COVER SHEET

S.E.C. Registration Number

DEL MONTE PHILIPPINES, INC.
AND SUBSIDIARIES

(Company's Full Name)

JY CAMPOS CENTRE, 9TH AVENUE
COR 30TH STREET, BONIFACIO
GLOBAL CITY, TAGUIG CITY

(Business Address : No. Street Company / Town / Province)

Parag Sachdeva

Contact Person

(088) 855-4312

Company Telephone Number

SEC FORM (2nd Quarter FY2021)

Month *Day*

17-Q

FORM TYPE

Month *Day*

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended **October 31, 2020**

2. Commission identification number. **N/A**

3. BIR Tax Identification No. **N/A**

4. Exact name of issuer as specified in its charter **Del Monte Philippines, Inc.**

5. **Philippines**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

7. Address:
   JY Campos Centre, 9th Avenue corner 30th Street, Fort Bonifacio, Taguig City, Philippines

8. **(088) 855-4312**
   Issuer's telephone number, including area code

9. **N/A**
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	2,461,641.60
Preference Shares	335,678.40

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [ ] No [/]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No [/]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the Financial Statements (FS) section of this report, FS to FS43

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Please refer to the Management's Discussion and Analysis of Financial Condition and Results of Operations section of this report.

PART II--OTHER INFORMATION

Not Applicable

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer **Del Monte Philippines, Inc.**

Signature and Title Parag Sachdeva
Chief Financial Officer and Duly Authorized Officer

Date 11December2020

Del Monte Philippines, Inc. and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
As of 31 October 2020
and for the Periods Ended 31 October 2020 and 2019
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2020)

Unaudited Interim Consolidated Statements of Financial Position

(With Comparative Audited Figures as at 30 April 2020)

	Note	As at 31 October 2020 Php'000 (Unaudited)	As at 30 April 2020 Php'000 (Audited)
Noncurrent assets			
Property, plant and equipment	6	**15,255,249**	14,831,175
Financial assets at fair value through other comprehensive income (FVOCI)		**12,059**	13,058
Investment property		**203,095**	206,185
Receivable - noncurrent		**3,289**	3,108
Net retirement benefits asset		**278,552**	336,729
Deferred tax assets - net		**21**	329
Biological assets	8	**117,729**	107,265
Other noncurrent assets	7	**4,147,495**	1,345,367
		20,017,489	16,843,216
Current assets			
Biological assets	8	**2,657,625**	3,076,198
Inventories	9	**5,332,219**	4,645,327
Trade and other receivables	10	**6,367,551**	7,298,204
Prepaid expenses and other current assets	11	**832,553**	503,790
Cash and cash equivalents	12	**1,138,916**	1,170,916
		16,328,864	16,694,435
Total assets		**36,346,353**	33,537,651
Equity			
Share capital	20	**2,797,320**	2,797,320
Retained earnings		**7,483,705**	7,976,767
Reserves		**264,853**	265,866
Equity attributable to owners of the Company		**10,545,878**	11,039,953
Non-controlling interests		**8,089**	8,150
Total equity		**10,553,967**	11,048,103
Noncurrent liabilities			
Loans and borrowings	13	**1,500,000**	-
Bonds	14	**6,478,460**	-
Lease liabilities		**2,256,980**	2,347,181
Deferred tax liabilities – net		**144,881**	141,956
		10,380,321	2,489,137
Current liabilities			
Loans and borrowings		**9,266,730**	11,442,750
Current portion of:			
Long term Debt		**-**	3,000,000
Lease liabilities		**323,150**	289,191
Trade and other current liabilities	15	**5,593,512**	5,042,055
Current tax liabilities		**228,673**	226,415
		15,412,065	20,000,411
Total liabilities		**25,792,386**	22,489,548
Total equity and liabilities		**36,346,353**	33,537,651

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Consolidated Statements of Income

	Note	Six months ended 31 October 2020 Php'000	2019 Php'000
Revenue		**16,158,818**	16,150,331
Cost of sales		**(11,195,801)**	(11,757,206)
Gross profit		**4,963,017**	4,393,125
Distribution and selling expenses		**(1,571,287)**	(1,630,434)
General and administrative expenses	19	**(403,145)**	(430,723)
Foreign exchange gain		**64,260**	166,610
Other income (expense) – net		**(12,868)**	8,557
Results from operating activities		**3,039,977**	2,507,135
Finance income		**9,223**	14,588
Finance expense		**(401,998)**	(345,944)
Net finance expense		**(392,775)**	(331,356)
Profit (loss) before taxation	**18**	**2,647,202**	2,175,779
Tax expense – current		**(553,782)**	(339,766)
Tax benefit – deferred		**(3,218)**	6,527
		(557,000)	(333,239)
Profit (loss) for the period		**2,090,202**	1,842,540
Profit (loss) attributable to:			
Non-controlling interest		**(62)**	(21)
Owners of the Company		**2,090,264**	1,842,561
Earnings / (loss) per share			
Basic earnings per share	21	**(0.79)**	(0.66)
Diluted earnings per share	21	**(0.70)**	(0.66)

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Consolidated Statements of Comprehensive Income

	Six months ended 31 October 2020 Php'000	Six months ended 31 October 2019 Php'000
Profit (loss) for the period	**2,090,202**	1,842,540
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Re measurement gain (loss) on retirement liability	-	-
Tax impact	-	-
	-	-
Items that may be reclassified subsequently to profit or loss		
Unrealized gain (loss) on change in fair value of financial assets at FVOCI	**(999)**	1,494
Tax impact	**(15)**	(225)
	(1,014)	1,269
Other comprehensive income (loss) for the period, net of tax	**(1,014)**	1,269
Total comprehensive income (loss) for the period	**2,089,188**	1,843,809
Total comprehensive income (loss) attributable to:		
Owners of the Company	**2,089,250**	1,843,830
Non-controlling interests	**(62)**	(21)
	2,089,188	1,843,809

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity
Six months ended 31 October 2020 and 2019

	Preferred Php'000 (Note 22)	Convertible Common Php'000 (Note 22)	Land Revaluation surplus Php'000	Remeasurement of retirement plans Php'000	Fair value reserves on financial assets at FVOCI Php'000	Appropriated Php'000	Unappropriated Php'000	Total Php'000	Non-controlling interests Php'000	Total equity Php'000
Fiscal Year 2021										
At 1 May 2020	–	2,797,320	427,092	(171,943)	10,717	2,796,541	5,180,226	11,039,953	8,150	11,048,103
Effect of adoption of IFRS 16	–	–	–	–	–	–	–	–	–	–
At 1 May 2020, as restated	–	2,797,320	427,092	(171,943)	10,717	2,796,541	5,180,226	11,039,953	8,150	11,048,103
Total comprehensive loss for the period										
Loss for the period (Note 21)	–	–	–	–	–	–	2,090,263	2,090,263	(61)	2,090,202
Other comprehensive income										
Currency translation differences	–	–	–	–	–	–	–	–	–	–
Remeasurement of retirement plans	–	–	–	–	–	–	–	–	–	–
Changes in fair value of financial assets at FVOCI	–	–	–	–	(1014)		–	(1014)	–	(1014)
Total other comprehensive income (loss) for the period	–	–	–	–	(1014)	–	–	(1014)	–	(1014)
Transactions with owners of the Company recognised directly in equity										
Contributions by and distributions to owners of the Company										
Conversion of Capital Stock	335,678.40	(335,678.40)	–	–	–	–	–	–	–	–
Payment of dividends	–	–	–	–	–	–	(2,583,324)	(2,583,324)	–	(2,583,324)
Total contributions by and distributions to owners	–	–	–	–	–	–	(2,583,324)	(2,583,324)	–	(2,583,324)
At 31 October 2020	335,678	2,461,642	427,092	(171,943)	9,703	2,796,541	4,687,165	10,545,878	8,089	10,553,967

