Inc. ("DMFI") has a seasonal production cycle that generally runs between the months of June and July. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the DMFI has contracts to co-pack certain processed fruit and vegetable products for other companies.

6. Property, plant and equipment

During the six months ended 31 October 2016, the Group acquired assets with a cost of US$34.4 million (six months ended 31 October 2015: US$22.6 million), which includes noncash acquisition. There was no significant disposal of property, plant and equipment in the six months ended 31 October 2016 and 31 October 2015.

7. Intangible assets and goodwill

	Goodwill	Indefinite life trademarks	Amortisable trademarks	Customer relationship	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Cost					
At 30 April 2016	203,432	408,043	36,080	120,500	768,055
At 1 May 2016/31 Oct 16	203,432	408,043	36,080	120,500	768,055
Accumulated amortisation					
At 1 May 2015	–	–	9,907	6,535	16,442
Reclassification	–	–	(8,087)	–	(8,087)
Amortisation	–	–	2,276	7,051	9,327
At 30 April 2016	–	–	4,096	13,586	17,682
At 1 May 2016	–	–	4,096	13,586	17,682
Amortisation	–	–	1,156	3,518	4,674
At 31 October 2016	–	–	5,252	17,104	22,356
Carrying amounts					
At 30 April 2016	203,432	408,043	31,984	106,914	750,373
At 31 October 2016	**203,432**	**408,043**	**30,828**	**103,396**	**745,699**

Goodwill

Goodwill arising from the acquisition of DMFI was allocated to DMFI and its subsidiaries, which is considered as one cash generating unit ("CGU").

Indefinite life trademarks

Management has assessed the following trademarks as having indefinite useful lives as the Group has exclusive access to the use of these trademarks on a royalty free basis.

America trademarks

The indefinite life trademarks arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the "Del Monte" trademark in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The Philippines trademarks

A subsidiary, Dewey, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("The Philippines trademarks").

Indian sub-continent trademark

In November 1996, a subsidiary, Del Monte Pacific Resources Limited ("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 a joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the company's product under the "Del Monte" brand name.

Asia 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$10.0 million.

Amortisable trademarks and customer relationships

	Net Carrying amount		Remaining amortisation period (years)	
	31 October 2016 US$'000	**30 April 2016 US$'000**	**31 October 2016**	**30 April 2016**
America Contadina trademark	**19,047**	19,597	17.3	17.8
Sager Creek trademarks	**10,289**	10,785	10.4	10.9
Asia S&W trademark	**29**	39	1.7	2.2
America S&W trademark	**1,463**	1,563	7.3	7.8
	30,828	31,984		

Asia S&W trademark

The amortisable trademark pertains to "Label Development" trademark.

America trademarks

The amortisable trademarks relate to the exclusive right to use of the "S&W" trademark in the United States, Canada, Mexico and certain countries in Central and South America and "Contadina" trademark in the United States, Canada, Mexico South Africa and certain countries in Asia Pacific, Central America, Europe, Middle East and South America market.

Sager Creek trademarks

The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others.

Customer relationships

Customer relationships relate to the network of customers where DMFI and Sager Creek has established relationships with the customers, particularly in the United States market through contracts.

	Net carrying amount		Remaining amortisation period (years)	
	31 October 2016 US$'000	30 April 2016 US$'000	31 October 2016	30 April 2016
DMFI customer relationships	**92,638**	95,313	17.3	17.8
Sager Creek customer relationships	**10,758**	11,601	6.4	6.9
	103,396	106,914		

Management has included the DMFI customer relationships in the DMFI CGU impairment assessment and concluded no impairment exist at the reporting date.

Goodwill, indefinite life trademarks and customer relationship have no impairment indication at reporting date.

Estimating useful lives of amortisable trademarks and customer relationships

The Group estimates the useful lives of its amortisable trademarks and customer relationships based on the period over which the assets are expected to be available for use. The estimated useful lives of the trademarks and customer relationships are reviewed periodically and are updated if expectations differ from previous estimates due to legal or other limits on the use of the assets. A reduction in the estimated useful lives of amortisable trademarks and customer relationships would increase recorded amortisation expense and decrease non-current assets.

8. Joint venture

			Effective Equity Held by the Group as at 30April	
Name of joint venture	**Principal activities**	**Place of Incorporation and Business**	**As at 31 Oct 2016 %**	**As at 30 Apr 2016 %**
FieldFresh Foods Private Limited ("FFPL")	Production and sale of fresh and processed fruits and vegetable food products	India	**47.38**	47.23
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	**35.00**	35.00

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

	31 October 2016	**30 April 2016**
	US\$'000	**US\$'000**
Assets		
Current assets	**25,387**	23,842
Noncurrent assets	**16,314**	17,110
Total assets	**41,701**	40,952
Liabilities		
Current liabilities	**(11,582)**	(14,283)
Noncurrent liabilities	**(25,781)**	(25,271)
Total liabilities	**(37,363)**	(39,554)
Net Assets	**4,338**	1,398

	31 October 2016	**31 October 2015**
	US\$'000	**US\$'000**
Results		
Revenue	**36,260**	32,240
Loss from continuing operations	**(1,585)**	(1,723)
Other comprehensive income	**–**	**–**
Total comprehensive income	**(1,585)**	(1,723)

	FFPL		**NFHKL**	
	31 October 2016	**30 April 2016**	**31 October 2016**	**30 April 2016**
	US\$'000	US\$'000	**US\$'000**	US\$'000
Group's interest in net assets of investee at beginning of period	20,661	20,419	2,159	2,171
Capital injection during the year	2,870	1,950	–	–
Group's share of:				
- loss from continuing operations	(792)	(1,705)	17	(12)
- other comprehensive income	–	(3)	–	–
- total comprehensive loss	(792)	(1,708)	17	(12)
Carrying amount of interest in investee at end of period	22,739	20,661	2,176	2,159

Source of Estimation Uncertainty

When the joint venture has suffered recurring 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 judgement and estimation. 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 cash flow projections.

9. Other noncurrent assets

	31 October 2016 US$'000	30 April 2016 US$'000
Advances to growers	**12,202**	10,342
Advance rentals and deposits	**7,043**	4,500
Excess insurance	**4,500**	6,628
Land expansion (development costs of acquired leased areas)	**2,677**	2,171
Prepayments, noncurrent	**628**	1,273
Others	**1,023**	1,027
	28,073	25,941

Excess insurance relate mainly to reimbursements from insurers to cover the workers' compensation.

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.

10. Biological assets

	31 October 2016 US$'000	30 April 2016 US$'000
Livestock (at cost)		
At beginning of the year/period	**1,447**	1,446
Purchases of livestock	**158**	525
Sales of livestock	**(161)**	(451)
Currency realignment	**(47)**	(73)
At end of the year/period	**1,397**	1,447
Growing crops (at cost)		
At beginning of the year /period	**124,015**	127,194
Additions	**39,864**	86,327
Harvested	**(41,502)**	(83,092)
Currency realignment	**(4,070)**	(6,414)
At end of the year /period	**118,307**	124,015

	31 October 2016 US$'000	30 April 2016 US$'000
Current	**83,524**	87,994
Noncurrent	**36,180**	37,468
Totals	**119,704**	125,462

	Note	31 October 2016 US$'000	30 April 2016 US$'000
Fair value of agricultural produce harvested	19	49,177	98,412

Growing crops

	31 October 2016	30 April 2016
Hectares planted with growing crops		
– Pineapples	**16,109**	15,822
– Papaya	**283**	205
Fruits harvested from the growing crops: (in metric tons)		
– Pineapples	**310,642**	622,842
– Papaya	**3,860**	4,903

11. Inventories

	31 October 2016 US$'000	30 April 2016 US$'000
Finished goods		
- at cost	**508,104**	644,667
- at net realisable value	**32,247**	12,843
Semi-finished goods		
- at cost	**468,592**	327
- at net realisable value	**11,140**	11,292
Raw materials and packaging supplies		
- at net realisable value	**138,502**	176,104
	1,158,585	845,233

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

	Note	31 October 2016 US$'000	30 April 2016 US$'000
At beginning of the year/period		**12,715**	11,701
Allowance for the year/period	*20*	**904**	2,926
Write-off against allowance		**(1,252)**	(1,508)
Currency realignment		**(313)**	(404)
At end of the year/period		**12,054**	12,715

The allowance for inventory obsolescence recognised during the period is included in "Cost of sales".

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.

