



DEL MONTE PHILIPPINES

CORPORATE PRESENTATION

4 January 2019



NOURISHING FAMILIES. ENRICHING LIVES. EVERY DAY. ®

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Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers' performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. The reader is cautioned to not unduly rely on these forward-looking statements.

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Overview



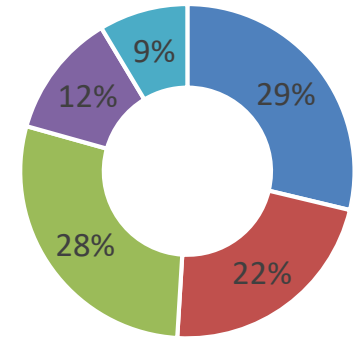


Del Monte Philippines, Inc. (DMPI)

- DMPI is the 2nd largest subsidiary of Del Monte Pacific Ltd.
- FY2018 sales of Php 27.6bn. Comprises of Philippines sales and Exports, with Philippines the largest market accounting for 63% of sales
- Del Monte is a household name as DMPI has been in operation in the Philippines for over 90 years since 1926

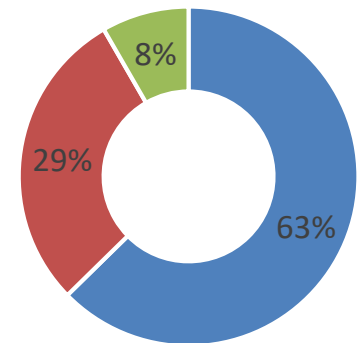


DMPI FY2018 Sales (by product)



- Packaged Fruits
- Culinary
- Beverage
- Fresh Fruit
- Others

DMPI FY2018 Sales (by geography)



- Philippines
- Exports
- Others



Vertically Integrated Operations with Economies of Scale in Pineapple

Plantation



25,000 ha. pineapple plantation; planting & harvesting nearly 24 hours year round

Located in North and South Bukidnon, Philippines

Cannery



Cannery capacity of 700,000 tons; processes fruit within 24 hours of harvest assuring freshness

Located in Bugo, Cagayan de Oro, about one hour from plantation

Fresh Packhouse



State-of-the-art fresh cold storage and packing house facility

Located in North and South Bukidnon

Nice Fruit



Nice Fruit patented technology called Nice Frozen Dry

Located in North Bukidnon

PET Plant



State-of-the-art PET Plant with R&D Lab

Producing Del Monte Fit n' Right Juice Drinks in 330ml and 1 liter bottles

Located in Cabuyao, Laguna

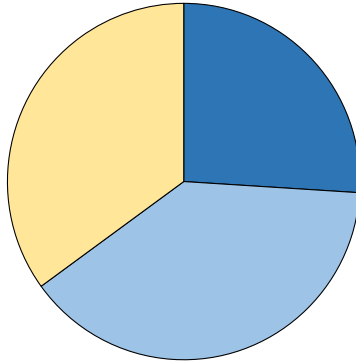
DMPI – Philippine Business

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FY2018 SALES SPLIT (Total Sales Php 17bn)

Culinary
(Sauces,
Ketchup,
Pasta) 36%



Packaged Fruit
26%

Beverage
38%

- Sells through Supermarkets, Groceries, Sari-Sari Stores, Convenience Stores and Foodservice QSRs

BLUE CHIP CUSTOMERS



MARKET SHARE

86%

Market Share (#1)
Packaged Pineapple

71%

Market Share (#1)
Canned Mixed Fruit



81%

Market Share (#1)
Canned and Carton Ready-to-Drink Juices



82%

Market Share (#1)
Tomato Sauce

40%

Market Share (#1)
Spaghetti Sauce



Source for market shares: Nielsen Retail Index as of 3 months to October 2018; Canned mixed fruit is a combined share for Del Monte and Today's brands; Spaghetti sauce is a combined share for Del Monte, Today's and Contadina brands

DMPI – S&W Business

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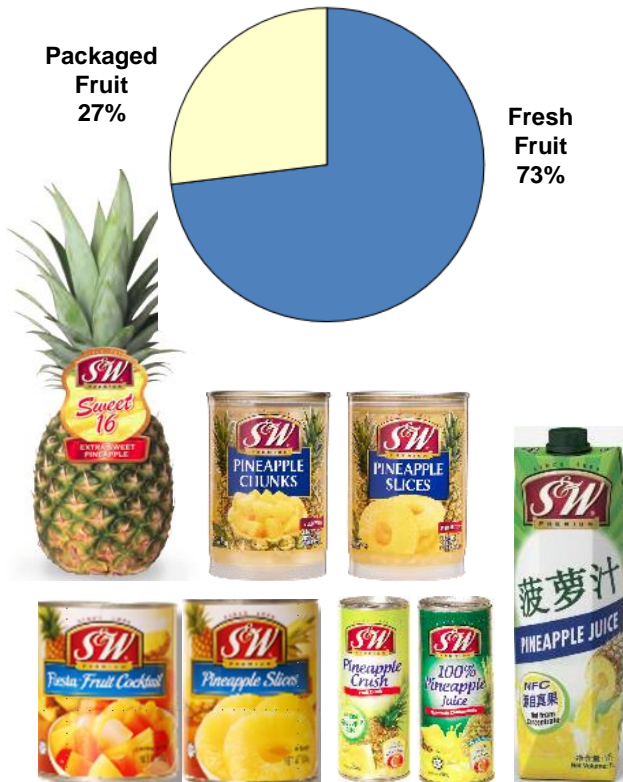