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity
Six months ended 31 October 2020 and 2019

	Preferred Php'000 (Note 22)	Convertible Common Php'000 (Note 22)	Land Revalua-tion surplus Php'000	Remeasure-ment of retirement plans Php'000	Fair value reserves on financial assets at FVOCI Php'000	AFS Financial Assets Php'000	Appropria-ted Php'000	Unappro-priated Php'000	Total Php'000	Non-controlling interests Php'000	Total equity Php'000
Fiscal Year 2020											
At 1 May 2019	–	2,797,320	320,358	(145,666)	4	9,874	15,698,000	2,705,162	21,385,052	8,203	21,393,255
Effect of adoption of IFRS 16	–	–	–	–	–	–	–	(53,462)	–	–	(53,462)
At 1 May 2019, as restated	–	2,797,320	320,358	(145,666)	4	9,874	15,698,000	2,651,700	21,385,052	8,203	21,339,793
Total comprehensive loss for the period											
Loss for the period (Note 21)	–	–	–	–	–	–	–	1,842,561	1,842,561	(21)	1,842,540
Other comprehensive income											
Currency translation differences	–	–	–	–	–	–	–	–	–	–	–
Remeasurement of retirement plans	–	–	–	–	–	–	–	–	–	–	–
Changes in fair value of financial assets at FVOCI	–	–	–	–	1,269	–	–	–	1,269	–	1,269
Total other comprehensive income (loss) for the period	–	–	–	–	1,269	–	–	–	1,269	–	1,269
Transactions with owners of the Company recognised directly in equity											
Contributions by and distributions to owners of the Company											
Conversion of Capital Stock	–	–	–	–	–	–	–	–	–	–	–
Payment of dividends	–	–	–	–	–	–	–	(13,796,097)	–	–	(13,796,097)
Appropriations	–	–	–	–	–	–	(15,695,000)	15,695,000	–	–	–
Total contributions by and distributions to owners	–	–	–	–	–	–	–	1,898,903	1,898,903	–	(13,796,097)
At 31 October 2019	–	2,797,320	320,358	(145,666)	1,273	9,874	3,000	6,393,164	9,379,323	8,182	9,387,505

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Unaudited Interim Consolidated Statements of Cash Flows

	Note	Six months ended 31 October 2020 PHP'000	Six months ended 31 October 2019 PHP'000
Cash flows from operating activities			
Profit (loss) before taxation		**2,647,202**	2,175,779
Adjustments for:			
Depreciation of property, plant and equipment		**2,261,324**	2,646,355
Gain (loss) on disposal of property, plant and equipment		**(9,223)**	(14,589)
Net retirement benefit expense		**62,520**	40,437
Unrealized foreign exchange gains (loss) - net		**64,982**	(81,669)
Interest income		**(954)**	(1,134)
Finance cost		**385,015**	305,472
		5,410,886	5,070,651
Changes in:			
Other noncurrent assets		**(2,813,669)**	(834,408)
Inventories		**(686,892)**	101,641
Biological assets		**408,108**	(144,742)
Trade and other receivables		**866,293**	(1,967,098)
Prepaid and other current assets		**(328,763)**	(7,828)
Trade and other payables		**554,308**	(891,070)
Other noncurrent liabilities		**37,399**	(18,094)
Operating cash flows		**(1,963,216)**	(3,761,599)
Taxes paid		**(551,525)**	(257,099)
Contributions Paid		-	13,439
Net cash flows generated from operating activities		**2,896,145**	1,065,392
Cash flows from investing activities			
Purchase of property, plant and equipment		**(2,682,842)**	(2,487,144)
Proceeds from disposal of property, plant and equipment		**1,487**	1,526
Interest received		**9,223**	14,588
Net cash flows used in investing activities		**(2,672,132)**	(2,471,030)

(Continued on next page)

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Consolidated Statements of Cash Flows (Continued)

	Note	Six months ended 31 October 2020 Php'000	Six months ended 31 October 2019 Php'000
Cash flows from financing activities			
Proceeds from borrowings		**99,255,501**	79,913,630
Repayment of borrowings		**(102,928,771)**	(77,812,255)
Proceeds from bonds		**6,478,460**	–
Interest paid		**(340,578)**	(288,614)
Payments of lease liability		**(133,898)**	(44,081)
Dividends paid		**(2,583,325)**	–
Net cash flows provided by financing activities		**(252,611)**	1,768,680
Net increase (decrease) in cash and cash equivalents		**(28,618)**	363,042
Cash and cash equivalents at beginning of period		**1,170,915**	563,934
Effect of exchange rate changes on balances held in foreign currency		**(3,381)**	(7,868)
Cash and cash equivalents at end of period		**1,138,916**	919,108

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

1. Reporting Entity

Del Monte Philippines, Inc. ("DMPI" or the "Parent Company"), was incorporated in the Philippines on January 11, 1926. On September 13, 1963, the Board of Directors (the "Board") amended the Parent Company's Articles of Incorporation to extend its life by 50 years from January 11, 1976.

On February 23, 1966, the Philippine Securities and Exchange Commission ("SEC") approved the extension of the Parent Company's corporate life. The Parent Company's principal activities are the growing, processing and distribution of food products mainly under the brand names "Del Monte", "Today's" and "S&W".

The Parent Company is a subsidiary of Central American Resources, Inc. (CARI), a company incorporated in Panama. The intermediate parent company is Del Monte Pacific Ltd. ("DMPL"), a company incorporated in the British Virgin Islands and a listed entity in the Singapore Exchange Securities Trading Limited and the Philippine Stock Exchange. The Parent Company's ultimate shareholders are NutriAsia Inc. ("NAI") and Well Grounded Limited.

The Parent Company's cannery operation is registered with the Philippine Economic Zone Authority at the Philippine Packing Agricultural Export Processing Zone as an Ecozone Export Enterprise under Certificate of Registration No. 05-34F which was approved on December 3, 2007. On October 12, 2015, Certificate of Registration No. 07-68 was approved for the registration of its additional activity, particularly the Fresh Fruit Processing Project at the Bukidnon Agro-Resource Export Zone in Manolo Fortich, Bukidnon.

The Parent Company's registered address is JY Campos Centre (JYCC), 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City.

The Parent Company and its subsidiaries (collectively referred to as the "Company") are all incorporated in the Philippines. The principal activities of the Parent Company's subsidiaries are as follows:

Name of subsidiary	Principal Place of Business	Principal Activities	Effective equity held by DMPI **April 30, 2020**	 April 30, 2019
Philippines Packing Management Services Corporation (PPMSC)	Philippines	Management, logistics and support services	**100%**	100%
Del Monte Txanton Distribution Inc. (DMTDI)	Philippines	Trading, selling and distributing food, beverages and other related products	**40%**	40%

On April 22, 2019, at a joint special meeting, the Board and stockholders of DMTDI authorized the dissolution and liquidation of the Corporation by shortening its corporate term. As at April 30, 2020, the application for the dissolution and liquidation is yet to be submitted with the SEC due to certain regulatory and documentary requirements.

The SEC approved the amendment of the Parent Company's articles of incorporation last March 23, 2018. The amendments include change of principal office to JYCC, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City and increase of number of directors to 7. Included also is the decrease of par value of its common shares from ₱100 per share to ₱1 per share, and the conversion of preferred shares of the Parent Company into common shares, while retaining the authorized capital stock in the amount of three billion pesos (₱3,000,000,000).

