

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17-A, AS AMENDED**

**ANNUAL REPORT PURSUANT TO SECTION 17**  
**OF THE SECURITIES REGULATION CODE AND SECTION 141**  
**OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended  
Dec 31, 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  
0277597595
9. Former name or former address, and former fiscal year, 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. 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 Philippine Stock Exchange
12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 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

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form

₱41,844,553,536.80 as of market close on 31 Dec 2025 (based on closing market price on 31 Dec 2025).

**APPLICABLE ONLY TO ISSUERS INVOLVED IN  
INSOLVENCY SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes            No

**DOCUMENTS INCORPORATED BY REFERENCE**

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders

2025 SEC Form 17-A; 2025 Parent Company Audited Financial Statements ("AFS");  
2025 Consolidated AFS

(b) Any information statement filed pursuant to SRC Rule 20

Not applicable

(c) Any prospectus filed pursuant to SRC Rule 8.1

Not applicable

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 17-1 - Annual Report**  
**References: SRC Rule 17 and**  
**Section 17.2 and 17.8 of the Revised Disclosure Rules**

<b>For the fiscal year ended</b>	Dec 31, 2025
<b>Currency</b>	PHP'000

#### Balance Sheet

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
<b>Current Assets</b>	36,337,019	33,927,344
<b>Total Assets</b>	82,964,130	78,086,748
<b>Current Liabilities</b>	17,233,200	15,537,271
<b>Total Liabilities</b>	22,932,979	22,547,846
<b>Retained Earnings/(Deficit)</b>	4,354,980	1,307,051
<b>Stockholders' Equity</b>	60,031,151	55,538,902
<b>Stockholders' Equity - Parent</b>	59,875,577	55,366,514
<b>Book Value Per Share</b>	3.33	3.08

#### Income Statement

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
<b>Gross Revenue</b>	86,483,039	83,120,056
<b>Gross Expense</b>	74,213,467	77,236,550
<b>Non-Operating Income</b>	935,542	1,015,375
<b>Non-Operating Expense</b>	1,538,115	3,387,428

Income/(Loss) Before Tax	11,666,999	3,511,453
Income Tax Expense	3,067,754	3,061,935
Net Income/(Loss) After Tax	8,599,245	449,518
Net Income/(Loss) Attributable to Parent Equity Holder	8,618,199	445,848
Earnings/(Loss) Per Share (Basic)	0.48	0.02
Earnings/(Loss) Per Share (Diluted)	0.48	0.02

#### Financial Ratios

	Formula	Fiscal Year Ended	Previous Fiscal Year
		Dec 31, 2025	Dec 31, 2024
<b>Liquidity Analysis Ratios:</b>			
; ; Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	2.11	2.18
; ; Quick Ratio	(Current Assets - Inventory - Prepayments) / Current Liabilities	1.49	1.52
; ; Solvency Ratio	Total Assets / Total Liabilities	0.55	0.56
<b>Financial Leverage Ratios</b>			
; ; Debt Ratio	Total Debt/Total Assets	0.28	0.29
; ; Debt-to-Equity Ratio	Total Debt/Total Stockholders' Equity	0.38	0.41
; ; Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	35.2	20.93
; ; Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	1.39	1.41
<b>Profitability Ratios</b>			
; ; Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	0.33	0.35
; ; Net Profit Margin	Net Profit / Sales	0.1	0.01
; ; Return on Assets	Net Income / Total Assets	0.11	0.01
; ; Return on Equity	Net Income / Total Stockholders' Equity	0.15	0.01
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	12.08	430

#### Other Relevant Information

Please see attached SEC Form 17A with annexes (with 2025 Sustainability Report) as of December 31, 2025.

#### Filed on behalf by:

Name	Katherine Lee-Bacus
Designation	Assistant Corporate Secretary

# COVER SHEET

0000086335

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 A R A N G A Y B A L I B A G O , C I T Y O F  
S A N T A R O S A , L A G U N A 4 0 2 6

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

Atty. Helen G. Tiu  
Corporate Secretary

Contact Person

7759 7595

Company Telephone Number

1 2 3 1

Month Day  
Fiscal Year

SEC Form 17-A

Form Type

Month Day

Annual Meeting

Issuer of Securities under SEC-MSRD  
No. 27, Series of 2021

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

28

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SEC No. 0000086335

File No. \_\_\_\_\_

**MONDE NISSIN CORPORATION**

(Company's Full Name)

**Felix Reyes St., Brgy. Balibago**

**Santa Rosa City, Laguna**

(Company's Address)

**(632) 7759 7595**

(Telephone Number)

**December 31, 2025**

(Fiscal Year Ending)

(Month & Day)

**SEC Form 17- A**

(Form Type)