- DMPL acquired S&W International from Del Monte Corporation (USA) in November 2007
- A heritage brand which originated in the US in 1896
- Exceptional quality premium canned fruit and vegetable products

MARKET POSITION (in Fresh Pineapple)

Region	
China	} within Top 3
South Korea	
Japan	
Singapore	

FY2018 SALES SPLIT (Total Sales Php 3.3bn)



DISTRIBUTION REACH

China	Australia
Hong Kong	Pacific Islands
Taiwan	Israel
Japan	UAE
South Korea	Saudi Arabia
Singapore	Qatar
Malaysia	Pakistan
Indonesia	Turkey
Thailand	France
Mongolia	Spain
Philippines	USA
Cambodia	Canada
Myanmar	

ASIAN CUSTOMERS



DMPI – Export Business

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- DMPI also exports to America, Asia and Europe to Del Monte companies and strategic private labels
- Sales of Php 4.7bn in FY2018

Del Monte companies and Private label customers



Vision and Strategy



Vision and Strategy



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We nourish families by providing delicious food and beverages that make eating healthfully effortless – anytime and anywhere. We build brands with quality products that are perfectly wholesome and thoughtfully prepared.





- Continue to strengthen consumer loyalty in the core Philippines business through investment in brand equity and marketing
- Invest in R&D for product innovation, targeting in particular health-focused categories
- New packaging formats to attract new target markets
- Continue to expand channel coverage both in the Philippines and internationally
- Expand in the international market
- Maintain a culture of operational and commercial excellence, and sustainability



Growth Drivers



New Products and Packaging Innovation

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New flavors / varieties for increased enjoyment



New health benefits for teens, young adults and maturing adults



Contadina range of premium products



New pack formats for convenience and portability



Adjacent products to tap new users and new consumption usages



New Products for Geographic Expansion

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North/SE Asia



**Klear Can
(China/Korea)**



**Co-branding with
Goodfarmer (China)**



**100% Pineapple Juice in
Catron (China)**



**Calamansi
(Phils)**



**Heart Smart
(China)**



**Contadina Sauces
(China)**



**Contadina Fruits
(China)**

Middle East



**Juices
(Israel)**



**Fruits
(Israel/Turkey)**



Sauces

Europe



**Co-branding with
St. Mamet (France)**

USA



100 Calorie Fruits



**Ohmic
processing**



Fruit Cups



Awards and Sustainability





- DMPI's CEO, Mr. Joselito D. Campos, Jr., bagged the Entrepreneur of the Year Award in the Asia Pacific Entrepreneurship Awards in Singapore
- Del Monte Kitchenomics, the biggest culinary club in the Philippines, has won numerous awards:
 - PANAta (Philippine Association of National Advertisers) Marketing Effectiveness Award
 - Spark Awards for Media Excellence: Gold for Best App and Best Use of Branded Content
 - Anak TV Seal, a national award on TV programs which are child-sensitive and family-friendly
- Tomato Sauce's Come Home Campaign won the Tambuli Award
- Bagged 7-11 Philippines' Best Supplier of the Year Award, Most Innovative Supplier and Best in Account Management
- Bagged Robinsons' Gold Apple Award (Food Division) in the Philippines





Top 100 Brands in the Philippines in 2018

1 SAMSUNG	2 	3 Nestlé	4 SONY	5
6 Google	7 Panasonic	8 NIKE	9 Colgate	10 Dove
11 LAZADA	12 	13 Coca-Cola	14 Canon	15 adidas
16 	17 BDO	18 BPI	19 Grab	20 UBER
21 facebook	22 SHARP	23 	24 	25 AirAsia
26 Microsoft	27 GATORADE	28 Globe	29 	30