On December 9, 2019, in a joint special meeting of the Board and stockholders of the Parent Company, the following amendments to the articles of incorporation were unanimously approved:

1. Conversion of the authorized common shares amounting to ₱3,000,000,000 to common shares convertible to voting, participating, redeemable and convertible preferred shares (RCPS). The RCPS shall be convertible to common shares.
2. The RCPS may be issued from time to time as the Board may determine the amount and the issue price, cash dividend rate, and period and manner of redemption of the RCPS. To the extent not set forth in this amended articles of incorporation, the specific terms and restrictions of each issuance of the RCPS shall be specified through Enabling Resolutions as may be adopted by the Board prior to the issuance thereof, which Enabling Resolutions shall be filed with the SEC and thereupon be deemed a part of the amended articles of incorporation.

The SEC approved these amendments to the articles of incorporation on February 11, 2020.

On January 24, 2020, DMPL, CARI, the Parent Company and SEA Diner Holdings (S) Pte. Ltd. (SEA Diner), a company incorporated in Singapore, entered into a Share Purchase Agreement whereby CARI will sell 335,678,400 shares equivalent to 12% ownership interest in the Parent Company to SEA Diner for a consideration of US$120,000,000. SEA Diner may require the Parent Company, DMPL or CARI to redeem all of the shares sold by CARI at such price that will allow SEA Diner to meet certain internal rate of return in case of default events, including but not limited to, any of DMPL, CARI or the Parent Company is in breach of the agreed transaction documents, the Parent Company fails to comply with its obligation to effect the conversion of the ordinary shares sold to SEA Diner to RCPS, enter the name of SEA Diner as the registered holder of the RCPS, and issue to SEA Diner the RCPS certificates within the agreed long-stop date, and any of NutriAsia Pacific Ltd. or NutriAsia, Inc. ceasing to be the direct or indirect controlling shareholder of DMPL or the Parent Company.

In the case of any other redemption events, including but not limited to, an exit not completed within five years from the closing date, breach of any financial covenant by DMPL, CARI and the Parent Company or a relevant DMPL Company is in default on any of its indebtedness which is not cured within 30 business days from written notice thereof, and any relevant DMPL Company or Del Monte Foods Holdings Limited or its subsidiaries suffers insolvency, the Parent Company shall redeem the RCPS subject to the mutual consent of the Parent Company and the holder of the RCPS.

The Board and the stockholders approved the share purchase transaction above and other transaction documents on March 3, 2020, including the conversion of the convertible common shares to RCPS. As at April 30, 2020, the Parent Company has substantially complied with the terms and conditions of the Share Purchase and Shareholder Agreements.

On August 03, 2020, the Parent Company has amended its Articles of Incorporation to reflect the conversion of common shares per Share Purchase Agreement to RCPS.

On 1 May 2020, Dewey Sdn. Bhd., assigned to PPMSC, various trademark which includes the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines. The trademarks has a carrying value of Php 2.99 billion.

2. Basis of preparation

2.1 Statement of compliance

The consolidated financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). PFRSs are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRSs also includes Philippine Accounting Standards (PAS) and Philippine Interpretations issued by the Financial Reporting Standards Council (FRSC).

2.2 Basis of measurement

The consolidated financial statements of the Company have been prepared on a historical cost basis, except for the following items which are measured on the following basis at each reporting date:

- Financial instruments at fair value through other comprehensive income (FVOCI) are measured at fair value;
- Land under "Property, plant and equipment" account is measured at revalued amount;
- Biological assets are measured at fair value less point-of-sale costs, except for those whose fair value cannot be measured reliably, have no active markets or no similar assets are available in the relevant market. In such cases, these biological assets are stated at cost; and
- Retirement benefits asset/liability is measured at the net total of the fair value of the plan assets less the present value of the defined benefit obligation.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Philippine peso, which is also the Company's functional currency. All amounts have been rounded off to the nearest thousand (₱000), unless otherwise indicated.

2.4 Basis of consolidation

Subsidiaries are entities controlled by the Parent Company. The Parent Company controls an investee if and only if the Parent 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 Parent Company has less than majority of the voting rights or similar rights to an investee, the Parent 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 Parent Company's voting rights and potential voting rights.

The Parent 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 obtained by the Parent Company and cease to be consolidated from the date the Parent Company loses control over the subsidiaries. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.
Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent 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 in line with the Parent Company's accounting policies. All significant intra-Company assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.
Non-controlling interests represent the portion of profit or loss and net assets not held by the Parent Company and are presented separately from equity attributable to equity holders of the Parent Company in the consolidated financial statements. This includes non-controlling equity interests in DMTDI.

2.5 Loss of control

If the Parent loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interest
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate

2.6 Transaction eliminated during consolidation

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

2.7 Events after reporting period

Post year-end events up to the date when the financial statements are authorized for issue that provide additional information about the Company's position at each reporting date (adjusting events) are reflected in the financial statements. Significant post year-end events that are not adjusting events are disclosed in the notes to the financial statements, when material

3. Significant accounting policies

Changes in Accounting Policies and Disclosures

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 2020 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2020, which did not have any significant impact on the Company's financial position or performance, unless otherwise indicated:

- *Amendments to References to Conceptual Framework in IFRS Standards* sets out amendments to IFRS Standards, their accompanying documents and IFRS practice statements to reflect the issuance of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). The 2018 Conceptual Framework includes:

  - a new chapter on measurement;
  - guidance on reporting financial performance;
  - improved definitions of an asset and a liability, and guidance supporting these definitions; and
  - clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

  Some Standards, their accompanying documents and IFRS practice statements contain references to, or quotations from, the International Accounting Standards Committee ("IASC")'s Framework for the Preparation and Presentation of Financial Statements adopted by the International Accounting Standards Board ("IASB") in 2001 or the Conceptual Framework for Financial Reporting issued in 2010. The amendments update some of those references and quotations so that they refer to the 2018 Conceptual Framework, and makes other amendments to clarify which version of the Conceptual Framework is referred to in particular documents.

- Amendments to IFRS 3, *Definition of a Business*

  The amendments to IFRS 3 clarifies the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

  These amendments will apply on future business combinations of the Company.

- Amendments to IAS 1, *Presentation of Financial Statements, and* IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

  The amendments refines the definition of material in IAS 1 and align the definitions used across IFRSs and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgements.

An entity applies those amendments prospectively for annual reporting periods beginning on or after 1 May 2020, with earlier application permitted. The Company is currently assessing the impact of adopting this standard.

- Amendments to IFRS 7, Financial Instruments: Disclosures and IFRS 9, Financial Instruments, Interest Rate Benchmark Reform.

  The amendments to IFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument

- Amendments *to IFRS 16, COVID-19-related Rent Concessions*

  The amendments provides relief to lessees from applying the IFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

  - The rent concession is a direct consequence of COVID-19;
  - The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
  - Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
  - There is no substantive change to other terms and conditions of the lease.

  A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

  The amendments are effective for annual reporting periods beginning on or after 1 June 2020. Early adoption is permitted.

  The Company is currently assessing the impact of adopting this standard.