SECURITIES AND EXCHANGE COMMISSION (SEC)  
SEC FORM 17-A, AS AMENDED

ANNUAL REPORT OF  
MONDE NISSIN CORPORATION  
PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE

1. For the fiscal year ended: **December 31, 2025**
2. SEC Identification Number: **0000086335**
3. BIR Tax Identification Number: **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: **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: **+632 7759 7595**
9. Former name, former address, and former fiscal year, if changed since last report: **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the SRC:

Title of Each Class	Number of Shares Issued and Outstanding
Common	17,968,611,496

11. Are any or all of these securities listed on a Stock Exchange? Yes  No

As of December 31, 2025, a total of 17,968,611,496 common shares are listed in the Philippine Stock Exchange (**PSE**).

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 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

13. Aggregate market value of the voting stock held by non-affiliates: About **₱41,844,553,536.80** (based on the closing price of MONDE's common shares, and outstanding shares owned by non-affiliates as of December 31, 2025).

**APPLICABLE ONLY TO ISSUERS INVOLVED IN  
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the SEC: **Not Applicable**

**DOCUMENTS INCORPORATED BY REFERENCE**

15. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the document is incorporated:
1. 2025 the Parent Company's (*i.e.*, the issuer, Monde Nissin Corporation's) Audited Financial Statements (with BIR ITR Filing Reference)
  2. 2025 Consolidated Audited Financial Statements of Monde Nissin Corporation *and* Subsidiaries, and Supplementary Schedules

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## PART I – BUSINESS AND GENERAL INFORMATION

### Item 1. Business

Monde Nissin Corporation (the “**Parent Company**”, the “**Company**”, or “**MONDE**”) was incorporated under Philippine law and registered with the Philippines’ Securities and Exchange Commission (“**SEC**”) on May 23, 1979. Under its charter, its primary purpose is to engage in manufacturing, processing, baking, packaging, servicing, repackaging, assembling, importing, exporting, buying, selling, trading, or otherwise dealing in all kinds of goods, wares, and merchandise, 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. MONDE has a perpetual corporate term as provided under the Revised Corporation Code of the Philippines (Republic Act No. 11232).

On June 1, 2021, MONDE held an initial public offering (“**IPO**”) of its common shares and was listed on the main board of the Philippine Stock Exchange (“**PSE**”). As of December 31, 2025, its market capitalization is at or around ₱104,217,946,676.80 based on a common share price of ₱5.80.

### GROUP OVERVIEW

MONDE and its subsidiaries (the “**Group**”) are among the frontrunners in the Philippine food manufacturing industry with a portfolio of various iconic and well-recognized brands. The Group’s two core businesses are the Asia-Pacific Branded Food and Beverage Business (the “**APAC BFB Business**”), and the Meat Alternative Business that includes the production, marketing, and sales of the *Quorn* and *Cauldron* meat alternatives brands (the “**Meat Alternative Business**”).

The APAC BFB Business comprises three product groups: instant noodles; biscuits; and others (such as beverages, baked goods, and culinary aids). Flagship brands contributing to the APAC BFB Business’s market-leading position include: *Lucky Me!* for instant noodles; *SkyFlakes*, *Fita*, *Nissin*, and *M.Y. San Grahams* for biscuits; *Mama Sita’s* for culinary aids; and *Dutch Mill* for yogurt drinks and cultured milk.

Marlow Foods Limited (known by its trade name “**Quorn Foods**”) is the only large-scale commercial provider of mycoprotein, a fungi-based, fermented protein that is high in protein, high in fiber, low in saturated fat, and contains no cholesterol. The fermentation process required to produce mycoprotein at scale requires significant capital investment and, more importantly, a unique know-how which Quorn Foods has derived from over 30 years of operating experience to maximize yield and efficiency.

Apart from MONDE becoming a publicly-listed company in 2021 (PSE: MONDE), the Group reached key milestones in recent years. In 2020, Quorn Foods established the Fermentation Development Center at its Belasis Facility in Billingham, UK, to accelerate the protein research program. In 2021, (a) Quorn Foods’s fourth fermenter becomes operational, increasing the production capacity of mycoprotein paste, (b) MONDE acquired an additional 55% stake in Sarimonde Foods Corporation (“**SMFC**”) from PT Nippon Indosari Corpindo TBK, raising its equity interest in SMFC to 80%, resulting in SMFC becoming a subsidiary of MONDE; and (c) MONDE also acquired the remaining 40% stake in Monde M.Y. San Corporation (“**MMYSC**”) from MY Crackers, Inc. (“**MCI**”) and MMYSC became MONDE’s wholly-owned subsidiary..

