APPENDIX 1

DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Question 1
(Shareholder #1)
: **The CFO indicated that Del Monte Foods, Inc ("DMFI") needs 2 to 3 years to turn around which is a long time. Will the Group be able to survive, considering that DMFI is the Group's main subsidiary? DMPL's share price is also not performing and at a low of S$0.20 per share. Does the Company have sufficient free cash flow?**

Question 2
(Shareholder #1)
: **At previous AGMs, when shareholders asked about DMFI, we were not given such a negative picture. It appears that now the Group had to revamp DMFI's operations and to restructure. Did DMPL not carry out its due diligence before the acquisition? It seems to me that the share offering of the Philippine subsidiary is just to rescue DMFI.**

Question 3
(Shareholder #1)
: **On page 12 of the Circular:**
Profit before Tax – Del Monte Philippines, Inc ("DMPI") had achieved US$33 million pre-tax profit for the half-year. The DMPL Group excluding DMPI incurred a pre-tax loss of US$37 million. That is a rate of S$100 million loss a year.

On page 15 of the Circular:
Net Tangible Assets ("NTA") – The NTA is very small; prior to the proposed offering, NTA was negative. After revaluing the Philippine operations due to the IPO price, the NTA was only S$0.05.

On page 13 of the Circular:
Net Asset Value ("NAV") – The total NAV in October 2017 for the DMPL Group was US$729 million. It appears that DMPL's assets were entirely attributed to goodwill and trademarks relating to DMFI. With the goodwill impairment or write-offs, is the stated NAV of US$729 million substantiated?

I would appreciate it if Management is honest and frank with the shareholders. We do not want to see the shares of DMPL suspended and shareholders will be left out in shock when that happens. DMPL is holding massive debt, massive goodwill, carried out a big acquisition that did not work out. The promise of the US business from DMFI did not come through.

Kindly comment on the above points.

Answer
(Chairman)
: I will let the CFO address the financial questions but I will respond to your questions regarding DMFI.

Yes, we will need to restructure DMFI, which we are now doing. We have presented our plans to our creditors, and we believe they support these as they have extended the ABL lines of DMFI for US$430 million up to 2020.

We have a very good chance of implementing the restructuring as presented by our COO earlier, with our new plans and new Management team in place. I would also like to point out that DMFI's acquisition and ABL loans were structured in 2014 such that DMPL would be ring-fenced with no direct exposures to DMFI's loans.

DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Answer (CFO)	:	DMFI's borrowings had decreased significantly, from US$290 million in January 2017 to US$124 million in January 2018. There has been a marked improvement in the borrowings in DMFI due to improvement in working capital and inventory reduction.
Question 4 **(Shareholder #1)**	**:**	**What is the free cash flow amount, after the payment of interest?**
Answer (CFO)	:	The DMPL Group generated US$224 million before capital-spend and US$156 million after capital-spend. After the payment of interest (mostly attributed to DMFI), the resulting cash flow is estimated to be US$80 million.
Question 5 **(Shareholder #1)**	**:**	**To the Chairman's comment earlier that DMPL is insulated? No guarantees provided by DMPL on the loans of DMFI?**
Answer (CFO)	:	That's correct. To your question on the profit before tax, we would like to reiterate that the negative profit before tax was due to the closure of a tomato plant and divestiture of Sager Creek business.
Question 6 **(Shareholder #1)**	**:**	**How much more impairment is the Group expecting? DMPL now needs to review its manufacturing operations; it means that some plants needs to be closed down? DMPL has also laid off the entire DMFI management team which also came as a shock as it seem like such a drastic measure. Would there be more losses and impairment from DMFI?**
Answer (CFO)	:	Yes, we are looking at some restructuring, which will be subject to the Board's approval. Our restructuring plans had been communicated to the banks and we have their support.
Answer (Chairman)	:	Regarding the changes in the DMFI Management team, the Board is responsible for reviewing Management team's performance on an ongoing basis. It is only appropriate that the Board takes the necessary actions if Management team is not performing to expectations. We have done what we are supposed to do, that is to replace non-performing team members. There are headwinds facing food companies in the US (including the top food companies). We have formulated plans that will deal with these headwinds and we expect Management to execute well.
Question 7 **(Shareholder #1)**	**:**	**The US economy is doing well with unemployment at an all-time low. Despite this, DMFI is still underperforming. If this is not the time to make money when will be the time?**
Answer (Chairman)	:	It is true that the US economy is indeed doing well; however, this does not apply to all industries/sectors. The major food companies in the United States are experiencing challenges and their market shares are shrinking. Amazon had entered the food industry 3 years ago and is causing major disruptions.