4. Operating segments

For management purposes, the Company is organized into segment based on its products and geographical location as follows:

Geographical segment

- Americas. Reported under Americas segment are sales and profit in North and South America and Canada. Majority of this segment's sales are principally sold under the Del Monte brand.
- Europe. Reported under Europe segment are sales and profit mainly in France, Germany and Netherlands. Included in Europe segment are sales of unbranded products.
- Asia Pacific. Reported under Asia Pacific are sales and profit mainly in China, Singapore, Japan and South Korea. Majority of this segment's sales are principally sold under the S&W and Del Monte branded products.
- Philippines. Included in Philippine segment are sales comprising primarily of Del Monte branded products, Today's, S&W products.

Product segment

- Packaged fruit. The packaged fruit segment includes sales and profit of processed fruit 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.
- 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 Del Monte and S&W.
- 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.

The BOD (Chief Operating Decision Maker) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. The amounts of segment assets and liabilities, and segment profit or loss are based on measurement principles that are similar to those used in measuring the assets, liabilities and profit or loss in the consolidated financial statements, which is in accordance with PFRS.

Information about reportable segments

	Six months ended 31 October 2020			Six months ended 31 October 2019		
	Php'000	Php'000	Php'000	Php'000	Php'000	Php'000
	Combined	Elimination	Consolidated	Combined	Elimination	Consolidated
Revenues						
Beverage	**4,475,330**	-	**4,475,330**	4,049,669	-	4,049,669
Packaged fruit	**3,653,517**	-	**3,653,517**	3,186,012	-	3,186,012
Culinary	**3,780,875**	-	**3,780,875**	3,384,710	-	3,384,710
Fresh fruit and others	**3,356,091**	**(218,267)**	**3,137,824**	4,198,170	(91,931)	4,106,239
Changes in fair value of biological assets	**1,111,272**	-	**1,111,272**	1,423,701	-	1,423,701
Total	**16,377,085**	**(218,267)**	**16,158,818**	16,242,262	(91,931)	16,150,331
Gross income			-			-
Beverage	**1,006,450**	-	**1,006,450**	953,650	-	953,650
Packaged fruit	**1,238,282**	-	**1,238,282**	850,160	-	850,160
Culinary	**1,627,513**	-	**1,627,513**	1,289,762	-	1,289,762
Fresh fruit and others	**1,174,314**	-	**1,174,314**	1,227,628	-	1,227,628
Changes in fair value of biological assets	**(83,542)**	-	**(83,542)**	71,925	-	71,925
Total	**4,963,017**	-	**4,963,017**	4,393,125	-	4,393,125
Income before income tax						
Beverage	**642,626**	-	**642,626**	641,625	-	641,625
Packaged fruit	**788,555**	-	**788,555**	380,778	-	380,778
Culinary	**1,187,875**	-	**1,187,875**	806,445	-	806,445
Fresh fruit and others	**111,688**	-	**111,688**	275,006	-	275,006
Changes in fair value of biological assets	**(83,542)**	-	**(83,542)**	71,925	-	71,925
Total	**2,647,202**	-	**2,647,202**	2,175,779	-	2,175,779

5. Seasonality of Operations

The Company's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. The Company's sales are usually highest during the three months from October to December. This seasonal production primarily relates to the majority of processed fruits and toll pack goods.

6. Property, plant and equipment

	<------- At cost				------->	At appraised value	
	Buildings, land improvements and leasehold improvements Php'000	Machineries and equipment Php'000	Construction -in-progress Php'000	Bearer Plants Php'000	Right of use assets Php'000	Freehold land Php'000	Total Php'000
Company							
Cost/Valuation							
At 1 May 2020	**2,599,815**	**11,310,024**	**597,724**	**18,207,559**	**3,762,302**	**610,232**	**37,087,656**
Additions	**4,822**	**51,582**	**119,067**	**2,507,371**	–	–	**2,682,842**
Disposals	–	**(8,760)**	–	–	–	–	**(8,760)**
Write off – closed fields	–	–	–	**(1,636,730)**	–	–	**(1,636,730)**
Transfers/Adjustment	**72,209**	**121,763**	**(193,972)**	–	–	–	–
At 31 October 2020	**2,676,846**	**11,474,609**	**522,819**	**19,078,200**	**3,762,302**	**610,232**	**38,125,008**
At 1 May 2019	2,495,353	11,253,565	915,381	16,225,616	3,611,048	457,755	34,958,718
Additions	45,221	204,949	337,152	4,950,674	151,254	–	5,689,250
Disposals	(38,916)	(703,515)	–	–		–	(742,431)
Write off – closed fields	–	–	–	(2,968,731)		–	(2,968,731)
Revaluation	–	–	–	–		152,477	152,477
Transfers/Adjustment	98,157	555,025	(654,809)	–		–	1,627
At 30 April 2020	2,599,815	11,310,024	597,724	18,207,559	3,762,302	610,232	37,087,656
Accumulated depreciation and impairment losses							
At 1 May 2020	**1,266,087**	**8,363,620**	–	**12,150,623**	**476,151**	–	**22,256,481**
Charge for the year	**68,024**	**315,797**	–	**1,647,953**	**227,900**	–	**2,259,674**
Write off – closed fields	–	–	–	**(1,636,730)**	–	–	**(1,636,730)**
Disposals	–	**(8,226)**	–	–	–	–	**(8,226)**
Transfers/Adjustment	**(116)**	**(1,324)**	–	–	–	–	**(1,440)**
At 31 October 2020	**1,333,995**	**8,669,867**	–	**12,161,846**	**704,051**	–	**22,869,759**
At 1 May 2019	1,188,664	8,405,795	–	11,103,038		–	20,697,497
Charge for the year	115,357	654,106	–	4,016,316	476,151	–	5,261,930
Write off – closed fields	–	–	–	(2,968,731)		–	(2,968,731)
Disposals	(37,934)	(696,281)	–	–		–	(734,215)
At 30 April 2020	1,266,087	8,363,620	–	12,150,623	476,151	–	22,256,481
Carrying amounts							
At 31 October 2020	**1,342,851**	**2,804,742**	**522,819**	**6,916,354**	**3,058,251**	**610,232**	**15,255,249**
At 30 April 2020	1,333,728	2,946,404	597,724	6,056,936	3,286,151	610,232	14,831,175

7. Other noncurrent assets

	31 October 2020 Php'000	30 April 2020 Php'000
Trademark	**2,987,400**	-
Deferred land development costs	**485,113**	441,709
Advance rent	**264,071**	361,133
Security deposits	–	312,966
Refundable deposits	**99,489**	95,824
Advances to suppliers	**53,614**	87,292
Deferred input VAT	**33,345**	37,571
Deferred financial charges	**16,864**	–
Others	**207,599**	8,872
	4,147,495	1,345,367

Trademark pertains to the assignment by Dewey Sdn. Bhd., to PPMSC of the various trademarks which includes the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines.

Deferred land development costs are advanced payments for the preparation, maintenance and continuance of the life cycle of pineapple or papaya crops.

Advance rent pertains to payments related to lease contracts which will commence beyond one year from the reporting period.

Security deposits pertain to payments made by NAI in connection with the Parent Company's intention to avail of the additional production capacity under the toll manufacturing agreement. The security deposit related to the tolling agreement for the additional capacity is finalized or in the event that the additional capacity does not materialize. On August 2020, the security deposit has been returned by NAI.

Refundable rental deposits are deposits made under lease contracts entered by the Parent Company.

Advances to supplier represent advance payments made to cover capital expenditures of the Parent Company.

Deferred input VAT on capital goods represents input VAT on property and equipment that are to be amortized over its useful life or 5 years, whichever is shorter.

Other noncurrent assets pertain to deferred expenses expected to be amortized beyond one year from the next reporting period.

