# 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

   Jun 30, 2025

2. SEC Identification Number

   0000086335

3. BIR Tax Identification No.

   000-417-352-000

4. Exact name of issuer as specified in its charter

   Monde Nissin Corporation

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

   Republic of the Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

   Felix Reyes St., Brgy. Balibago, Santa Rosa City, Laguna
   Postal Code
   4026

8. Issuer's telephone number, including area code

   +63277597519

9. Former name or former address, and former fiscal year, if changed since last report

   Not applicable

10. Securities registered pursuant to Sections 8 and 12 of the SRC 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 | 17,968,611,496 |

11. Are any or all of registrant's securities listed on a Stock Exchange?

   ☑ Yes ☐ No

   If yes, state the name of such stock exchange and the classes of securities listed therein:

   The common shares are listed on the Philippine Stock Exchange

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC 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 that 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



Monde Nissin

# Monde Nissin Corporation
# MONDE

**PSE Disclosure Form 17-2 - Quarterly Report**
***References: SRC Rule 17 and***
***Sections 17.2 and 17.8 of the Revised Disclosure Rules***

| | |
|---|---|
| **For the period ended** | Jun 30, 2025 |
| **Currency (indicate units, if applicable)** | PHP'000 |

**Balance Sheet**

| | Period Ended | Fiscal Year Ended (Audited) |
|---|---|---|
| | Jun 30, 2025 | Dec 31, 2024 |
| **Current Assets** | 31,267,113 | 33,927,344 |
| **Total Assets** | 76,422,418 | 78,086,748 |
| **Current Liabilities** | 12,793,512 | 15,537,271 |
| **Total Liabilities** | 18,139,863 | 22,547,846 |
| **Retained Earnings/(Deficit)** | 3,022,974 | 1,307,051 |
| **Stockholders' Equity** | 58,282,555 | 55,538,902 |
| **Stockholders' Equity - Parent** | 58,098,713 | 55,366,514 |
| **Book Value per Share** | 3.23 | 3.08 |

**Income Statement**

| | Current Year (3 Months) | Previous Year (3 Months) | Current Year-To-Date | Previous Year-To-Date |
|---|---|---|---|---|
| **Gross Revenue** | 20,575,789 | 19,824,573 | 41,457,201 | 40,136,015 |
| **Gross Expense** | 18,140,374 | 16,946,849 | 35,306,105 | 33,506,754 |
| **Non-Operating Income** | 173,560 | 216,161 | 511,799 | 694,640 |
| **Non-Operating Expense** | 262,294 | 1,749,876 | 694,092 | 1,561,725 |
| **Income/(Loss) Before Tax** | 2,346,681 | 1,344,009 | 5,968,803 | 5,762,176 |
| **Income Tax Expense** | 669,556 | 733,567 | 1,553,934 | 1,665,378 |
| **Net Income/(Loss) After Tax** | 1,677,125 | 610,442 | 4,414,869 | 4,096,798 |
| **Net Income Attributable to Parent Equity Holder** | 1,677,094 | 606,232 | 4,411,215 | 4,089,727 |
| **Earnings/(Loss) Per Share (Basic)** | 0.09 | 0.03 | 0.25 | 0.23 |
| **Earnings/(Loss) Per Share (Diluted)** | 0.09 | 0.03 | 0.25 | 0.23 |

| | Current Year (Trailing 12 months) | Previous Year (Trailing 12 months) |
|---|---|---|
| **Earnings/(Loss) Per Share (Basic)** | 0.04 | -0 |
| **Earnings/(Loss) Per Share (Diluted)** | 0.04 | -0 |

| Other Relevant Information |
|---|
| Please see attached Monde Nissin Corporation and Subsidiaries' SEC Form 17Q as of June 30, 2025. The aging analysis of trade and other receivables as at June 30, 2025 and December 31, 2024 are in Note 22 (page 29 of the Notes to Unaudited Interim Condensed Consolidated Financial Statements) of the attached SEC Form 17-Q.<br><br>The book value per share is computed by dividing Stockholder's Equity-Parent over Issued Shares. |

**Filed on behalf by:**

| | |
|---|---|
| **Name** | Katherine Lee-Bacus |
| **Designation** | Assistant Corporate Secretary |

# COVER SHEET

**00000086335**
S.E.C. Registration Number

| M | O | N | D | E | | N | I | S | S | I | N | | C | O | R | P | O | R | A | T | I | O | N | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | | | | | | | | |

(Company's Full Name)

| F | E | L | I | X | | R | E | Y | E | S | | S | T | . | , | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B | R | G | Y | . | | B | A | L | I | B | A | G | O | , | | S | T | A | . | | R | O | S | A | | | |
| C | I | T | Y | , | | L | A | G | U | N | A | | | | | | | | | | | | | 4 | 0 | 2 | 6 |

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

Jesse C. Teo
Chief Financial Officer
Contact Person

(02) 7759 7519
Company Telephone Number

| 1 | 2 | | 3 | 1 |
|---|---|---|---|---|

*Month* *Day*
Fiscal Year

**SEC Form 17-Q**
Form Type

**06** **27**
*Month* *Day*
Annual Meeting

**Issuer of Securities under SEC-MSRD No. 27, Series of 2021**
Secondary License Type, If Applicable

| M | S | R | D |
|---|---|---|---|

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

---

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

SEC Number
0000086335
File Number_______

**Monde Nissin Corporation**
(Company's Full Name)

**Felix Reyes St. Balibago 4026, City of Santa Rosa, Laguna**
(Company's Address)

**(632) 7759 7519**
Telephone Number

**June 30, 2025**
(Quarter Ending)
(month & day)

**Form 17-Q**
Form Type

**N/A**
Designation (If applicable)

**June 30, 2025**
Period Date Ended

**Issuer of Securities under SEC-MSRD No. 27, Series of 2021**
(Secondary License Type and File Number)

**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 **June 30, 2025**

2. Commission Identification Number **0000086335**

3. BIR Tax Identification No. **000-417-352-000**

4. Exact name of issuer as specified in its charter: **Monde Nissin Corporation**

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

6. Industry Classification Code: [ ] (SEC Use Only)

7. Address of issuer's principal office — Postal Code
**Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna** — **4026**

8. Issuer's telephone number, including area code
**(632) 7759 7595**

9. Former name, former address and former fiscal year, if changed since last report
**Not applicable**

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** | **17,968,611,496** |

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:

**The common shares are listed on the Philippine Stock Exchange.**

12. Indicate by check mark whether the registrant:

has filed all reports required to be filed since it became listed on June 1, 2021 in accordance with Section 17 of the SRC, SRC Rule 17, Sections 11 of the RSA, RSA Rule 11(a)-1, and Sections 26 and 141 of the Corporation Code of the Philippines

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.**

| | |
|---|---|
| | Unaudited Interim Condensed Consolidated Statements of Financial Position as at June 30, 2025 with Comparative Audited Figures as at December 31, 2024 |
| | Unaudited Interim Condensed Consolidated Statements of Comprehensive Income for the Quarters and Six Months Ended June 30, 2025 and 2024 |
| | Unaudited Interim Condensed Consolidated Statements of Changes in Equity for the Six Months Ended June 30, 2025 and 2024 |
| | Unaudited Interim Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2025 and 2024 |
| | Notes to Unaudited Interim Condensed Consolidated Financial Statements |

# MONDE NISSIN CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

### (Amounts in thousands, with Comparative Audited Figures as at December 31, 2024)

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash and cash equivalents (Notes 5 and 22) | **₱11,053,297** | ₱14,158,203 |
| Trade and other receivables (Notes 6, 20 and 22) | **7,153,516** | 7,709,717 |
| Inventories (Note 7) | **8,762,450** | 8,920,788 |
| Prepayments and other current assets (Note 8) | **1,907,258** | 1,326,147 |
| Current financial assets (Notes 9, 20 and 22) | **2,390,592** | 1,812,489 |
| Total Current Assets | **31,267,113** | 33,927,344 |
| **Noncurrent Assets** | | |
| Noncurrent receivables (Notes 9, 20 and 22) | **1,405,318** | 1,320,296 |
| Guaranty asset (Notes 10 and 22) | **8,296,598** | 8,128,814 |
| Financial assets at fair value through other comprehensive income (FVOCI) (Notes 10 and 22) | **658,120** | 813,971 |
| Investments in associates and joint ventures (Note 4) | **1,140,752** | 1,133,847 |
| Property, plant and equipment (Note 11) | **25,901,383** | 25,506,662 |
| Intangible assets (Note 12) | **5,856,086** | 5,456,069 |
| Deferred tax assets - net (Note 21) | **971,392** | 1,007,502 |
| Other noncurrent assets (Notes 13 and 22) | **925,656** | 792,243 |
| Total Noncurrent Assets | **45,155,305** | 44,159,404 |
| | **₱76,422,418** | ₱78,086,748 |
| **LIABILITIES AND EQUITY** | | |
| **Current Liabilities** | | |
| Accounts payable and other current liabilities (Notes 14, 20 and 22) | **₱11,110,659** | ₱12,550,324 |
| Acceptances and trust receipts payable (Notes 7 and 22) | **748,142** | 1,608,501 |
| Refund liabilities (Note 14) | **344,948** | 378,784 |
| Current portion of lease liabilities | **92,915** | 77,620 |
| Current portion of loans payable (Note 15) | – | 364,239 |
| Income tax payable | **496,848** | 557,803 |
| Total Current Liabilities | **12,793,512** | 15,537,271 |
| **Noncurrent Liabilities** | | |
| Lease liabilities | **2,452,284** | 2,522,145 |
| Pension liability | **1,308,748** | 1,284,907 |
| Loans payable (Note 15) | **1,179,541** | 2,842,396 |
| Derivative liability | **348,874** | 288,604 |
| Deferred tax liabilities - net (Note 21) | **30,733** | 32,267 |
| Other noncurrent liabilities | **26,171** | 40,256 |
| Total Noncurrent Liabilities | **5,346,351** | 7,010,575 |
| Total Liabilities | **18,139,863** | 22,547,846 |
| **Equity** | | |
| Capital stock (Note 16) | **8,984,306** | 8,984,306 |
| Additional paid-in capital (APIC) (Note 16) | **39,361,947** | 39,361,947 |
| Retained earnings (Note 16): | | |
| Appropriated | **211,452** | 211,452 |
| Unappropriated | **2,811,522** | 1,095,599 |
| Fair value reserve of financial assets at FVOCI | **(505,818)** | (349,967) |
| Remeasurement losses on pension liability | **(595,305)** | (595,305) |
| Equity reserve (Note 16) | **8,483,056** | 8,491,129 |
| Cumulative translation adjustments (Note 16) | **(652,447)** | (1,832,647) |
| **Equity Attributable to Equity Holders of the Parent Company** | **58,098,713** | 55,366,514 |
| **Non-controlling Interests** | **183,842** | 172,388 |
| Total Equity | **58,282,555** | 55,538,902 |
| | **₱76,422,418** | ₱78,086,748 |

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

## MONDE NISSIN CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

**(Amounts in Thousands, Except Earnings Per Share Value)**

| | Quarters Ended June 30 | | Six Months Ended June 30 | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| **NET SALES** (Note 17) | **₱20,575,789** | ₱19,824,573 | **₱41,457,201** | ₱40,136,015 |
| **COST OF GOODS SOLD** (Note 17) | **14,066,531** | 13,084,639 | **27,661,163** | 26,199,769 |
| **GROSS PROFIT** | **6,509,258** | 6,739,934 | **13,796,038** | 13,936,246 |
| **SALES, GENERAL AND ADMINISTRATIVE EXPENSES** | | | | |
| General and administrative expenses (Note 18) | **1,987,114** | 1,896,065 | **3,877,121** | 3,769,787 |
| Selling and distribution expenses (Note 18) | **2,089,807** | 1,966,145 | **3,712,546** | 3,520,475 |
| Provision for (reversal of) impairment loss (Notes 11 and 18) | **(3,078)** | – | **55,275** | 16,723 |
| | **4,073,843** | 3,862,210 | **7,644,942** | 7,306,985 |
| | **2,435,415** | 2,877,724 | **6,151,096** | 6,629,261 |
| **OTHER INCOME (EXPENSES)** | | | | |
| Fair value gain (loss) on: | | | | |
| Guaranty asset (Notes 4 and 10) | **(15,230)** | (1,542,277) | **(304,841)** | (1,217,876) |
| Financial assets at fair value through profit or loss (FVTPL) (Notes 9 and 22) | **28,923** | 13,629 | **77,567** | 37,928 |
| Foreign exchange gain (loss) - net (Note 4) | **(129,234)** | (17,934) | **(146,195)** | 206,260 |
| Share in net earnings from associates and joint ventures | **17,938** | 11,532 | **6,905** | 25,741 |
| Miscellaneous income - net (Note 19) | **29,233** | 42,981 | **210,661** | 113,518 |
| | **(68,370)** | (1,492,069) | **(155,903)** | (834,429) |
| **INCOME BEFORE FINANCE INCOME (EXPENSES)** | **2,367,045** | 1,385,655 | **5,995,193** | 5,794,832 |
| **FINANCE INCOME (EXPENSES)** | | | | |
| Finance costs (Notes 15 and 19) | **(115,682)** | (189,665) | **(243,056)** | (343,849) |
| Finance income (Note 19) | **97,466** | 133,867 | **197,454** | 271,263 |
| Derivative gain (loss) (Note 22) | **(2,148)** | 14,152 | **19,212** | 39,930 |
| | **(20,364)** | (41,646) | **(26,390)** | (32,656) |
| **INCOME BEFORE INCOME TAX** | **2,346,681** | 1,344,009 | **5,968,803** | 5,762,176 |
| **PROVISION FOR (BENEFIT FROM) INCOME TAX** | | | | |
| Current | **666,377** | 770,209 | **1,511,062** | 1,718,543 |
| Deferred | **3,179** | (36,642) | **42,872** | (53,165) |
| | **669,556** | 733,567 | **1,553,934** | 1,665,378 |
| **NET INCOME** | **₱1,677,125** | ₱610,442 | **₱4,414,869** | ₱4,096,798 |
| **NET INCOME ATTRIBUTABLE TO:** | | | | |
| Equity holders of the Parent Company | **₱1,677,094** | ₱606,232 | **₱4,411,215** | ₱4,089,727 |
| Non-controlling interests | **31** | 4,210 | **3,654** | 7,071 |
| | **₱1,677,125** | ₱610,442 | **₱4,414,869** | ₱4,096,798 |
| **Earnings per Share (EPS)** (Note 16) | | | | |
| Income attributable to equity holders of the parent | **₱0.093** | ₱0.034 | **₱0.245** | ₱0.228 |

*(Forward)*

| | Quarters Ended June 30 | | Six Months Ended June 30 | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| **NET INCOME** | **₱1,677,125** | ₱610,442 | **₱4,414,869** | ₱4,096,798 |
| **OTHER COMPREHENSIVE INCOME (LOSS)** | | | | |
| Other comprehensive income to be reclassified to profit and loss in subsequent periods: | | | | |
| Exchange gains on foreign currency translation (including effective portion of the net investment hedge) (Note 16) | **869,137** | 1,395,668 | **1,180,200** | 1,169,574 |
| Other comprehensive income (loss) not to be reclassified to profit and loss in subsequent periods: | | | | |
| Gain (loss) on financial assets at FVOCI | **(90,230)** | 65,621 | **(155,851)** | 98,432 |
| | **778,907** | 1,461,289 | **1,024,349** | 1,268,006 |
| **TOTAL COMPREHENSIVE INCOME** | **₱2,456,032** | ₱2,071,731 | **₱5,439,218** | ₱5,364,804 |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Parent Company | **₱2,456,001** | ₱2,067,521 | **₱5,435,564** | ₱5,357,733 |
| Non-controlling interests | **31** | 4,210 | **3,654** | 7,071 |
| | **₱2,456,032** | ₱2,071,731 | **₱5,439,218** | ₱5,364,804 |

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

# MONDE NISSIN CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

### (Amounts in Thousands, For the six months ended June 30, 2025 and 2024)

| | Equity Attributable to Equity Holders of the Parent Company | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Capital Stock** (Note 16) | **Additional Paid-in Capital** | **Retained Earnings** (Note 16) | | **Fair Value Reserve of Financial Assets at FVOCI** | **Remeasurement Losses on Pension Liability** | **Equity Reserve** (Note 16) | **Cumulative Translation Adjustments** (Note 16) | **Total** | **Non-controlling Interests** (Note 16) | **Total Equity** |
| | | | **Appropriated** | **Unappropriated** | | | | | | | |
| Balance as at January 1, 2025 | **₱8,984,306** | **₱39,361,947** | **₱211,452** | **₱1,095,599** | **(₱349,967)** | **(₱595,305)** | **₱8,491,129** | **(₱1,832,647)** | **₱55,366,514** | **₱172,388** | **₱55,538,902** |
| Net income | – | – | – | **4,411,215** | – | – | – | – | **4,411,215** | **3,654** | **4,414,869** |
| Other comprehensive income (loss), net of tax | – | – | – | – | **(155,851)** | – | – | **1,180,200** | **1,024,349** | – | **1,024,349** |
| Total comprehensive income (loss) | – | – | – | **4,411,215** | **(155,851)** | – | – | **1,180,200** | **5,435,564** | **3,654** | **5,439,218** |
| Acquisition during the year (Note 4) | – | – | – | – | – | – | **(8,073)** | – | **(8,073)** | **7,800** | **(273)** |
| Cash dividends (Note 16) | – | – | – | **(2,695,292)** | – | – | – | – | **(2,695,292)** | – | **(2,695,292)** |
| Balance as at June 30, 2025 | **₱8,984,306** | **₱39,361,947** | **₱211,452** | **₱2,811,522** | **(₱505,818)** | **(₱595,305)** | **₱8,483,056** | **(₱652,447)** | **₱58,098,713** | **₱183,842** | **₱58,282,555** |
| | | | | | | | | | | | |
| Balance as at January 1, 2024 | ₱8,984,306 | ₱39,361,947 | ₱211,452 | ₱5,321,590 | (₱563,237) | (₱525,874) | ₱8,491,788 | (₱2,893,488) | ₱58,388,484 | ₱109,904 | ₱58,498,388 |
| Net income | – | – | – | 4,089,727 | – | – | – | – | 4,089,727 | 7,071 | 4,096,798 |
| Other comprehensive income, net of tax | – | – | – | – | 98,432 | – | – | 1,169,574 | 1,268,006 | – | 1,268,006 |
| Total comprehensive income | – | – | – | 4,089,727 | 98,432 | – | – | 1,169,574 | 5,357,733 | 7,071 | 5,364,804 |
| Cash dividends (Note 16) | – | – | – | (2,156,233) | – | – | – | – | (2,156,233) | – | (2,156,233) |
| Balance as at June 30, 2024 | ₱8,984,306 | ₱39,361,947 | ₱211,452 | ₱7,255,084 | (₱464,805) | (₱525,874) | ₱8,491,788 | (₱1,723,914) | ₱61,589,984 | ₱116,975 | ₱61,706,959 |