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DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Question 8 **(Shareholder #1)**	**:**	**Please refer to page 17 of the Circular -- after the Proposed Public Offering ("Public Offering"). The net gearing ratio shown here differs from the figures shown on your presentation slides. The maximum assumed scenario indicated that 324% gearing down to 195% gearing. What you showed on your presentation slide was a lower number.**
Answer (CFO)	:	The gearing ratio shown on the slides is based on figures as at January 2018, whereas in the Circular the figures were as at April 2017. The gearing ratio before public offering is 324% and 195% after public offering.
Question 9 **(Shareholder #1)**	**:**	**A gearing ratio of 195% is still high considering that a majority of the assets of the Company are mostly intangible assets.**
Answer (Chairman)		Our assets consist of mostly current assets, namely receivables, inventories and products in the pipeline. These current assets require us to use short-term lines in the US to secure loans to support our operations.
Question 10 **(Shareholder #1)**	**:**	**Is Management confident with the gearing level of 195%? Your equity would shrink further if you have further write-downs of your US operations. If your equity shrinks, debt level percentage would also go up.**
Answer (Chairman)	:	The equity would be total shareholders' equity, which would increase as a result of the proposed IPO.
Question 11 **(Shareholder #1)**	**:**	**At this level, gearing is still quite high. Is there anything more we can do?**
Answer (Chairman)	:	What we can do is what we are doing right now, i.e. to implement the restructuring plans formulated and to improve the balance sheet and cash flow position.
Question 12 **(Shareholder #1)**	**:**	**Will the Company be doing a rights issue in Singapore?**
Answer (Chairman)	:	We don't anticipate a rights issue exercise.
Question 13 **(Shareholder #2)**	**:**	**What are the negative factors that will arise from DMPI's IPO?**
Answer (Chairman)	:	As mentioned in the presentation, we will be losing 21% of our shares in DMPI and DMPI will no longer be a wholly-owned subsidiary of DMPL. In exchange, we will however get a hefty one-time gain of approximately US$210 million. The trade-off is fair and positive.
Question 14 **(Shareholder #2)**	**:**	**When everything is switched over, your Profit & Loss will have a line item on "non-controlling" interest?**
Answer (Chairman)	:	We would have received the mentioned gain upfront, in exchange for the dilution.

APPENDIX 1

DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Question 15 **(Shareholder #2)**	**:**	**In terms of profits before and after the IPO, will there be a huge decrease in profits?**
Answer (CFO)	:	We will also achieve savings in interest cost and that will benefit shareholders.
Question 16 **(Shareholder #2)**	**:**	**Is the ROIC lower than the interest cost?**
Answer (CFO)	:	Since we are paying off the highest interest rate-debt, there will be savings that would be derived thereafter.
Question 17 **(Shareholder #2)**	**:**	**I would like to highlight that shareholders need to be aware that other than the positive aspects of the DMPI IPO, there are other implications such as a decrease in operational profit. We need to manage this properly, if not, the share price of DMPL will take another dive.**
Answer (Chairman)	:	Yes, we are aware of the risk and are trying to manage this.
Question 18 **(Shareholder #3)**	**:**	**Why are you selling shares of a profitable entity (DMPI) to support an entity that is not profitable (DMFI)? It seems like you are putting good money into bad business. Can I understand DMPL's rationale for doing this?**
Answer (CFO)	:	By paying down part of the debt in the US, we will be reducing the interest rates across the Group and allow DMFI's business to turn around.
Question 19 **(Shareholder #3)**	**:**	**It was mentioned earlier that DMPL is ring-fenced from the loans of DMFI and the Group would not be affected. I don't see the logic of selling off stake in DMPI and pay off the loan of DMFI. Why don't you just let DMFI run to the ground?**
Answer (Chairman)	:	DMFI is an underperforming company now but with our restructuring plans, it will become a good company and a good investment, eventually. Therefore, we are not putting good money into bad business. Perhaps there is a different understanding as to what "ring-fencing" means. In reducing the overall debt, we are not reducing DMFI's loans but reducing DMPL Group's leverage position. We had borrowed from the US capital market to purchase DMFI and that this purchase was made with very little equity from the shareholders. The plan was for DMFI to be profitable and to liquidate its debts. However, even though the plans are not going as scheduled, we are still confident that DMFI will be able to generate enough profits to repay the obligations that we had incurred to acquire DMFI.

APPENDIX 1

DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Question 20 **(Shareholder #4)** : **I have 2 questions:**

(i) Of the US$1.7 billion debt, how much of the debt is fixed and how much is variable? With the increase in interest rates, has the Company done a simulation on how this would impact the bottom line?

(ii) What is the confidence level of Management on the price of the IPO after the roadshows?

Answer (Chairman) : On the IPO pricing, the range had been defined between 20 times to 29 times of earnings, this being the range allocated for prime food companies in the Philippines. When we started this exercise in December 2017, the underwriters and bankers were leaning towards the 29 times earnings. However, with the current headwinds which the financial markets are facing (even the index in Singapore has also been affected, down by approximately 16%), the indication now is around 20 times of earnings. It will be dependent on the timing of IPO and how the general market is doing. The pricing of IPO is a function of the prevailing market condition.