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories expected to be realised. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after reporting date to the extent that such events confirm conditions existing at the reporting date. The Group reviews on a continuous basis the product movement, changes in customer demands and introductions of new products to identify inventories which are to be written down to the net realisable values. The write-down of inventories is reviewed periodically to reflect the accurate valuation in the financial records. An increase in write-down of inventories would increase the recorded cost of sales and operating expenses and decrease current assets

12. Trade and other receivables

	31 October 2016 US$'000	**30 April 2016 US$'000**
Trade receivables	**218,461**	152,936
Non trade receivables	**26,636**	22,677
Amounts due from joint venture (non-trade)	**6,016**	6,013
Allowance for doubtful accounts – trade	**(1,544)**	(1,640)
Allowance for doubtful accounts – nontrade	**(4,368)**	(4,454)
Trade and other receivables	**245,201**	175,532

The amounts due from subsidiaries and joint venture are unsecured, interest-free and repayable on demand. There is no allowance for doubtful debts arising from these outstanding balances.

The ageing of trade and non-trade receivables at the reporting date is:

	Gross		**Impairment losses**	
At 31 October 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	**162,468**	**18,086**	**–**	**–**
Past due 0 - 60 days	**48,473**	**472**	**–**	**–**
Past due 61 - 90 days	**3,077**	**306**	**–**	**–**
Past due 91 - 120 days	**220**	**149**	**–**	**–**
More than 120 days	**4,223**	**7,623**	**(1,544)**	**(4,368)**
	218,461	**26,636**	**(1,544)**	**(4,368)**

	Gross		Impairment losses	
At 30 April 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	97,404	13,967	–	–
Past due 0 - 60 days	35,835	846	–	–
Past due 61 - 90 days	3,825	799	–	–
Past due 91 - 120 days	3,688	122	–	–
More than 120 days	12,184	6,943	(1,640)	(4,454)
	152,936	22,677	(1,640)	(4,454)

The recorded impairment loss falls within the Group's historical experience in the collection of accounts receivables. Therefore, management believes that there is no significant additional credit risk beyond what has been recorded.

13. Prepaid expense and other current assets

	31 October 2016 US$'000	30 April 2016 US$'000
Prepaid expenses	**18,907**	24,397
Downpayment to contractors and suppliers	**11,113**	9,025
Derivative asset	**690**	1,473
Others	**147**	702
	30,857	35,597

Prepaid expenses consist of advance payments for insurance, advertising, rent and taxes, among others.

14. Cash and cash equivalents

	31 October 2016 US$'000	30 April 2016 US$'000
Cash on hand	**55**	50
Cash in banks	**23,020**	47,153
Short term placement	**413**	-
Cash and cash equivalent	**23,488**	47,203

Cash and cash equivalents comprise cash balances. Certain of the cash and bank balances earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.45% per annum.

15. Loans and borrowings

	31 October 2016 US$'000	30 April 2016 US$'000
Current liabilities		
Unsecured bank loans	**636,227**	501,481
Secured bank loans	**357,480**	225,879
	993,707	727,360
Non-current liabilities		
Unsecured bank loans	**191,214**	193,224
Secured bank loans	**924,203**	923,198
	1,115,417	1,116,422
	2,109,124	1,843,782

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate %	Year of maturity	31 October 2016 Face value US$'000	31 October 2016 Carrying amount US$'000	30 April 2016 Face value US$'000	30 April 2016 Carrying amount US$'000
Group							
Unsecured bank loans	PHP	2.10-4.75	2016-2020	**100,674**	**100,674**	97,697	97,697
Unsecured bank loans	USD	1.15-2.50	2016	**247,938**	**247,938**	119,145	119,145
Unsecured bridging loans	USD	2.13-4.15	2020	**130,000**	**129,324**	130,000	129,234
Unsecured bank loan	USD	90 days LIBOR +3.25%	2017	**350,000**	**349,505**	350,000	348,630
Secured bank loan under ABL Credit Agreement	USD	Libor +3.25%	2017	**356,383**	**353,548**	225,442	221,971
Secured First lien term loan	USD	Higher of Libor +3.25% or 4.25%	2016-2021	**692,250**	**677,308**	694,025	677,220
Secured Second lien term Loan	USD	Higher of Libor + 7.25% or 8.25%	2021	**260,000**	**250,827**	260,000	249,885
				2,137,245	**2,109,124**	1,876,309	1,843,782

New Loan Availment
The group financial liabilities increased by US$265 million mainly driven by the increase in DMFI loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the "ABL Facility") from US$222 million to US$354 million as of October 31, 2016.

Unsecured Bank Loans
Certain unsecured bank loan agreements contain various affirmative and negative covenants that are typical of these types of facilities such as financial covenants relating to required debt-to-equity ratio, interest cover and maximum annual capital expenditure restrictions. These covenants include requirements for delivery of periodic financial information and restrictions and limitations on indebtedness, investments, acquisitions, guarantees, liens, asset sales, disposals, mergers, and changes in business, dividends and other transfers.

The Group is compliant with its loan covenants as at 31 October 2016 and 30 April 2016.

Long Term Borrowings

Long Term Borrowings	Principal Amount (In Thousands)	Interest Rate	Maturity	Payment Terms (e.g. annually, quarterly, etc.)	Interest already paid 1 May 2016 to 31 Oct 2016	
Senior secured variable rate first lien term loan	USD 710,000	Higher of Libor +3.25% or 4.25%	2021	0.25% quarterly principal payments from 30 April 2014 to July 31, 2021; Balance due in full at its maturity, 18 February 2021.	USD	14,933
Senior secured second lien variable rate term loan	USD 260,000	Higher of Libor + 7.25% or 8.25%	2021	Due in full at its maturity, August 18, 2021.	USD	10,844
BDO bridging facility	USD 350,000	90d Libor + 3.5% margin	2017	Quarterly interest payment and principal on maturity date.	USD	7,199
BDO Long-Term Loan	USD 30,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	683
BDO Long-Term Loan	USD 100,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	2,275
BDO Long-Term Loan	PHP 3,000,000	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020	Quarterly interest payment and principal on maturity date.	PHP	71,662

16. Other noncurrent liabilities

	31 October 2016 US$'000	30 April 2016 US$'000
Workers' compensation	**28,209**	30,969
Derivative liabilities	**18,628**	21,527
Accrued lease liabilities	**5,580**	4,440
Deferred rental liabilities	**4,112**	5,173
Other payables	**629**	477
	57,158	62,586

17. Trade and other payables

	31 October 2016 US$'000	30 April 2016 US$'000
Trade payables	**252,194**	167,197
Accrued operating expenses		
Advertising	**18,021**	23,405
Professional fees	**17,470**	7,620
Taxes and insurance	**6,305**	6,146
Miscellaneous	**69,400**	44,438
Derivative liabilities	**13,690**	15,218
Accrued payroll expenses	**6,503**	6,875
Advances from customers	**1,203**	2,465
Withheld from employees (taxes and social security cost)	**992**	1,527
Other payables	**2,407**	6,152
	388,185	281,043

18. 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:

	Note	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Group						
31 October 2016						
Cash and cash equivalents	*14*	**23,488**	**–**	**–**	**23,488**	**23,488**
Trade and other receivables	*12*	**245,891**	**–**	**–**	**245,891**	**245,891**
Derivative asset	*13*	**–**	**690**	**–**	**690**	**690**
		269,379	**690**	**–**	**270,069**	**270,069**
Loans and borrowings	*15*	**–**	**–**	**2,109,124**	**2,109,124**	**2,059,541**
Trade and other payables*	*17*	**–**	**13,690**	**374,495**	**388,185**	**388,185**
Derivative liabilities	*17*	**–**	**18,628**	**–**	**18,628**	**18,628**
		–	**32,318**	**2,483,619**	**2,515,937**	**2,466,354**
30 April 2016						
Cash and cash equivalents	*14*	47,203	–	–	47,203	47,203
Trade and other receivables	*12*	175,532	–	–	175,532	175,532
Derivative asset	*13*	–	1,473	–	1,473	1,473
		222,735	1,473	–	224,208	224,208
Loans and borrowings	*15*	–	–	1,843,782	1,843,782	1,822,868
Trade and other payables*	*17*	–	15,218	263,354	278,572	278,572
Derivative liabilities	*17*	–	21,527	–	21,527	21,527
		–	36,745	2,107,136	2,143,881	2,122,967

* *excludes advances from customers*

19. Determination of fair values

Fair value hierarchy

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.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

			31 October 2016		
	Notes	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	690	–	690
Non-financial assets					
Fair value of agricultural produce harvested	10	–	–	49,177	49,177
Noncurrent assets held for sale	22	–	–	1,050	1,050
Freehold land		–	–	64,764	64,764
Financial liabilities					
Derivative liabilities	16, 17, 18	–	32,318	–	32,318

			30 April 2016		
		Level 1	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	1,473	–	1,473
Non-financial assets					
Fair value of agricultural produce harvested	10	–	–	98,412	98,412
Noncurrent assets held for sale	22	–	–	1,950	1,950
Freehold land		–	–	65,372	65,372
Financial liabilities					
Derivative liabilities	16, 17, 18	–	36,745	–	36,745

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Determination of fair values of financial assets

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial instruments measured at fair value

Type	**Valuation technique**
Forward exchange contracts	Market comparison technique: The fair values are based on brokers' quotes. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Interest rate swaps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve.
Commodities contracts	Market comparison technique: The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.

