

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Aug 10, 2022
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  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
Felix Reyes Street, Barangay Balibago, City of Santa Rosa, Laguna  
Postal Code  
4026
8. Issuer's telephone number, including area code  
+63277597595
9. Former name or former address, if changed since last report  
N/A
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. Indicate the item numbers reported herein  
Item 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



## Monde Nissin Corporation MONDE

**PSE Disclosure Form 4-31 - Press Release**  
**References: SRC Rule 17 (SEC Form 17-C)**  
**Section 4.4 of the Revised Disclosure Rules**

### Subject of the Disclosure

Monde Nissin posts 18.9% revenue growth in its domestic business for Q2, bringing first half consolidated revenue growth to 10.1%. (Press Release)

### Background/Description of the Disclosure

Monde Nissin Corporation will be releasing Briefing Materials for its 1H Earnings Call relating to its First Half 2022 Financial Performance, along with a Press Release titled "Monde Nissin posts 18.9% revenue growth in its domestic business for Q2, bringing first half consolidated revenue growth to 10.1%"

Based on Monde Nissin Corporation's ("Monde Nissin" or the "Company"; PSE stock symbol: MONDE) unaudited financial results for the first half of the year ended June 30, 2022, consolidated revenue increased 10.1% to Php 37.2 bn for the first half as growth accelerated in Q2 to 13.1%, driven by the strong performance of the APAC BFB domestic business.

Gross profit grew by 1.2% to Php 12.8 bn in the first half and 7.4% to Php 6.3 bn in Q2, due to gross profit improvements in the APAC BFB business. Gross margin for the first half, however, declined by 300 bps year-on-year to 34.4% due to elevated input costs, partly covered through price increases and volume growth.

Year-on year, first half core EBITDA declined by 6.3% to Php 6.8 bn due mainly to increasing logistical costs and investments in organizational resources.

Core net income attributable to shareholders for the first half saw a decrease of 4.1% to Php 4.1 bn, while reported net income ended at Php 4.3 bn, benefiting from lower interest expense due mainly to the repayment of the Arran convertible note and bank loans, and the absence of the 2021 IPO-related expenses.

### Other Relevant Information

This disclosure has been amended due to a minor data revision on the Meat Alternative figure comparing 1H2022 Core EBITDA excluding the US business ("ex-US") and the 1H2021 core EBITDA ex-US. The update does not affect the Group's performance for 1H 2022.

To clarify, Meat Alternative Core EBITDA for the first half showed a decline of 49.9% year-on-year to Php 444mn due to investments in brand-building activities and resource strengthening. However, a substantial investment in the US market contributed to this decline. Excluding this, Meat Alternative first half core EBITDA declined 23%. Continued investment plans in the US are being evaluated to better align spending with the current market opportunity.

Please see attached full version of the Amended Press Release under SEC Form 17-C.

**Filed on behalf by:**

|                    |                          |
|--------------------|--------------------------|
| <b>Name</b>        | Jon Edmarc Castillo      |
| <b>Designation</b> | Chief Compliance Officer |

SECURITIES AND EXCHANGE COMMISSION

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CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
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1. **August 10, 2022**  
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2. SEC Identification Number **0000086335**
3. BIR Tax Identification No. **000-417-352-000**
4. **Monde Nissin Corporation**  
Exact name of issuer as specified in its charter
5. **Republic of the Philippines**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. **Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna**  
Address of principal office **4026**  
Postal Code
8. **(02) 7759 7595**  
Issuer's telephone number, including area code
9. **Not applicable**  
Former name or former address, if changed since last report
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<br>Outstanding and Amount of Debt<br>Outstanding |
|---------------------|---|
|---------------------|---|

|               |                       |
|---------------|-----------------------|
| <b>Common</b> | <b>17,968,611,496</b> |
|---------------|-----------------------|

11. Indicate the item numbers reported herein: **Item 9. Other Events**

Monde Nissin Corporation will be releasing Briefing Materials for its 1H Earnings Call relating to its First Half 2022 Financial Performance, along with a Press Release titled "Monde Nissin posts 18.9% revenue growth in its domestic business for Q2, bringing first half consolidated revenue growth to 10.1%"

Based on Monde Nissin Corporation's ("Monde Nissin" or the "Company"; PSE stock symbol: MONDE) unaudited financial results for the first half of the year ended June 30, 2022, consolidated revenue increased 10.1% to Php 37.2 bn for the first half as growth accelerated in Q2 to 13.1%, driven by the strong performance of the APAC BFB domestic business.

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Gross profit grew by 1.2% to Php 12.8 bn in the first half and 7.4% to Php 6.3 bn in Q2, due to gross profit improvements in the APAC BFB business. Gross margin for the first half, however, declined by 300 bps year-on-year to 34.4% due to elevated input costs, partly covered through price increases and volume growth.

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Core net income attributable to shareholders for the first half saw a decrease of 4.1% to Php 4.1 bn, while reported net income ended at Php 4.3 bn, benefiting from lower interest expense due mainly to the repayment of the Arran convertible note and bank loans, and the absence of the 2021 IPO-related expenses.