8. Biological assets

	31 October 2020 Php'000	30 April 2020 Php'000
Livestock		
At beginning of the period/year	**107,265**	87,608
Purchases of livestock	**25,867**	58,617
Sales of livestock	**(15,403)**	(38,960)
At end of the period/year	**117,729**	107,265

	31 October 2020 Php'000	30 April 2020 Php'000
Agricultural produce		
At beginning of the period/year	**1,300,529**	1,368,032
Additions	**414,542**	494,604
Harvested	**(711,893)**	(562,107)
At end of the period/year	**1,003,178**	1,300,529
Fair value gain on produce prior to harvest	**1,654,447**	1,775,669
At end of the period/year	**2,657,625**	3,076,198

	31 October 2020 Php'000	30 April 2020 Php'000
Current	**2,657,625**	3,076,198
Noncurrent	**117,729**	107,265
Totals	**2,775,354**	3,183,463

9. Inventories

	31 October 2020 Php'000	30 April 2020 Php'000
Cased goods and other merchandise		
- at cost	**1,301,108**	1,528,761
- at net realisable value	**1,331,213**	676,175
Production materials and supplies		
- at cost	–	–
- at net realisable value	**2,146,661**	1,925,766
Storeroom supplies		
- at cost	–	–
- at net realisable value	**553,237**	514,625
	5,332,219	4,645,327

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

	Note	31 October 2020 Php'000	30 April 2020 PHP'000
At beginning of the period/year		**352,516**	395,296
Allowance for the period/year	20	**61,208**	98,534
Write-off against allowance		**(60,059)**	(141,314)
At end of the period/year		**353,665**	352,516

Source of estimation uncertainty

The Company 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 Company believes such estimates represent a fair charge of the level of inventory obsolescence in a given year. The Company 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 Company 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 decrease current assets.

10. Trade and other receivables

	31 October 2020 Php'000	30 April 2020 Php'000
Trade receivables	**2,814,095**	2,140,222
Non trade receivables	**3,602,293**	5,212,656
Allowance for doubtful accounts – trade	**(36,969)**	(37,834)
Allowance for doubtful accounts – nontrade	**(11,868)**	(16,840)
Trade and other receivables	**6,367,551**	7,298,204

The aging of trade and non-trade receivables at the reporting date is:

	Gross		Impairment losses	
At 31 October 2020	**Trade Php'000**	**Non trade Php'000**	**Trade PHP'000**	**Non trade PHP'000**
Not past due	**2,047,285**	**1,147,927**	–	–
Past due 0 - 60 days	**586,168**	**1,602,533**	–	–
Past due 61 - 90 days	**36,167**	**122,065**	–	–
Past due 91 - 120 days	**20,559**	**171,154**	–	–
More than 120 days	**123,916**	**558,614**	**(36,969)**	**(11,868)**
	2,814,095	**3,602,293**	**(36,969)**	**(11,868)**

	Gross		Impairment losses	
At 30 April 2020	**Trade PHP'000**	**Non trade PHP'000**	**Trade PHP'000**	**Non trade PHP'000**
Not past due	1,511,407	845,161	–	–
Past due 0 - 60 days	426,616	934,695	–	–
Past due 61 - 90 days	22,027	471,675	–	–
Past due 91 - 120 days	16,488	374,764	–	–
More than 120 days	163,684	2,586,361	(37,834)	(16,840)
	2,140,222	5,212,656	(37,834)	(16,840)

Source of estimation uncertainty

The Company maintains an allowance for impairment of accounts receivables at a level considered adequate to provide for potential uncollectible receivables based on the applicable ECL methodology. The level of this allowance is evaluated by the Company on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Company's relationship with debtors, their payment behaviour and known market factors. The Company reviews the age and status of receivables, and identifies accounts that are to be provided with allowance on a continuous basis. Additionally, allowance is also determined, through a provision matrix based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The amount and timing of recorded expenses for any period would differ if the Company made different judgement or utilised different estimates. An increase in the Company's allowance for impairment would increase the Company's recorded operating expenses and decrease current assets.

11. Prepaid expenses and other current assets

	31 October 2020 Php'000	**30 April 2020 PHP'000**
Advances to suppliers	**514,772**	179,702
Prepaid expenses	**146,567**	133,513
Prepaid taxes	**48,282**	49,700
Deferred transportation cost	**47,763**	37,411

Input VAT - net	**28,165**	26,327
Others	**47,004**	77,137
	832,553	503,790

Advances to suppliers are down payments incurred by the Company for the purchase of capital assets, materials and supplies that will be used for operations.

Prepaid expenses include prepayments on advertising and subscriptions that are normally incurred within the next financial year.

Prepaid taxes pertain to real property, local business, and excise taxes are paid in advance to regulatory authorities and are usually amortized within the next reporting period.

Deferred transportation cost pertains to advanced payment on delivery and transportation services and is normally incurred within the next financial period.

Input VAT pertain to prepayments made to regulatory authorities for the purchase of materials and supplies that will be used for manufacturing goods.

Other current assets consist of prepaid employee advances, prepaid employee benefits, prepaid advertising, prepaid financial charges, subscriptions and membership dues.

12. Cash and cash equivalents

	31 October 2020 Php'000	**30 April 2020 Php'000**
Cash on hand	**3,710**	2,899
Cash in banks	**1,114,206**	1,152,017
Cash equivalents	**21,000**	16,000
Cash and cash equivalents	**1,138,916**	1,170,916

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.50% for the half (30 April 2020: 0.01% to 0.50% per annum). Cash equivalents are short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Company and earn interest rate of 1.00% to 1.25% (30 April 2020: 1.19% to 4.20%) per annum.

13. Loans and borrowings

	31 October 2020 Php'000	30 April 2020 Php'000
Current liabilities		
Unsecured bank loans	**9,266,730**	14,442,750
Secured bank loans	**–**	–
	9,266,730	14,442,750
Non-current liabilities		
Unsecured bank loans	**–**	–
Secured bank loans	**1,500,000**	–
	1,500,000	–
	10,766,730	14,442,750

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate % p. a.	Year of maturity	31 October 2020 Face value Php'000	31 October 2020 Carrying amount PHP'000	30 April 2020 Face value PHP'000	30 April 2020 Carrying amount PHP'000
Company							
Secured bank loans	PHP	4.42%	2023-2025	1,500,000	1,500,000	3,000,000	3,000,000
Unsecured bank loans	PHP	3.90%-4.13%	2020	6,000,000	6,000,000	7,580,000	7,580,000
Unsecured bank loans	USD	2.60%-3.00%	2020	3,266,730	3,266,730	3,862,750	3,862,750
				10,766,730	10,766,730	14,442,750	14,442,750

On August 3, 2020, the Company repaid Php 1,500,000 of the long-term loan through its existing short-term credit facility. On October 23, 2020 the Company has refinanced its Php1,500,000 loan payable over 9 equal quarterly installments with the first repayment date on August 3, 2023 and last repayment date on August 3, 2025.

The Company is compliant with its loan covenants as at 31 October 2020 and 30 April 2020.

Long Term Borrowings

Long-term Borrowings	Original Principal (In '000)	Outstanding Balance (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2020 to 31 October 2020 (In '000)
BDO Long-term Loan	1,500,000	1,500,000	Higher of Libor or 4.50%	2023-2025	Quarterly interest payment and principal on maturity dates	Php 40,962

14. Bonds Payable

	31 October 2020 Php'000	30 April 2020 Php'000
Outstanding as of May 1, 2020	–	–
Additions	**6,478,460**	–
Amortisations	–	–
Outstanding as of October 31, 2020	**6,478,460**	–

On October 30, 2020, the Parent Company issued peso-denominated fixed-rate bonds with an aggregate principal amount of Php 5,000,000,000 with an oversubscription option of up to Php 2,500,000,000, with the following series of the Bonds: (i) 3.4840% p.a. three-year fixed-rate bonds due 2023 and (ii) 3.7563% p.a. five-year fixed-rate bonds due 2025.

