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**Del Monte Philippines delivers 28% higher net profit
of P1.1 billion in the second quarter**

Del Monte Philippines, Inc. (DMPI or the Company) generated sales of P8.8 billion in the second quarter ending October 2020. Close to two-thirds of DMPI's sales are in the Philippines and the balance in the international market.

Retail sales in the Philippines grew by a strong 13% in the second quarter, despite a weak economy and high unemployment due to the pandemic. This was, however, offset by the foodservice business which remained soft notwithstanding improvements over the first quarter. In total, turnover in the Philippines grew by 4% delivering P5.2 billion in sales, demonstrating the resilience of DMPI during the quarantine.

The strong retail growth was in both modern trade and general trade, driven primarily by the beverage category (led by immunity-building Del Monte 100% Pineapple Juice), and the culinary category (led by Del Monte Quick 'n Easy meal mixes and Del Monte ketchup) as consumers continued to prepare more meals at home. The Company continued to highlight its product portfolio's health benefits with targeted advertising, as well as meal planning and preparation by Del Monte Kitchenomics.

Majority of DMPI's international sales are generated in its S&W branded business in Asia and the Middle East. Sales of S&W shelf-stable packaged pineapple products significantly improved by 34% over last year with robust sales of canned pineapples. Sales of fresh pineapples, majority of which are branded S&W, grew by 2% in peso terms (7% in US dollar terms) in the second quarter versus the same period last year, a turnaround from the 31% decline in the first quarter ending July due to the impact of the pandemic lockdown in China. The Company expects its Fresh business to continue to grow in the remainder of the year with more consumers going to retail stores in North Asia.

In spite of the pandemic, DMPI's total sales in the second quarter were the same as last year at P8.8 billion as higher sales in the Philippines were offset by lower sales in the international market. However, DMPI's operating income in the second quarter surged 27% to P1.6 billion, while net income rose 28% to P1.1 billion on higher sales volume, improved sales mix and lower costs.

First Half

For the first half ending October 2020, DMPI generated sales of P16.2 billion, comparable with last year despite the pandemic, but with stronger operating income of P3.0 billion, higher by 27%, and net income of P2.1 billion, up 13%.

DMPI Bond

In October 2020, DMPI successfully raised Php6.47 billion worth of fixed-rate bonds. The issuance, which consisted of three-year bonds at 3.484% pa interest rate and five-year bonds at 3.7563% pa, was oversubscribed. DMPI's credit rating for this bond is Aaa, the highest rating assigned by the Philippine Rating Services Corporation. The proceeds of the offering were used to refinance existing loans with lower cost funding and longer maturities.

Prospects

DMPI's growth momentum led by the Philippine market attests to its solid fundamentals as a food and beverage company supported by the strength of its brand and trusted products, offering health and wellness to consumers. Del Monte Philippines is well-positioned to grow with its nutritious, long shelf-life products which enable consumers to prepare more healthy meals at home. DMPI expects to generate a higher net profit this year.

About Del Monte Philippines, Inc. (www.delmontephil.com)

Del Monte Philippines, Inc. (DMPI) is a leading producer, distributor and marketer of premium quality, healthy food and beverage products. It has been in operation in the Philippines for over 90 years and is the market leader in the packaged pineapple and mixed fruit, canned and carton ready-to-drink juices, tomato sauce and spaghetti sauce categories.

DMPI has the rights to the Del Monte trademark for the Philippines for processed products. It also sells products under the well-known S&W, Contadina and Today's brands. Two-thirds of DMPI's sales are in the Philippines and the balance in the international market.

DMPI operates a fully-integrated pineapple operation with its 26,000-hectare pineapple plantation in Bukidnon, Philippines, and a factory that is about an hour's drive away from the plantation. It also operates a frozen fruit processing facility in Bukidnon and a beverage bottling plant in Cabuyao, Laguna.

Del Monte Pacific Limited (www.delmontepacific.com), a company listed on the Singapore Exchange and the Philippine Stock Exchange, owns 88% of DMPI.

Disclaimer

This release relates only to the financial results of Del Monte Philippines, Inc. and does not reflect the financial position of Del Monte Pacific Ltd.