[This disclosure has been amended due to a minor data revision on the Meat Alternative figure comparing 1H2022 Core EBITDA excluding the US business (“ex-US”) and the 1H2021 core EBITDA ex-US. The update does not affect the Group’s performance for 1H 2022.

To clarify, Meat Alternative Core EBITDA for the first half showed a decline of 49.9% year-on-year to Php 444mn due to investments in brand-building activities and resource strengthening. However, a substantial investment in the US market contributed to this decline. Excluding this, Meat Alternative first half core EBITDA declined 23%. Continued investment plans in the US are being evaluated to better align spending with the current market opportunity.]

Attached is the full version of the Amended Press Release.

## 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 hereunto duly authorized.

**MONDE NISSIN CORPORATION**  
Issuer

**August 10, 2022**  
Date



**Michael Paska**  
Head of Investor Relations



## **Monde Nissin posts 18.9% revenue growth in its domestic business for Q2, bringing first half consolidated revenue growth to 10.1%.**

- **Consolidated revenue grew 10.1% for the first half, with second quarter growth accelerating to 13.1%.**
  - **Asia-Pacific Branded Food & Beverage (APAC BFB) second quarter revenue grew 18.1% year-on-year, driven by 18.9% growth in the domestic business, reflecting pricing and volume gains for all categories in APAC BFB, most notably biscuits.**
  - **Meat Alternatives' second quarter revenue increased 1.6% quarter-on-quarter but declined by 2.3% year-on-year on an organic basis. Foodservice continued its strong momentum in Q2 with 44.7% growth.**
- **Consolidated gross profit for the first half improved 1.2% year-on-year, with gross margin remaining healthy at 34.4% despite some erosion due to cost inflation.**
- **Core net income attributable to shareholders declined 4.1% to Php 4.1 bn. Reported net income reverted to positive in 1H 2022 at Php 4.3bn due to lower interest expense, mainly from the repayment of the Arran convertible note and bank loans, and the absence of the 2021 IPO-related expenses.**

**MAKATI CITY, PHILIPPINES – August 10, 2022** – Monde Nissin Corporation (“Monde Nissin” or the “Company”; PSE stock symbol: MONDE) announced today its unaudited financial results for the first half of the year ended June 30, 2022. Consolidated revenue increased 10.1% to Php 37.2 bn for the first half as growth accelerated in Q2 to 13.1%, driven by the strong performance of the APAC BFB domestic business.

Gross profit grew by 1.2% to Php 12.8 bn in the first half and 7.4% to Php 6.3 bn in Q2, due to gross profit improvements in the APAC BFB business. Gross margin for the first half, however, declined by 300 bps year-on-year to 34.4% due to elevated input costs, partly covered through price increases and volume growth.

Year-on year, first half core EBITDA declined by 6.3% to Php 6.8 bn due mainly to increasing logistical costs and investments in organizational resources.

Core net income attributable to shareholders for the first half saw a decrease of 4.1% to Php 4.1 bn, while reported net income ended at Php 4.3 bn, benefiting from lower interest expense due mainly to the repayment of the Arran convertible note and bank loans, and the absence of the 2021 IPO-related expenses.

#### **Asia-Pacific Branded Food and Beverage (APAC BFB)**

APAC BFB net sales for the first half increased by 13.2% to Php 29.7 bn due to the strong performance in Q2 at 18.1% growth to Php 15.2 bn. Growth was largely driven by the domestic business, which grew 14.6% to Php 14.2 bn in the first half and 18.9% to Php 27.9 bn in Q2, on the back of price increases and volume growth across all categories. Biscuits continues to recover with volume growth over pre-pandemic levels. International revenue grew 7.4% to Php 924 mn in Q2, mainly due to favorable forex, resulting in a 4.9% decline for the first half due to shipping and supply chain constraints in Q1.

Gross profit for the second quarter increased 15.8% to Php 5.0 bn due to recent pricing actions, volume growth, and favorable product mix, resulting in a 5.0% increase in the first half to Php 10.0 bn. Gross margin declined by 270 bps to 33.8% in the first half due to commodity cost inflation.

Core EBITDA for the first half posted a 0.2% decline year-on-year to Php 6.3 bn given continued investments in brand building and increased logistics costs.

## Meat Alternative (Quorn Foods)

Meat Alternative revenue decreased on an organic basis by 1.8% in the first half and by 2.3% in Q2. On a reported basis, first half revenue decreased by 0.8% to Php 7.5 bn as Q2 revenue declined by 3.5% to Php 3.7 bn. The foodservice business continued its strong momentum, growing 44.7% in Q2.

In the UK, the overall category declined by 12.3% for the past 12 weeks compared with 2021; and in the US, the frozen category grew by 4.2%. However, in the UK, we achieved market share gains from 30.3% to 31.2%; while in the US, we lost market share from 5.8% to 4.8%.

First half gross margin declined by 410 bps to 36.8% as price increases during the first half of year only partially mitigated inflation effects, the full benefit of which should be felt in the second half of the year.