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

## MONDE NISSIN CORPORATION AND SUBSIDIARIES

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

### (Amounts in Thousands, For the six months ended June 30, 2025 and 2024)

| | **2025** | 2024 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Income before income tax | **₱5,968,803** | ₱5,762,176 |
| Adjustments to reconcile income before income tax to net cash flows: | | |
| Depreciation and amortization (Notes 11, 12, 17, 18 and 19) | **1,370,177** | 1,274,591 |
| Fair value loss on guaranty asset (Notes 4 and 10) | **304,841** | 1,217,876 |
| Finance costs (Note 19) | **243,056** | 343,849 |
| Finance income (Note 19) | **(197,454)** | (271,263) |
| Fair value gain on financial instruments at FVTPL (Note 9) | **(77,567)** | (37,928) |
| Provision for impairment loss - net (Notes 11 and 18) | **55,275** | 16,723 |
| Unrealized foreign exchange (gain) loss - net | **23,849** | (16,714) |
| Movement in pension liability | **23,841** | 59,792 |
| Derivative gain (Note 22) | **(19,212)** | (39,930) |
| Share in net earnings from associates and joint venture | **(6,905)** | (25,741) |
| Loss (gain) on sale of property, plant and equipment | **(4,412)** | 4,181 |
| Loss on retirement of intangibles (Note 12) | **742** | – |
| Working capital adjustments: | | |
| Decrease (increase) in: | | |
| Trade and other receivables | **613,464** | 272,777 |
| Prepayments and other current assets | **(581,111)** | 2,188 |
| Inventories | **158,338** | (251,236) |
| Increase (decrease) in: | | |
| Accounts payable and other current liabilities | **(1,288,795)** | (2,173,902) |
| Acceptance and trust receipts payable | **(853,612)** | 1,273,374 |
| Refund liabilities | **(33,836)** | (41,393) |
| Net cash generated from operations | **5,699,482** | 7,369,420 |
| Income tax paid | **(1,572,017)** | (1,659,604) |
| Interest received | **182,495** | 277,158 |
| Net cash flows from operating activities | **4,309,960** | 5,986,974 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Additions to: | | |
| Current financial assets (Note 9) | **(1,727,159)** | (2,213,336) |
| Property, plant and equipment (Note 11) | **(1,281,267)** | (1,634,428) |
| Intangible assets (Note 12) | **(98,848)** | (30,013) |
| Noncurrent receivables (Notes 9 and 23) | **(85,022)** | – |
| Increase in other noncurrent assets | **(136,681)** | (794,182) |
| Proceeds from: | | |
| Termination of current financial assets (Note 9) | **1,214,466** | 2,401,289 |
| Sale of property, plant and equipment (Note 11) | **45,503** | 24,148 |
| Net cash used in investing activities | **(2,069,008)** | (2,246,522) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Proceeds from (payments for): | | |
| Cash dividends (Note 16) | **(2,695,292)** | (4,312,466) |
| Loans (Note 15) | **(2,454,282)** | (1,999,042) |
| Interest | **(148,806)** | (239,273) |
| Principal portion of lease liabilities | **(126,038)** | (912,378) |
| Availment of loans (Note 15) | **70,786** | – |
| Derivatives (Note 22) | **19,211** | 15,926 |
| Noncontrolling interest for investment in subsidiary (Note 4) | **(273)** | – |
| Increase (decrease) in other noncurrent liabilities | **(14,085)** | 931 |
| Net cash used in financing activities | **(5,348,779)** | (7,446,302) |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS** | **(3,107,827)** | (3,705,850) |
| **EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS** | **2,921** | 14,739 |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD** | **14,158,203** | 16,678,888 |
| **CASH AND CASH EQUIVALENTS AT END OF PERIOD** | **₱11,053,297** | ₱12,987,777 |

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

## MONDE NISSIN CORPORATION AND SUBSIDIARIES

## NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**(Amounts in Thousands, Except Number of Shares, Earnings Per Share Value and Unless Otherwise Specified)**

### 1. General Information

Monde Nissin Corporation (the Parent Company or MNC) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 23, 1979 primarily to engage in manufacturing, processing, baking, packaging, servicing, repacking, assembling, importing, exporting, buying, selling, trading or otherwise dealing in all kinds of goods, wares and merchandises, which are or may become articles of commerce such as but not limited to noodles, candies, confectionaries, biscuits, cakes and other foods, drugs and cosmetics. In furtherance of said primary purpose, it is authorized to guarantee obligations of and act as surety for the loans and obligations of its subsidiaries and affiliates and/or to secure the same by mortgage, pledge of any assets of MNC as may be authorized by its Board of Directors (BOD), provided MNC does not operate as a lending or financing company. The Parent Company and its subsidiaries are collectively referred to as the "Group" (see Note 4).

On March 1, 2021, at least a majority of the members of the BOD of the Parent Company and stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Parent Company approved certain amendments to the Parent Company's Articles of Incorporation (AOI) including the following: (a) include "noodles" in the articles of commerce that the Parent Company may manufacture, process, service, package, re-package, import, export, buy, sell, trade, or otherwise deal in; (b) amend the term of corporate existence from 50 years to a "perpetual corporate term unless the SEC issues a certificate providing otherwise"; (c) increase the number of directors of the Parent Company from 7 to 9; and (d) authorized number of shares, as amended, shall be 20,400,000,000 common shares with a par value of ₱0.50 per share, from the par value of ₱1.00 per share. These amendments in the Parent Company's AOI was approved by the SEC on April 7, 2021.

The Parent Company's registered office address is at Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna.

### 2. Basis of Preparation and Changes to Group's Material Accounting Policy Information

Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments that have been measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.

Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2024. The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended December 31, 2024.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at June 30, 2025 and December 31, 2024. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies as those of the Parent Company.

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 Group's annual consolidated financial statements as at and for the year ended December 31, 2024, except for the adoption of amendments effective beginning January 1, 2025, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

- Amendments to PAS 21, *Lack of Exchangeability* – The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

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## 3. Material Accounting Judgments, Estimates and Assumptions

The preparation of the unaudited interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, costs and expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most material effect on the amounts recognized in the unaudited interim condensed consolidated financial statements:

*Net Realizable Values (NRV) of Inventories.* The Group's estimates of the NRV are based on the most reliable evidence available at the time the estimates are made of the amounts the inventories are expected to be realized. These estimates take into consideration fluctuations of prices or costs directly relating to events occurring after reporting period to the extent that such events confirm conditions existing at reporting period. A new assessment is made at NRV at each reporting period. Information on the Group's inventories is disclosed in Note 7.

*Impairment of Non-Financial Assets*

- *Goodwill, Brand and Trademark.* The Group performed its annual impairment test in December and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year December 31, 2024.

  As at June 30, 2025, management assessed that there have been no significant changes in the assets and liabilities making up the CGUs since December 31, 2024.

*Recognition of Deferred Taxes.* The Group's assessment on the recognition of deferred tax assets on nondeductible temporary differences is based on the forecasted taxable income of the following reporting periods over which the deductible temporary differences can be utilized. This forecast is based on the Group's past results and future expectations on revenues and expenses. Information on the Group's recognized deferred taxes is disclosed in Note 21.

*Assessment of Impairment of Property, plant and equipment.* The Group assesses impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group consider important, which could trigger an impairment review include the following:

- Significant under-performance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry and economic trends.

In 2025, MNSPL assessed that the VIU of a certain property, plant and equipment is zero since the asset pertains to discontinued product line with no expected cash flow. This is an indication of impairment resulting in an impairment loss of ₱55.3 million as at June 30, 2025 (see Notes 11 and 18). Management assessed that any scrap value (FVLCD) is not material.

There are no impairment indicators identified on other property, plant and equipment of the Group in 2025 and 2024. Information on the Group's property, plant and equipment is disclosed in Note 11.

*Estimation of Legal contingencies and Regulatory Assessments*. As at June 30, 2025 and December 31, 2024, the Group is involved in various legal proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements. Disclosure of additional details beyond the present disclosures may seriously prejudice the Group's position and negotiating strategy.

The Group, in consultation with its external and internal legal and tax counsels, believes that its position on these assessments is consistent with relevant laws and believe that these proceedings will not have a material adverse effect on the consolidated financial statements. However, it is possible that future results of operations could be materially affected by changes in the estimates or the effectiveness of management's strategies relating to these proceedings. As at June 30, 2025 and December 31, 2024, management has assessed that the probable cash outflow to settle these assessments is not material.

As allowed by PAS 37, *Provisions, Contingent Liabilities, and Contingent Assets*, no further disclosures were provided as this might prejudice the Group's position on this matter.

## 4. Subsidiaries, Significant Acquisitions and Disposals, and Segment Information

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Parent Company and the following subsidiaries, which are prepared for the same reporting period as at June 30, 2025 and December 31, 2024, are set out below:

| | | | **Percentage of Ownership** | | | |
|---|---|---|---|---|---|---|
| | | Country of | **2025** | | 2024 | |
| Subsidiaries | Principal Activity | Incorporation | **Direct** | **Indirect** | Direct | Indirect |
| MNSPL | Investment/sales | Singapore | **100.00** | – | 100.00 | – |
| MNUKL | Investment holding | United Kingdom | – | **100.00** | – | 100.00 |
| Marlow Foods Limited | Manufacturing, Sales, and Marketing | United Kingdom | – | **100.00** | – | 100.00 |
| Quorn Smart Life GmbH | Sales, and Marketing | Germany | – | **100.00** | – | 100.00 |
| Quorn Foods Inc | Sales, and Marketing | United States (US) of America | – | **100.00** | – | 100.00 |
| Cauldron Foods Ltd* | Sales, and Marketing | United Kingdom (UK) | – | **100.00** | – | 100.00 |
| Quorn Foods Sweden | Sales, and Marketing | Sweden | – | **100.00** | – | 100.00 |
| MNNZ | Distribution of food related goods | New Zealand | – | **100.00** | – | 100.00 |
| MNHTL** | Investment company | Thailand | – | **6.54** | – | 6.54 |
| Monexco International Limited (MIL) | Manufacture of seasonings | Thailand | – | **100.00** | – | 100.00 |
| MNTH** | Manufacture and distribution of bread and cookies | Thailand | – | **56.48** | – | 56.48 |
| DSHPL*** | Investment holding | Singapore | – | **49.00** | – | 49.00 |
| Sun Operation Co., Ltd. | Manufacture and distribution of animal food and care products | Thailand | – | **100.00** | – | 100.00 |
| MNIIL | Investment company | British Virgin Islands | **100.00** | – | 100.00 | – |
| MNHTL** | Investment company | Thailand | – | **93.46** | – | 93.46 |
| MNTH** | Manufacture and distribution of bread and cookies | Thailand | – | **43.52** | – | 43.52 |
| KBT International Holdings, Inc. (KBT) | Investment company | Philippines | **100.00** | – | 100.00 | – |
| MNAC* | Manufacture, process, and distribution of industrial coconut and agricultural products | Philippines | **90.91** | – | 90.91 | – |
| SFC | Manufacture and process of bread | Philippines | **80.00** | – | 80.00 | – |
| All Fit & Popular Foods Inc. (AFPFI) | Manufacturing, importing, exporting, selling and distribution of breads; Purchasing or registering intellectual properties | Philippines | – | **80.00** | – | 80.00 |
| Monde M.Y. San Corporation (MMYSC) | Manufacture, process, and export of biscuits | Philippines | **100.00** | – | 100.00 | – |
| Amico Innovations, Inc. (Amico) | Wholesale and retail trade of goods, wares, and merchandises | Philippines | **70.00** | – | 70.00 | – |

**Dormant*
***The Group effectively owns 100%*
****The Group has determined that is has significant control as it has the power to direct the relevant activities*

a. Investment in MNSPL

In 2025, 2024 and 2023, MNC's BOD approved to subscribe additional ordinary shares of MNSPL payable in several tranches.

| Approval date | Payment date | No. of shares | Amount in GBP | Amount in PHP |
|---|---|---|---|---|
| | | (In Thousands, Except No. of shares) | | |
| May 10, 2023 | May 15, 2023 | 23,000,000 | £23,000 | ₱1,606,083 |
| May 10, 2023 | June 23, 2023 | 2,000,000 | 2,000 | 141,992 |
| May 10, 2023 | July 11, 2023 | 7,500,000 | 7,500 | 535,344 |
| May 10, 2023 | July 19, 2023 | 7,500,000 | 7,500 | 534,219 |
| August 9, 2023 | August 21, 2023 | 3,956,735 | 3,957 | 286,070 |
| August 9, 2023 | August 22, 2023 | 7,227,500 | 7,227 | 518,365 |
| August 9, 2023 | September 1, 2023 | 4,815,765 | 4,816 | 345,483 |
| September 22, 2023 | April 4, 2025 | 4,000,000 | 4,000 | 291,019 |
| February 21, 2024 | March 5, 2024 | 27,000,000 | 27,000 | 1,916,479 |
| July 29, 2024 | April 4, 2025 | 5,000,000 | 5,000 | 363,774 |
| May 9, 2025 | In one or several tranches on or before December 31, 2025 | 26,400,000 | 26,400 | 2,038,054 |

b. Investment in MNUKL

In 2024, MNSPL subscribed and paid for 27,000,000 additional shares of MNUKL at an aggregate subscription price of GBP27.0 million.

In 2025, MNSPL subscribed to an additional 25,000,000 shares of MNUKL at an aggregate subscription price of GBP25.0 million, payable in several tranches. As at June 30, 2025, MNUKL has subscribed shares receivable from MNSPL at an aggregate price of GBP7.0 million.

c. Investment in KBT

In 2024, the Parent Company subscribed and paid for 1,250,000 additional ordinary shares in KBT at an aggregate subscription price of ₱1,100.0 million.

In 2025, the Parent Company acquired and paid for 53,432 shares representing the non-controlling interest in KBT for a total consideration of ₱8.1 million.

d. Investment in Amico Innovations, Inc.

On September 9, 2024, the Parent Company's executive committee authorized the Parent Company to subscribe for 87,500 common shares of Amico to be issued out of Amico's existing unissued authorized capital stock. Amico is a Philippine domestic corporation newly incorporated for the primary purpose of engaging in the importing, exporting, repacking, processing, buying, selling, marketing, distributing, trading or otherwise dealing in (on wholesale basis and to the extent allowed under Philippine law, on retail basis) all kinds of goods, wares, and merchandises, which are or may become articles of commerce, among others.

On September 23, 2024, the Parent Company paid an aggregate subscription price of ₱17.5 million for the Amico shares. As a result, the Parent Company currently holds 70% of Amico's issued and outstanding capital stock.

On May 9, 2025, the Parent Company's BOD approved and authorized the Parent Company to subscribe to an additional 91,000 ordinary shares in Amico for a total subscription price of ₱18.2 million, payable in several tranches on or before September 30, 2025. As at June 30, 2025, Amico has subscribed shares receivable from the Parent Company at an aggregate price of ₱11.7 million.

Equity attributable to noncontrolling interest, excluding the effect of profit or loss for the period, amounted to ₱15.3 million and ₱7.5 million as at June 30, 2025 and December 31, 2024, respectively.

e. Da Sun Holdings Pte. Ltd. (DSHPL)

On October 15, 2024, MNSPL subscribed and paid for an aggregate of 93,097 shares of DSHPL at the aggregate issue price of ₱16.2 million (THB9,309.7 million). DSHPL is an investment holding company incorporated under the laws of Singapore. As a result, MNSPL currently holds 49% of DSHPL's issued and outstanding capital stock. The Group has determined that is has significant control as it has the power to direct the relevant activities of DSHPL, therefore recognizing DSHPL as a subsidiary.

The Group recognized ₱51.2 million equity attributable to noncontrolling interest as at December 31, 2024.

f. Sun Operation Co., Ltd. (Sun Op)

In October 2024, DSHPL subscribed and paid for 224,900 shares of Sun Op at an aggregate issue price of ₱103.0 million (THB61.0 million) representing 100.0% of the total issued and paid-up share capital of Sun Op. Sun Op is a limited company newly incorporated and domiciled in Thailand engaged in the manufacture and distribution of animal food and care products.

Segment Information

For management purposes, the Group is organized into business units based on its products and has 2 reportable segments, as follows:

- Asia-Pacific Branded Food & Beverage (APAC BFB) manufactures and distributes a diverse mix of biscuits, bakery products, beverages, instant noodles and pasta.
- Meat Alternative manufactures and distributes a variety of meat alternative brands and

products to the retail trade and food service customers in the UK, US, Europe (EU) and Asia-Pacific.

In the consumer goods industry, results of operations generally follow seasonality of consumer buying patterns and the Group's sales are affected accordingly. In the Philippines, most food and beverage products, including those of the Group, experience increased sales from October to December related to the Christmas and New Year's season. Seasonality during certain events also affect the Group's sales (e.g. calamities, COVID-19 pandemic, etc.). In addition, seasonality varies across product types as some of the Group's products have distinct seasonality. The Group believes that diversity of its product mix reduces the specific seasonality impact of certain products in its portfolio and concluded that this is not "highly seasonal" in accordance with PAS 34.