Awards - Sustainability

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- Linked in recognized DMPI as a company with Most Socially Engaged Followers given its “remarkable follower engagement and quality of employer branding post”
- Bagged the Employer of the Year Award 3x from the Personnel Management Association of the Philippines
- Hall of Fame Award and SSS Kabalikat ng Bayan Top Employer of the Year Award from the Social Security System in the Philippines
- Gawad Kaligtasan at Kalusugan (the National Award for Excellence in the Practice of Occupational Health and Safety) awarded to our Cannery by the Department of Labor and Employment
- Won the Don Emilio Abello Energy Conservation Award from the Department of Energy
- Champion of Biodiversity and Watershed Conservation from the Enterprise Works Worldwide Philippines
- Best Industry Partner in Northern Mindanao from the Technical Education and Skills Development Authority
- Bagged the Salamat Po (Thank You) Award for sustainable livelihood programs from the Department of Social Welfare and Development





Nutrition, Health and Wellness

- Drawing our strength from our heritage of quality and reliability, we produce globally competitive food products in the most sustainable way possible
- Our goal is to produce healthier and more nutritious products
- Health and wellness has been the anchor for new product introductions with the consumers' health in mind



Strategic Pillar



- Sustainability is one of DMPI's strategic pillars and is embedded in the five strategic pillars
- We build the right capabilities, talent, culture and team to achieve these pillars

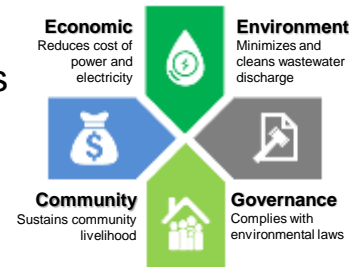
Del Monte Foundation



- Through the Del Monte Foundation, we continue to contribute to the upliftment of the quality of life in communities where we operate
- The Foundation focuses its activities on community health and home care education, environmental conservation, education and youth development, and technical skills and livelihood development

Environmental Stewardship

- Across 90+ years of operation, our farming practices are aimed at improving yield through ecologically friendly land and water, plant disease management, and use of sustainable planting materials
- Our waste-to-energy system produces bio-gas using wastewater and discharges clean water to coastal waters





Our quality standards and processes are accredited by the world's leading certifying bodies



GLOBALG.A.P. Fruit & Vegetables

Financial Highlights



DMPI's Historical Performance - Profitability

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Four-Year Summary

FY = May to April

FY2015

FY2016

FY2017

FY2018

(Amounts in PhP '000 unless otherwise stated)

Profitability

Revenues	21,994,129	23,686,314	26,703,905	27,569,755
Gross Income	5,211,266	5,346,111	6,529,414	6,577,479
EBITDA	2,314,247	3,115,147	4,030,666	4,091,694
Operating Income	1,675,938	2,408,591	3,192,459	3,253,651
Net Income	1,062,042	1,784,911	2,735,130	2,571,028
EPS (in PhP)	0.57	0.96	1.48	1.33
Gross Margin (%)	23.7	22.6	24.5	23.9
EBITDA Margin (%)	10.5	13.2	15.1	14.8
Operating Margin (%)	7.6	10.2	12.0	11.8
Net Margin (%)	4.8	7.5	10.2	9.3
EPS Growth (%)	na	68.4	54.2	-10.1
Return on Equity (%)	9.3	13.5	16.9	13.6
Return on Assets (%)	4.4	6.7	8.1	6.7

DMPI's Balance Sheet and Cash Flow

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Four-Year Summary

FY = May to April

FY2015

FY2016

FY2017

FY2018

(Amounts in PhP '000 unless otherwise stated)

Balance Sheet

Cash	820,194	231,026	866,804	764,666
Debt	8,600,168	8,646,892	11,907,920	14,136,568
Net Debt	7,779,974	8,415,866	11,041,116	13,371,902
Fixed Assets	8,227,978	8,369,805	8,924,681	9,956,175
Total Assets	24,150,340	26,443,764	33,561,758	38,388,582
Shareholders' Equity	11,476,617	13,231,219	16,137,477	18,922,904
Net Tangible Asset Per Share (in PhP)	5.8	6.7	8.3	6.8
Net Debt to Equity Ratio (%)	67.8	63.6	68.4	70.7

Cash Flow

Cash Flow from Operations	3,305,685	3,937,194	2,372,328	3,596,839
Capital Expenditure	3,878,100	4,341,835	4,815,752	5,734,667

Investment Merits





Investment Merits

Solid Fundamentals

- Well-known premium Del Monte and S&W brands
- Long heritage of 90+ years
- Leading market shares in the Philippines
- Globally competitive integrated pineapple producer
- Experienced, dynamic management

Growth Drivers

- New product categories / innovation
- S&W fresh pineapple exports
- New channels, including digital
- New international markets
- Deeper reach in existing markets and channels
- Active cost management