Financial instruments not measured at fair value

Type	**Valuation technique**
Financial liabilities	The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date (Level 2). The fair value of the loan is based on the discounted value of expected future cash flows using risk free rates and credit spread ranging from 3.7% to 4.6% (Level 3).
Other financial assets and liabilities	The notional amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are, because of the short period to maturity, assumed to approximate their fair values. All other financial assets and liabilities are discounted to determine their fair values.

Non-financial assets
The valuation techniques used for measuring the fair value of material assets acquired in both Sager Creek acquisition and DMFI were as follows:

Assets	**Valuation technique**
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considered quoted market prices for similar items when available, and depreciated replacement cost as appropriate.
Noncurrent assets held for sale	Market comparison technique: The fair values are based on brokers' quotes or assessments.
Trademarks	Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.
Customer relationship	Multi-Period Excess Earnings Method: Multi-Period Excess Earnings Method considers the present value of the incremental after-tax cash flows specific to the intangible asset after deducting contributory asset charges.
Inventories	Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

Other non-financial assets

Assets	**Valuation technique**	**Significant unobservable inputs**
Freehold land	The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighbourhood, utility, terrain, and the time element involved.
Livestock	Sales Comparison Approach: the valuation model is based on market price of livestock of similar age, weight, breed and genetic make-up (Level 3).	The unobservable inputs are age, average weight and breed.
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit adjusted for margin and costs to sell (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for fresh products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product (concentrates, pineapple beverages, sliced pineapples, etc.) adjusted for margin and associated costs related to production (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for processed products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.

20. Profit for the period

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

		Six months ended 31 October	
		2016	**2015**
		US$'000	**US$'000**
Provision for inventory obsolescence	11	904	464
Reversal of allowance for doubtful receivables (trade)		174	222
Amortisation of intangible assets	7	4,674	4,980
Depreciation of property, plant and equipment		26,403	28,903

21. General and administrative expenses

This account consists of the following:

	31 October 2016	**31 October 2015**
	US$'000	**US$'000**
Personnel costs	38,023	3,060
Professional and contracted services	19,737	20,324
Computer costs	6,910	5,649
Facilities expense	3,707	3,702
Postage and telephone	1,638	1,892
Travelling and business meals	1,469	1,067
Rental	1,139	1,042
Employee-related expenses	973	1,275
Machinery and equipment maintenance	475	476
Utilities	328	321
Materials and supplies	312	255
Research and development projects	298	347
Auto operating and maintenance costs	156	148
Miscellaneous overhead	5,861	13,805
Totals	81,026	53,363

Miscellaneous overhead consists of donation, corporate initiatives, and other expenses.

22. Noncurrent assets held for sale

In March 2015, management committed to a plan to sell part of the property, plant and equipment of Sager Creek. Accordingly, these assets are presented as noncurrent assets held for sale. Efforts to sell the assets have started and a sale is expected within twelve months.

Noncurrent assets held for sale amounted to US$1.1 million and US$2.0 million as at 30 October 2016 and 30 April 2016, respectively. There is no cumulative income or expenses included in other comprehensive income relating to the noncurrent assets held for sale.

23. Share capital

		31 October 2016		30 April 2016	
		No. of shares ('000)	US$'000	No. of shares ('000)	US$'000
Authorised:					
Ordinary shares of	US$0.01 each	3,000,000	30,000	3,000,000	30,000
Preference shares of	US$1.00 each	600,000	600,000	600,000	600,000
		3,600,000	630,000	3,600,000	630,000
Issued and fully paid:					
Ordinary shares of	US$0.01 each	1,944,936	19,449	1,944,936	19,449

Reconciliation of number of outstanding ordinary shares in issue:

	Period ended 31 October 2016 ('000)	Year ended 30 April 2016 ('000)
At beginning of the year/period	1,943,214	1,944,035
Acquisition of own shares	–	(821)
At end of the year/period	1,943,214	1,943,214

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.

In April 2014, the Company increased its authorised share capital from US$20.0 million, divided into 2,000,000,000 ordinary shares at US$0.01 per share, to US$630.0 million, divided into 3,000,000,000 ordinary shares at US$0.01 per share and 600,000,000 preference shares at US$1.00 per share. The preference shares may be issued in one or more series, each such class of shares will have rights and restrictions as the BOD may designate. The terms and conditions of the authorised preference share will be finalised upon issuance.

On 30 October 2014, the Company had additional ordinary shares listed and traded on the Philippine Stock Exchange. The Company had offered and sold by way of primary offer, 5,500,000 shares at an offer price of 17.00 Philippine pesos (Php) per share.

In March 2015, the Company issued 641,935,335 shares at an exercise price of S$0.325 or Php10.60 for each share in Singapore and the Philippines, respectively.

Total shares outstanding were at 1,943,214,106 as of 31 October 2016; (31 April 2016: 1,943,214,106). The Group successfully placed out 5.5 million ordinary shares in the Philippines on 30 October 2014 and successfully completed a Rights Issue in March 2015 resulting in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 October 2016 (31 April 2016: US$19.5 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan.

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 October 2016 (31 April 2016: 1,721,720). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 October 2016.

Capital management

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

The bank loans of the Company contain various capital covenants with respect to capital maintenance and ability to incur additional indebtedness. The BOD ensures that loan covenants are considered as part of its capital management through constant monitoring of covenant results through interim and full year results.

There were no changes in the Company's approach to capital management during the period.

24. Earnings per share

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

	Six months ended 31 October	
	2016	**2015**
Basic profit per share is based on:		
Profit for the period attributable to owners of the Company (US$'000)	11,442	37,076
Basic weighted average number of ordinary shares ('000):		
Issued ordinary shares at 1 May	1,943,214	1,944,035
Effect of own shares held	–	(37)
Weighted average number of ordinary shares at end of period (basic)	1,943,214	1,943,998
Basic profit per share (in US cents)	0.59	1.91

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.

	Six months ended 31 October	
	2016	**2015**
Diluted profit per share is based on:		
Profit for the period attributable to owners of the Company (US$'000)	11,442	37,076
Diluted weighted average number of shares ('000):		
Weighted average number of ordinary shares (basic)	1,943,214	1,943,998
Effect of share options on issue	746	746
Weighted average number of ordinary issued and potential shares assuming full conversion	1,943,960	1,944,744
Diluted profit per share (in US cents)	0.59	1.91

The potential ordinary shares issuable under the Del Monte RSP were excluded from the diluted weighted average number of ordinary shares calculation because their effect would decrease the loss per share and have an anti-dilutive effect.

25. Commitments and contingencies

Operating lease commitments

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group have commitments for future minimum lease payments under non-cancellable operating leases at approximately US$226.4 million.

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.

Purchase commitments

The Group has entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements at approximately US$977.6 million.

DMPL India Limited

As at 31 October 2016, a subsidiary, DMPL India Limited has a contingent liability amounting to INR371.3 million or an equivalent of US$5.6 million (30 April 2016: US$8.4 million) in the form of a letter of undertaking securing 50% of the obligations of FFPL under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

26. 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:

Category/ Transaction	Period (as of)	Amount of the transaction US$'000	Outstanding balance – receivables/ (payables) US$'000	Terms	Conditions
Under Common Control					
▪ Shared IT services	October 2016	230	72	Due and demandable;	Unsecured;
	April 2016	215	79	non–interest bearing	no impairment
▪ Sale of tomato paste	October 2016	4	–	Due and demandable;	Unsecured;
	April 2016	1,111	–	non–interest bearing	no impairment
▪ Inventory Count	October 2016	–	(190)	Due and demandable;	Unsecured;
Shortage	April 2016	25	–	non–interest bearing	no impairment
Purchases	October 2016	237	–	Due and demandable;	Unsecured;
	April 2016	826	–	non–interest bearing	no impairment
Tollpack fees	October 2016	296	–	Due and demandable;	Unsecured;
	April 2016	551	(63)	non–interest bearing	no impairment
Other Related Party					
▪ Management fees from Del Monte Philippines, Inc. ("DMPI") retirement	October 2016	2	511	Due and demandable;	Unsecured;
fund	April 2016	4	261	non–interest bearing	no impairment
▪ Rental to DMPI	October 2016	903	–	Due and demandable;	Unsecured;
Retirement	April 2016	1,365	(3)	non–interest bearing	no impairment
▪ Rental to NAI	October 2016	280	–	Due and demandable;	Unsecured;
Retirement	April 2016	529	(166)	non–interest bearing	no impairment
▪ Rental to DMPI	October 2016	2	–	Due and demandable;	Unsecured;
provident fund	April 2016	5	–	non–interest bearing	no impairment
▪ Purchase of services to	October 2016	14	–	Due and demandable;	Unsecured;
DMPI retirement	April 2016	30	–	non–interest bearing	no impairment
	October 2016	1,968	393		
	April 2016	4,661	108		

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.