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Executive Officer is the Chief Operating Decision Maker and 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 profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The following tables present the financial information of each of the operating segments in accordance with PFRSs. Inter-segment revenues, and finance income and expenses are eliminated upon consolidation and reflected in the "Eliminations" column.

| | **June 30, 2025** (Unaudited) | | | |
|---|---|---|---|---|
| | **APAC BFB** | **Meat Alternative** | **Eliminations** | **Consolidated** |
| Net sales - third parties | **₱34,865,114** | **₱6,596,001** | **(₱3,914)** | **₱41,457,201** |
| Costs and expenses | **(27,303,324)** | **(6,581,301)** | **3,972** | **(33,880,653)** |
| Depreciation and amortization | **(1,062,432)** | **(307,745)** | **–** | **(1,370,177)** |
| Finance income | **197,395** | **22,721** | **(22,662)** | **197,454** |
| Derivative gain | **14,608** | **4,604** | **–** | **19,212** |
| Finance expense | **(122,133)** | **(143,585)** | **22,662** | **(243,056)** |
| Loss on change in FV of guaranty asset | **–** | **(304,841)** | **–** | **(304,841)** |
| Foreign exchange loss - net | **(145,131)** | **(1,064)** | **–** | **(146,195)** |
| Provision for impairment loss | **(55,275)** | **–** | **–** | **(55,275)** |
| Share in net earnings from associates and joint venture | **6,905** | **–** | **–** | **6,905** |
| Other income | **266,538** | **21,748** | **(58)** | **288,228** |
| Income (loss) before income tax | **6,662,265** | **(693,462)** | **–** | **5,968,803** |
| Provision for income tax | **1,552,080** | **1,854** | **–** | **1,553,934** |
| Net income (loss) | **₱5,110,185** | **(₱695,316)** | **₱–** | **₱4,414,869** |
| **Other information** | | | | |
| Total assets | **₱74,044,512** | **₱13,338,913** | **(₱10,961,007)** | **₱76,422,418** |
| Total liabilities | **₱14,525,063** | **₱3,767,462** | **(₱152,662)** | **₱18,139,863** |
| Investment in associates and joint venture | **₱1,140,752** | **₱–** | **₱–** | **₱1,140,752** |
| Capital expenditures | **₱956,198** | **₱325,069** | **₱–** | **₱1,281,267** |

| | June 30, 2024 (Unaudited) | | | |
|---|---|---|---|---|
| | APAC BFB | Meat Alternative | Eliminations | Consolidated |
| Net sales - third parties | ₱33,341,136 | ₱6,801,091 | (₱6,212) | ₱40,136,015 |
| Costs and expenses | (25,214,982) | (7,006,670) | 6,212 | (32,215,440) |
| Depreciation and amortization | (967,465) | (307,126) | – | (1,274,591) |
| Finance income | 245,485 | 35,733 | (9,955) | 271,263 |
| Derivative gain | 39,930 | – | – | 39,930 |
| Finance expense | (159,055) | (194,749) | 9,955 | (343,849) |
| Loss on change in FV of guaranty asset | – | (1,217,876) | – | (1,217,876) |
| Foreign exchange gain (loss) - net | 211,747 | (5,487) | – | 206,260 |
| Provision for impairment loss | (30,358) | – | 13,635 | (16,723) |
| Share in net earnings from associates and joint venture | 25,741 | – | – | 25,741 |
| Other income | 151,446 | – | – | 151,446 |
| Income (loss) before income tax | 7,643,625 | (1,895,084) | 13,635 | 5,762,176 |
| Provision for (benefit from) income tax | 1,814,955 | (149,577) | – | 1,665,378 |
| Net income (loss) | ₱5,828,670 | (₱1,745,507) | ₱13,635 | ₱4,096,798 |

**Other information**

| | December 31, 2024 (Audited) | | | |
|---|---|---|---|---|
| | APAC BFB | Meat Alternative | Eliminations | Consolidated |
| Total assets | ₱72,749,449 | ₱13,785,796 | (₱8,448,497) | ₱78,086,748 |
| Total liabilities | ₱16,971,494 | ₱5,646,906 | (₱70,554) | ₱22,547,846 |
| Investment in associates and joint venture | ₱1,133,847 | ₱– | ₱– | ₱1,133,847 |

| | June 30,2024 (Unaudited) | | | |
|---|---|---|---|---|
| | APAC BFB | Meat Alternative | Eliminations | Consolidated |
| Capital expenditures | ₱1,280,879 | ₱353,549 | ₱– | ₱1,634,428 |

Geographic Information

The Group operates in the Philippines, Thailand, New Zealand, Singapore, and the United Kingdom.

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

| | **June 30, 2025** (Unaudited) | June 30, 2024 (Unaudited) |
|---|---|---|
| Domestic | **₱32,804,488** | ₱31,152,106 |
| Foreign | **8,652,713** | 8,983,909 |
| | **₱41,457,201** | ₱40,136,015 |

The Group has no customer which contributes 10% or more to the consolidated revenues of the Group.

The table below shows the Group's carrying amount of non-current assets per geographic location (excluding guaranty asset, noncurrent financial assets at FVOCI, noncurrent receivables, advances to employees under other noncurrent assets, and deferred tax assets).

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Domestic: | | |
| Property, plant and equipment (Note 11) | **₱20,615,077** | ₱20,621,927 |
| Investments in associates and joint ventures | **1,140,752** | 1,133,847 |
| Intangible assets (Note 12) | **654,963** | 635,677 |
| Other noncurrent assets (Note 13) | **731,122** | 566,327 |
| Total | **23,141,914** | ₱22,957,778 |
| Foreign: | | |
| Property, plant and equipment (Note 11) | **₱5,286,306** | ₱4,884,735 |
| Intangible assets (Note 12) | **5,201,123** | 4,820,392 |
| Other noncurrent assets (Note 13) | **58,159** | 125,992 |
| | **10,545,588** | 9,831,119 |
| | **₱33,687,502** | ₱32,788,897 |

## 5. Cash and Cash Equivalents

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Cash on hand and in banks | **₱4,803,788** | ₱4,802,726 |
| Cash equivalents | **6,249,509** | 9,355,477 |
| | **₱11,053,297** | ₱14,158,203 |

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are short-term deposits made for varying periods of one month up to three months depending on the immediate cash requirements and earn interest at the respective short-term deposit rates.

## 6. Trade and Other Receivables

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Trade receivables | | |
| Non-related parties | **₱7,085,534** | ₱7,648,316 |
| Related parties (Note 20) | **19** | 3 |

*(Forward)*

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Other receivables | **₱72,318** | ₱68,252 |
| | **7,157,871** | 7,716,571 |
| Allowance for expected credit loss (ECL) | **(4,355)** | (6,854) |
| | **₱7,153,516** | ₱7,709,717 |

Trade receivables pertain to receivables from sale of goods which are noninterest-bearing and are generally on 30-60 days' terms.

Other receivables comprise of various receivables from employees, accruals for interest from short term placements, receivable from suppliers, and advances made to employees for SSS claims. These are noninterest-bearing and normally settled through salary deductions.

Movements in the allowance for ECL follow:

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Balance at January 1 | **₱6,854** | ₱23,532 |
| Provision for (reversal of) ECL (Note 18) | **(1,090)** | 69,420 |
| Write-off | **(1,419)** | (86,267) |
| Currency translation adjustments | **10** | 169 |
| Balance at end of period | **₱4,355** | ₱6,854 |

7. **Inventories**

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| At cost: | | |
| Finished goods | **₱3,199,841** | ₱3,464,428 |
| Raw materials | **3,189,501** | 3,104,652 |
| Packaging and other materials | **1,098,469** | 1,014,405 |
| Work in-process | **1,064,256** | 1,063,727 |
| In-transit | **210,383** | 273,576 |
| | **₱8,762,450** | ₱8,920,788 |

The Group's allowance for inventory obsolescence represents the cost of inventories written down in full. Movements in the allowance for inventory obsolescence are as follows:

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Balance at beginning of year | **₱236,747** | ₱389,145 |
| Provision | **15,733** | 126,588 |
| Write-off | **(84,283)** | (287,924) |
| Currency translation adjustments | **11,816** | 8,938 |
| Balance at end of year | **₱180,013** | ₱236,747 |

The cost of inventories recognized under "Cost of goods sold" account amounted to ₱27,661.2 million and ₱26,199.8 million for the six months ended June 30, 2025 and 2024, respectively (see Note 17).

Under the terms of the agreements covering liabilities under trust receipts totaling ₱748.1 million and ₱1,608.5 million as at June 30, 2025 and December 31, 2024, respectively, certain inventories which approximate the trust receipts payable, have been released to the Group under trust receipt agreement with the banks. The Group is accountable to these banks for the trusteed merchandise or their sales proceeds.

## 8. Prepayments and Other Current Assets

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Prepayments | **₱1,010,334** | ₱606,466 |
| Advances to suppliers | **371,732** | 391,922 |
| Input VAT | **364,362** | 188,367 |
| Creditable withholding tax and other credits | **151,281** | 126,613 |
| Deferred input VAT | **7,809** | 3,603 |
| Other current assets | **1,740** | 9,176 |
| | **₱1,907,258** | ₱1,326,147 |

## 9. Current Financial Assets

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Loans receivable: | | |
| Related parties (Note 20) | **₱204,710** | ₱206,759 |
| Others (Note 23) | **1,315,874** | 1,228,803 |

*(Forward)*

| | | |
|---|---|---|
| Financial assets at FVTPL | **₱2,390,592** | ₱1,812,489 |
| | **3,911,176** | 3,248,051 |
| Allowance for ECL (Note 20) | **(115,266)** | (115,266) |
| | **₱3,795,910** | ₱3,132,785 |
| Current portion | **₱2,390,592** | ₱1,812,489 |
| Noncurrent portion | **1,405,318** | 1,320,296 |
| | **₱3,795,910** | ₱3,132,785 |

*Loans receivable from related parties.* On July 3, 2024, MNSPL and MNSG Holdings Pte. Ltd. agreed to extend the maturity of ₱171.8 million ($3.0 million) loan to MNSG Holdings Pte. Ltd. from July 3, 2024 to July 3, 2034. The loan was also converted from interest-bearing to noninterest-bearing resulting to a loss on loan modification. As at June 30, 2025, the interest income on the amortization of financing cost is ₱4.0 million (see Note 19).

On October 15, 2024, MNSPL entered into a new loan agreement with MNSG Holdings Pte Ltd. The loan matures 5 years from date of the agreement. The loan is unsecured, denominated in THB and is noninterest-bearing.

The total loan outstanding amounted to ₱89.4 million (£1.18 million) as at June 30, 2025 (see Note 20).

*Others.* Other loans receivable pertains to interest-bearing loans receivable from third parties including Sandpiper Spices and Condiments Corporation (SSCC) (see Note 23).

On November 15, 2024, KBT entered into a Loan Agreement with Atlantic Grains, Inc. (AGI) wherein KBT agreed to extend a loan to AGI in the principal amount of ₱545.0 million with an annual interest rate of 50% of BDO Unibank, Inc. (BDO) reference rate applied by BDO in the same calendar year. The loan is for a period of more than 5 years and will mature on December 31, 2029. As at June 30, 2025 and December 31, 2024, the ₱545.0 million loan is still outstanding.

The interest rates used in 2025 and 2024 are 5.75% and 5.75% to 5.875%, respectively.

In 2024, MNSPL entered into a Loan Agreement with a third party, WSJ Holding Pte Ltd. The loan matures 5 years from date of the agreement. The loan is unsecured, denominated in THB with an interest rate of 6% per annum. The interest is payable yearly in arrears on December 31 each year, with the first payment date being December 31, 2025. The principal is repayable in full on December 31, 2029. As at June 30, 2025 and December 31, 2024, the loan outstanding amounted to ₱170.9 million and ₱83.8 million, respectively.

Interest income from loans receivable amounted to ₱20.4 million and ₱4.2 million for the six months ended June 30, 2025 and 2024, respectively (see Note 19).

*Financial assets at FVTPL.* Financial assets at FVTPL mainly consist of unit investment trust funds (UITFs) and derivatives, including separated embedded derivatives, unless designated as effective hedging instruments. Movements in the fair value of financial assets at FVTPL are as follows:

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Balance at January 1 | **₱1,812,489** | ₱2,042,058 |
| Acquisitions | **1,727,159** | 3,459,263 |
| Disposal | **(1,214,466)** | (3,760,823) |
| Fair value change during the year | **77,567** | 81,960 |
| Foreign exchange loss | **(12,157)** | (9,969) |
| Balance at end of period | **₱2,390,592** | ₱1,812,489 |

10. **Noncurrent Financial Assets**

Financial Assets at FVOCI

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Cost | | |
| Figaro Coffee Group, Inc. (FCG) | **₱820,268** | ₱820,268 |
| Wide Faith Investment Holdings Ltd. | **235,130** | 235,130 |
| Terramino Inc. | **108,540** | 108,540 |
| | **1,163,938** | 1,163,938 |
| Fair value adjustment | | |
| FCG | **(270,688)** | (114,837) |
| Wide Faith Investment Holdings Ltd. | **(235,130)** | (235,130) |
| | **(505,818)** | (349,967) |
| | **₱658,120** | ₱813,971 |

Guaranty Asset at FVTPL
During the financial year ended December 31, 2023, MNSPL entered into an agreement ("Top-Up Deed") with MNSG Holdings Pte. Ltd., a Singaporean Company owned by a majority of the ultimate beneficial owners of MNSPL ("MNSG"). Under the Top-Up Deed, MNSG has agreed to provide a guarantee equal to the aggregate collateral value of up to a maximum of 2.156 billion shares of MNC or 12.0% of the current outstanding capital stock of MNC for as long as MNC is still the ultimate controlling shareholder of MNSPL's wholly-owned subsidiary, MNUKL. Said aggregate collateral value shall be reduced by related transaction costs and said net amount shall cover the net cumulative impairment incurred by MNUKL starting from the calendar year ended December 31, 2023 and every year thereafter up to December 31, 2032. MNSPL has recognized a guaranty asset under the Top-Up Deed and engaged an independent valuation expert to determine the fair value of the guaranty asset at inception and as at December 31, 2023. The initial recognition of the guaranty asset is

recognized as an equity transaction under “Equity Reserve”, while subsequent changes in fair value is recognized in profit or loss.

Shown below are the movements in the value of the guaranty asset:

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Guaranty asset: | | |
| Balance at January 1 | **₱8,128,814** | ₱10,432,256 |
| Fair value loss on guaranty asset | **(304,841)** | (2,648,829) |
| Cumulative translation adjustment | **472,625** | 345,387 |
| | **₱8,296,598** | ₱8,128,814 |

*Sensitivity analysis*
The fair value of the guaranty asset is dependent on various inputs such as the forecasted price of the shares serving as collateral over the guaranty, historical volatility for similar companies of Parent Company and MNUKL, interest rate curve, and aggregate impairment loss on MNSPL’s investment in MNUKL.

# 11. **Property, Plant and Equipment**

**June 30, 2025**

| | Land | Land Improvements | Buildings and Improvements | Leasehold Improvements | Plant Machinery and Fixtures | Office Furniture and Equipment | Transportation Equipment | Computer and Commu-ications Equipment | Machineries Under Installation | Construction In-progress | ROU Land | ROU Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | | | | | |
| Balance at January 1, 2025 | **₱585,681** | **₱7,140** | **₱15,575,725** | **₱163,884** | **₱37,706,145** | **₱543,541** | **₱162,657** | **₱395,371** | **₱1,868,773** | **₱3,969,729** | **₱3,786,250** | **₱799,405** | **₱65,564,301** |
| Additions | **–** | **–** | **20,784** | **490** | **156,157** | **11,811** | **12,438** | **12,266** | **134,195** | **933,126** | **–** | **3,412** | **1,284,679** |
| Disposals and retirement | **–** | **–** | **(386)** | **(45,240)** | **(123,762)** | **(2,262)** | **(13,651)** | **(24,574)** | **–** | **(3,593)** | **–** | **(55,630)** | **(269,098)** |
| Reclassifications | **–** | **–** | **405,022** | **–** | **1,103,024** | **13,258** | **–** | **9,389** | **(342,041)** | **(1,289,273)** | **–** | **–** | **(100,621)** |
| Foreign currency translation adjustments | **23,632** | **200** | **449,508** | **4,356** | **966,784** | **13,427** | **304** | **9,532** | **(21,416)** | **336,940** | **–** | **–** | **1,783,267** |
| Balance at June 30, 2025 | **609,313** | **7,340** | **16,450,653** | **123,490** | **39,808,348** | **579,775** | **161,748** | **401,984** | **1,639,511** | **3,946,929** | **3,786,250** | **747,187** | **68,262,528** |
| **Accumulated Depreciation** | | | | | | | | | | | | | |
| Balance at January 1, 2025 | **–** | **5,202** | **6,212,787** | **117,298** | **17,943,897** | **326,077** | **66,627** | **280,685** | **–** | **–** | **484,814** | **265,165** | **25,702,552** |
| Depreciation (Notes 17, 18 and 19) | **–** | **159** | **326,813** | **2,911** | **811,243** | **29,570** | **11,776** | **17,725** | **–** | **–** | **52,332** | **33,313** | **1,285,842** |
| Disposals and retirement | **–** | **–** | **(241)** | **(26,128)** | **(110,361)** | **(2,025)** | **(9,048)** | **(24,574)** | **–** | **–** | **–** | **(37,179)** | **(209,556)** |
| Foreign currency translation adjustments | **–** | **148** | **73,336** | **6,305** | **323,716** | **3,701** | **160** | **5,034** | **–** | **–** | **–** | **–** | **412,400** |
| Balance at June 30, 2025 | **–** | **5,509** | **6,612,695** | **100,386** | **18,968,495** | **357,323** | **69,515** | **278,870** | **–** | **–** | **537,146** | **261,299** | **27,191,238** |
| **Accumulated Impairment Loss** | | | | | | | | | | | | | |
| Balance at January 1, 2025 | **–** | **–** | **2,420,974** | **955** | **10,120,818** | **22,280** | **–** | **1,791** | **82,672** | **1,705,597** | **–** | **–** | **14,355,087** |
| Impairment loss (Note 18) | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **55,275** | **55,275** |
| Foreign currency translation adjustments | **–** | **–** | **117,258** | **–** | **564,199** | **–** | **–** | **–** | **–** | **78,088** | **–** | **–** | **759,545** |
| Balance at June 30, 2025 | **–** | **–** | **2,538,232** | **955** | **10,685,017** | **22,280** | **–** | **1,791** | **82,672** | **1,783,685** | **–** | **55,275** | **15,169,907** |
| **Net Book Value** | **₱609,313** | **₱1,831** | **₱7,299,726** | **₱22,149** | **₱10,154,836** | **₱200,172** | **₱92,233** | **₱121,323** | **₱1,556,839** | **₱2,163,244** | **₱3,249,104** | **₱430,613** | **₱25,901,383** |

December 31, 2024

| | Land | Land Improvements | Buildings and Improvements | Leasehold Improvements | Plant Machinery and Fixtures | Office Furniture and Equipment | Transportation Equipment | Computer and Commu-nications Equipment | Machineries Under Installation | Construction In-progress | ROU Land | ROU Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | | | | | |
| Balance at January 1, 2024 | ₱469,574 | ₱6,460 | ₱13,677,344 | ₱162,584 | ₱36,093,946 | ₱535,194 | ₱165,815 | ₱446,613 | ₱1,911,496 | ₱5,274,208 | ₱2,898,464 | ₱641,633 | ₱62,283,331 |
| Additions | 96,735 | 363 | 699,900 | 4,410 | 861,408 | 43,676 | 18,878 | 7,383 | 976,767 | 2,113,623 | 887,786 | 206,890 | 5,917,819 |
| Disposals and retirement | – | – | (540,018) | (5,635) | (2,190,241) | (114,033) | (22,193) | (22,954) | (23,250) | (30,081) | – | (49,118) | (2,997,523) |
| Reclassifications | – | – | 1,580,006 | 331 | 2,321,457 | 71,805 | – | (42,414) | (990,430) | (3,520,992) | – | – | (580,237) |
| Foreign currency translation adjustments | 19,372 | 317 | 158,493 | 2,194 | 619,575 | 6,899 | 157 | 6,743 | (5,810) | 132,971 | – | – | 940,911 |
| Balance at December 31, 2024 | 585,681 | 7,140 | 15,575,725 | 163,884 | 37,706,145 | 543,541 | 162,657 | 395,371 | 1,868,773 | 3,969,729 | 3,786,250 | 799,405 | 65,564,301 |
| **Accumulated Depreciation** | | | | | | | | | | | | | |
| Balance at January 1, 2024 | – | 4,627 | 5,963,425 | 105,366 | 18,312,909 | 381,195 | 62,223 | 343,673 | – | – | 385,699 | 212,151 | 25,771,268 |
| Depreciation (Notes 17, 18 and 19) | – | 337 | 656,716 | 5,656 | 1,598,916 | 55,239 | 23,658 | 35,335 | – | – | 99,115 | 73,076 | 2,548,048 |
| Disposals and retirement | – | – | (485,594) | (2,137) | (2,018,504) | (113,103) | (19,306) | (22,422) | – | – | – | (20,062) | (2,681,128) |
| Reclassifications | – | – | (1,464) | – | (240,649) | – | – | (80,678) | – | – | – | – | (322,791) |
| Foreign currency translation adjustments | – | 238 | 79,704 | 8,413 | 291,225 | 2,746 | 52 | 4,777 | – | – | – | – | 387,155 |
| Balance at December 31, 2024 | – | 5,202 | 6,212,787 | 117,298 | 17,943,897 | 326,077 | 66,627 | 280,685 | – | – | 484,814 | 265,165 | 25,702,552 |

