



Dairy Farm International Holdings Ltd

Jardine House, 33-35 Reid Street
Hamilton HM EX, Bermuda

To: Business Editor

For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

DAIRY FARM TO PARTNER WITH ROBINSONS IN THE PHILIPPINES

23rd March 2018 – Dairy Farm International Holdings Limited (‘Dairy Farm’) today announced it has agreed to partner with Robinsons Retail Holdings Inc. (‘RRHI’), a Philippine listed multi-format retail group based in Manila, to build a leading food retail business in the Philippines. Dairy Farm will combine its interest in wholly-owned Rustan Supercenters, Inc. (‘RSCI’) with RRHI to leverage the combined strengths of both groups and create a new platform for growth in one of the most vibrant retail markets in Asia.

Dairy Farm is to exchange its interest in RSCI for new shares in RRHI representing some 12.15% of its enlarged share capital at an agreed price per share of PHP94 valued at some US\$346 million, and acquire a further 6.1% interest of the enlarged share capital from the existing controlling shareholders at a cost of US\$174 million. This will give Dairy Farm a total holding of some 18.25%. The Gokongwei family, being the controlling shareholders, will continue to hold a 51% interest in RRHI after completion of these transactions.

RRHI’s main formats are supermarkets, department stores, do-it-yourself stores, drugstores, convenience stores and apparel stores, and it also holds a minority interest in Robinsons Bank. RSCI is one of the Philippines’ leading food retailers operating a diverse brand portfolio of formats. The combined group will be one of the top three retailers in the Philippines with over 1,700 stores.

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Issued by: **Dairy Farm Management Services Ltd**

Incorporated in Bermuda with limited liability

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The new partnership will combine strong local knowledge with the international strength and experience of a leading pan-Asian retailer. By joining forces with RRHI, Dairy Farm will maintain its strong presence in the Philippines and contribute to the growth of the consumer market with better products, services and experiences.

Commenting on these transactions, Dairy Farm Group Chief Executive, Ian McLeod, said, “We are delighted to be increasing our investment in the fast-growing Philippine food retail sector in partnership with Robinsons Retail and the Gokongwei Family. Rustan Supercenters and Robinsons Retail are already leading high-quality retailers in the Philippines and we believe that our customers will benefit from being serviced by a larger group that can use its combined strengths and scale to improve competition, quality and value for them. The partnership combines two strong, experienced and talented teams, who will have access to increased future opportunities.”

The number of new RRHI shares to be issued was fixed on 14th March 2018 when the key commercial terms for this transaction were agreed. The transaction requires the approval of the Philippine Competition Commission and the approval of the shareholders of RRHI, a majority of which have undertaken to vote in favour of the transaction. Completion is expected to take place within six months.

On completion of the transaction, Dairy Farm will have the right to nominate two directors to the Board of RRHI. Dairy Farm expects to fund the investment through a combination of existing cash and borrowings.

RSCI had sales in 2017 of PHP22 billion (approximately US\$440 million) and operated 12 hypermarkets and 61 supermarkets, with no material impact to the underlying profit of Dairy Farm. RRHI had sales in 2017 of PHP115 billion (approximately US\$2.3 billion) and operated 1,718 retail stores in the Philippines, including 154 supermarkets.

Dairy Farm is a leading pan-Asian retailer. The Group operates many well-known brands across different formats – supermarkets, hypermarkets, convenience stores, health and beauty stores, home furnishings and restaurants. In 2017, the Group and its associates and joint ventures operated over 7,100 outlets, employed some 200,000 people and had total annual

sales exceeding US\$21 billion. The Group aims to provide quality and value to customers in Asia by offering leading brands, a compelling retail experience and great service; all provided through a strong store network supported by efficient supply chains.

Dairy Farm International Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Group's businesses are managed from Hong Kong by Dairy Farm Management Services Limited through its regional offices. Dairy Farm is a member of the Jardine Matheson Group.

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This and other Group announcements can be accessed through the internet at 'www.dairyfarmgroup.com'.