27. Other Matters

a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.

b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favourable or unfavourable impact on net sales or revenues or income from continuing operations.

c. There were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual statements of financial position date.

d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

e. The effects of seasonality or cyclicality on the interim operations of the Group's businesses are explained in Note 4, Operating Segments.

f. The Group's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of October 31 2016. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short and long-term loans.

g. In fiscal year 2016, the Group elected to change the method of valuing inventory to first-in first-out (FIFO) method. Previously, the cost of finished goods inventory was based on the weighted average cost (WAC) method. The 2015 comparative information was restated to reflect the adjustment from WAC to FIFO.

The following summarizes the impact of change in inventory costing and reclassification:

	As previously reported US$'000	**Adjustments US$'000**	**As restated US$'000**
Income Statement			
Revenue	1,131,063	14,395	1,145,458
Cost of sales	(883,736)	(9,873)	(893,609)
Distribution and selling expenses	(89,822)	(11,426)	(101,248)
Other income (expenses) - net	(7,873)	(680)	(8,553)
Tax credit/expense - net	(4,725)	2,882	(1,843)
Loss for the year	**(46,489)**	**(3,358)**	**(49,847)**
Non-controlling interests	**(4,725)**	**(348)**	**(5,073)**
Owners of the Company	**(41,764)**	**(3,010)**	**(44,774)**
Earnings per share			
Basic loss per share (US cents)	2.12	(0.21)	1.91
Diluted loss per share (US cents)	2.12	(0.21)	1.91

h. The Group is the subject of, or a party to, other various suits and pending or threatened litigation. While it is not feasible to predict or determine the ultimate outcome of these matters. The Group believes that none of these legal proceedings will have a material adverse effect on its financial position. As a result,

Annex A

Key Performance Indicators

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

A. Current Ratio

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Current Ratio	**1.0841**	**1.4486**	**1.1412**	**Minimum of 1.20**

Current ratio decreased due to higher current financial liabilities

B. Debt to Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Debt to Equity	**7.8338**	**7.4731**	**6.3782**	**Maximum of 2.50**

Debt ratio has significantly improved versus last year driven by additional loans made by DMPL and improved profitability.

C. Net Profit Margin

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Net Profit Margin attributable to owners of the company	**1.04%**	**3.24%**	**2.27%**	**Minimum of 3%**

The decrease is mainly on the lower net profit than last year due to the OPEB adjustment made last year.

D. Return on Asset

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Asset	**0.34%**	**1.35%**	**2.02%**	**Minimum of 1.21**

The decrease is mainly on the lower net profit than last year due to the OPEB adjustment made last year and increase in operating assets compared to same period last year.

E. Return on Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Equity	**2.96%**	**11.45%**	**14.93%**	**Minimum of 8%**

Decrease is mainly on the lower net income due to OPEB adjustment made last year and dividends paid this year.

Material Changes in Accounts

A. Cash and cash equivalent

Lower cash mainly on lower net cash

B. Inventories

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

C. Trade and other receivables

The increase in trade and other receivables is mainly on the timing of collection.

E. Intangible assets

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

F. Trade & other payables

Increase in trade and other payables are mainly due to purchases to support working capital build during the quarter.

H. Financial liabilities

Increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

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

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

Annex B

DEL MONTE PACIFIC, LTD.
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	For the six months ended October 31, 2016	October 31, 2015
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.5
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.2	0.3
(ii) Solvency Ratio	Total Assets / Total Debt*	1.1	1.1
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.9	0.9
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	7.8	7.5
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	8.8	8.5
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	1.1	1.9
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	21.83%	21.99%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	1.04%	3.24%
Net Profit Margin	Net Profit / Sales	0.93%	3.53%
Return on Assets	Net Income / Total Assets	0.34%	1.50%
Return on Equity	Net Income / Total Stockholders' Equity	2.96%	11.45%

* *Total Debt refers to total liabilities which composed of financial liabilities, trade payables, accrued expenses, and other liabilities.*
*** EBIT =Profit before tax plus finance expenses excluding foreign exchange gain/loss*

DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Second Quarter and First Half Ended October 2016

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AUDIT

Second Quarter FY2017 results covering the period from 1 August 2016 to 31 October 2016 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2016 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2016, which did not have significant impact to the Group:

- IFRS 14 Regulatory Deferral Accounts effective 1 January 2016
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) effective 1 January 2016
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28,
  Investment Entities: Applying the Consolidation Exception effective 1 January 2016
- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective 1 January 2016
- Amendments to IAS 1, Disclosure Initiative effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 cycle effective 1 January 2016

For the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants), the Group is in the process of finalising the approach and impact and will effect the same by FY2017 yearend.

The Group will adopt the following new standards on the respective effective dates:

- IFRS 9 Financial Instruments. IFRS 9 effective 1 January 2018
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 16, Leases effective 1 January 2019

DISCLAIMER

This announcement may contain statements regarding the business of Del Monte Pacific Limited and its subsidiaries (the “Group”) that are of a forward looking nature and are therefore based on management’s assumptions about future developments. Such forward looking statements are typically identified by words such as ‘believe’, ‘estimate’, ‘intend’, ‘may’, ‘expect’, and ‘project’ and similar expressions as they relate to the Group. Forward looking statements involve certain risks and uncertainties as they relate to future events. Actual results may vary materially from those targeted, expected or projected due to various factors.

Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers’ performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. Such factors that may affect the Group’s future financial results are detailed in the Annual Report. The reader is cautioned to not unduly rely on these forward-looking statements.

Neither the Group nor its advisers and representatives shall have any liability whatsoever for any loss arising, whether directly or indirectly, from any use or distribution of this announcement or its contents.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares in Del Monte Pacific.

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7.7 under Rule 720(1) have been procured.

DIRECTORS’ ASSURANCE

Confirmation by Directors Pursuant to Clause 705(5) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Del Monte Pacific Limited which may render these interim financial statements to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of Del Monte Pacific Limited

(Signed)
Rolando C Gapud
Executive Chairman

(Signed)
Joselito D Campos, Jr
Executive Director

6 December 2016

NOTES ON THE 2Q FY2017 DMPL RESULTS

1. DMPL's effective stake in DMFI is 89.4%, hence the non controlling interest line (NCI) in the P&L. Net income is net of NCI.

2. FY would mean Fiscal Year for the purposes of this MD&A.

3. DMPL changed its Group accounting policy with respect to measurement of the cost of inventory from weighted average to FIFO method in April 2016. The change in accounting policy was applied retrospectively.

FINANCIAL HIGHLIGHTS – SECOND QUARTER AND FIRST HALF ENDED 31 OCTOBER 2016

	For the three months ended 31 October			For the six months ended 31 October		
in US$'000 unless otherwise stated*	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Gross margin (%)	***23.1***	*22.4*	*0.7*	***21.8***	*22.0*	(0.2)
Operating profit**	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Operating margin (%)	***8.5***	*12.9*	*(4.4)*	***5.5***	*7.7*	(2.2)
Net profit attributable to owners of the Company - with one-off items**	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Net margin (%)	***3.2***	*7.2*	*(2.4)*	***1.0***	*3.2*	(2.2)
EPS (US cents)	**1.04**	2.46	(57.7)	**0.59**	1.91	(69.1)
Net profit attributable to owners of the Company – without one-off items**	**21,025**	15,817	32.9	**15,128**	6,857	120.6
Net debt	**2,085,636**	2,022,999	3.1	**2,085,636**	2,022,999	3.1
*Gearing*** (%)*	***605.0***	*572.0*	*33.0*	***605.0***	*572.0*	33.0
EBITDA**	**71,421**	103,210	(30.8)	**95,089**	122,886	(22.6)
Cash flow/(outflow) from operations	**(153,584)**	(132,999)	11.4	**(193,672)**	(278,921)	(32.5)
Capital expenditure	**12,738**	12,770	(0.3)	**32,279**	22,567	43.0
Inventory (days)	**154**	138	16	**209**	188	21
Receivables (days)	**25**	25	–	**31**	31	–
Account Payables (days)	**46**	52	(6)	**46**	52	(6)