15. Trade and other current liabilities

	31 October 2020 Php'000	30 April 2020 Php'000
Accounts payable:		
Trade	**4,119,931**	3,369,598
Royalties	–	113,456
Nontrade	**92,713**	90,305
Due to related parties:	**31,531**	81,300
Accrued operating expenses:		
Advertising, promotions and discounts	**467,500**	233,201
Salaries, bonuses and other employee benefits	**169,229**	139,576
Freight and warehousing	**159,495**	106,724
Payable to government agencies	**123,815**	145,367
Rental	**122,216**	173,727
Professional and outside services	**115,968**	161,049
Tinplate and consigned stocks	**58,052**	190,469
Capital expenditures	**1,183**	68,566
Others	**131,879**	168,717
	5,593,512	5,042,055

Trade payables are noninterest-bearing and are normally settled on 30 to 120-day terms.

Royalties payable are from the royalty agreement with ALCOR Hungary Szogaltato Kft. Capita International Financial Services ("ALCOR"). Royalties payable are noninterest-bearing and are paid and remitted within thirty (30) days after each calendar quarter, except the last quarter, which is made within fifteen (15) days after the issuance of the external auditor's certificate verifying the amount of the Parent Company's net sales for the period. On May 2020, the royalty agreement with ALCOR has been terminated completely.

With the assignment by Dewey Sdn. Bhd., to PPMSC of various trademarks including the "Del Monte" and "Today's" trademarks, the Parent Company now pays royalties to PPMSC. The balance of royalty payable due to PPMSC is eliminated due to consolidation process.

Due to related parties are unsecured and noninterest-bearing purchases of services, rentals, toll pack and management services from related parties which are expected to be paid within the next fiscal year.

Accrued expenses are payable within the next fiscal year.

16. 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	Financial assets at amortised cost Php'000	Derivatives Php'000	Other financial liabilities Php'000	Total carrying amount Php'000	Fair value Php'000
31 October 2020						
Cash and cash equivalents		1,138,916	–	–	1,138,916	1,138,916
Trade and other receivables		6,367,551	–	–	6,367,551	6,367,551
Notes receivables		–	–	–	–	–
Refundable deposits**		99,489	–	–	99,489	99,489
Derivative assets		–	–	–	–	–
		7,605,956	–	–	7,605,956	7,605,956
Loans and borrowings		–	–	10,766,730	10,766,730	10,766,730
Trade and other current liabilities*		–	–	5,469,697	5,469,697	5,469,697
Derivative liabilities		–	–	–	–	–
Bonds				6,478,460	6,478,460	6,478,460
		–	–	22,714,887	22,714,887	22,714,887

	Note	Financial assets at amortised cost Php'000	Derivatives Php'000	Other financial liabilities Php'000	Total carrying amount Php'000	Fair value Php'000
30 April 2020						
Cash and cash equivalents		1,170,916	–	–	1,170,916	1,170,916
Trade and other receivables		7,298,204	–	–	7,298,204	7,298,204
Notes receivables		–	–	–	–	–
Refundable deposits**		95,824		–	95,824	95,824
Derivative asset		–	–	–	–	–
		8,564,944	–	–	8,564,944	8,564,944
Loans and borrowings		–	–	14,422,750	14,422,750	14,422,750
Trade and other current liabilities*		–	–	4,896,688	4,896,688	4,896,688
Bonds		–	–	–	–	–
		–	–	19,319,438	19,319,438	19,319,438

* *excludes derivative liabilities, advances from customers, deferred revenue, withheld from employees (taxes and social security cost) and VAT payables*

** *included under advance rentals and deposits*

17. 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 Company 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 Company 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 Company 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 2020			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Derivative assets		–	–	–	–
Notes receivable		–	–	–	–
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	788,861	788,861
Fair value of growing produce		–	–	2,657,625	2,657,625
Freehold land		–	–	610,232	610,232
Financial liabilities					
Derivative liabilities		–	–	–	–
Lease liabilities		–	–	2,580,130	2,580,130
Loans and borrowings		–	–	10,766,730	10,766,730
Bonds		–	–	6,478,460	–

		30 April 2020			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Derivative assets		–	–	–	–
Notes receivable		–	–	–	–
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	1,367,856	3,657
Fair value of growing produce		–	–	3,076,198	3,076,198
Freehold land		–	–	610,232	610,232
Financial liabilities					
Derivative liabilities		–	–	–	–

Lease liabilities	–	–	2,636,372	2,636,372
Loans and borrowings	–	–	14,442,750	14,442,750

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.

Fair values of harvested and unharvested agricultural produce have been determined for measurement and/or disclosure purposes based on the following methods.

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 based on the selling price of fresh fruits as sold in the local and international markets (Level 3).	The unobservable input is the estimated selling price of pineapple per ton specific for fresh products.
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 input is the estimated selling price of pineapple and gross margin per ton specific for processed products.
Unharvested crops – fruits growing on the bearer plants	The growing produce are measured at fair value from the time of maturity of the bearer plant until harvest. Management used estimated gross margin at point of harvest less future fruiting costs to be incurred until harvest as the basis of fair value.	The unobservable inputs are estimated selling price of pineapple and gross margin per ton for fresh and processed products, respectively, estimated volume of harvest and future growing costs.

Significant increase (decrease) in the significant unobservable inputs of harvested crops sold as fresh fruit and harvested crop used in processed products would result in higher (lower) fair values. Significant increase (decrease) in the estimated future selling price of pineapple, gross margin per ton and estimated volume of harvest would result in higher (lower) fair value of growing produce, while significant increase (decrease) in the future growing costs would result in lower (higher) fair value.

18. Profit for the period

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

	Note	Six months ended 31 October 2020 Php'000	Six months ended 31 October 2019 Php'000
Provision (Reversal) for inventory obsolescence	9	**61,208**	98,534
Provision (Reversal) of allowance for doubtful receivables (trade)	10	**(5,031)**	(915)
Amortisation of right-of-use assets	22	**227,901**	221,485
Depreciation of property, plant and equipment	6	**2,030,334**	2,415,671

19. General and administrative expenses

This account consists of the following:

	Six months ended 31 October 2020 Php'000	Six months ended 31 October 2019 Php'000
Personnel costs	**213,523**	203,330
Rent	**9,176**	6,236
Professional fees	**27,746**	26,265
Depreciation and amortization	**61,981**	59,638
Technology cost	**30,186**	29,343
Taxes and insurance	**2,130**	2,230
Utilities	**6,974**	7,690
Training and employee activities	**19,703**	45,679
Travel and transportation	**12,352**	22,698
Outside services	**5,905**	6,973
Supplies	**6,488**	3,629
Others	**6,981**	17,012
	403,145	430,723

20. Share capital

		31 October 2020		30 April 2020	
		No. of shares ('000)	Php'000	No. of shares ('000)	PHP'000
Authorised:					
Ordinary shares of	Php1.00 each	**3,000,000**	**3,000,000**	3,000,000	3,000,000
Preference shares of	Php1.00 each	-	-	-	-
		3,600,000	**3,600,000**	3,600,000	3,600,000
Issued and fully paid:					
Ordinary shares of	Php1.00 each	**2,461,642**	**2,461,642**	2,797,320	2,797,320
Preference shares of	Php1.00 each	**335,678**	**335,678**	–	–
		2,797,320	**2,797,320**	2,797,320	2,797,320

On March 23, 2018, the SEC approved the amendment of the Parent Company's articles of incorporation, which includes the conversion of preferred shares of the Parent Company into common shares, while retaining the authorized capital stock in the amount of three billion pesos (₱3,000,000,000)

On December 9, 2019, in a joint special meeting of the Board and stockholders of the Parent Company, the conversion of the authorized common shares amounting to ₱3,000,000,000 to common shares convertible to voting, participating RCPS was approved. The RCPS shall be convertible to common shares. The SEC approved the amendment of the Parent Company's articles of incorporation on February 11, 2020

The Parent Company declared stock dividends to preferred shareholders on January 22, 2018 and subsequently issued on February 6, 2018 amounting to ₱322,920 (3,229,200 shares at par value of ₱ 100 per share), which is 5% of the total par value for calendar year 2005 and for the period from calendar year 2008 up to fiscal year 2017.