*(Forward)*

December 31, 2024

| | Land | Land Improvements | Buildings and Improvements | Leasehold Improvements | Plant Machinery and Fixtures | Office Furniture and Equipment | Transportation Equipment | Computer and Commu-nications Equipment | Machineries Under Installation | Construction In-progress | ROU Land | ROU Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Accumulated Impairment Loss** | | | | | | | | | | | | | |
| Balance at January 1, 2024 | – | – | 997,622 | 955 | 8,466,664 | 22,280 | – | 1,791 | 486,312 | 1,380,719 | – | – | 11,356,343 |
| Impairment loss | – | – | 1,390,065 | – | 1,512,334 | – | – | – | – | 953 | – | – | 2,903,352 |
| Disposals and retirement | – | – | – | – | – | – | – | – | (49,370) | (157,434) | – | – | (206,804) |
| Reclassifications | – | – | 23,554 | – | (112,166) | – | – | – | (354,270) | 442,882 | – | – | – |
| Foreign currency translation adjustments | – | – | 9,733 | – | 253,986 | – | – | – | – | 38,477 | – | – | 302,196 |
| Balance at December 31, 2024 | – | – | 2,420,974 | 955 | 10,120,818 | 22,280 | – | 1,791 | 82,672 | 1,705,597 | – | – | 14,355,087 |
| Net Book Value | ₱585,681 | ₱1,938 | ₱6,941,964 | ₱45,631 | ₱9,641,430 | ₱195,184 | ₱96,030 | ₱112,895 | ₱1,786,101 | ₱2,264,132 | ₱3,301,436 | ₱534,240 | ₱25,506,662 |

The Group recognized net provision for impairment loss on property, plant and equipment amounting to ₱55.3 million and nil for the six months ended June 30, 2025 and 2024, respectively (see Note 18).

For the six months ended June 30, 2024, the Group acquired property, plant and equipment amounting to ₱1,634.4 million and recognized depreciation expense amounting to ₱1,225.8 million (see Note 19).

There are no idle property, plant and equipment nor property, plant and equipment used as collateral as at June 30, 2025 and December 31, 2024.

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱1,856.4 million and ₱1,843.6 million as at June 30, 2025 and December 31, 2024, respectively.

## 12. Intangible Assets

| | **June 30, 2025** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Goodwill** | **Brand** | **Distribution Rights** | **License** | **Trademarks with definite useful life** | **Trademarks with indefinite useful life** | **Software** | **Total** |
| **Cost** | | | | | | | | |
| Balance at January 1, 2025 | ₱17,868,843 | ₱19,405,709 | ₱727,560 | ₱66,141 | ₱7,485 | ₱14,459 | ₱1,160,826 | ₱39,251,023 |
| Additions | – | – | – | – | 231 | – | 98,617 | 98,848 |
| Disposals and retirement | – | – | – | – | – | – | (22,477) | (22,477) |
| Reclassifications | – | – | – | – | – | – | 100,621 | 100,621 |
| Foreign currency translation adjustments | 1,067,332 | 1,153,747 | – | – | 209 | – | 38,971 | 2,260,259 |
| Balance at June 30, 2025 | 18,936,175 | 20,559,456 | 727,560 | 66,141 | 7,925 | 14,459 | 1,376,558 | 41,688,274 |
| **Accumulated Amortization** | | | | | | | | |
| Balance at January 1, 2025 | – | 45,773 | 378,938 | 15,220 | 2,474 | – | 658,236 | 1,100,641 |
| Amortization (Notes 17, 18 and 19) | – | – | 18,189 | 3,697 | 462 | – | 61,987 | 84,335 |
| Disposals and retirement | – | – | – | – | – | – | (21,735) | (21,735) |
| Foreign currency translation adjustments | – | 2,733 | – | – | 78 | – | 24,754 | 27,565 |
| Balance at June 30, 2025 | – | 48,506 | 397,127 | 18,917 | 3,014 | – | 723,242 | 1,190,806 |
| **Accumulated Impairment Loss** | | | | | | | | |
| Balance at January 1, 2025 | 17,868,843 | 14,818,339 | – | – | – | 7,131 | – | 32,694,313 |
| Foreign currency translation adjustments | 1,067,332 | 879,737 | – | – | – | – | – | 1,947,069 |
| Balance at June 30, 2025 | 18,936,175 | 15,698,076 | – | – | – | 7,131 | – | 34,641,382 |
| **Net Book Value** | ₱– | ₱4,812,874 | ₱330,433 | ₱47,224 | ₱4,911 | ₱7,328 | ₱653,316 | ₱5,856,086 |

| | December 31, 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Goodwill | Brand | Distribution Rights | License | Trademarks with definite useful life | Trademarks with indefinite useful life | Software | Total |
| **Cost** | | | | | | | | |
| Balance at January 1, 2024 | ₱17,318,215 | ₱18,810,500 | ₱727,560 | ₱66,141 | ₱2,593 | ₱14,459 | ₱482,640 | ₱37,422,108 |
| Additions | – | – | – | – | 4,764 | – | 111,121 | 115,885 |
| Disposals and retirement | – | – | – | – | – | – | (17,859) | (17,859) |
| Reclassifications | – | – | – | – | – | – | 580,237 | 580,237 |
| Foreign currency translation adjustments | 550,628 | 595,209 | – | – | 128 | – | 4,687 | 1,150,652 |
| Balance at December 31, 2024 | 17,868,843 | 19,405,709 | 727,560 | 66,141 | 7,485 | 14,459 | 1,160,826 | 39,251,023 |
| **Accumulated Amortization** | | | | | | | | |
| Balance at January 1, 2024 | – | 44,362 | 342,560 | 7,827 | 1,904 | – | 255,768 | 652,421 |
| Amortization (Notes 17, 18 and 19) | – | – | 36,378 | 7,393 | 461 | – | 95,641 | 139,873 |
| Disposals and retirement | – | – | – | – | – | – | (17,812) | (17,812) |
| Reclassifications | – | – | – | – | – | – | 322,791 | 322,791 |
| Foreign currency translation adjustments | – | 1,411 | – | – | 109 | – | 1,848 | 3,368 |
| Balance at December 31, 2024 | – | 45,773 | 378,938 | 15,220 | 2,474 | – | 658,236 | 1,100,641 |
| **Accumulated Impairment Loss** | | | | | | | | |
| Balance at January 1, 2024 | 17,318,215 | 10,631,507 | – | – | – | 7,131 | – | 27,956,853 |
| Impairment loss | – | 3,871,692 | – | – | – | – | – | 3,871,692 |

*(Forward)*

| | December 31, 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Goodwill | Brand | Distribution Rights | License | Trademarks with definite useful life | Trademarks with indefinite useful life | Software | Total |
| Foreign currency translation adjustments | ₱550,628 | ₱315,140 | ₱– | ₱– | ₱– | ₱– | ₱– | ₱865,768 |
| Balance at December 31, 2024 | 17,868,843 | 14,818,339 | – | – | – | 7,131 | – | 32,694,313 |
| **Net Book Value** | ₱– | ₱4,541,597 | ₱348,622 | ₱50,921 | ₱5,011 | ₱7,328 | ₱502,590 | ₱5,456,069 |

Amortization of the intangible assets for the six months ended June 30, 2025 and 2024 amounted to ₱84.3 million and ₱48.8 million, respectively (see Note 19).

The Group performs its annual impairment test every year-end.

Distribution rights were from the Parent Company's Distribution, and Marketing and Sales Development Agreement with SSCC wherein SSCC appointed the Parent Company as its exclusive distributor of all its products in the Philippines for a period of 20 years until July 25, 2034 (see Note 23).

## 13. Other Noncurrent Assets

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Advances to suppliers and contractors | **₱622,598** | ₱488,125 |
| Advances to employees | **136,375** | 99,924 |
| Refundable and other deposits | **79,485** | 77,284 |
| Deferred input VAT for amortization | **51,276** | 88,655 |
| Others | **35,922** | 38,255 |
| | **₱925,656** | ₱792,243 |

## 14. Accounts Payable and Other Current Liabilities and Refund Liabilities

<u>Accounts Payable and Other Current Liabilities</u>

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Trade payables | | |
| Non-related parties | **₱5,530,518** | ₱6,265,686 |
| Related parties (Note 20) | **59,370** | 44,196 |
| Nontrade payables | **1,933,942** | 2,931,745 |
| Accruals for: | | |
| Advertising and promotions | **1,147,650** | 591,683 |
| Selling, general and administrative expenses | **520,585** | 585,230 |
| Trade spend | **290,481** | 217,074 |
| Personnel costs | **252,846** | 422,412 |
| Other accruals | **248,381** | 260,704 |

*(Forward)*

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Statutory payables | **₱958,209** | ₱1,026,839 |
| Provisions | **115,767** | 118,267 |
| Others | **52,910** | 86,488 |
| | **₱11,110,659** | ₱12,550,324 |

Other accruals mainly represent accruals for freight, interest payable, non-trade services and are generally settled the following month.

Refund Liabilities
As at June 30, 2025 and December 31, 2024, the Group's refund liabilities consist of the following:

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Refund liabilities: | | |
| Arising from rights of return | **₱334,264** | ₱331,539 |
| Arising from retrospective volume discounts | **10,684** | 47,245 |
| | **₱344,948** | ₱378,784 |

## 15. **Loans Payable**

| Description | Maturities | Interest Rates | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|---|---|
| **MFL** | | | | |
| £105.0 million term loan | June 2027 | Margin and SONIA | **₱1,080,786** | ₱1,966,888 |
| £5.0 million revolving credit facility | September 2023 | Margin and SONIA | – | 364,239 |
| £4.0 million revolving credit facility | November 2022 | Margin and SONIA | – | 291,391 |
| £3.0 million revolving credit facility | October 2023 | Margin and SONIA | – | 218,543 |
| £5.0 million credit facility | September 2024 | SONIA and 1.20% p.a. | – | 364,239 |
| **DSHPL** | | | | |
| ฿67.2 million term loan | December 2029 | Noninterest-bearing | **98,755** | 27,968 |
| | | | **1,179,541** | 3,233,268 |
| Unamortized debt issue costs | | | – | (26,633) |
| | | | **₱1,179,541** | ₱3,206,635 |

| | June 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Current portion | **₱–** | ₱364,239 |
| Non-current portion | **1,179,541** | 2,842,396 |
| | **₱1,179,541** | ₱3,206,635 |

<u>MFL Loan</u>
As at June 30, 2025 and December 31, 2024, MFL has outstanding unsecured loans payable amounting to ₱1,080.8 million (£14.0 million) and ₱3,205.3 million (£44.0 million), respectively. The sterling term loan facility amounting to ₱7,789.8 million (£105.0 million) with maturity on June 2027 and interest rate based on Margin and SONIA has the following financial covenants:

- The Group is required to maintain Gross Leverage of less than 3.5x from September 30, 2023 and each quarter thereafter
- The Group is required to maintain an interest cover of greater than 3.0 from September 30, 2023 and each quarter thereafter.

The facility also includes a revolving credit facility of ₱1,112.8 million (£15.0 million) subject to the same financial covenants above. MFL had drawn down ₱926.4 million (£12.0 million) and ₱847.2 million (£12.0 million) as at June 30, 2025 and December 31, 2024, respectively.

In 2023, MFL obtained and drew an uncommitted short term credit facility with a financial institution amounting to ₱375.4 million (£5.0 million).

On June 2025, MFL has settled the loans amounting to ₱2,316.0 million (£30.0 million).

As at June 30, 2025 and December 31, 2024, the Group is in compliance with these covenants.

On the following dates, DSHPL entered into loan agreements with WSJ Holdings Pte. Ltd.

| Promissory note date | Amount in THB (in thousands) |
|---|---|
| October 15, 2024 | ฿19,710 |
| November 11, 2024 | 15,668 |
| December 16, 2024 | 3,879 |
| January 10, 2025 | 13,500 |
| February 28, 2025 | 14,400 |

For the six months ended June 30, 2025 and 2024, interest expense related to the loans amounted to ₱95.2 million and ₱155.9 million, respectively (see Note 19).

The movement in unamortized debt issue costs of loans payable is as follows:

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| **Loans Payable** | | |
| Balance at January 1 | **₱26,633** | ₱78,780 |
| Reductions during the period | **(5,324)** | (6,658) |
| Amortization during the period (Note 19) | **(21,968)** | (48,244) |
| Foreign currency translation adjustments | **659** | 2,755 |
| Total | **₱–** | ₱26,633 |

For the six months ended June 30, 2024, amortization of debt issue costs amounted to ₱24.3 million (see Note 19).

16. **Equity**

Capital Stock
The details of the Parent Company's common stock as at June 30, 2025 and December 31, 2024 follows:

| | |
|---|---|
| Par value per share | ₱0.50 |
| Number of shares: | |
| Authorized | 20,400,000,000 |
| Issued and outstanding | 17,968,611,496 |

The total number of stockholders was 24 as at June 30, 2025 and December 31, 2024. With respect to the Parent Company's stockholders as at December 31, 2024, the shares were either held (a) in a certificated form or (b) in scripless form held under the account of PCD Nominee Corp. (PCD Nominee) through trading participants (*i.e.*, brokers and custodians) of the Philippine Depository & Trust Corp. (PDTC). The shares lodged under PCD Nominee are further broken down into PCD Nominee (Filipino) and PCD Nominee (Non-Filipino).

Dividend Declaration
On March 26, 2025, the Parent Company's BOD approved the declaration of regular cash dividends to stockholders of record as of April 25, 2025 for ₱0.15 per common share or ₱2,695.3 million, which was paid on May 22, 2025.

On April 10, 2024 and November 29, 2023, the Parent Company's BOD approved and declared the issuance of regular cash dividends to stockholders of record for ₱0.12 per common share or ₱4,312.4 million, which was paid on June 5, 2024 and January 11, 2024, respectively.

Restriction on Retained Earnings
As at June 30, 2025 and December 31, 2024, undistributed retained earnings of subsidiaries amounting to ₱4,187.3 million and ₱2,796.9 million, respectively, are not available for

dividend declaration until the actual declaration of the subsidiaries. Further, the undistributed retained earnings include appropriated retained earnings of MMYSC and MIL amounting to ₱211.5 million as at June 30, 2025 and December 31, 2024.

Equity Reserve

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Initial recognition of guaranty asset at fair value: | | |
| MNSPL | **₱9,104,076** | ₱9,104,076 |
| Investments: | | |
| MMYSC | **(532,573)** | (532,573) |
| MNTH | **(115,390)** | (115,390) |
| KBT | **35,335** | 43,408 |
| MNAC | **(7,733)** | (7,733) |
| Equity reserve arising from noninterest-bearing loan | **(659)** | (659) |
| | **₱8,483,056** | ₱8,491,129 |

Cumulative Translation Adjustments

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Foreign investments: | | |
| MNTH | **₱238,399** | ₱145,797 |
| MNIIL | **(184,890)** | (184,810) |
| MNSPL | **97,232** | (1,119,497) |
| MIL | **(67,781)** | 999 |
| Cross currency swap: | | |
| MNC | **(735,407)** | (675,136) |
| | **(₱652,447)** | (₱1,832,647) |

Cumulative translation adjustments are attributable to equity holders of the Parent Company as at June 30, 2025 and December 31, 2024.

Earnings per Share
The following reflects the income and share data used in the basic and diluted EPS computation:

| | **Quarters Ended June 30** | | **Six Months Ended June 30** | |
|---|---|---|---|---|
| | **2025** (Unaudited) | 2024 (Unaudited) | **2025** (Unaudited) | 2024 (Unaudited) |
| Net income attributable to equity holders of the parent | **₱1,677,094** | ₱606,232 | **₱4,411,215** | ₱4,089,727 |
| Weighted average number of common shares | **17,968,611,496** | 17,968,611,496 | **17,968,611,496** | 17,968,611,496 |
| Basic/diluted EPS | **₱0.093** | ₱0.034 | **₱0.245** | ₱0.228 |

## 17. **Net Sales and Cost of Goods Sold**

Net Sales by Geography and Operating Segment

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| APAC BFB | | |
| Philippines | **₱32,804,488** | ₱31,152,106 |
| Other countries | **2,060,626** | 2,189,030 |
| | **34,865,114** | 33,341,136 |
| Meat Alternative | | |
| United Kingdom | **5,288,060** | 5,352,923 |
| United States | **339,220** | 345,001 |
| Other countries | **964,807** | 1,096,955 |
| | **6,592,087** | 6,794,879 |
| | **₱41,457,201** | ₱40,136,015 |

All revenues are recognized at a point in time.