**The Company's reporting currency is US dollars. For conversion to S$, the following exchange rates can be used: 1.36 in October 2016, 1.37 in October 2015. For conversion to PhP, these exchange rates can be used: 47.52 in October 2016, 45.84 in October 2015.*

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

****Gearing = Net Debt / Equity*

REVIEW OF OPERATING PERFORMANCE

Second Quarter

The Group achieved sales of US$636.2 million for the second quarter of FY2017, down 4.6% versus the prior year period driven by lower sales in the USA, partially offset by the strong performance in the Philippines under the Del Monte brand, and rest of Asia under the S&W brand.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) contributed US$493.3 million or 77.5% of Group sales. DMFI's sales declined by 9.1% due to lower inventory builds on packaged vegetable ahead of the holiday season, and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

DMFI generated lower gross profit and margin of 19.7% from 20.1% in the prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private labels and export. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

DMFI has launched a multiyear restructuring initiative in FY2016 which aims at optimising G&A costs and should improve profitability by 150 to 200 basis points on an annualised basis. The closure of the North Carolina plant was one of these initiatives as well as the shift to a leaner organisation in the United States which had a cost impact.

These one-off expenses amounted to US$1.5 million pre-tax or US$0.9 million post-tax in the second quarter. Please refer to the last page of this MD&A for a schedule of the one-off items. Excluding the one-off expenses, DMFI contributed an EBITDA of US$46.1 million and a net income of US$8.5 million to the Group.

Sales of DMPL ex-DMFI were higher as compared to the same period last year. Last year was severely impacted by reduced pineapple supply as a result of the El Niño weather pattern. DMPL ex-DMFI generated sales of US$155.1 million (inclusive of the US$11.2 million sales by DMPL to DMFI which were netted out during consolidation), higher by 12.8%.

It delivered higher gross margin of 32.1% from 29.5% in the prior year quarter driven by improvement in productivity in the cannery, improved pricing as well as lower commodity costs particularly packaging. DMPL ex-DMFI generated an EBITDA of US$26.8 million which was higher by 31.3% and a net income of US$12.5 million, significantly higher versus the US$6.2 million in the same period last year.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the rapidly growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East performed very strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

DMPL's share of loss in the FieldFresh joint venture in India was at US$0.4 million, same as prior year. Del Monte packaged business saw strong growth from key accounts and foodservice segments led by improved volume in ketchup, packaged fruit, mayonnaise and olive oil. Higher sales and production efficiencies resulted in FieldFresh generating a positive EBITDA for the quarter.

The Group's EBITDA of US$71.4 million was lower than last year's EBITDA of US$103.2 million. This quarter's EBITDA included US$1.5 million of one-off expenses from severance and closure of the North Carolina plant, while prior year period's net income included a one-time net gain of US$33.4 million mainly from DMFI's retirement plan amendment. Without the one-off items, the Group recurring EBITDA of US$72.9 million was higher versus last year's recurring EBITDA of US$69.8 million.

The Group incurred a net income of US$20.2 million for the quarter, lower versus prior year period's net income of US$47.8 million. This quarter's net income included US$0.9 million of one-off expenses, while prior year period's included the one-time net gain of US$31.9 million. Without the one-off items, the Group reported a recurring net income of US$21.0 million, higher than last year's recurring net income of US$15.8 million.

The Group's cash outflow from operations in the second quarter was US$153.6 million, driven by inventory build-up in preparation for the seasonally stronger second semester. Cash outflow was higher versus last year's US$133.0 million driven by higher receivables.

Past the production peak in October, cash flows are expected to improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April.

First Half

For the first half of FY2017, the Group generated sales of US$1.1 billion, down 3.8% versus prior year. DMFI generated US$0.8 billion or 76.6% of Group sales, lower by 7.8% versus prior year due to continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction DMFI increased market share across two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

The Philippine market's sales were up double-digit driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration supported by new advertising campaigns and consumer communication. The foodservice channel also delivered robust growth. New products in culinary segment have been successfully launched as per plan.

The S&W branded sales in Asia and the Middle East rose double-digit versus last year on higher sales from both the fresh and packaged segments.

DMFI's gross margin for the full year declined to 17.9%, from 19.6% in the same period last year mainly driven by higher trade spend and lower volume in the US. In addition, first half gross margin included the US$2.7 million impact of North Carolina plant closure.

DMPL ex-DMFI's gross profit grew to US$89.6 million, and its gross margin increased to 31.7% from 28.5% due to better sales mix, pricing actions and cost optimisation.

DMPL's share of loss in the FieldFresh joint venture in India was flat at US$0.8 million, as FieldFresh continued to invest behind the business to grow the Del Monte packaged business in India.

DMPL's net income without DMFI was US$21.9 million, significantly up versus prior period's US$8.7 million mainly from improvement in gross margin as outlined above.

The DMPL Group generated a net income of US$11.4 million for the first half FY2017, lower than prior year period's net income of US$37.1 million due to the one-time net gain of US$30.2 million mainly from DMFI's retirement plan amendment last year. Meanwhile, first half FY2017 results included the US$2.7 million one-off item mentioned above plus the US$3.7 million of other restructuring costs, primarily severance expense. Please refer to the last page of the MD&A for the schedule of non-recurring items.

Excluding the one-off items, the Group's recurring net income would have been US$15.1 million, higher versus the recurring net income last year of US$6.9 million mainly driven by the strong performance of the Asian business.

The Group posted an EBITDA of US$95.1 million of which DMFI accounted for US$46.6 million. Excluding one-off items, the Group's recurring EBITDA would have been US$101.5 million, 9.7% higher versus the recurring EBITDA of US$92.5 million in the prior year period.

VARIANCE FROM PROSPECT STATEMENT

The first half results showed a net income for the Group. It is on track to achieving a net profit for the full year which is in line with earlier guidance.

BUSINESS OUTLOOK

Barring unforeseen circumstances, the Group will continue to be profitable for FY2017.

The Group expects its US business to improve its financial performance through procurement synergies and transformation, and optimisation of G&A costs through the multiyear restructuring initiative that started in FY2016. It also completed an organisational realignment to create a leaner and more agile management structure to be better positioned for growth and new business opportunities. From the restructuring that was announced in June 2016, the organisation in the US had been streamlined which would generate savings of over US$9.0 million annually.

In the mid-to-long term, the Group will continue to strengthen its core business and develop new products in the United States to unlock the growth potential of its products and brands. It will accelerate its penetration of the foodservice sector, and invest to grow broth through the College Inn brand and healthy snack offerings.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. It will ride on the strong growth of the Philippine economy fuelling the expansion of the retail and foodservice sectors, while it further develops its beverage and culinary business.

S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East, while the Group's joint venture in India will continue to generate higher sales and maintain its positive EBITDA.

The Group continues to explore e-commerce opportunities for its range of products across markets.

As part of the Group's deleveraging plan subject to market conditions, DMPL intends to issue early next year US dollar denominated perpetual preference shares in the Philippine capital market, to be listed on the Philippine Stock Exchange (PSE). The Company has received approvals from the Philippine SEC and the Bangko Sentral ng Pilipinas (Central Bank) and is awaiting the approval of its listing application from the PSE. As this is the first US$-denominated preference shares to be issued and listed on the PSE, PSE's trading platform is being enhanced for dollar denominated transactions. The SEC has recently approved the PSE's Dollar Denominated Securities rules. The proposed issue will be up to US$360 million (with an initial tranche of up to US$250 million and the balance issuable within three years) that will result in a further improvement in the Group's leverage ratios.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**
Packaged fruit	**180,648**	187,821	(3.8)	**33,703**	32,248	4.5	**9,440**	19,645	(51.9)
Packaged vegetable	**221,800**	260,182	(14.8)	**46,836**	57,402	(18.4)	**17,776**	39,538	(55.0)
Beverage	**5,958**	7,242	(17.7)	**1,274**	1,221	4.3	**806**	336	139.9
Culinary	**83,594**	87,349	(4.3)	**17,337**	19,657	(11.8)	**6,252**	12,478	(49.9)
Others	**400**	–	n.m.	**189**	(3)	n.m.	**1,391**	(1,339)	203.9
Total	**492,400**	542,594	(9.3)	**99,339**	110,525	(10.1)	**35,665**	70,658	(49.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**
Packaged fruit	**309,664**	321,415	(3.7)	**54,945**	56,181	(2.2)	**6,877**	16,409	(58.1)
Packaged vegetable	**376,981**	431,113	(12.6)	**71,752**	94,407	(24.0)	**14,216**	41,786	(66.0)
Beverage	**15,873**	13,940	13.9	**3,958**	2,285	73.2	**1,505**	(15)	n.m.
Culinary	**139,547**	149,813	(6.9)	**24,848**	29,456	(15.6)	**1,965**	8,834	(77.8)
Others	**497**	11	n.m.	**110**	(5)	n.m.	**1,784**	(2,732)	165.3
Total	**842,562**	916,292	(8.0)	**155,613**	182,324	(14.7)	**26,347**	64,282	(59.0)

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

Sales in the Americas declined by 9.3% to US$492.4 million due to lower packaged fruit and vegetable and lower culinary sales due to lower inventory builds on packaged vegetable ahead of the holiday season and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

Gross profit was lower than prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private label and exports. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

Operating income for the quarter of US$35.7 million was lower than prior year quarter's US$70.7 million. Prior year benefited from the one-time net gain of US$33.4 million mainly from DMFI's change in retirement benefit.