On June 14, 2019, the Parent Company declared cash dividend of ₱4.93 per share to the holders of common shares of the Corporation as of close of business of June 21, 2019 amounting to ₱13,796,097. The payment was set off against the Parent Company's receivables from GTL Limited, DMPL and S&W Fine Foods International Ltd. on July 31, 2019 through a restructuring agreement.

On June 29, 2020, the Parent Company declared cash dividend of **0.9235** per share to the holders of common shares of the Corporation as of close of business of June 29, 2020 amounting to 2,583,325. The payment was partly remitted and the balance was set off against the Parent Company's receivables from S&W Fine Foods International Ltd, DMPL, DMS on July 31, 2020 through a restructuring agreement.

On August 03, 2020, the Company has amended its Articles of Incorporation to reflect the conversion of common shares per Share Purchase Agreement to RCPS.

On September 30, 2020, PPMSC declared cash dividend of ₱360 per share to the holders of common shares of the Corporation as of close of business of October 7, 2020. No remittance was made yet as of November 24, 2020.

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 Company's capital comprises its share capital, retained earnings and total reserves as presented in the statements of financial position. The Board monitors the return on capital, which the Company 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 Company contain various 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 Company's approach to capital management during the fiscal year.

21. Earnings (loss) 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	
	2020	**2019**
Basic profit/loss per share is based on:		
Profit (loss) attributable to owners of the Company	**2,090,264**	1,843,830
Cumulative preference share dividends	–	–
	2,090,264	1,843,830
Basic weighted average number of ordinary shares ('000):		
Weighted average ordinary shares	**2,629,481**	2,797,320
Effect of shares awards granted	–	–
Weighted average number of ordinary shares at end of period (basic)	**2,629,481**	2,797,320
Basic profit per share	**0.79**	0.66

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.

	Six months ended 31 October	
	2020	**2019**
Diluted profit per share is based on:		
Profit (loss) attributable to owners of the Company	**2,090,264**	1,843,830
Cumulative preference share dividends	**–**	–
	2,090,264	1,843,830
Diluted weighted average number of shares ('000):		
Weighted average number of ordinary shares (basic)	**2,629,481**	2,797,320
Convertible preference shares	**335,678**	–
Weighted average number of ordinary issued (diluted)	**2,965,159**	2,797,320
Diluted profit per share	**0.70**	0.66

22. Leases

Company as a lessee

Set out below are the carrying amount of right-of-use assets recognised and the movements during the period:

	Buildings, land improvements and leasehold improvements Php'000	Land Php'000	Total Php'000
Cost/Valuation			
At 1 May 2020	**1,175,684**	**2,586,618**	**3,762,302**
Additions	**–**	**–**	**–**
Disposals	**–**	**–**	**–**
At 31 October 2020	**1,175,684**	**2,586,618**	**3,762,302**
At 1 May 2019	–	–	–
Effect of adoption of IFRS 16	1,175,684	2,435,364	3,611,048
Additions	–	151,254	151,254
Disposals	–	–	–
At 30 April 2020	1,175,684	2,586,618	3,762,302

	Buildings, land improvements and leasehold improvements Php'000	Land Php'000	Total Php'000
At 1 May 2020	**126,466**	**349,685**	**476,151**
Amortisation	**63,233**	**164,667**	**227,900**
Disposals	–	–	–
At 31 October 2020	**189,699**	**514,352**	**704,051**
At 1 May 2019	–	–	–
Amortisation	126,466	349,685	476,151
Disposals	–	–	–
At 30 April 2020	126,466	349,685	476,151
Carrying amounts			
At 31 October 2020	**985,985**	**2,072,266**	**3,058,251**
At 30 April 2020	1,049,218	2,236,933	3,286,151

The following are the amounts recognised in income statement for three months ended 31 October:

	Php'000
Amortisation expense of right-of-use assets	227,901
Interest expense on lease liabilities	40,257
Expenses relating to short-term leases	326,815
Total amount recognised in statement of income	594,972

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	31 October 2020 Php'000	30 April 2020 Php'000
At the beginning of period/year	**2,636,372**	2,601,012
Additions	**37,399**	120,347
Accretion of interest	**40,257**	125,234
Payments	**(133,898)**	(210,221)
At the end of period/year	**2,580,130**	2,636,372
Current	**323,150**	289,191
Non-current	**2,256,980**	2,347,181

23. Commitments and contingencies

a. Future capital expenditures based on approved budgets and executable contracts are as follows:

Amounts approved by the board	317,107
Commitments in respect of contracts made	413,993
Total capex commitments	**731,099**

b. There are lawsuits, tax assessments and certain claims arising out of the normal course of business. Management, in consultation with legal counsel, believes that the resolution of these contingencies, other than those already with provision, will not have a material effect on the consolidated financial statements.

c. With regard to Final Tax Assessments for calendar years 2011-2013 that has been paid on February 1, 2017, an enquiry in aid of legislation was initiated by the House of Representatives in July 2017 on the alleged substantial disparity between the amount of deficiency tax liabilities assessed by the BIR and the final payment made by the Parent Company. As at August 3, 2020, the Parent Company continues to cooperate with the Court of Tax Appeals by submitting all the requested documents and information explaining how the Preliminary Assessment Notices for 2012 and 2013 were rebutted. As at the same date, the case is pending resolution.

24. Related parties

Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Company if the Company 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 Company 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	Amount of the transaction Php'000	Outstanding balance – receivables/ (payables) Php'000	Terms	Conditions
Ultimate Parent					
▪ Sales	October 2020	**9,030**	**10,583**	Due and demandable;	Unsecured;
	April 2020	259	23	non–interest bearing	no impairment
▪ Purchases	October 2020	**(2,548)**	**2,720**	Due and demandable;	Unsecured;
	April 2020	(11,767)	2,120	non–interest bearing	no impairment
▪ Advances and security deposits	October 2020	–	–	Due and demandable;	Unsecured;