Cost of Goods Sold

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Direct materials | **₱20,885,800** | ₱19,550,005 |
| Direct labor | **1,609,188** | 1,620,121 |
| Manufacturing overhead (Notes 11, 12 and 19) | **4,852,739** | 4,717,250 |
| Total manufacturing costs | **27,347,727** | 25,887,376 |
| Inventory movements (Note 7): | | |
| Finished goods | **317,171** | 16,686 |
| Work in-process | **(3,735)** | 295,707 |
| | **₱27,661,163** | ₱26,199,769 |

18. **Sales, General and Administrative Expenses**

General and Administrative Expenses

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Salaries, wages and employee benefits | **₱2,123,235** | ₱2,242,917 |
| Outside services | **623,525** | 412,607 |
| Depreciation and amortization (Notes 11, 12 and 19) | **273,258** | 249,070 |
| Repairs and maintenance | **141,347** | 99,475 |
| Traveling expenses | **91,268** | 55,430 |
| Insurance | **80,120** | 112,481 |
| Research and development | **78,219** | 134,625 |
| Taxes and licenses | **75,808** | 85,079 |
| Entertainment, amusement and recreation | **68,715** | 51,824 |
| Light, water and telecommunication | **54,819** | 52,575 |
| Warehouse and office supplies | **54,784** | 33,633 |
| Fringe benefit tax | **43,982** | 42,246 |
| Recruitment and training expenses | **38,963** | 11,544 |
| Rent (Note 20) | **25,532** | 32,947 |
| Bank charges | **8,607** | 9,601 |
| Donations | **4,331** | 3,332 |
| Provision for (reversal of) ECL (Note 6) | **(1,090)** | 3,414 |
| Others | **91,698** | 136,987 |
| | **₱3,877,121** | ₱3,769,787 |

Selling and Distribution Expenses

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Transportation and delivery | **₱1,721,879** | ₱1,640,742 |
| Advertising and promotions | **1,597,997** | 1,469,593 |
| Merchandising expense | **375,392** | 354,386 |
| Dealer support | **17,278** | 55,754 |
| | **₱3,712,546** | ₱3,520,475 |

Provision for impairment loss - net

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Property, plant and equipment - net (Note 11) | **₱55,275** | ₱– |
| Investments in associates and joint venture | **–** | 16,723 |
| | **₱55,275** | ₱16,723 |

## 19. Finance Income and Costs, Depreciation and Amortization Expense, Personnel Costs and Miscellaneous Income

Finance Income

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Cash and cash equivalents | **₱172,782** | ₱267,093 |
| Loans receivable (Notes 9, 20 and 23) | **20,363** | 4,170 |
| Amortization of financing cost (Note 9) | **4,001** | – |
| Amortization of discount on security deposit | **308** | – |
| | **₱197,454** | ₱271,263 |

Finance Costs

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Interest on loans payable (Note 15) | **₱95,194** | ₱155,885 |
| Interest expense on lease liabilities | **86,511** | 88,077 |
| Acceptance and trust receipts payable | **35,379** | 57,260 |
| Amortization of debt issue costs (Note 15) | **21,968** | 24,314 |
| Others | **4,004** | 18,313 |
| | **₱243,056** | ₱343,849 |

Depreciation and Amortization Expense

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Property, plant and equipment (Note 11) | **₱1,285,842** | ₱1,225,839 |
| Intangible assets (Note 12) | **84,335** | 48,752 |
| | **₱1,370,177** | ₱1,274,591 |

| | **June 30, 2025 (Unaudited)** | June 30, 2024 (Unaudited) |
|---|---|---|
| Cost of goods sold (Note 17) | **₱1,096,919** | ₱1,025,521 |
| Sales, general and administrative expense (Note 18) | **273,258** | 249,070 |
| | **₱1,370,177** | ₱1,274,591 |

Miscellaneous Income
Miscellaneous income mainly comprises of service fees charged by the Parent Company primarily for reimbursement of share of principals in common expenses, gain/loss on sale of property, plant and equipment, and other miscellaneous items which are recorded under the "Miscellaneous income" account in the consolidated statements of comprehensive income.

## 20. Related Party Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

The following are the significant transactions with related parties:

| Nature | Period ended | Volume of Transactions | Outstanding Balance | Terms | Conditions |
|---|---|---|---|---|---|
| *Associates and joint ventures* | | | | | |
| **Monde Land, Inc. (MLI)** | | | | | |
| Rent expense | **June 30, 2025** | **₱33,376** | **(₱9,977)** | 15 days; noninterest-bearing | Unsecured |
| | December 31, 2024 | 56,084 | (5,234) | | |
| | June 30, 2024 | 33,235 | – | | |
| Professional fees | **June 30, 2025** | **39** | **19** | | |
| | December 31, 2024 | 17 | 3 | | |
| | June 30, 2024 | – | – | | |
| **Honey Droplet Ltd.** | | | | | |
| Advances and interest income | **June 30, 2025** | **–** | **–** | 4-6 years; interest-bearing | Unsecured; Gross advances amounted to ₱115.3 million in 2025 and 2024; fully impaired in 2025 and 2024 |
| | December 31, 2024 | – | – | | |
| | June 30, 2024 | – | – | | |
| **Calaca Harvest Terminal Inc. (CHTI)** | | | | | |
| Transportation and delivery expense and wheat handling fees | **June 30, 2025** | **150,602** | **(41,847)** | 15 days; noninterest-bearing | Unsecured |
| | December 31, 2024 | 316,796 | (42,845) | | |
| | June 30, 2024 | 166,885 | (8,632) | | |
| *Common shareholders* | | | | | |
| **PT. Nissin Biscuit Indonesia** | | | | | |
| Trade purchases, net | **June 30, 2025** | **28,578** | **(7,546)** | 45 days; noninterest-bearing | Unsecured |
| | December 31, 2024 | 47,781 | 3,883 | | |
| | June 30, 2024 | 19,881 | (1,851) | | |
| **MNSG Holdings Pte. Ltd.** | | | | | |
| Guaranty asset | **June 30, 2025** | **167,784** | **8,296,598** | Refer to Note 10 | Unsecured |
| | December 31, 2024 | (2,303,442) | 8,128,814 | | |
| | June 30, 2024 | 9,695,422 | 9,695,422 | | |
| Loans receivable - net (Notes 9 and 19) | **June 30, 2025** | – | **89,444** | 10 years; noninterest-bearing | Unsecured |
| | December 31, 2024 | – | 91,493 | | |
| | June 30, 2024 | – | 176,062 | | |
| Trade and other receivables (Note 6) | **June 30, 2025** | | **₱19** | | |
| | December 31, 2024 | | 3 | | |
| | June 30, 2024 | | – | | |

*(Forward)*

| Nature | Period ended | Volume of Transactions | Outstanding Balance | Terms | Conditions |
|---|---|---|---|---|---|
| Loans receivable - net (Notes 9 and 19) | **June 30, 2025** | | **₱89,444** | | |
| | December 31, 2024 | | 91,493 | | |
| | June 30, 2024 | | 176,062 | | |
| Trade and other payables (Note 14) | **June 30, 2025** | | **(59,370)** | | |
| | December 31, 2024 | | (44,196) | | |
| | June 30, 2024 | | (10,483) | | |

## 21. Income Tax

Deferred Income Tax

The components of the Group's net deferred tax assets and net deferred tax liabilities are as follow:

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| Deferred tax assets - net | | |
| Pension liability | **₱313,990** | ₱308,097 |
| Allowance for impairment loss | **251,780** | 259,153 |
| Accrued expenses | **111,238** | 157,813 |
| Derivative liability | **87,219** | 72,151 |
| Refund liabilities | **86,237** | 94,696 |
| Right-of-use assets and lease liabilities | **75,638** | 68,849 |
| Unrealized profits from intercompany sales | **33,681** | 36,042 |
| Excess of the tax base over the carrying amounts of non-monetary assets | **16,059** | 14,545 |
| NOLCO | **11,878** | 1,657 |
| Unrealized foreign exchange gain | **(9,592)** | (5,859) |
| Unamortized past service cost | **6,441** | 7,133 |
| Allowance for inventory obsolescence | **3,341** | 1,491 |
| Allowance for ECL | **994** | 1,582 |
| Others | **(17,512)** | (9,848) |
| | **971,392** | 1,007,502 |
| Deferred tax liabilities - net | | |
| Brand | **(1,203,218)** | (1,185,900) |
| NOLCO | **994,530** | 913,198 |
| Interest expense | **473,496** | 444,738 |
| Property, plant and equipment | **(306,745)** | (211,609) |
| Interest income | **(521)** | (1,064) |
| Unrealized foreign exchange gain | **–** | (2,257) |
| Others | **11,725** | 10,627 |
| | **(30,733)** | (32,267) |
| | **₱940,659** | ₱975,235 |

## 22. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables, current financial assets, loans receivable, noncurrent receivables, guaranty asset, and advances to employees. The main purpose of these financial instruments is to fund the Group's operations. The Group has various other financial instruments such as accounts payable and other current liabilities, acceptance and trust receipts payable, loans payable and lease liabilities, which arise directly from its operations.

Set out below, is an overview of financial assets and financial liabilities held by the Group as at June 30, 2025 and December 31, 2024:

| | **June 30, 2025** (Unaudited) | December 31, 2024 (Audited) |
|---|---|---|
| **Financial Assets** | | |
| Cash and cash equivalents | **₱11,053,297** | ₱14,158,203 |
| Trade and other receivables | **7,153,516** | 7,709,717 |
| Current financial assets | **2,390,592** | 1,812,489 |
| Noncurrent receivables | **1,405,318** | 1,320,296 |
| Guaranty asset | **8,296,598** | 8,128,814 |
| Financial assets at FVOCI | **658,120** | 813,971 |
| Advances to employees* | **136,375** | 99,924 |
| Refundable security deposit**** | – | 188,682 |
| | **31,093,816** | 34,232,096 |
| **Financial Liabilities** | | |
| Accounts payable and other current liabilities** | **₱10,152,450** | ₱11,523,485 |
| Loans payable*** | **1,184,227** | 3,218,303 |
| Acceptance and trust receipts payable | **748,142** | 1,608,501 |
| Lease liabilities*** | **8,493,598** | 8,580,296 |
| | **20,578,417** | 24,930,585 |
| | **₱10,515,399** | ₱9,301,511 |

**Recorded under "other noncurrent assets"*
*** Excluding statutory payables.*
****Includes future interest.*
*****Including the discount recognized as ROU.*

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The BOD reviews and agrees the policies for managing each of these risks and they are summarized below:

Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign currency risk. Financial instruments affected by market risk include cash and cash equivalents, trade and other receivables, accounts payable and other current liabilities, and loans payable.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Foreign Currency Risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Credit Risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Since the Group trades only with recognized third parties, there is no requirement for collateral.

The aging analysis of trade and other receivables as at June 30, 2025 and December 31, 2024 follows:

| | June 30, 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Days Past Due | | | | | |
| | **Current** | **1–30 Days** | **31–60 Days** | **61–90 Days** | **More than 90 Days** | **ECL** | **Total** |
| Trade and other receivables: | | | | | | | |
| Non-related parties | **₱6,567,457** | **₱431,646** | **₱65,710** | **₱3,024** | **₱13,342** | **₱4,355** | **₱7,085,534** |
| Related parties | **19** | **–** | **–** | **–** | **–** | **–** | **19** |
| Other receivables | **72,318** | **–** | **–** | **–** | **–** | **–** | **72,318** |
| Noncurrent receivables | **1,405,318** | **–** | **–** | **–** | **–** | **115,266** | **1,520,584** |
| | **₱8,045,112** | **₱431,646** | **₱65,710** | **₱3,024** | **₱13,342** | **₱119,621** | **₱8,678,455** |

| | December 31, 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Days Past Due | | | | | |
| | Current | 1–30 Days | 31–60 Days | 61–90 Days | More than 90 Days | ECL | Total |
| Trade receivables: | | | | | | | |
| Non-related parties | ₱6,569,560 | ₱959,055 | ₱55,830 | ₱43,200 | ₱13,817 | ₱6,854 | ₱7,648,316 |
| Related parties | 3 | – | – | – | – | – | 3 |
| Other receivables | 68,252 | – | – | – | – | – | 68,252 |
| Noncurrent receivables | 1,320,296 | – | – | – | – | 115,266 | 1,435,562 |
| | ₱7,958,111 | ₱959,055 | ₱55,830 | ₱43,200 | ₱13,817 | ₱122,120 | ₱9,152,133 |

Liquidity Risk
Liquidity risk is the risk the Group will be unable to meet its payment obligations when they fall due. The Group monitors and maintains a level of cash deemed adequate by management to finance the Group's operations, ensure continuity of funding and to mitigate the effects of fluctuations in cash flows.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and lease contracts. The Group's policy is that not more than 50% of long-term debt should mature in the next 12-month period. Approximately 2% and 8% of the Group's long-term debt will mature in less than one year at June 30, 2025 and December 31, 2024, respectively, based on the carrying value of debt reflected in the financial statements. The Group assessed the concentration risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of source of funding and debt maturing within 12 months can be rolled over with existing lenders.

*Excessive concentration risk.* Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by change in economic, political and other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio of distributors and distribution channels. Identified concentration of credit risks are controlled and managed accordingly.

Derivative Financial Instruments

The Group engages in derivative transactions such as dual currency investment, structured note, binary note, guaranty asset, cross currency swaps (CCS) and USD / PHP Call Option with European Knock Out (EKO) to manage its foreign currency, financial, and interest rate risks. Derivative financial instruments are initially recognized at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value. Changes in the fair value of derivatives that are not designated as accounting hedges (dual currency investment, structured note, and binary note) are recognized in the consolidated statements of income.

*Dual Currency Investment*

The Group invested in a non-principal protected investment product with a potential higher return than conventional deposits. The investment amount will be received in either the alternative or investment currency together with interest amount in the investment currency depending on the applicable scenario at maturity date.

Pertinent details of the dual currency investment are as follows:

| Notional amount | Effective Date | Maturity Date | Investment Currency | Alternative Currency | Conversion Rate | Interest Rate of Investment Currency |
|---|---|---|---|---|---|---|
| $8,642 | 05/02/25 | 07/01/25 | USD | GBP | 1.215 | 9.86% p.a. |
| $5,112 | 05/02/25 | 07/01/25 | USD | GBP | 1.185 | 9.30% p.a. |
| $6,469 | 06/30/25 | 07/30/25 | USD | GBP | 1.265 | 6.03% p.a. |

*Structured Note*

The Group invested in a structured note that offers enhanced return when the underlying asset trades at or above its initial price at maturity while offering a pre-determined minimum level of capital return at maturity.

Pertinent details of the structured note are as follows:

| Issue Size | Effective Date | Maturity Date | Final Redemption | Coupon |
|---|---|---|---|---|
| $5,000 | 02/28/25 | 09/02/25 | Principal Amount + Principal Amount x Participation Ratio x Max (0, Indexf/Index0 – 100%) | 1.00% p.a |

*Binary Note*

The Group invested in a binary note with the view of getting an interest amount linked to USD PHP fixing rate and 100% of the principal at maturity. Binary note is nil as at June 30, 2025.

The Group recognized fair value gain of ₱66.0 million and ₱23.0 million from fair value changes of dual currency investment, structured note, and binary note for the six months ended June 30, 2025 and 2024, respectively, under the "Fair value gain on financial instruments at fair value through profit or loss (FVTPL)" account in the consolidated statement of comprehensive income.

*Guaranty Asset*
Details of the guaranty asset can be referred in Note 10.

*CCS contract*
On January 31, 2023, the Parent Company entered into a non-deliverable CCS Agreement with a notional amount of ₱1,891.4 million (THB 1,151.5 million). Under the CCS agreement, the Company will receive Philippine Peso interest at 11.50% p.a. and will pay fixed Thailand Baht interest at 9% p.a. The Company will also pay the notional Thailand Baht amount in exchange for the Philippines Peso amount at the end of the swap period. The CCS, which will be designated as a hedge of a portion of the net investment in MIL and MNTH, is used to hedge the Parent Company's exposure to the THB foreign exchange risk on its investment in MIL and MNTH. For the six months ended June 30, 2025, the Group recognized ₱60.3 million cumulative translation gain adjustment under other comprehensive income. The Group recognized ₱19.2 million and ₱39.9 million derivative gain from swaps entered and settled during the same period for the six months ended June 30, 2025 and 2024, respectively.

Capital Management
For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's capital management is to maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the periods ended June 30, 2025 and December 31, 2024.

The Group monitors capital on the basis of the debt-to-equity ratio and makes adjustments to it in light of changes in economic conditions and its financial position. This ratio is calculated as total debt divided by total equity. Debt comprises all liabilities of the Group. Equity comprises all components of equity attributable to equity holders of the Parent Company.

The Group's debt-to-equity ratios are as follows:

| | **June 30, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Total debt | **₱18,139,863** | ₱22,547,846 |
| Total equity attributable to equity holders of the Parent Company | **58,098,713** | 55,366,514 |
| Debt-to-Equity Ratio | **0.31:1.00** | 0.41:1.00 |

Fair Value of Financial Instruments

*Cash and Cash Equivalents, Trade and Other Receivables, Accounts Payable and Other Current Liabilities, and Acceptance and Trust Receipts Payable.* The carrying value of these financial assets and liabilities approximate their fair values as at June 30, 2025 and December 31, 2024 due to the short-term nature of these financial instruments.

*Noncurrent Receivables, Advances to Employees, and Loans Payable.* As at June 30, 2025 and December 31, 2024, the fair value of noncurrent receivables, and loans payable with variable interest rates approximates the carrying amount due to frequent repricing of interest. Fair value of loans with fixed interest rate are determined using the discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair value of noninterest-bearing noncurrent receivables is determined by discounting future cash flows at an appropriate discount rate, reflecting the time value of money and credit risk.

*Financial assets at FVTPL.* The financial assets at FVTPL account consist of unit investment trust funds (UITFs) and derivatives, including separated embedded derivatives, unless designated as effective hedging instruments. As at June 30, 2025 and December 31, 2024, the fair values of these financial assets are based on their published net asset value per share. These are presented under "current financial assets" in the consolidated statement of financial position.

*Financial Assets at FVOCI.* The fair value of financial asset at FVOCI from Wide Faith Investment Holdings Ltd. is derived from the cash flow projection of the investee (income approach), which is nil as at June 30, 2025 and December 31, 2024.

The fair value of FCG is based on quoted prices. The fair value of Terramino Inc. approximates its last transaction price.

*Interest rate swap.* The fair value of the derivative financial instrument is measured using discounted cash flows. The future cash flows are estimated based on observable forward interest rates and discounted at a rate that reflects the credit risk of the Group and counterparties.

*Guaranty asset.* The fair value of guaranty asset is determined using Monte Carlo Simulation. The inputs to the model are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

## 23. Commitments

SSCC

On July 25, 2014 and August 4, 2014, the Parent Company and SSCC entered into a Distribution, and Marketing and Sales Development Agreement wherein SSCC appoints the Parent Company as its exclusive distributor of all its products in the Philippines for a period of 20 years (until July 25, 2034). Under the Agreement, the Parent Company shall pay SSCC a non-reimbursable and non-recoupable sum of ₱727.6 million payable in 5 equal annual installments starting on August 4, 2014 (see Note 12). The amount is recognized as Distribution Rights and subject to amortization for a period of 20 years up to 2034. The related payable was fully settled in 2018.

On August 4, 2014, the Parent Company and SSCC entered into a Loan Agreement wherein the Parent Company agreed to extend a loan to SSCC in the principal amount of ₱500.0 million with interest rate of 2% per annum. The loan is for a period of 10 years which was fully settled on August 4, 2024.