ASIA PACIFIC

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**32,867**	23,440	40.2	**10,012**	6,403	56.4	**5,463**	2,466	121.5
Packaged vegetable	**450**	432	4.2	**177**	106	67.0	**116**	16	625.0
Beverage	**32,863**	33,105	(0.7)	**9,956**	9,746	2.2	**3,434**	3,637	(5.6)
Culinary	**40,951**	40,525	1.1	**16,815**	16,333	3.0	**5,660**	7,722	(26.7)
Others	**33,264**	18,597	78.9	**9,340**	4,315	116.5	**3,049**	634	380.9
Total	**140,395**	116,099	20.9	**46,300**	36,903	25.5	**17,722**	14,475	22.4

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**59,458**	44,789	32.8	**17,524**	10,805	62.2	**8,766**	2,641	231.9
Packaged vegetable	**959**	1,030	(6.9)	**325**	260	25.0	**217**	99	119.2
Beverage	**67,387**	67,289	0.1	**22,180**	19,877	11.6	**8,625**	6,305	36.8
Culinary	**67,232**	64,585	4.1	**27,549**	25,514	8.0	**11,225**	11,378	(1.3)
Others	**56,282**	37,963	48.3	**14,459**	10,219	41.5	**3,963**	2,690	47.3
Total	**251,318**	215,656	16.5	**82,037**	66,675	23.0	**32,796**	23,113	41.9

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

Asia Pacific's sales in the second quarter improved by 20.9% to US$140.4 million from US$116.1 million on higher packaged fruit, culinary sales and others.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the fast growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East also performed strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

Operating profit in the second quarter rose 22.4% to US$17.7 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and lower promotion spending.

EUROPE

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**2,882**	4,457	(35.3)	**1,132**	1,180	(4.1)	**763**	613	24.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**525**	3,610	(85.5)	**126**	745	(83.1)	**44**	299	(85.3)
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**3,407**	8,067	(57.8)	**1,258**	1,925	(34.6)	**807**	912	(11.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**6,392**	8,992	(28.9)	**2,334**	2,135	9.3	**1,488**	1,140	30.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**1,453**	4,518	(67.8)	**498**	715	(30.3)	**319**	150	112.7
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**7,845**	13,510	(41.9)	**2,832**	2,850	(0.6)	**1,807**	1,290	40.1

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

For the second quarter, Europe's sales declined by 57.8% to US$3.4 million from US$8.1 million due to pineapple supply imbalance. Sales are expected to recover in the second half of the fiscal year.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 31 October			For the six months ended 31 October		
	FY2017	FY2016	**Comments**	**FY2017**	FY2016	**Comments**
Cost of Goods Sold	**44.4**	45.2	Lower pineapple cost from better yield and higher recovery	78.2	78.0	Higher DMFI cost, partially offset by lower pineapple cost from better yield and higher recovery
Distribution and Selling Expenses	**4.9**	4.8	Mainly due to timing of spending	9.0	8.8	Same as 2Q
G&A Expenses	**3.6**	0.5	Last year included DMFI's one-time gain on employee benefits	7.4	4.7	Same as 2Q
Other Operating Income	**(0.1)**	0.3	Lower miscellaneous expenses	(0.1)	0.7	Same as 2Q

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US$'000	**For the three months ended 31 October**				**For the six months ended 31 October**			
	FY2017	FY2016 (Restated)	**%**	**Comments**	**FY2017**	FY2016 (Restated)	**%**	**Comments**
Depreciation and amortisation	**(13,916)**	(16,872)	(17.5)	Mainly due to lower amortisation due to change in estimate of trademark	**(31,077)**	(33,883)	(8.3)	Same as 2Q
Reversal of asset impairment	**–**	117	n.m.	No impairment for the quarter	**–**	238	n.m.	Same as 2Q
(Provision)/reversal for inventory obsolescence	**6,036**	5,761	4.8	Due to timing of the provision	**(904)**	(464)	(94.8)	Same as 2Q
Provision for doubtful debts	**(125)**	(120)	4.2	Due to timing of the provision	**(174)**	(222)	(21.6)	Same as 2Q
Gain/(loss) on disposal of fixed assets	**540**	(161)	n.m.	Due to timing of disposal	**(203)**	(277)	(26.7)	Same as 2Q
Foreign exchange gain-net	**3,747**	595	529.9	Favourable impact of peso depreciation for the quarter	**3,839**	1,172	227.6	Same as 2Q
Interest income	**124**	58	113.7	Higher interest income from operating assets	**251**	160	56.9	Same as 2Q
Interest expense	**(28,927)**	(24,443)	18.3	Higher level of borrowings	**(55,775)**	(46,787)	19.2	Same as 2Q
Share of loss of JV, (attributable to the owners of the Company)	**(393)**	(300)	30.9	Higher sales in Indian joint venture were offset by Nice fruit higher expenses.	**(733)**	(853)	(14.1)	Higher sales in Indian joint venture
Taxation	**(7,684)**	(9,294)	(17.3)	Due to lower income mainly on DMFI	**1,728**	(1,843)	(193.8)	Due to higher DMFI loss position

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances	**31 October 2016**	**31 October 2015 (Restated)**	**30 April 2016**	**Comments**
in US$'000				
Joint venture	**24,915**	23,802	22,820	Driven by additional capital call for FieldFresh
Deferred tax assets	**104,127**	89,665	100,899	Due to increase in non-current deferred charges
Other assets	**28,073**	28,809	25,941	Due to decrease in excess insurance
Biological assets	**119,704**	126,905	125,462	Mainly due to lower field mix and translation
Inventories	**1,158,585**	1,100,568	845,233	Due to DMFI's lower sales
Trade and other receivables	**245,201**	255,415	175,532	Due to timing of collection
Prepaid and other current assets	**30,857**	24,280	35,597	Due to increase in DMPI's down payments to capex
Cash and cash equivalents	**23,488**	22,084	47,203	Mainly on increased borrowings
Financial liabilities – non-current	**1,115,417**	1,464,869	1,116,422	Reclassification of loans from non-current to current
Other non-current liabilities	**57,158**	71,955	62,586	Lower derivatives and workers compensation
Employee benefits– non-current	**99,482**	74,393	97,118	Due to higher employee retirement plan
Financial liabilities – current	**993,707**	580,214	727,360	Due to working capital requirements
Trade and other payables	**383,873**	428,788	281,043	Due to lower trade and accrued expenses
Current tax liabilities	**4,250**	1,400	3,827	Due to timing of tax payment

SHARE CAPITAL

Total shares outstanding were at 1,943,214,106 as of 31 October 2016; (31 October 2015: 1,943,737,506). The Group successfully placed out 5.5 million ordinary shares in the Philippines on 30 October 2014 and successfully completed a Rights Issue in March 2015 resulting in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 October 2016 (31 October 2015: US$19.5 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 2011	–	67,700	Non-Executive Director
30 April 2013	150,000	486,880	Key Executives
22 August 2013	–	688,000	Executive/Non-Executive Directors
1 July 2015	75,765	57,918	Executive/Non-Executive Directors

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 October 2016 (31 October 2015: 1,198,320). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 October 2016.

BORROWINGS AND NET DEBT

	As at 31 October		As at 30 April
Liquidity in US$'000	**2016**	2015	2016
Gross borrowings	**(2,109,124)**	(2,045,083)	(1,843,782)
Current	**(993,707)**	(580,214)	(727,360)
Secured	**(357,480)**	(361,367)	(225,879)
Unsecured	**(636,227)**	(218,847)	(501,481)
Non-current	**(1,115,417)**	(1,464,869)	(1,116,422)
Secured	**(924,203)**	(923,950)	(923,198)
Unsecured	**(191,214)**	(540,919)	(193,224)
Less: Cash and bank balances	**23,488**	22,084	47,203
Net debt	**(2,085,636)**	(2,022,999)	(1,796,579)

The Group's net debt (cash and bank balances less borrowings) amounted to US$2.1 billion as at 31 October 2016, slightly higher than last year to support working capital requirements.