Answer (CFO) : Around 70% – 75% of the loans have a fixed rate. Therefore, there will be lesser implications on LIBOR increasing.

Question 21 **(Shareholder #4)** : **How long is your fixed loan and average interest rate for the loans?**

Answer (CFO) : Our loans in the base company are due for maturity in August 2020, with an interest rate of 4.5% to 5%. Our loans in the US are due for maturity in August 2021, with a long term interest rate of 6% to 9%.

Question 22 **(Shareholder #5)** : **Who are the sellers of this DMPI, is it the controlling shareholder?**

Answer (Chairman) : DMPI is 100% owned by DMPL. DMPL is selling 21% of its stake in DMPI.

Question 23 **(Shareholder #5)** : **Please refer to page 7 of the circular, why does it mention the sale of up to 30%?**

Answer (Chairman) : DMPL is selling 21% take it holds in DMPI. Of this 21% which we are selling, 70% will be sold to the public in the Philippines and the remaining 30% will be offered internationally. After the sale of its 21% stake, DMPL will continue to own 79% of DMPI.

Question 24 **(Shareholder #5)** : **The current share price of DMPL is around S$0.15 to S$0.17 per share. Will the Company be delisted from the Stock Exchange? Is it put on the watch list?**

Answer (Director) : Companies will be put on the MTP (Minimum Trading Price) watch list only if (i) its 6-month weighted-average share price is below S$0.20; and (ii) average daily market capitalisation for 6 months is below S$40 million. The Company is therefore not on the MTP watch list just because its share price is under S$0.20.

Answer (Chairman)	:	The hope is that with the DMPI IPO, DMPL's share price would be re-rated. In the Philippines, DMPL's shares are trading at the equivalent of S$0.25 and we are perceived more positively in the Philippines.
Question 25 (Shareholder #5)	**:**	**For this coming financial year, DMPL will still be making losses?**
Answer (Chairman)	:	We are prohibited from talking about our financial results so we cannot comment on this.
Question 26 (Shareholder #6)	**:**	**How much of the Company's loans are in USD and how much in PHP, in percentage terms?**
Answer (CFO)	:	Majority of DMPL's loans are US dollar-denominated.
Question 27 (Shareholder #6)	**:**	**Is there a clause to renew the interest rate for the fixed loans that are maturing in 2020? Is it LIBOR plus the fixed rate or just total fixed rate?**
Answer (CFO)	:	LIBOR plus fixed rate. On the US$130 million loan, it is fixed rate.
Question 28 (Shareholder #6)	**:**	**I note that one of your substantial shareholders, Lee Pineapple is also selling pineapples, any possibility of consolidating their business with DMPL instead of competing with each other?**
Answer (Chairman)	:	From our understanding, the pineapple business of Lee Pineapple is only a small part of their operations.
Question 29 (Shareholder #6)	**:**	**From whom did we acquire DMFI from? Did they give us any guaranteed return?**
Answer (Chairman)	:	We bought the Del Monte consumer food business from KKR. When we acquired this business, we acquired all its risks and returns.
Question 30 (Shareholder #7)	**:**	**Regarding the IPO price of DMPI, the indication of between 20 times of earnings to 29 times of earning, there is quite a significant variance between the two. After the approval of the sale of shares in DMPI, how long will it take for the share price to gradually increase?**
Answer (Chairman)	:	We do hope to go with a higher price. The Philippines Securities and Exchange Commission and the Philippines Stock Exchange have given us the approval to offer to the public starting 8 June 2018. If we are not satisfied with the price, we always have the right to postpone and re-schedule the offering. At present, our underwriters are looking at the range of 20 times to 25 times of earnings.

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DEL MONTE PACIFIC LIMITED ("DMPL")

Minutes of General Meeting – 1 June 2018
Summary of Questions & Answers

Question 31 **(Shareholder #8)** : **There was some rumour that Asahi had been acquiring some companies in the US. Is there a possibility of selling DMFI to Asahi instead of selling DMPL's 21% stake in DMPI?**

Answer (Chairman) : We believe that the best time to sell is when a company is performing well. That is why we are selling 21% of our shares in DMPI. DMPI is currently doing well, having doubled its sales and income.

As discussed, there is the prospect for DMFI going public in the US market. This is on hold for now, until we have turned around its operations through positive cash flows. We are hopeful that we will be able to achieve improvements in operations in the next two to three years.

Question 32 **(Shareholder #9)** : **I like the confidence of Management in wanting to turn around DMFI. What if the restructuring does not work out 2 years down the road then what is the contingency? Would the Company sell off another 21% stake in DMPI?**

Question 33 **(Shareholder #9)** : **What is the impact to DMPL in the worst-case scenario, where DMPL decides to sell DMFI down the road?**

Answer (Chairman) : In the unlikely event that DMFI is sold at a loss, DMPL will then have to write down its investment in DMFI. The losses will be booked in the entity that holds the shares of DMFI. If the restructuring plans do not come to fruition, we will cross the bridge when we get there.