Loan Agreement between KBT and SSCC

On August 1, 2024, KBT and SSCC entered into a Loan Agreement wherein KBT agreed to extend an interest-bearing loan to SSCC in the principal amount of ₱600.0 million. The loan is for a period of 10 years and will mature on August 1, 2034. The ₱600.0 million loan is still outstanding as at June 30, 2025 and December 31, 2024.

MIL

On June 27, 2025, the BOD approved the Parent Company's authority to guarantee the ₱366.2 million (USD6.5 million) loan of wholly owned subsidiary MIL that MIL will borrow from Citigroup Inc., its subsidiaries or affiliates and/or Citibank N.A. or any of its branches.

## 24. Supplemental Disclosure to Cash Flow Statements

The Group's material noncash activities are as follows:

| | **June 30, 2025** (Unaudited) | June 30, 2024 (Unaudited) |
|---|---|---|
| Cumulative translation adjustments | **(₱1,180,200)** | (₱1,169,574) |
| Additions to ROU assets (Note 11) | **3,412** | 792,666 |

## 25. Subsequent Events

CCS contract

On July 24, 2025, the Parent Company entered into another non-deliverable CCS Agreement with a notional amount of ₱765.8 million (THB 435.0 million). Under the new CCS agreement, the Company will receive Philippine Peso interest at 12.70% p.a. and will pay fixed Thailand Baht interest at 9% p.a. The Company will also pay the notional Thailand

Baht amount in exchange for the Philippines Peso amount at the end of the swap period. The CCS, which will be designated as a hedge of a portion of the net investment in MIL and MNTH, is used to hedge the Parent Company's exposure to the THB foreign exchange risk on its investment in MIL and MNTH.

# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS OF JUNE 30, 2025

## SIGNIFICANT FACTORS AFFECTING THE GROUP'S RESULTS OF OPERATIONS

The Group's business results of operations are affected by a variety of factors. Set out below is a discussion of the most significant factors that have impacted its results in the past, and which will continue to influence its results in the foreseeable future. Factors other than those discussed below could also significantly impact on the Group's business results of operations and financial condition in the future.

*Demand and Pricing*

The Group's results of operations are affected by consumers' demand for its products, and pricing, in turn, influences demand. When determining its selling prices, the Group considers various factors, including, among others, prices of raw materials and packaging materials, taxes, fuel prices and other costs of doing business, distribution channels, and general economic conditions. The Group believes that instant noodles, bread, biscuits, and culinary aids are considered consumer staples. These products can be sensitive to movements in disposable incomes, changes in product prices, and competitive pressures. Volume, as well as value proved generally resilient to the adverse effects of inflation.

Demand for fast-moving consumer goods is price elastic in general, particularly for consumers in the lower socio-economic classes where disposable income is limited. When prices increase or during periods of relatively weak economic growth where disposable income falls, consumers, particularly those in the lower socio-economic classes, tend to switch to comparable lower-priced staple products and cut back on their consumption of discretionary products.

In addition, demand for fast-moving consumer goods is also influenced by the relative price relationships between such goods, consumer products, and other products and services in general. Consumers are prone to adjust their buying choices according to shifts in the perceived value-for-money propositions of the products. The Group intends to continue to innovate its products to enhance their perceived product value.

*Changes in Consumer Tastes and Preferences*

The Group's future growth will depend on its ability to maintain the competitive positions of its product portfolios and brands by proactively anticipating and responding to constant changes in consumer tastes and preferences. A key element in maintaining the market share for the Group's product portfolios is the ability to continuously and successfully introduce new products and product extensions to capture prevailing consumer preferences.

Consumer preferences may change due to various factors, including changes in economic conditions and income levels, shifts in demographic and social trends, changes in lifestyle and leisure activity patterns, changes in regulations, and actions of competitors, any of which may affect consumers' perception of and willingness to purchase the Group's products. This may then significantly impact Group results of operations.

The Group regularly keeps abreast of the evolving consumer preferences and believes that its current broad array of products can address the shifts in trends.

*Effectiveness of Sales and Marketing Activities*

The effectiveness of the Group's sales and marketing activities is critical to its market share expansion and revenue growth. The Group communicates with consumers through various channels and touchpoints.

Advertising affects consumer awareness of the Group's products and brands, which, in turn, affects purchase decisions and, consequently, sales volumes. The Group believes that product differentiation and brand loyalty are achieved through its marketing and image-building efforts; and consumer brand preferences are the cumulative result of exposure to the brands over an extended period. However, the effects of these sales and marketing activities may be delayed, resulting in delayed revenue growth which may not be fully reflected during the period in which the sales and marketing activities took place.

*Prices of Raw Materials and Packaging Materials*

Direct materials are major components of the Group's cost of goods sold. Direct materials comprise raw materials and packaging materials. Raw materials primarily consist of wheat/flour, palm oil, sugar, and coconut oil. The Group sources raw materials and all packaging materials globally.

Raw materials are subject to significant price volatility caused by various factors, including changes in global supply and demand, extreme weather conditions, size of harvests, transportation and storage costs, governmental agricultural policies, and currency exchange rate fluctuations. In addition, the Group's ability to obtain raw materials and packaging materials is affected by factors beyond its control, including armed conflict, natural disasters, governmental laws and policies, interruptions in production by suppliers, and the availability of transportation.

The Group's profitability is dependent on, among other factors, its ability to anticipate and react to fluctuations in the price of commodities, raw materials, and packaging materials. An increase in prices for or shortage of the Group's raw materials and packaging materials generally leads to an increase in production costs or interruption in the Group's production schedules, each of which could adversely affect its operating margins. Production delays could lead to reduced sales volumes and profitability as well as the loss of market share. Conversely, favorable movements of raw material costs and other items might improve the Group's margins and results of operations. The Group has been able to mitigate price fluctuations in raw materials to some extent through a combination of (i) operational synergy, (ii) the use of short-term and long-term contracts with suppliers to lock in pricing, and (iii) diversification of sources of supply.

Given that a significant portion of the Group's flour requirement is produced in-house at its Santa Rosa and Calaca facilities, the Group enjoys consistent supply, quality, and cost savings for flour from this operational synergy. This is further enhanced by the Group's affiliate-owned grain import terminal which allows independent procurement of wheat at scale. Operational synergy is also achieved in the supply of seasoning for instant noodles production, as the Group is operating a seasoning plant in Thailand to produce seasoning for its noodle plants in the Philippines.

Increases in costs of raw materials and packaging materials can typically be passed on to consumers. However, this may affect consumer demand as the Group's consumers are generally price sensitive. In some cases, these increases are not immediately passed on, if at all, to consumers to maintain or grow sales volumes and to protect the Group's market share. As a result, any material increase in the market price of raw materials could adversely affect the Group's operating margins, which may affect its financial position and operating performance.

*Product Mix*

The Group has a diversified product mix which primarily includes instant noodles, biscuits, and other fast-moving consumer products. The Group adopts a multi-brand approach, pursuant to which there are one or more brands or product lines under each product category. Under each brand, the Group offers products with different flavors, different package sizes and/or different types of products to provide varieties. For example, in the instant noodles product group, there are three product lines under the *Lucky Me!* brand: (i) wet pouch; (ii) dry pouch; and (iii) cups. Each *Lucky Me!* product line offers a wide array of flavors. The ability of the Group to continuously develop new products and launch product extensions to capture various consumer preferences enables the Group to successfully make available to its consumers a diverse and innovative product mix.

Typically, different products vary in product pricing, revenue growth rate, and gross profit margin. Each of the Group's brands has its own unique positioning with different marketing strategies and promotional costs. As a result, the Group's revenue and profitability are largely affected by its product mix.

*Competition*

The Group's products face competition from other domestic producers as well as from imported products and foreign brands. Competitive factors facing the Group's products include price, product quality, and availability, production efficiency, brand awareness and loyalty, distribution coverage, security of raw material supply, customer service, and the ability to respond effectively to changes in the regulatory environment as well as to shifting consumer tastes and preferences.

The Group's main competitors for the instant noodle segment are domestic producers which compete on pricing and imported/multinational brands that offer different flavors and taste experiences. The biscuits and other fast-moving consumer product groups face competition from local and imported/multinational competitors. Similar to the instant noodle segment, these players compete on pricing, taste, and innovation. Changes in the competitive landscape, including new entrants into the market, consolidation of existing competitors, and other factors, could have a material impact on the Group's financials and results of operations.

*Economic, Social and Political Conditions in the Philippines and Other Countries*

The majority of the Group's assets and revenues are in or derived from its operations in the Philippines. Therefore, the Group's business, financial condition, results of operations, and prospects are substantially influenced by the economic, social, and political conditions in the Philippines, while the Group is also significantly exposed to global commodity markets, mainly those for agricultural goods and energy.

Sales of most of the products of the Group's Business have been influenced and will continue to be influenced, to some degree, by the general state of the Philippine economy as well as the stability of social and political conditions in the country. The agricultural policy stance may significantly influence the business's results especially around raw materials such as sugar and its related importation quotas, and consumer shifting between food groups as they are avoiding products impacted by high inflation. Rice is a significant percentage of a typical Filipino household spending and its price movements can drive consumer decisions of having to make choices between food groups. While sales of a portion of the Group's products can be sensitive to changes in income and social conditions. The Group offers products that are considered as staple items or components to staple items which are less sensitive to income changes and adverse economic, social, and political conditions. These include instant noodles, bread, and culinary aids.

The Group also conducts its business in Thailand, including export operations to select territories. As such, economic, social, and political conditions in Thailand may also affect the Group's business, financial condition, results of operations, and prospects. In addition, the economic environment globally may influence the planned expansion strategy of the export business as distributors act more cautiously on new product launches, advertising, and promotional spend. A successful execution of the expansion of the overseas business may provide a possible upside to the Group. Global containers shipping in prices, as well as availability may influence the growth and profitability of the export business in the upcoming periods.

A significant portion of the Group's assets and revenue from its Meat Alternative Business are also located in or derived from its operations in the United Kingdom (UK). Therefore, economic, social, and political conditions in the UK may also affect the Group's business, financial condition, results of operations, and prospects.

*Seasonality*

In the consumer goods industry, results of operations generally follow the seasonality of consumer buying patterns, and the Group's sales are affected accordingly. In the Philippines, most food and beverage products, including those of the Group, experience increased sales from October to December related to the Christmas and New Year's season. Consequently, the fourth quarter has historically been the APAC BFB Group's strongest quarter by volume for culinary aids and some of its biscuit products, including *M.Y. San Grahams*. Seasonality during certain events also affects the Group's sales. In addition, seasonality varies across product types. Some of the Groups's products have distinct seasonality. For instance, *Lucky Me!* Wet pouch instant noodles see an increase in sales in the colder months due to consumers' preference for warm food. Instant noodles and crackers are mainstays of relief goods being distributed in times of calamities. A number of biscuit products experience higher sales during the school year as the APAC BFB's products are generally purchased for lunch boxes, between meals, on-the-go consumption, and consumption at home. As a result, seasonality could affect the Group's financial condition and results of operations from one quarter to another. To counter the seasonality of some of its products, the Group developed marketing and advertising initiatives that encourage the sustained consumption of its products throughout the year. The Group believes that the diversity of its product mix reduces the specific seasonality impact of certain products in its portfolio.

*Innovation*

In addition to its ability to introduce new product innovations and renovations, delivering on the Group's aspiration will also depend on the Group's ability to continuously drive loss-eliminating process innovations and work system innovation. Continuous improvement in process innovation and work system redesign will impact multiple fronts such as superior quality and consumer experience, fresher products to market, higher productivity, and improved sustainability via less wastage/use of resources and better process reliability.

*Capacity and Utilization of the Group's Facilities*

The ability of the Group to meet the demand for its products depends on its ability to build, maintain, and expand its production capacity. Capacity expansion affects the ability of the Group to introduce new products or new uses for its existing products, which, in turn, impacts the ability of the Group to be agile and responsive to rapidly changing customer needs and expectations.

Capacity improvement and expansion require significant capital investment. An investment in new technology or an enhancement of existing technology to increase capacity and utilization may result in operational challenges. Furthermore, the effects of these investments may be delayed, resulting in delayed revenue growth.

## Financial Highlights and Key Indicators

The summary financial information presented as at December 31, 2024, and as at June 30,2025 and for the six months ended June 30, 2024, June 30, 2025, was derived from the Group's unaudited consolidated financial statements, prepared in accordance with Philippine Accounting Standards 34, *Interim Financial Reporting.* The information below is not necessarily indicative of the results of future operations.

In this report and as defined below, Core EBITDA, Core EBITDA Margin, Core Income (After Tax) at Ownership, and Core Income (After Tax) at Ownership Margin are internal management performance measures and are not measures of performance under Philippines Financial Reporting Standards (PFRS) Accounting Standards. Thus, users of this report should not consider foregoing financial non-PFRS measures in isolation or as an alternative to Net Income as an indicator of the Group's operating performance or to cash flow from operating, investing, and financing activities.

Core EBITDA is measured as net income excluding depreciation and amortization of property and equipment, asset impairments, financing income and expense, net foreign exchange gains (losses), net gains (losses) on derivative financial instruments, fair value gain (losses) on guaranty asset, and other non-recurring income (expenses) NRI(E). H1 2024 NRE was nil. Meanwhile, H1 2025 NRE refers to restructuring costs and expenses related to supply chain transformation in Meat Alternative Business. Core EBITDA margin pertains to Core EBITDA divided by segment net sales.

Core Income Before Tax is measured as net income excluding the effects of asset impairment, interest expenses related to lease liabilities, interest income, equity in net earnings (losses) of associates and joint ventures, net foreign exchange gains (losses) except those related to U.S dollar balances that the company hedge against foreign exchange risks, net gains (losses) on derivative financial instruments, fair value gains (losses) on guaranty asset and FVTL, and NRE as discussed above. Core Income Before Tax Margin pertains to Core Income Before Tax divided by segment net sales.

Core Income (After Tax) pertains to Core Income Before Tax less income tax based on recurring income tax rate per entity. Core Income (After Tax) Margin pertains to Core Income (after tax) divided by segment net sales.

Core Income (After Tax) at Ownership pertains to Core Income (After Tax) less core income attributable to non-controlling interest (NCI).

The following discussion should be read in conjunction with the attached Unaudited Consolidated Financial Statements and related notes of Monde Nissin Corporation ("MNC" or "the Parent Company" and its subsidiaries (collectively, referred to as the "Group") as at and for the six months ended June 30, 2025.

## I. SUMMARY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| | Unaudited in millions, except percentages | | | | | |
|---|---|---|---|---|---|---|
| | Reported | | | | | |
| | H1 2025 | % to Net Sales (in %) | H1 2024 | % to Net Sales (in %) | Inc (Dec) | Inc (Dec) (in %) |
| Net Sales | 41,457 | 100.0 | 40,136 | 100.0 | 1,321 | 3.3 |
| Less: Cost of Goods Sold | 27,661 | 66.7 | 26,200 | 65.3 | 1,461 | 5.6 |
| Gross Profit | 13,796 | 33.3 | 13,936 | 34.7 | (140) | (1.0) |
| Less: Sales, General & Administrative (SGA) [1] | 7,444 | 18.0 | 7,252 | 18.1 | 192 | 2.6 |
| Other Income/(Expense) | | | | | | |
| Interest expense [2] | (155) | (0.4) | (266) | (0.7) | 111 | (41.7) |
| Foreign exchange gain/ (loss) – net [3] | (96) | (0.2) | 232 | 0.6 | (328) | *n/m* |
| Miscellaneous income | 49 | 0.1 | – | – | 49 | – |
| | (202) | (0.5) | (34) | (0.1) | (168) | 494.1 |
| Core Income Before Tax | 6,150 | 14.8 | 6,650 | 16.6 | (500) | (7.5) |
| Less: Provision for income tax [4] | 1,413 | 3.4 | 1,539 | 3.8 | (126) | (8.2) |
| Core Income (After Tax) | 4,737 | 11.4 | 5,111 | 12.7 | (374) | (7.3) |
| Less: Non-Controlling Interest | 3 | – | 7 | – | (4) | (57.1) |
| Core Income (After Tax) at Ownership | 4,734 | 11.4 | 5,104 | 12.7 | (370) | (7.2) |

| | Unaudited in millions, except percentages | | | | | |
|---|---|---|---|---|---|---|
| | H1 2025 | % to Net Sales (in %) | H1 2024 | % to Net Sales (in %) | Inc (Dec) Amt | Inc (Dec) (in %) |
| Core Income (After Tax) | 4,737 | 11.4 | 5,111 | 12.7 | (374) | 7.3 |
| Other income (expenses) | | | | | | |
| Fair Value gain on: | | | | | | |
| Guaranty asset | (305) | (0.7) | (1,218) | (3.0) | 913 | (75.0) |
| Financial assets (FVTPL) | 78 | 0.2 | 38 | 0.1 | 40 | 105.3 |
| Foreign exchange gain (loss) [5] | (50) | (0.1) | (26) | (0.1) | (24) | 92.3 |
| Miscellaneous income | 169 | 0.4 | 139 | 0.3 | 30 | 21.6 |
| Impairment loss | (55) | (0.1) | (17) | (0.0) | (38) | 223.5 |
| | (163) | (0.4) | (1,084) | (2.7) | 921 | (85.0) |
| Finance income (expense) | | | | | | |
| Less: Interest expense [6] | (88) | (0.2) | (77) | (0.2) | (11) | 14.3 |
| Interest income | 197 | 0.5 | 272 | 0.7 | (75) | (27.6) |
| Derivative gain - net | 19 | – | 40 | 0.1 | (21) | (52.5) |
| | 128 | 0.3 | 235 | 0.6 | (107) | (45.5) |
| Other non-recurring expenses | | | | | | |
| Restructuring costs in Meat Alternative | (146) | (0.4) | (38) | (0.1) | (108) | 284.2 |
| Income Tax Provision[7] | (141) | (0.3) | (127) | (0.3) | (14) | 11.0 |
| Reported net income (after tax) | 4,415 | 10.6 | 4,097 | 10.2 | 318 | 7.8 |

*Note: See "Other Financial Data – reconciliation of PFRS and non-PFRS measures."*
*n/m = not meaningful %*
*[1]2025 excludes restructuring in MNUK and expenses related to supply chain transformation.*
*[2]Recurring interest expense on Loans and Trust Receipts Payable*
*[3]Foreign exchange gain on U.S dollars balances for the Group's natural hedge.*
*[4]Based on recurring income tax rate per entity.*
*[5]Excluding foreign exchange gain on USD reserves for the Group's natural hedge (included in the Core Income calculation above)*
*[6]Excluding recurring interest expense on Loans and Trust Receipts Payable (included in the Core Income calculation above)*
*[7]Income tax effect of Other Income (expenses) and non-recurring finance income (expenses); To simplify, this is the difference between Total provision for income tax as reported and provision for income tax related to Core Income*

II – OPERATING SEGMENTS OF THE GROUP

As mentioned in the business overview section, the Group's two core businesses are the APAC BFB Business and the Meat Alternative Business.