Past the production peak in October, cash flows are expected to further improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April. This will allow the Group to deleverage in the second semester.

DIVIDENDS

No dividends were declared for this quarter and corresponding prior year quarter.

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 second quarter of the fiscal year**	**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)**	
	FY2017	FY2016	**FY2017**	FY2016
NutriAsia, Inc	**–**	–	**767**	1,434
DMPI Retirement Fund	**–**	–	**919**	740
NutriAsia, Inc Retirement Fund	**–**	–	**280**	309
Aggregate Value	**–**	–	**1,966**	2,483

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	For the three months ended 31 October			For the six months ended 31 October		
	FY2017 **(Unaudited)**	FY2016 (Unaudited) (Restated)	%	**FY2017** **(Unaudited)**	FY2016 (Unaudited) (Restated)	%
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Cost of sales	**(489,305)**	(517,407)	(5.4)	**(861,243)**	(893,609)	(3.6)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Distribution and selling expenses	**(54,378)**	(54,685)	(0.6)	**(99,683)**	(101,248)	(1.5)
General and administration expenses	**(39,264)**	(5,383)	629.2	**(81,026)**	(53,363)	51.8
Other operating income	**939**	(3,239)	129.0	**1,177**	(8,553)	113.8
Profit from operations	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Financial income*	**3,871**	966	300.7	**4,109**	2,204	86.4
Financial expense*	**(28,927)**	(24,756)	16.8	**(55,794)**	(47,659)	17.1
Net finance expense	**(25,056)**	(23,790)	5.3	**(51,685)**	(45,455)	13.7
Share of loss of joint venture, net of tax	**(417)**	(325)	28.3	**(776)**	(903)	(14.1)
Profit before taxation	**28,721**	61,931	(53.6)	**8,489**	42,327	(79.9)
Taxation	**(7,684)**	(9,294)	(17.3)	**1,728**	(1,843)	193.8
Profit after taxation	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Profit(loss) attributable to:						
Owners of the Company	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Non-controlling interest**	**876**	4,884	(82.1)	**(1,225)**	3,408	(135.9)
Profit/(loss) for the period	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Notes:						
Depreciation and amortization	**(13,916)**	(16,872)	(17.5)	**(31,077)**	(33,883)	(8.3)
Provision of asset impairment	**–**	117	n.m.	**–**	238	n.m.
(Provision)/reversal for inventory	**6,036**	5,761	19.2	**(904)**	(464)	94.8
Provision for doubtful debts	**(125)**	(120)	4.2	**(174)**	(222)	(21.6)
Loss on disposal of fixed assets	**540**	(161)	n.m.	**(203)**	(277)	(26.7)
***Financial income comprise:**						
Interest income	**124**	58	113.7	**251**	160	56.9
Foreign exchange gain	**3,747**	908	312.7	**3,858**	2,044	88.7
	3,871	966	300.7	**4,109**	2,204	86.4
***Financial expense comprise:**						
Interest expense	**(28,927)**	(24,443)	18.3	**(55,775)**	(46,787)	19.2
Foreign exchange loss	**–**	(313)	n.m.	**(19)**	(872)	(97.8)
	(28,927)	(24,756)	16.8	**(55,794)**	(47,659)	17.1

n.m. – not meaningful

Earnings per ordinary share in US cents	For the three months ended 31 October		For the six months ended 31 October	
	FY2017	FY2016	**FY2017**	FY2016
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	**1.04**	2.46	**0.59**	1.91
(ii) On a fully diluted basis	**1.04**	2.46	**0.59**	1.91

***Includes (US$1,183m) for DMFI and (US$42m) for FieldFresh in the first half ended FY2017 and US$3,460m for DMFI and (US$49m) for FieldFresh in the first half ended of FY2016.*
Includes US$899m for DMFI and (US$23m) for FieldFresh in the second quarter of FY2017 and US$4,910m for DMFI and (US$24m) for FieldFresh in the second quarter of FY2016.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the six months ended 31 October**		
	FY2017	**FY2016 (Restated)**	**%**
Profit for the period	**10,217**	40,484	(74.8)
Other comprehensive income (after reclassification adjustment):			
Items that will or may be reclassified subsequently to profit or loss			
Exchange differences on translating of foreign operations	**(9,769)**	(13,643)	(28.4)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)	(139.1)
Income tax benefit (expense) on cash flow hedge	**(914)**	1,075	(134.3)
	(8,316)	(17,225)	(51.7)
Items that will not be classified to profit or loss			
Remeasurement of retirement benefit	**4,086**	1,323	208.8
Income tax benefit on retirement benefit	**(1,162)**	4,866	(123.9)
	2,924	6,189	(52.8)
Other comprehensive loss for the period	**(5,392)**	(11,036)	(51.1)
Total comprehensive income for the period	**4,825**	29,448	(83.6)
Attributable to:			
Owners of the Company	**5,589**	25,776	(78.3)
Non-controlling interests	**(764)**	3,672	(120.8)
Total comprehensive income for the period	**4,825**	29,448	(83.6)

nm – not meaningful

Please refer to page 3 for the Notes

DEL MOTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	**Group**			**Company**		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Non-Current Assets						
Property, plant and equipment – net	**563,726**	564,423	563,614	–	–	–
Subsidiaries	–	–	–	**773,144**	807,274	749,133
Joint ventures	**24,915**	23,802	22,820	**2,551**	2,551	2,551
Intangible assets and goodwill	**745,699**	754,719	750,373	–	–	–
Other noncurrent assets	**28,073**	28,809	25,941	–	–	–
Deferred tax assets – net	**104,127**	89,665	100,899	3	3	–
Biological assets	**36,180**	43,019	37,468	–	–	–
	1,502,720	1,504,437	1,501,115	**775,698**	809,828	751,684
Current Assets						
Inventories	**1,158,585**	1,100,568	845,233			–
Biological assets	**83,524**	83,886	87,994			–
Trade and other receivables	**245,201**	255,415	175,532	**129,837**	100,112	145,240
Prepaid and other current assets	**30,857**	24,280	35,597	**228**	676	257
Cash and cash equivalents	**23,488**	22,084	47,203	**380**	392	361
	1,541,655	1,486,233	1,191,559	**130,445**	101,180	145,858
Noncurrent assets held for sale	**1,050**	5,801	1,950	–	–	–
	1,542,705	1,492,034	1,193,509	**130,445**	101,180	145,858
Total Assets	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
Equity attributable to equity holders of the Company						
Share capital	**19,449**	19,449	19,449	**19,449**	19,449	19,449
Retained earnings	**134,480**	134,408	148,866	**134,480**	134,408	148,866
Reserves	**129,611**	137,473	134,926	**129,750**	137,675	135,065
Equity attributable to owners of the Company	**283,540**	291,330	303,241	**283,679**	291,532	303,380
Non-controlling interest	**61,207**	62,316	61,971	–	–	–
Total Equity	**344,747**	353,646	365,212	**283,679**	291,532	303,380
Non-Current Liabilities						
Loans and borrowings	**1,115,417**	1,464,869	1,116,422	**129,324**	476,899	129,234
Other noncurrent liabilities	**57,158**	71,955	62,586	–	–	–
Employee benefits	**99,482**	74,393	97,118	–	–	–
Environmental remediation liabilities	**4,507**	4,560	6,313	–	–	–
Deferred tax liabilities	**1,116**	1,092	1,092	–	–	–
	1,277,680	1,616,869	1,283,531	**129,324**	476,899	129,234

To be continued

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Amounts in US$'000	**Group**			**Company**		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Current Liabilities						
Trade and other payables	**388,185**	428,788	281,043	**93,985**	127,577	116,298
Loans and borrowings	**993,707**	580,214	727,360	**399,155**	15,000	348,630
Current tax liabilities	**4,250**	1,400	3,827	–	–	–
Employee benefits	**36,856**	15,554	33,651	–	–	–
	1,422,998	1,025,956	1,045,881	**493,140**	142,577	464,928
Total Liabilities	**2,700,678**	2,642,825	2,329,412	**622,464**	619,476	594,162
Total Equity and Liabilities	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
NAV per ordinary share (US cents)	**17.74**	29.51	18.79	**14.60**	24.33	15.61

