



ALLIANCE SELECT FOODS  
INTERNATIONAL, INC.  
A PUBLICLY LISTED COMPANY

## PRESS RELEASE

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### **Alliance Select commences equity restructuring to expedite turnaround**

Listed international seafood company Alliance Select Foods International, Inc. is embarking on an equity restructuring program to eliminate its current deficit as it expects to sustain a healthier revenue growth with its turnaround strategy.

“As we complete our turnaround strategy this 2017, we want to restart with a clean slate and position the company to declare dividends moving forward, and at the appropriate time. This is a necessary adjustment so we can further expedite our efforts and consolidate our recent gains,” said Raymond KH See, Alliance Select President and CEO.

Subject to regulatory and shareholder approvals, Alliance Select’s par value will be reduced from Php 1.00 to Php 0.50. As the equity restructuring will not reduce the number of outstanding shares and will not change a stockholder’s ownership interest in Alliance Select, the Company’s intrinsic value would be preserved.

Equity restructuring is common for companies that are looking to clean up their balance sheets as they expect to become profitable. Some of these Philippine companies that embarked on a similar program include DFNN Inc., Philippine Realty and Holdings Corporation, and Millennium Global Holdings, Inc. The objective of these companies in restructuring is to wipe out the deficit in their retained earnings and/or position the company to distribute dividends.

Alliance Select is a homegrown international seafood company with its products distributed in various foreign markets including Europe, the US, Japan and the Middle East. It contributes significantly to the country’s tuna industry with local communities employed in its tuna processing plant in General Santos City.

During the first quarter of 2017, the company reported positive gains as a result of its turnaround strategy, delivering a 15% increase in revenues to USD17 Million. In particular, its tuna segment ended the quarter with a 14% YOY increase in total sales. Meanwhile, its salmon segment ended the quarter with a 16% YOY growth in total sales, with its subsidiary Big Glory Bay reporting sales 144% higher compared to the same period last year, and Akaroa reporting an increase of sales by 66% and an improvement of its gross profit margin by 10 percentage points, effectively trebling its net income. **END**