Segment performance is evaluated based on: Core Earnings before interest, taxes, and depreciation and amortization, or Core EBITDA; Core EBITDA margin; Core Income (after tax) at Ownership and Core Income Tax at Ownership Margin.

The table below presents certain financial information relating to the Group's results of operation by segment for the periods indicated.

| | Reported | | | | | |
|---|---|---|---|---|---|---|
| | H1 2025 | % to Total (in %) | H1 2024 | % to Total (in %) | Inc/(Dec) | Inc/(Dec) (in %) |
| **Net Sales** | | | | | | |
| APAC BFB | 34,865 | 84.1 | 33,341 | 83.1 | 1,524 | 4.6 |
| Meat Alternative | 6,592 | 15.9 | 6,795 | 16.9 | (203) | (3.0) |
| **Total** | **41,457** | **100.0** | **40,136** | **100.0** | **1,321** | **3.3** |
| | | % of Segment Net Sales (in %) | | % of Segment Net Sales (in %) | | |
| **Gross Profit** | | | | | | |
| APAC BFB | 12,209 | 35.0 | 12,473 | 37.4 | (264) | (2.1) |
| Meat Alternative | 1,587 | 24.1 | 1,463 | 21.5 | 124 | 8.5 |
| **Total** | **13,796** | **33.3** | **13,936** | **34.7** | **(140)** | **(1.0)** |
| **Core Income (after tax) at Ownership** | | | | | | |
| APAC BFB | 4,949 | 14.2 | 5,590 | 16.8 | (641) | (11.5) |
| Meat Alternative | (215) | (3.3) | (486) | (7.2) | 271 | (55.8) |
| **Total** | **4,734** | **11.4** | **5,104** | **12.7** | **(370)** | **(7.2)** |
| **Core EBITDA** (1) | | | | | | |
| APAC BFB | 7,853 | 22.5 | 8,279 | 24.8 | (426) | (5.1) |
| Meat Alternative | 165 | 2.5 | (144) | (2.1) | 309 | n/m |
| **Total** | **8,018** | **19.3** | **8,135** | **20.3** | **(117)** | **(1.4)** |

Note: (1) See "*Other Financial Data - Core EBITDA Reconciliation*"

## RESULTS OF OPERATIONS

### For the six months ended June 30, 2025, compared to the six months ended June 30, 2024.

*Net Sales*

Consolidated net sales growth improved by 3.3% to ₱41,457 million in H1 2025 driven by continues growth in APAC BFB domestic largely from volume increase in biscuits and culinary partly offset by Meat Alternative, as category softness continues.

*APAC BFB*

APAC BFB net sales growth increased by 4.6% to ₱34,865 million in H1 2025 due to improving growth in the domestic business. The domestic business (which accounts for 94% of total APAC BFB business) growth improved by 5.3% in H1 2025 driven by double-digit growth in biscuits and other categories. Meanwhile, noodles sales remained soft but the decline tapered in H1 2025 due to recovery in Q2 2025. Q2 2025 sales modestly grew vs. prior year and prior quarter despite fewer selling days due to Holy Week. Morever, according to Nielsen, *Lucky Me!* continues to gain market share, from 67.4% in Q2 2024 to 69.0% in Q2 2025, with broadbased gains accross segments. Kasalo pack, our bigger pack segment, continues to propel market share gains on the dry pack segment. Meanwhile, international business (which accounts for 6% of total APAC BFB business) decreased by 5.9%.

*Meat Alternative*

Net sales in the Meat Alternative segment decline tapered to 3.0% on a reported basis and decreased by 5.3% on a constant currency basis to ₱6,592 million in H1 2025. Q2 2025 sales decline was tapered to 2.2% on reported basis and 4.8% at constant currency basis on volumes that were down by 8.5%. Volume decline was mitigated by 42% growth in UK Quorn snacking business.

*Core Cost of Goods Sold (COGS)*

Cost of goods sold increased by 5.6% to ₱27,661 million in H1 2025 due to sales volume growth and significant increases in the edible oils prices affecting the APAC BFB segment. This was partly offset by lower input costs in the Meat Alternative segment.

*APAC BFB*

The cost of goods sold in the APAC BFB segment increased by 8.6% to ₱22,556 million in H1 2025, primarily due higher sales volume and inflationary headwinds in edible oil ingredients which partly softened by lower price of flour.

*Meat Alternative*

The cost of goods sold in the Meat Alternative segment decreased by 6.1% to ₱5,005 million in H1 2025 due to lower input costs, lower inventory carrying costs, and overall benefits from supply chain transformation program.

*Gross Profit*

Gross profit decreased by 1.0% to ₱13,796 million in H1 2025 due to decline in the APAC BFB segment partly mitigated by continues recovery in the Meat Alternative segment.

APAC BFB

Gross profit for the APAC BFB segment slightly declined year-on year by 2.1% to ₱12,209 million. Gross margin decline by 2.4% to 35.0% in H1 2025 due to increases in the palm oil and surges in the coconut oil prices.

*Meat Alternative*

Gross profit for the Meat Alternative segment increased by 8.5% to ₱1,587 million of H1 2025. Gross margin improved by 2.5% to 24.2% in H1 2025 driven by lower input costs, reduced inventory carrying cost and targeting selling price increase. The impact on gross margin was partially offset by lower production volumes.

*Core Sales, General and Administrative Expenses (SG&A) (excluding non-recurring expenses)*

Sales, general and administrative expenses increased by 2.6% to ₱7,444 million in H1 2025. The increase in APAC BFB was offset by significant decline in the Meat Alternative despite reinvestment for growth in Q2. H1 2025 SG&A as percentage of sales slightly decreased by 0.1%, to 18.0%.

*APAC BFB*

SG&A in the APAC BFB segment increased by 6.7%, to ₱5,693 million in H1 2025. The increase was due to higher sales volume, salary inflation and logistics costs. SG&A as percentage of sales in H1 2025 reached 16.3%, which was 0.3% higher vs H1 2024 but still below FY2024 level of 17.3%.

*Meat Alternative*

Core SG&A in the Meat Alternative segment decreased by 8.5% to ₱1,751 million in H1 2025. This is mainly due to broader transformation benefits despite Q2 2025 snacking campaign to support volume growth in UK.

*Core Income (After Tax)*

Core income (after tax) decreased by 7.2% to ₱4,734 million in H1 2025 primarily due to lower core income from APAC BFB due to edible oil prices and foreign exchange headwinds. In H1 2025 APAC BFB recognized foreign exchange loss of ₱96 million loss compared to H1 2024 foreign exchange gain of Php 232 million in its USD reserves.

*Fair value loss on guaranty asset*

The Group recorded a non-cash loss on fair value of guaranty asset amounting to ₱305 million in H1 2025 compared to a higher fair value non-cash loss of ₱1,218 million in H1 2024, in relation to the MNSPL's guaranty asset under the Top-Up Deed as at December 31, 2023.

*Other Non-Recurring Expenses (NRE)*

Other non-recurring expenses were ₱38 million in H1 2024 and ₱146 million in H1 2025. H1 2024 pertains to restructuring expenses and H1 2025 pertains to additional restructuring and expenses related to supply chain transformation as part of overall transformation program in Meat Alternative segment.

*Income Before Income Tax*

In H1 2025, income before income tax increased by 3.6% to ₱5,969 million in H1 2025, as discussed in the foregoing.

*Total Income Tax Expense*

Total income tax expense decreased by 6.7% to ₱1,554 million due lower operating income in APAC BFB.

*Reported Net Loss (after tax)*

As a result of the foregoing, the Group reported 7.8% increase in net income to ₱4,415 million in H1 2025.

STATEMENT OF FINANCIAL POSITION

Financial condition as at June 30, 2025, compared to December 31, 2024

*Current Assets*

The Group's current assets decreased by 7.8%, from ₱33,927 million as at December 31, 2024, to ₱31,267 million as at June 30, 2025, primarily due to payment of dividends, partial settlement of MNUK's bank loans, and APAC BFB's trust receipts, and reinvestment to capital expenditures (CapEx) and current financial assets.

| | June 30, 2025 | | December 31, 2024 | | Increase (Decrease) | |
|---|---|---|---|---|---|---|
| | | % to Total | | % to Total | | |
| | Unaudited | (In %) | Audited | (In %) | Amount | In % |
| | in ₱ millions, except percentages | | | | | |
| Cash and cash equivalents | 11,053 | 35 | 14,158 | 42 | (3,105) | (21.9) |
| Trade and other receivables | 7,154 | 23 | 7,710 | 23 | (556) | (7.2) |
| Inventories | 8,762 | 28 | 8,921 | 26 | (159) | (1.8) |
| Prepayments and other current assets | 1,907 | 6 | 1,326 | 4 | 581 | 43.8 |
| Current financial assets | 2,391 | 8 | 1,812 | 5 | 579 | 32.0 |
| Total | 31,267 | 100 | 33,927 | 100 | (2,660) | (7.8) |

Cash and cash equivalents decreased by 21.9% as at June 30, 2025, to ₱11,053 million mainly due to payment of dividends (₱2,695 million), partial settlement of MNUK's loans (₱2,454 million). Cash derived from operation support settlement of APAC BFB's trust receipts (₱854 million) to save on interest and part of foreign exchange management program and reinvestment on CapEx (₱1,281 million) and current financial assets (₱513 million – net of disposal).

Trade and other receivable decreased by 7.2% as at June 30, 2025 to ₱7,154 due to collection from higher sales from Q4 2024.

Prepayments and other current assets increased by 43.8%, from ₱1,326 million as at December 31, 2024, to ₱1,907 million as at June 30, 2025, mainly due to timing related to prepayments for insurance, business permit and real property taxes and increase in input VAT.

Current financials assets increased by 32.0% as at June 30, 2025, to ₱2,391 million mainly due to additions to financial assets at FVTPL (net of disposals).

| *Noncurrent Assets* | June 30, 2025 | | December 31, 2024 | | Increase (Decrease) | |
|---|---|---|---|---|---|---|
| | Unaudited | % to Total (In %) | Audited | % to Total (In %) | Amount | In % |
| | | | in ₱ millions, except percentages | | | |
| Noncurrent receivables | 1,405 | 3 | 1,320 | 3 | 85 | 6.4 |
| Guaranty Asset | 8,297 | 18 | 8,129 | 18 | 168 | 2.1 |
| Financial assets at FVOCI | 658 | 2 | 814 | 2 | (156) | (19.2) |
| Investments in associates and joint ventures | 1,141 | 3 | 1,134 | 3 | 7 | 0.6 |
| Property, plant and equipment | 25,901 | 57 | 25,507 | 58 | 394 | 1.5 |
| Intangible Assets | 5,856 | 13 | 5,456 | 12 | 400 | 7.3 |
| Deferred tax assets – net | 971 | 2 | 1,008 | 2 | (37) | (3.7) |
| Other noncurrent assets | 926 | 2 | 791 | 2 | 135 | 17.1 |
| Total | 45,155 | 100 | 44,159 | 100 | 996 | 2.3 |

Noncurrent receivables increased by 6.4% from ₱1,320 million as at December 31,2024 to ₱1,405 million as at June 30, 2025 mainly due to additional interest-bearing noncurrent receivable from MNSPL.

Financial assets at FVOCI pertains to subscription to 820,268,295 common shares out of the unissued authorized capital stock of Figaro Coffee Group (FCG), Inc. amounting to ₱820 million and subscription to 665,845 Series B Preferred Stock of Terramino, Inc., amounting to ₱109 million. Figaro is a quoted securities, as at June 30, 2025, the fair value of FCG was based on quoted prices. The fair value of Terramino, Inc. approximates its transaction price.

Intangible assets increased by 7.3% from ₱5,456 million as at December 31,2024 to ₱5,856 million as at June 30, 2025 mainly due to ₱101 million reclassification of MNUK from construction in progress acount under Property, Plant and Equipment to intangibles in progress account for software under installation.

Other noncurrent assets increased by 17.1% from ₱791 million as at December 2024 to ₱926 million as at June 30, 2025 mainly due to increase in advances to suppliers and contractors related to payments for capital expenditures.

*Current Liabilities*

The Group's current liabilities decreased by 17.7%, from ₱15,537 million as at December 31, 2024, to ₱12,794 million as at June 30, 2025, mainly due lower accounts payable and trust receipt payable.

| | June 30, 2025 | | December 31, 2024 | | Increase (Decrease) | |
|---|---|---|---|---|---|---|
| | Unaudited | % to Total (In %) | Audited | % to Total (In %) | Amount | In % |
| | | | in ₱ millions, except percentages | | | |
| Accounts payable and other current liabilities | 11,111 | 87 | 12,550 | 81 | (1,439) | (11.5) |
| Acceptances and trust receipts payable | 748 | 6 | 1,608 | 10 | (860) | (53.5) |
| Refund liabilities | 345 | 2 | 379 | 2 | (34) | (9.0) |
| Current portion of lease liabilities | 93 | 1 | 78 | 1 | 15 | 19.2 |
| Current portion of loans payable | – | – | 364 | 2 | (364) | (100.0) |
| Income tax payable | 497 | 4 | 558 | 4 | (61) | (10.9) |
| Total | 12,794 | 100 | 15,537 | 100 | (2,743) | (17.7) |

Accounts payable and other current liabilities decreased by 11.5%, from ₱12,550 million as at December 31, 2024 to ₱11,111 million as at June 30, 2025, mainly due to payments of non-trade payables of the Parent Company. In addition, December payables were higher due to early payment cut-off for year-end.

**Acceptances and trust receipts payable** decreased by 53.5%, from ₱1,608 million as at December 31, 2024, to ₱748 million as at June 30, 2025, due to trust receipt settlements to save on interest and as part of foreign exchange management in view of higher cash availability.

**Refund liabilities** decreased by 9.0%, from ₱379 million as at December 31, 2024 to ₱345 million as at June 30, 2025. The provision was consistent with PFRS 15.

**Current portion of lease liabilities** pertains to leases that were due within 12 months. The increase of 19.2%, from ₱78 million as at December 31, 2024 to ₱93 as at June 30, 2025, mainly came from lease liabilities of MNUK.

**Current portion or loans payable** decreased by 100%, from ₱379 million as at December 31, 2024 to nil as at June 30, 2025, since all loans payable of MNUK are reported as noncurrent due to extension.

**Income tax payable** decreased by 10.9%, from ₱558 million as at December 31, 2024, to ₱497 million as at June 30, 2025, mainly due to payment of income tax payable related to Q4 2024 taxable income and lower taxable income for APAC BFB.

*Noncurrent Liabilities*

The Group's noncurrent liabilities decreased by 23.7%, from ₱7,011 million as at December 31, 2024, to ₱5,346 million as at June 30, 2025 mainly due to payament of loans.

| | June 30, 2025 | | December 31, 2024 | | Increase (Decrease) | |
|---|---|---|---|---|---|---|
| | Unaudited | In % | Audited | In % | Amount | % |
| | in ₱ millions, except percentages | | | | | |
| Lease liabilities | 2,452 | 46 | 2,522 | 36 | (70) | (2.8) |
| Pension liability | 1,309 | 24 | 1,285 | 18 | 24 | 1.9 |
| Loans payable | 1,179 | 22 | 2,842 | 41 | (1,663) | (58.5) |
| Derivative liability | 349 | 7 | 289 | 4 | 60 | 20.8 |
| Deferred tax liabilities – net | 31 | 1 | 32 | – | (1) | (3.1) |
| Other noncurrent liabilities | 26 | – | 41 | 1 | (15) | (36.6) |
| Total | 5,346 | 100 | 7,011 | 100 | (1,665) | (23.7) |

**Loans payable** decreased by 58.5%, from ₱2,842 million as at December 31, 2024, to ₱1,179 million as at June 30, 2025, due to the payment of the MNUK loans.

**Derivative liability** increased by 20.8% from ₱289 million as at December 2024 to ₱349 million as at June 30, 2025 mainly due to mark to market adjustment for THB cross currency swap.

**Other noncurrent liabilities** decreased by 36.6% from ₱41 million as at December 2024 to ₱26 million as at June 30, 2025 mainly due to decrease in noncurrent liabilities of MNSPL due to derecognition asset retirement obligation related to a discontinued lease.

*Equity*

The Group's total equity increased by 5% from ₱55,539 million as at December 31, 2024 to ₱58,283 million as at June 30, 2025, due to result of operations for H1 2025 and favorable cumulative translation adjustments due to strenghthening of British Sterling Pounds and Thailand Baht against Philippines Peso.

LIQUIDITY AND CAPITAL RESOURCES

## Overview

The Group's principal sources of liquidity are cash flows from its operations, borrowings, and IPO proceeds. For the twelve months ended December 31, 2024, the Group's cash flows from operations were sufficient to provide for its operations, dividend payments, and CapEx requirements. The IPO proceeds were fully used up as at June 30, 2024. For the six months ended June 30, 2025, the Group's cash flows from operations were sufficient to provide for its operations, dividend payments, and CapEx requirements.

The Group's principal requirements for liquidity are for purchases of raw materials and payment of other operating expenses, investments in production equipment, payment of cash dividends, and other working capital requirements.

The cash flows of the Group are primarily from the operations of its APAC BFB Business. The Group expects that its operating cash flow will continue to be sufficient to fund its operating expenses, dividend payments, and CapEx. The Group also maintains long- and short-term credit facilities with various financial institutions, which can support any temporary liquidity requirements. Any excess capital expenditure beyond the operating cash flow will be funded by bank borrowings.

## Cash Flows

The following discussion of the Group's cash flows for the six months ended June 30, 2025, and 2024 should be read in conjunction with the statements of cash flows and notes included in Unaudited Consolidated Financial Statements.

The table below sets forth the principal components of the Group's statements of cash flows for the periods indicated.

| | Six Months ended, June 30 | |
|---|---|---|
| | 2025 | 2024 |
| | Unaudited, (in ₱ millions) | |
| Net cash flows provided by operating activities | 4,310 | 5,987 |
| Net cash flows used in investing activities | (2,069) | (2,247) |
| Net cash flows used in financing activities | (5,349) | (7,446) |
| **Net increase in cash and cash equivalents** | **(3,108)** | **(3,706)** |
| Effect of Exchange Rate Changes on cash and cash equivalents | 3 | 15 |
| Cash and cash equivalents at beginning of year | 14,158 | 16,679 |
| **Cash and cash equivalents as at June 30,** | **11,053** | **12,988** |

*Net cash flow provided by operating activities*

The net cash flows provided by operating activities were ₱4,310 million for the six months ended June 30, 2025. Cash generated from operations (after adjusting for, among other things, depreciation, amortization, and working capital changes) was ₱5,699 million. The Group generated cash from interest received amounting to ₱182 million and paid income taxes of ₱1,572 million.