Valuations

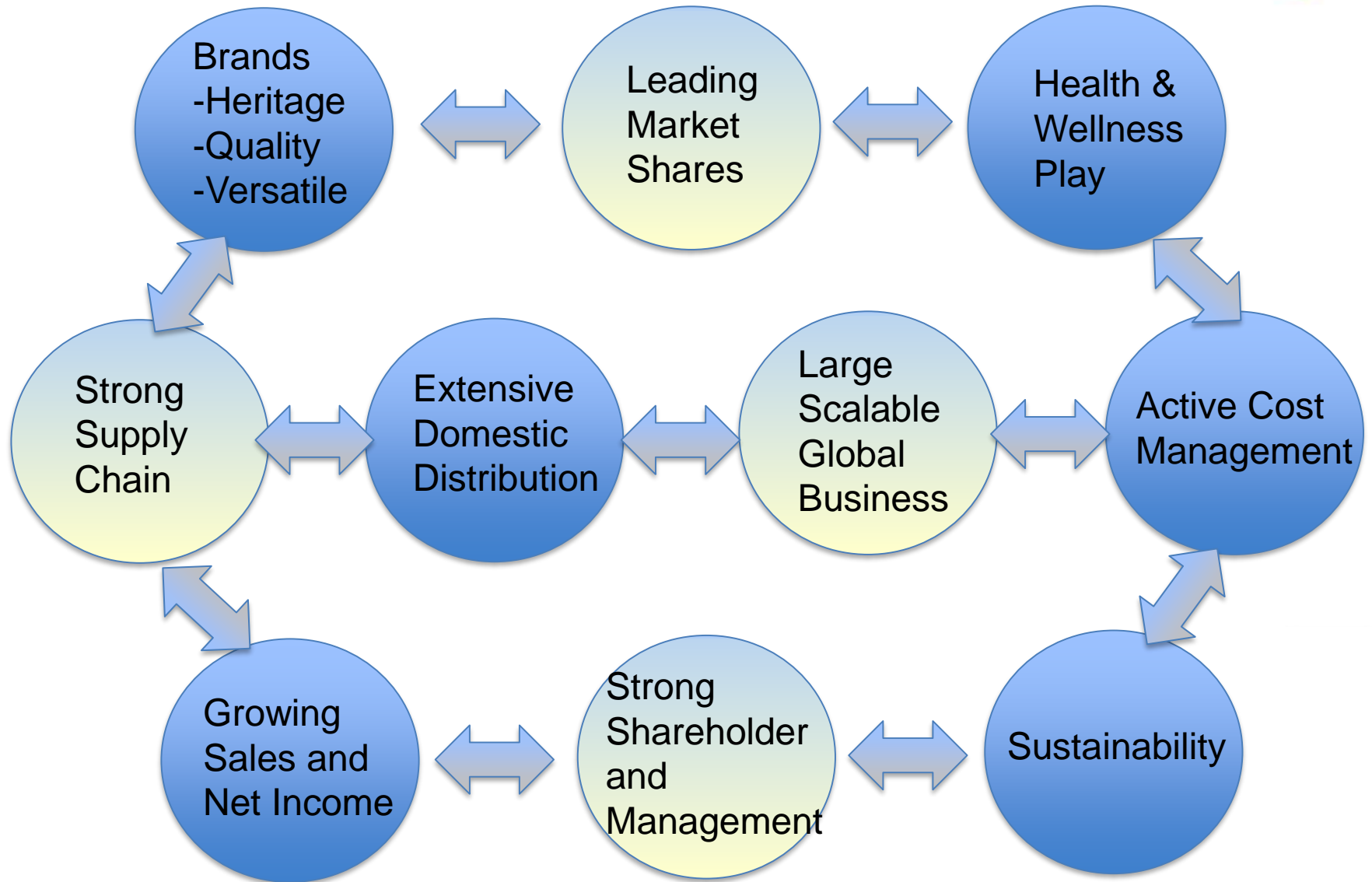
- DMPI's net profit expected to grow in FY2019

Sustainability

- Wide reach, strategic

Strengths

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Strong Shareholder Support & Experienced Management Team with Proven Track Record

Strong Shareholder Support

Owned by Del Monte Pacific Ltd. (DMPL) which is listed in Singapore and Philippines. DMPL is in turn majority-owned by NutriAsia Pacific Limited (NPL) and Bluebell Group Holdings Ltd., which are beneficially-owned by the Campos family. NPL has been the majority shareholder of DMPL since 2006. NPL and Bluebell combined have 71% ownership in DMPL.

Experienced Management Team

Strong core management team with wide-ranging experience

President and CEO



Joselito Campos, Jr.
35 Years
Industry
Experience

COO



Luis Alejandro
35 Years
Industry
Experience

CFO



Parag Sachdeva
20 Years
Industry
Experience

Corporate Secretary



Antonio Ungson
20 Years
Industry
Experience

R&D Head



Bella Javier
35 Years
Industry
Experience

Marketing Head



Eileen Manuel
25 Years
Industry
Experience

Sales Head



Lana Parungao
30 Years
Industry
Experience