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Group												
Fiscal Year 2016												
At 1 May 2015, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	105,664	(629)	273,856	59,590	333,446
Impact of change in accounting policy	–	–	7	–	–	–	–	(8,332)	–	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	97,332	(629)	265,531	58,644	324,175
Total comprehensive income for the period												
Profit for the period	–	–	–	–	–	–	–	37,076	–	37,076	3,408	40,484
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)	4	(13,643)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765	(576)	6,189
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(4,418)	–	–	–	(4,418)	836	(3,582)
Total other comprehensive income/(loss)	–	–	(13,647)	–	6,765	(4,418)	–	–	–	(11,300)	264	(11,036)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	(4,418)	–	37,076	–	25,776	3,672	29,448
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7	–	7
Acquistion of treasury shares	–	–	–	–	–	–	–	–	(63)	(63)	–	(63)
Value of employee services received for issue of share options	–	–	–	–	–	–	79	–	–	79	–	79
Total contributions by and distributions to owners	–	7	–	–	–	–	79	–	(63)	23	–	23
At 31 October 2015	**19,449**	**214,850**	**(59,982)**	**9,506**	**(10,466)**	**(16,140)**	**397**	**134,408**	**(692)**	**291,330**	**62,316**	**353,646**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group												
Fiscal Year 2017												
At 1 May 2016	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	148,866	(802)	303,241	61,971	365,212
Total comprehensive income for the period												
Profit/(loss) for the period	–	–	–	–	–	–	–	11,442	–	11,442	(1,225)	10,217
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)	(1)	(9,769)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615	309	2,924
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	1,300	–	–	–	1,300	153	1,453
Total other comprehensive income	–	–	(9,768)	–	2,615	1,300	–	–	–	(5,853)	461	(5,392)
Total comprehensive (loss)/income for the period	–	–	(9,768)	–	2,615	1,300	–	11,442	–	5,589	(764)	4,825
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Value of employee services received for issue of share options	–	–	–	–	–	–	538	–	–	538	–	538
Dividends pay out	–	–	–	–	–	–	–	(25,828)		(25,828)	–	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	–	538	(25,828)	–	(25,290)	–	(25,290)
At 31 October 2016	**19,449**	**214,843**	**(69,581)**	**8,002**	**(8,218)**	**(16,202)**	**1,569**	**134,480**	**(802)**	**283,540**	**61,207**	**344,747**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	**Share Capital US$'000**	**Share Premium US$'000**	**Translation Reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure -ment retirement plan US$'000**	**Share option reserve US$'000**	**Hedging Reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total Equity US$'000**
Fiscal Year 2016										
At 1 May 2015, as previously stated	19,449	214,982	(46,342)	9,506	(17,231)	318	(11,722)	(629)	105,664	273,995
Impact of change of accounting policies	–	–	7	–	–	–	–	–	(8,332)	(8,325)
At 1 May 2015, as restated	19,449	214,982	(46,335)	9,506	(17,231)	318	(11,722)	(629)	97,332	265,670
Total comprehensive income for the period										
Loss for the period	–	–	–	–	–	–	–	–	37,076	37,076
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(4,418)	–	–	(4,418)
Total other comprehensive income	–	–	(13,647)	–	6,765	–	(4,418)	–	–	(11,300)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	–	(4,418)	–	37,076	25,776
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7
Value of employee services received for issue of share options	–	–	–	–	–	79	–	–	–	79
Total contributions by and distributions to owners	–	7	–	–	–	79	–	–	–	86
At 31 October 2015	**19,449**	**214,989**	**(59,982)**	**9,506**	**(10,466)**	**397**	**(16,140)**	**(629)**	**134,408**	**291,532**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	**Share capital**	**Share premium**	**Translation Reserve**	**Revaluation Reserve**	**Remeasure -ment retirement plan**	**Share Option Reserve**	**Hedging Reserve**	**Reserve for own shares**	**Retained earnings**	**Total Equity**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Fiscal Year 2017										
At 1 May 2016	19,449	214,982	(59,813)	8,002	(10,833)	1,031	(17,502)	(802)	148,866	303,380
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	–	–	11,442	11,442
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	1,300	–	–	1,300
Total other comprehensive income	–	–	(9,768)	–	2,615	–	1,300	–	–	(5,853)
Total comprehensive loss for the period	–	–	(9,768)	–	2,615	–	1,300	–	11,442	5,589
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Value of employee services received for issue of share options	–	–	–	–	–	538	–	–	–	538
Payment of dividends	–	–	–	–	–	–	–	–	(25,828)	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	538	–	–	(25,828)	(25,290)
At 31 October 2016	**19,449**	**214,982**	**(69,581)**	**8,002**	**(8,218)**	**1,569**	**(16,202)**	**(802)**	**134,480**	**283,679**

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 (Unaudited)	FY2016 (Restated, Unaudited)	**FY2017 (Unaudited)**	FY2016 (Restated, Unaudited)
Cash flows from operating activities				
Profit for the period	**21,037**	52,637	**10,217**	40,484
Adjustments for:				
Depreciation of property, plant and equipment	**11,006**	14,366	**26,403**	28,903
Amortisation of intangible assets	**2,910**	2,506	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(117)	**–**	(238)
Gain/(loss) on disposal of property, plant and equipment	**(540)**	161	**203**	277
Equity-settled share-based payment transactions	**221**	41	**538**	79
Share of loss of joint venture, net of tax	**417**	325	**776**	903
Finance income	**(3,871)**	(966)	**(4,109)**	(2,204)
Finance expense	**28,927**	24,756	**55,794**	47,659
Tax expense (benefit) – net	**7,684**	9,294	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)	**–**	(39,422)
Net loss on derivative financial instrument	**(941)**	(3,132)	**1,400**	–
Operating profit before working capital changes	**66,850**	60,449	**94,168**	83,264
Changes in:				
Other assets	**(9,088)**	(1,603)	**1,648**	(3,553)
Inventories	**(140,296)**	(158,585)	**(305,837)**	(351,855)
Biological assets	**2,399**	(2,674)	**1,642**	(3,998)
Trade and other receivables	**(99,332)**	(69,544)	**(83,092)**	(51,021)
Prepaid and other current assets	**3,041**	8,348	**993**	3,865
Trade and other payables	**19,196**	26,289	**89,367**	41,568
Employee Benefit	**3,671**	5,018	**7,464**	4,638
Operating cash flow	**(153,559)**	(132,302)	**(193,647)**	(277,092)
Income taxes paid	**(25)**	(697)	**(25)**	(1,829)
Net cash flows from operating activities	**(153,584)**	(132,999)	**(193,672)**	(278,921)
Cash flows from investing activities				
Interest received	**11,682**	55	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,426**	522	**1,483**	526
Purchase of property, plant and equipment	**(12,738)**	(12,770)	**(32,279)**	(22,567)
Additional investment in joint venture	**(1,511)**	–	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(1,141)**	(12,193)	**(21,858)**	(22,991)

To be continued

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 (Unaudited)	FY2016 (Restated, Unaudited)	**FY2017 (Unaudited)**	FY2016 (Restated, Unaudited)
Cash flows from financing activities				
Interest paid	**(25,189)**	(21,802)	**(47,826)**	(40,752)
Proceeds of borrowings	**209,203**	168,866	**267,068**	332,021
Dividends paid	**(25,828)**	–	**(25,828)**	–
Acquisition of treasury shares	**–**	(63)	**–**	(63)
Net cash flows from financing activities	**158,186**	147,001	**193,414**	291,206
Net increase/(decrease) in cash and cash equivalents	**3,461**	1,809	**(22,116)**	(10,706)
Cash and cash equivalents at 1 May	**20,494**	19,879	**47,203**	35,618
Effect of exchange rate fluctuations on cash held	**(467)**	396	**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	**23,488**	22,084	**23,488**	22,084

<u>One-off expenses/(income)</u>

	For the three months ended 31 October			**For the six months ended 31 October**		
in US$ million	**FY2017**	**FY2016**	**% Change**	**FY2017**	**FY2016**	**% Change**
Retirement plan amendment	**–**	(39.4)	nm	**–**	(39.4)	nm
Closure of North Carolina plant	**1.2**	–	nm	**2.7**	–	nm
ERP implementation at DMFI	**–**	2.0	nm	**–**	4.0	nm
Sager Creek acquisition/integration	**–**	1.3	nm	**–**	2.0	nm
Severance	**0.3**	2.7	(88.7)	**3.7**	3.0	23.3
Total (pre-tax basis)	**1.5**	(33.4)	(104.5)	**6.4**	(30.4)	(121.1)
Total (post-tax and post non-controlling interest)	**0.9**	(31.9)	(102.7)	**3.7**	(30.2)	(112.2)