The net cash flows provided by operating activities were ₱5,987 million for the six months ended June 30, 2024. Cash generated from operations (after adjusting for, among other things, depreciation, amortization, and working capital changes) was ₱7,369 million. The Group generated cash from interest received amounting to ₱277 million and paid income taxes of ₱1,660 million.

*Net cash flows used in investing activities*

The Group's net cash flows used in investing activities were ₱2,069 million for the six months ended June 30, 2025. The net cash outflow primarily due to various CapEx amounting to ₱1,281 million. The other cash outflows pertains to additions to financial assets at FVTPL (net of disposals) amounting to ₱513 million.

The Group's net cash flows used in investing activities were ₱2,247 million for the six months ended June 30, 2024. The net cash outflow primarily due to various CapEx amounting to ₱1,634 million and increase in other noncurrent assets due to advances to suppliers and contractors amounting to ₱794 million.

*Net cash flows used in financing activities*

The net cash flows used from financing activities were ₱5,349 million for the six months ended June 30, 2025. The net cash outflows are mainly attributed to cash dividend payments amounting to ₱2,695 million and partial settlement of MNUK loan amounting to ₱2,454 million.

The net cash flows from financing activities were ₱7,446 million for the six months ended June 30, 2024. The net cash outflows primarily consist of payments of dividend, MNUK loans and lease liabilities. Payment of lease liabilities includes new lease agreement between MMYSC and TIPCO Estates Corporation for the lease of certain industrial lots inside the TECO Industrial Park located in Mabalacat, Pampanga. The lease agreement is valid for 50 years and is renewable for another 25 years. For balance sheet presentation purposes, this is included as part of Property, Plant and Equipment as right-of-use-asset under PFRS 16, Leases.

## FINANCIAL RATIOS / KEY PERFORMANCE INDICATORS

The following are the major financial ratios that the Group uses and monitors.

The top five key performance indicators are Sales Growth, Gross Margin, Net Profit margin, Core EBITDA margin, and Core Return on equity.

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Current ratio | 2.44 | 2.18 |
| Acid test ratio | 1.61 | 1.52 |
| Solvency ratio* | 0.67 | 0.56 |
| Debt-to-equity ratio | 0.31 | 0.41 |
| Asset-to-equity ratio | 1.32 | 1.41 |

| | Six Months ended | |
|---|---|---|
| | 2025 | 2024 |
| Net Sales Growth** | 3.3% | 3.1% |
| Gross Margin** | 33.3% | 34.7% |
| Core Net Income After Tax margin (at ownership) | 11.4% | 12.7% |
| Core EBITDA Margin | 19.3% | 20.3% |
| Interest rate coverage ratio | 33.0 | 23.6 |

** Annualized for H1 2025 [ H1 2025 plus H2 2024], 2024 based on full year*
***Comparable growth to reflect IFRS-15 adjusment in MNUK in Q1 2023, the reported year-on-year growth was 1.3%*

The manners by which the ratios are computed are as follows:

| Financial ratios | Formula |
|---|---|
| Current ratio | Current assets / Current liabilities |
| Acid test ratio | Cash and cash equivalents + Current receivables+ Current Financial Assets / Current liabilities |
| Solvency ratio | Net income attributable to equity holders of the Company + Depreciation and amortization + Impairment Loss (Trailing 12 months) / Total liabilities |
| Debt-to-equity ratio [1] | Total liabilities (current + noncurrent) / Equity attributable to equity holders of the Company |
| Asset-to-equity ratio | Total assets (current + noncurrent) / Equity attributable to equity holders of the Company |
| Interest rate coverage ratio [2] | EBITDA / Finance Costs |
| Net Sales Growth | Current period net sales – prior period net sales / Prior period net sales |
| Gross margin | Gross profit / Net Sales |
| Core EBITDA Margin | Core EBITDA / Net Sales |
| Core Income After Tax (at ownership) | Core Income after-tax at Ownership / Net sales |

Note:
[1] (average) means the average of the amounts from the beginning and end of the same period.

## Capital Expenditures

The Group's Capital Expenditures (CapEx) were primarily attributable to positioning the Group's APAC BFB Business and Meat Alternative Business to develop new business, expand the Group's production capacity and capability, and improve operational efficiencies. The Group invested in the construction of a new manufacturing plant, new production lines, and machineries.

The table below sets out the Group's estimated 2025 CapEx plan and actual spend for the six months ended June 30, 2025, and 2024.

| | FY Plan | H1 Actual | |
|---|---|---|---|
| | 2025 | 2025 | 2024 |
| | | (in ₱ millions) | |
| Property Plant and Equipment | | | |
| APAC BFB | 3,044 | 956 | 1,266 |
| Meat Alternative | 976 | 325 | 368 |
| Total Property Plant and Equipment | 4,020 | 1,281 | 1,634 |
| Right-of-Use (ROU) Assets | | | |
| APAC BFB | – | – | 793 |
| Meat Alternative | – | 3 | – |
| Total ROU Assets | – | 3 | 793 |
| **Total** | **4,020** | **1,284** | **2,427** |

In H1 2024, major CapEx was primarily on new production capability, capacity expansion in Davao, and operational efficiencies. Meanwhile, in H1 2025, major CapEx was primarily on new production capability, initial investment related to capacity expansion, operational efficiencies, and investment in system to support the Group.

In H1 2024, Meat Alternative's major CapEx investments were primarily due to for fermentation, long life paste design, research and development, and other capabilities. Meanwhile, in H1 2025, investments were primarily related to operational efficiencies.

2025 capital plan in APAC BFB is primarily to improve capacity and development capability. Meat Alternative's 2025 plan mainly to improve operational/cost efficiences to support supply transformation programme.

OTHER FINANCIAL DATA

I. RECONCILIATION OF PFRS TO NON-PFRS MEASURES

The following tables set out PFRS to non-PFRS reconciliation for the period indicated:

| | Six months ended, June 30, 2025 | | | |
|---|---|---|---|---|
| | PFRS | Non-PFRS Adjustments | | Non-PFRS |
| | Reported | APAC BFB | Meat Alternative | Reported |
| | | (in ₱ millions) | | |
| **NET SALES** | **41,457** | **–** | **–** | **41,457** |
| **Less: COST OF GOODS SOLD** | **27,661** | **–** | **–** | **27,661** |
| **GROSS PROFIT** | **13,796** | **–** | **–** | **13,796** |
| **Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES** | | | | |
| Impairment loss | 55 | (55) | – | – |
| General and administrative expenses | 3,877 | – | (146) | 3,731 |
| Selling expenses | 3,713 | – | | 3,713 |
| | 7,645 | (55) | (146) | 7,444 |
| **Core Other Income/(Expense)** | | | | |
| Miscellaneous Income | – | 49 | – | 49 |
| Interest Expense - Orchid+Trust Receipts | – | (155) | – | (155) |
| Forex loss on USD Stockpile | – | (96) | – | (96) |
| | – | (202) | – | (202) |
| **CORE INCOME BEFORE TAX** | **6,151** | **(147)** | **146** | **6,150** |
| **OTHER INCOME (CHARGES)** | | | | |
| Loss on Change in fair value of Guaranty Asset | (305) | – | – | (305) |
| Foreign exchange gain (loss) – net | (146) | 96 | – | (50) |
| Share in net earnings of an associate | 7 | – | – | 7 |
| Market valuation gain on financial instruments at fair value through profit or loss | 78 | – | – | 78 |
| Miscellaneous + dividend Income | 211 | (49) | – | 162 |
| | **(155)** | **47** | **–** | **(108)** |
| **INCOME BEFORE FINANCE INCOME (EXPENSES)** | **5,996** | **(100)** | **146** | **6,042** |
| **FINANCE INCOME (EXPENSES)** | | | | |
| Finance Income | 197 | – | – | 197 |
| Finance Costs | (243) | 155 | – | (88) |
| Derivative gain | 19 | – | – | 19 |
| | (27) | 155 | – | 128 |
| **Other Non-Recurring Expenses** | | | | |
| Impairment Loss -net | – | (55) | – | (55) |
| Restructuring costs in MNUK | – | – | (146) | (146) |
| | – | (55) | (146) | (201) |
| **INCOME BEFORE INCOME TAX** | **5,969** | **–** | **–** | **5,969** |
| **PROVISION FOR CURRENT INCOME TAX** | | | | |
| Current | 1,511 | – | – | 1,511 |
| Deferred | 43 | – | – | 43 |
| **PROVISION FOR CURRENT INCOME TAX** | 1,554 | – | – | 1,554 |
| **NET INCOME FROM CONTINUING OPERATIONS** | **4,415** | – | – | **4,415** |

| | Six months ended, June 30, 2024 | | | |
|---|---|---|---|---|
| | PFRS | Non-PFRS Adjustments | | Non-PFRS |
| | Reported | APAC BFB | Meat Alternative | Reported |
| | | (unaudited, in ₱ millions) | | |
| **NET SALES** | **40,136** | **–** | **–** | **40,136** |
| **Less: COST OF GOODS SOLD** | **26,200** | **–** | **–** | **26,200** |
| **GROSS PROFIT** | **13,936** | **–** | **–** | **13,936** |
| **Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES** | | | | |
| Impairment loss – Net | 17.0 | (17) | – | – |
| General and administrative expenses | 3,770 | – | (38) | 3,732 |
| Selling expenses | 3,520 | – | – | 3,520 |
| | 7,307 | (17) | (38) | 7,252 |
| **Core Other Income/(Expense)** | | | | |
| Miscellaneous Income | | | | – |
| Interest Expense - Orchid+Trust Receipts | – | (266) | – | (266) |
| Forex loss on USD Stockpile | – | 232 | – | 232 |
| | – | (34) | – | (34) |
| **CORE INCOME BEFORE TAX** | **6,629** | **(17)** | **38** | **6,650** |
| **OTHER INCOME (CHARGES)** | | | | |
| Gain (Loss) on Change in FV of Guaranty Asset | (1,218) | – | – | (1,218) |
| Foreign exchange gain (loss) – net | 206 | (232) | – | (26) |
| Share in net earnings of an associate | 26 | – | – | 26 |
| Market valuation gain (loss) on financial instruments at fair value through profit or loss | 38 | – | – | 38 |
| Miscellaneous + dividend Income | 114 | – | – | 114 |
| | **(834)** | **(232)** | **–** | **(1,066)** |
| **INCOME BEFORE FINANCE INCOME (EXPENSES)** | **5,795** | **(249)** | **38** | **5,584** |
| **FINANCE INCOME (EXPENSES)** | | | | |
| Finance Income | 271 | – | – | 271 |
| Finance Costs | (344) | 266 | – | (78) |
| Derivative gain | 40 | – | – | 40 |
| | (33) | 266 | – | 233 |
| **Other Non-Recurring Expenses** | | | | |
| Impairment Reversal/(Loss) -Net | – | (17) | – | (17) |
| Restructuring costs in MNUK | – | | (38) | (38) |
| | – | (17) | (38) | (55) |
| **INCOME BEFORE INCOME TAX** | **5,762** | **–** | **–** | **5,762** |
| **PROVISION FOR CURRENT INCOME TAX** | | | | |
| Current | 1,718 | – | – | 1,718 |
| Deferred | (53) | – | – | (53) |
| **PROVISION FOR CURRENT INCOME TAX** | 1,665 | – | – | 1,665 |
| **NET INCOME FROM CONTINUING OPERATIONS** | **4,097** | **–** | **–** | **4,097** |

II. EBITDA Reconciliation

The following tables set out EBITDA reconciliation with respect to the Group's business segments for the period indicated:

| | For the six months ended Jun 30, 2025 | | |
|---|---|---|---|
| | APAC BFB | Meat Alternative | Total |
| | (Unaudited, in ₱ millions) | | |
| Income before Income Tax | 6,659 | (690) | 5,969 |
| Interest Expense | 120 | 123 | 243 |
| Interest Income | (174) | (23) | (197) |
| EBIT | 6,605 | (590) | 6,015 |
| Derivative Gain | (14) | (5) | (19) |
| Foreign Exchange Loss – net | 145 | 1 | 146 |
| Loss on Change in FV of Guaranty Asset | – | 305 | 305 |
| Restructuring costs and supply costs transformation in MNUK | – | 146 | 146 |
| Impairment Loss | 55 | – | 55 |
| Depreciation and Amortization Expense | 1,062 | 308 | 1,370 |
| Core EBITDA | 7,853 | 165 | 8,018 |

| | For the six months ended June 30, 2024 | | |
|---|---|---|---|
| | APAC BFB | Meat Alternative | Total |
| | (Unaudited, in ₱ millions) | | |
| Income before Income Tax | 7,633 | (1,871) | 5,762 |
| Interest Expense | 149 | 195 | 344 |
| Interest Income | (235) | (36) | (271) |
| EBIT | 7,547 | (1,712) | 5,835 |
| Derivative Gain | (40) | – | (40) |
| Foreign Exchange (Gain)/Loss (net) | (212) | 5 | (207) |
| Loss due to Change in FV of Guaranty Asset | – | 1,218 | 1,218 |
| Restructuring Costs | – | 38 | 38 |
| Impairment Loss | 17 | – | 17 |
| Depreciation and Amortization Expense | 967 | 307 | 1,274 |
| Core EBITDA | 8,279 | (144) | 8,135 |

III. FINANCIAL LIABILITIES

The following table summarizes the Group's financial liabilities as at June 30, 2025.

| | (Unaudited, in ₱ millions) | | | | | |
|---|---|---|---|---|---|---|
| | On Demand | 1 to 3 months | 3 to 12 months | 1 to 5 years | More than 5 years | Total |
| Financial Liabilities | | | | | | |
| Trade and other payables* | 1,302 | 7,944 | 906 | – | – | 10,152 |
| Loans Payable** | – | 5 | – | 1,180 | – | 1,185 |
| Lease liabilities | – | 79 | 196 | 878 | 7,341 | 8,494 |
| Acceptance and trust receipts payable | – | – | 748 | – | – | 748 |
| | 1,302 | 8,028 | 1,850 | 2,058 | 7,341 | 20,579 |

** Excluding statutory payables*
*** including amount of interest*

## Off-Balance Sheet Arrangements

As at June 30, 2025, the Group did not have any material off-balance sheet arrangements or obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period that were likely to have a current or future effect on the Group's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

## Quantitative and Qualitative Disclosure of Market Risk

The Group's APAC BFB Business and Meat Alternative Business are exposed to various types of market risks in the ordinary course of business, including foreign currency risk, commodity price risk, interest rate risk, liquidity risk, and credit risk. For more information on risks discuss below, see Note 22 to Unaudited Consolidated Financial Statements.

### 1. *Foreign Currency Risk*

The Group operates internationally and is exposed to foreign currency risk arising from currency fluctuations in respect of business transactions denominated in foreign currencies. The Group enters derivative transactions to manage foreign currency risks, including currency swaps and currency options.

### 2. *Commodity Price Risk*

The Group is exposed to price volatility arising from the utilization of certain commodities as raw materials, packaging materials, and fuel in its production processes. To minimize the Group's risk of potential losses due to volatility of international crude and product prices, the Group enters into short and longer tenor contracts for commodities such as flour and palm oil.

### 3. *Interest Rate Risk*

The Group is exposed to interest rate risk arising from its long-term debt obligations with floating interest rates. The Group manages its interest rate risk by maintaining a balanced portfolio of fixed and variable rate loans and borrowings.

### 4. *Liquidity Risk*

The Group is exposed to the risk of not meeting its payment obligations when they fall due. The Group manages its liquidity risk by monitoring and maintaining a level of cash deemed adequate by management to finance the Group's operations, ensure continuity of funding, and mitigate the effects of fluctuations in cash flows.

### 5. *Credit Risk*

The Group is exposed to the risk that a counterparty may not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating (primarily trade receivables) and financing activities. The Group manages its credit risk by monitoring receivables from each customer.

## Contingencies

As at June 30, 2025, the Group is involved in certain proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements. Disclosure of additional details beyond the present disclosure may seriously prejudice the Group's position and negotiating strategy.

Capital Commitments

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱1,856.4 million and ₱1,843.6 million as at June 30, 2025 and December 31, 2024, respectively.

OTHER MATTERS

Commodity Prices

The Company continues to see stability of wheat prices and has been experiencing increases in the price of coconut oil and palm oil. The Parent Company has substantially secured based on estimated requirements for wheat and palm oil in 2025.

Subsequent events

CCS contract

On July 24, 2025, the Parent Company entered into another non-deliverable CCS Agreement with a notional amount of ₱765.8 million (THB 435.0 million). Under the new CCS agreement, the Company will receive Philippine Peso interest at 12.70% p.a. and will pay fixed Thailand Baht interest at 9% p.a. The Company will also pay the notional Thailand Baht amount in exchange for the Philippines Peso amount at the end of the swap period. The CCS, which will be designated as a hedge of a portion of the net investment in MIL and MNTH, is used to hedge the Parent Company's exposure to the THB foreign exchange risk on its investment in MIL and MNTH.

Others

There are no unusual items regarding the nature and amount affecting assets, liabilities, equity, net income, or cash flows, except those stated in Management's Discussion and Analysis of Financial Position and Financial Performance.

There were no material changes in estimates of amounts reported in prior interim periods of the current year or changes in estimates of amounts reported in prior financial years.

There were no other known trends, events or uncertainties that have had or that are reasonably expected to have a favourable or unfavourable impact on net sales or income from continuing operations, except those stated above and in the Management's Discussion and Analysis of Factors affecting the Operations, Financial Position and Financial Performance.

Below is the foreign exchange rate used in the translation of the Income Statement and Balance Sheet Items to Philippine Peso.

| | Six Months Average Rate, ending June 30, | | Closing Rate | |
|---|---|---|---|---|
| | 2025 | 2024 | June 30, 2025 | December 31, 2024 |
| 1 GBP | 74.0599 | 71.9890 | 77.1990 | 72.8477 |
| 1 USD | 57.1121 | 56.8993 | 56.3350 | 57.2925 |

## PART II-OTHER INFORMATION

**Board of Directors**

The following table sets forth the Company's Board of Directors as of June 30, 2025:

| Name | Position |
|---|---|
| Hartono Kweefanus | Chairperson Emeritus |
| Kataline Darmono | Chairperson |
| Hoediono Kweefanus | Vice-Chairperson |
| Betty T. Ang | President |
| Henry Soesanto | Executive Vice President and Chief Executive Officer |
| Monica Darmono | Treasurer |
| Nina Perpetua D. Aguas | Lead Independent Director |
| Anabelle L. Chua | Independent Director |
| Ramon Felicisimo M. Lopez | Independent Director |

## 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.

**MONDE NISSIN CORPORATION**
Issuer

**August 13, 2025**
Date

**HENRY SOESANTO**
Chief Executive Officer

**JESSE C. TEO**
Chief Financial Officer