Core EBITDA for the first half showed a decline of 49.9% year-on-year to Php 444 mn due to investments in brand-building activities and resource strengthening. However, a substantial investment in the US market contributed to this decline. Excluding this, our first half core EBITDA declined 23%. Continued investment plans in the US are being evaluated to better align spending with the current market opportunity.

| in Php mn                                    | Q2 2022 | Q2 2022<br>Reported<br>Growth | 1H 2022 | 1H 2022<br>Reported<br>Growth |
|--|---------|-------------------------------|---------|-------------------------------|
| Net sales                                    | 18,874  | 13.1%                         | 37,172  | 10.1%                         |
| APAC BFB                                     | 15,171  | +18.1%                        | 29,710  | +13.2%                        |
| Meat Alternative                             | 3,703   | -3.5%                         | 7,462   | -0.8%                         |
| Gross profit                                 | 6,349   | 7.4%                          | 12,771  | 1.2%                          |
| Core EBITDA                                  | 3,163   | -1.8%                         | 6,763   | -6.3%                         |
| Core net income attributable to shareholders | 1,960   | +8.7%                         | 4,081   | -4.1%                         |

Monde Nissin's financial position remains strong with Php 13.8 bn in cash and cash equivalents and stable net debt-to-equity ratio of 0.23. Outstanding debt was at Php 6.9 bn as of June 30, 2022. Operating cash flow was at Php 2.8 bn for the first half of 2022.

## Concluding Comments

Henry Soesanto, Chief Executive Officer, commented, “The first half of the year has seen strong revenue growth led by our domestic APAC BFB business. This growth was driven by our continuing commitment to marketing, product quality, supply chain excellence, and some pricing increases. We have sought to address global inflationary pressures by continuing to improve our efficiency and reduce our operational costs. Additionally, we have locked in supply of key commodities for the remainder of the year to minimize supply risks. We are cautiously optimistic that the recent pullback in commodity prices may benefit our margins once we cycle through our already-procured wheat and palm oil inventory, but caution that substantial uncertainty remains.

In our Meat Alternative business, we are growing market share despite the challenging retail environment, and the foodservice channel continues to shine with another quarter of strong growth.

Subsequent to June 30<sup>th</sup>, there was news concerning a selective recall in a few EU jurisdictions for some products. This attracted media attention in the Philippines and an FDA inquiry which, as we expected, concluded that all tested products in the Philippines comply with the Philippine FDA regulations. Unfortunately, this had a temporary effect on the sales of some of our local brands as consumer confidence dipped for a while. Our Noodles sales for July declined 15% from the previous year, making overall domestic sales for the month flat. This will have a dampening effect on our Q3 results; however, our sales and marketing teams are working hard to regain lost momentum and to position us for future growth. It has always been our commitment to ensure that our consumers will continue to enjoy good quality and safe products.

Finally, I would like to conclude by sharing some very positive news. Based on the latest Kantar Brand Footprint Report, Lucky Me! still reigns as the ‘#1 Most Chosen Brand in the Philippines’ for the 7th consecutive year. Lucky Me! also received for the first time the ‘Brand of the Decade’ award in recognition of the brand’s consistent performance in the last 7 years. We are very proud of this record and strive to continue this level of high performance and brand recognition.”

## **About Monde Nissin**

Monde Nissin Corporation is a global food and beverages company headquartered in the Philippines, with a portfolio of iconic and market leading brands across fast-growing categories, including Lucky Me! noodles, SkyFlakes crackers, Fita crackers, Monde baked goods and Quorn meat alternative products. The Company aspires to improve the well-being of people and the planet, and create sustainable solutions for food security. That aspiration is reflected in our commitment to continuously improve our products to make them more delicious, nutritious, and better for the planet. For more information, please visit [www.mondenissin.com](http://www.mondenissin.com).

## **About Quorn**

Quorn Foods is a global market leader in healthy, sustainable protein. Headquartered in Stokesley, North Yorkshire in the United Kingdom, the company offers a wide range of great-tasting products to appeal to the rapidly expanding group of people wanting to reduce their meat consumption. The company employs around 900 people and exports to 15 countries around the world, including Australia, Singapore and the United States. Quorn® is one of the United Kingdom's top 40 FMCG brands. Quorn Foods is the reporting group which includes a main trading company, Marlow Foods Ltd. Quorn Foods encompasses all international operations of Quorn® and Cauldron®. For more information, please visit [www.quorn.com](http://www.quorn.com).

## **Legal Disclaimer**

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This communication may contain forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting MONDE. Forward-looking statements are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: MONDE's brands not meeting consumer preferences; MONDE's ability to innovate and remain competitive; MONDE's investment choices in its portfolio management; the effect of climate change on MONDE's business; MONDE's ability to find sustainable solutions to its packaging materials; significant changes or deterioration in customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain and distribution; increases or volatility in the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; execution of acquisitions, divestitures and business transformation projects; economic, social and political risks and natural disasters; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters. A number of these risks have increased because of the current Covid-19 pandemic.

These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, MONDE expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in MONDE's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

### **Investor Relations**

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### **Media Contact**

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