	April 2020	283,109	282,749	non–interest bearing	no impairment
▪ Services and other reimbursements	October 2020	–	–		Unsecured;
	April 2020	9,286	6,819	non–interest bearing	no impairment
Under Common Control					
▪ Sales	October 2020	**1,687,805**	**3,314,815**	Due and demandable;	Unsecured;
	April 2020	4,688,418	2,879,403	non–interest bearing	no impairment
▪ Purchases and royalties	October 2020	**(8,775)**	**(17,418)**	Due and demandable;	Unsecured
	April 2020	(291,746)	(121,848)	non–interest bearing	no impairment
▪ Advances	October 2020	–	–	Due and demandable;	Unsecured
	April 2020	2,483,119	1,821,331	non–interest bearing	no impairment
▪ Services and other reimbursements	October 2020	**7,290**	**(2,800)**	Due and demandable;	Unsecured
	April 2020	(67,457)	(27,647)	non–interest bearing	no impairment
Other Related Party					
▪ Sales	October 2020	**27,717**	**83,311**	Due and demandable;	Unsecured;
	April 2020	179,449	127,123	non–interest bearing	no impairment
▪ Purchases	October 2020	–	–	Due and demandable;	Unsecured
	April 2020	(78,616)	(27,717)	non–interest bearing	no impairment
▪ Rendering of services	October 2020	–	**(257)**	Due and demandable;	Unsecured
	April 2020	202	77	non–interest bearing	no impairment
▪ Lease receivables	October 2020	–	–	Due and demandable;	Unsecured
	April 2020	3,271	3,192	non–interest bearing	no impairment
▪ Rental of office space and common use area	October 2020	**(56,639)**	**(10,977)**	Due and demandable;	Unsecured
	April 2020	(115,696)	(32,157)	non–interest bearing	no impairment
	October 2020	**1,663,901**	**3,379,977**		
	April 2020	7,081,831	4,913,513		

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 Company's policy is to solicit competitive quotations. Purchases are normally awarded based on the lowest price.

Except for transactions identified in the previous section as interest-bearing, outstanding balances at financial reporting date are unsecured, interest-free and settlement occurs in cash and are collectible or payable on demand. As at 31 October 2020 and 30 April 2020, the Company has not made any provision for doubtful accounts relating to amounts owed by related parties.

25. Share Purchase Agreement and Shareholders' Agreement with Sea Diner Holdings (S) Pte. Ltd.

On 24 January 2020, the DMPL, Central American Resources, Inc ("CARI"), the Parent Company and SEA Diner, a company incorporated in Singapore, entered into a Share Purchase Agreement and Shareholders' Agreement whereby CARI will sell 335,678,400 existing common shares equivalent to 12% ownership interest in the Parent Company to SEA Diner, subject to fulfilment of certain conditions precedent. These common shares are convertible to voting, convertible, participating and redeemable preference shares ("RCPS") of the Parent Company.

The Board and the stockholders of the Parent Company approved the conversion of the convertible common shares to RCPS subject to the completion of the transaction and the Enabling Resolutions which further defined the terms of the RCPS on 3 March 2020. As at 30 April 2020, the Company, CARI and the Parent Company had fulfilled the conditions precedent under the Share Purchase Agreement. The closing date of the agreement is on 20 May 2020.

Terms of the RCPS

The terms of the RCPS are as follow:

- The RCPS holders participate in the dividends on an as-converted basis, that is, if common shareholders are entitled to dividends, then the RCPS holders will correspondingly be entitled to dividends on an as-converted basis.

- The investor as an RCPS holder will have proportional shareholder voting rights in the Parent Company on an as-converted basis. There will also be certain reserved matters (for example, matters not in the ordinary course of business) which the investor will have the right to approve.

- SEA Diner, as long as it holds RCPS, may, at any time, exercise its right to convert the RCPS into common shares of the Parent Company at a ratio of one (1) RCPS to one (1) common share of DMPI. The RCPS is automatically converted into common share in the event of initial public offering (IPO) of the Parent Company.

- Upon the occurrence of any of certain agreed "RCPS Default Events", SEA Diner may require the Company, CARI or the Parent Company to redeem all of the RCPS at the agreed redemption price, which is the amount of RCPS consideration plus the agreed rate of return (compounded on a per annum basis) calculated from 20 May 2020 up to the date of redemption.

- In case of "Other Redemption Events", redemption shall be subject to the mutual agreement of the parties. If the Parent Company does not consent to the RCPS holder's written redemption request, the internal rate of return would be increased annually by 3%, and this increased rate of return shall apply for each year that the RCPS remain outstanding and shall be compounded on a per annum basis.

<u>Call Option Agreement</u>

On 24 January 2020, DMPL, CARI, the Parent Company and SEA Diner entered into a call option agreement wherein SEA Diner is entitled to a call option which gives SEA Diner the right to buy from CARI additional shares of the Parent Company ("Option Shares"). The exercise price for each Option Share is Php 0.357 (computed based on the Parent Company's equity valuation of PHP1 billion / existing total issued share capital of the Parent Company's shares of 2,797,320,003 as at the date of the Agreement). The call option is consummated on or before 30 April 2022 and ending on the earliest of 10 years after the closing date, the date falling 5 years after the date which an IPO

of the Parent Company was consummated and the date when SEA Diner receives an amount respect of a redemption of its shares.

26. Trademark Assignment

On 1 May 2020, Dewey Sdn. Bhd., assigned to PPMSC, various trademark which includes the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines. The trademarks has a carrying value of Php 2.99 billion.

27. Other Matters

a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company'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 Company, 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 Company with unconsolidated entities or other persons created during the reporting period.

e. The effects of seasonality or cyclicality on the interim operations of the Company's businesses are explained in Note 5, Seasonality of operations.

f. The Company's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of 31 July 2020. 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 Company is the subject of, or a party to, various suits and pending or threatened litigations. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company believes that none of these legal proceedings will have a material adverse effect on its financial position.

h. 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.

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-20	31-Oct-19	30-Apr-20	Benchmark
Current Ratio	1.08	0.95	0.835	Minimum of 1.20

Higher compared to April 2020 due to payments of current liabilities.

B. Debt to Equity

	31-Oct-20	31-Oct-19	30-Apr-20	Benchmark
Debt to Equity	2.44	2.59	2.04	Maximum of 2.50

Higher compared to April 2020 due to increase in long-term liabilities arising from issuance of bonds payable.

C. Net Profit Margin

	31-Oct-20	31-Oct-19	30-Apr-20	Benchmark
Net Profit Margin attributable to owners of the company	12.94%	11.42%	10.88%	Minimum of 3%

Higher gross margin due to decrease of cost of sales compared to prior year.

D. Return on Asset

	31-Oct-20	31-Oct-19	30-Apr-20	Benchmark
Return on Asset	11.51%	10.59%	10.35%	Minimum of 1.21

Higher margin resulting from higher net income compared to prior year.

E. Return on Equity

	31-Oct-20	31-Oct-19	30-Apr-20	Benchmark
Return on Equity	39.61%	39.26%	31.44%	Minimum of 8%

Higher margin resulting from higher net income compared to prior year.

Material Changes in Accounts

A. Trade and other receivables
Decrease due to collection of various intercompany receivables

B. Inventories
Increase due to build ups for the coming peak season

C. Other non-current assets
Increase due to trademark assignment to PPMSC

D. Loans and borrowings
Decrease mainly due to payment of long-term loan

E. Bonds payable
Increase due to issuance of bonds payable

Liquidity and Covenant Compliance

Certain unsecured bank loan agreements contain various 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.

The Company 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 Company's reputation. The Company 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 2020 and 30 April 2020, 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, 2020	October 31, 2019
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.08	0.95
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.50	0.39
(ii) Solvency Ratio	Total Assets / Total Debt*	1.41	1.39
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.71	0.72
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	2.44	2.59
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	3.44	3.59
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	8.89	8.90
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	30.71%	27.20%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	12.94%	11.41%
Net Profit Margin	Net Profit / Sales	12.94%	11.41%
Return on Assets	Net Income / Total Assets	11.51%	10.95%
Return on Equity	Net Income / Total Stockholders' Equity	39.61%	39.26%

* *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*