The Group operates the APAC BFB Business through the Parent Company and its wholly-owned or majority-owned subsidiaries, joint ventures, as well as through established relationships with other renowned Fast Moving Consumer Goods (“**FMCG**”) players (the “**APAC BFB Group**”). The Group operates its Meat Alternative Business through Quorn Foods under the *Quorn* and *Cauldron* brands. For the year ended December 31, 2025, the APAC BFB Business generated ₱72.8 billion of net sales compared to the Group’s total net sales of ₱86.5 billion. Net sales of the APAC BFB Business is generated mainly from MONDE’s operations in the Philippines and accounted for 93.4%, 93.0%, and 93.6% of the APAC BFB Business’s total net sales for the years ended December 31, 2023, 2024, and 2025, respectively. The Meat Alternative Business generated net sales from the United Kingdom (“**UK**”) and the United States of America (“**US**”), and the rest of the world. Net sales from the UK amounted to 78.4%, 78.6%, and 79.1% of the Meat Alternative Business’s total net sales for the years ended December 31, 2023, 2024, and 2025, respectively. Net sales from the US amounted to 6.0%, 5.6%, and 5.5% of the Meat Alternative Business’s total net sales for each

of the same years, respectively. Net sales from the rest of the world amounted to 15.6%, 15.8%, and 15.4% of the Meat Alternative Business's total net sales for each of the same years, respectively.

For the years ended December 31, 2023, 2024, and 2025, the Group's net sales amounted to ₱80.2 billion, ₱83.1 billion, and ₱86.5 billion respectively; and the Group's core net income after tax amounted to ₱7.6 billion, ₱9.8 billion, and ₱9.7 billion, respectively; and the Group's reported net income/loss amounted to ₱0.6 billion loss, ₱0.5 billion income, and ₱8.6 billion income, respectively.

For the same periods, the APAC BFB Business contributed 82.3%, 83.6%, and 84.2%, respectively, to the Group's net sales while the Meat Alternative Business contributed 17.7%, 16.4%, and 15.8%, respectively. For the years ended December 31, 2023, 2024, and 2025, the APAC BFB Business reported core net income of ₱8.6 billion, ₱10.6 billion, and ₱10.0 billion, respectively, while the Meat Alternative Business reported core net income/loss of ₱1.0 billion loss, ₱0.8 billion loss, and ₱0.3 billion loss, respectively; and the APAC BFB Business's reported net income amounted to ₱9.2 billion, ₱10.9 billion, and ₱9.7 billion, respectively, while the Meat Alternative Business reported net loss of ₱9.8 billion, ₱10.4 billion, and ₱1.1 billion, respectively.

## APAC BFB BUSINESS

### Products and Brands

The APAC BFB Group manufactures, markets, and distributes an extensive portfolio of products which can be categorized into three product groups: (i) instant noodles; (ii) biscuits; and (iii) Others (such as baked goods, beverages, and culinary aids). The Group conducts its APAC BFB Business mainly in the Philippines and in Thailand.

#### *Instant Noodles*

*Lucky Me!*'s market share in retail sales value in the Philippines FY 2025 is 68.1. (source: Nielsen), ranking 1<sup>st</sup>.

The APAC BFB Group launched its instant noodles products under the *Lucky Me!* brand in 1989. Since then, *Lucky Me!* has grown into an iconic brand consumed by 97.96% of Filipino households by 2024, according to Kantar.

*Lucky Me!* offers a wide array of noodle varieties. There are three product lines under *Lucky Me!*: (i) wet pouch; (ii) dry pouch; and (iii) cups. *Lucky Me! Instant Mami* comes in a variety of flavors and is enjoyed as a comforting savory noodle soup. *Lucky Me! Pancit Canton* pioneered the dry stir-fried pouched noodles segment in 1991 and offers a variety of flavors that can be enjoyed on its own or paired with other food. Launched in 1995 as the first of its kind in the Philippine market, *Lucky Me! La Paz Batchoy* and *Lucky Me! Bulalo* are instant noodles served in bowls (now in cups) primarily for on-the-go convenience. *Lucky Me! Go Cup* has since expanded to variants such as *Jjamppong* and *Sotanghon*, among others.

The APAC BFB Group manufactures, distributes, and markets *Lucky Me!* primarily in the Philippine market. Through its Thailand operations, the APAC BFB Group exports *Lucky Me!* to more than 50 countries.

#### *Biscuits*

Biscuits was the first product group marketed by the APAC BFB Group when it began operations. The APAC BFB Group launched its biscuit brand *Nissin* in 1979. MONDE's acquisition of a majority stake in M.Y. San Biscuit, Inc. (renamed as Monde M.Y. San Corporation [MMYSC] after the acquisition) in 2001 added *SkyFlakes*, *Fita*, and *M.Y. San Grahams*-branded crackers to its portfolio.<sup>1</sup> Since then, the APAC BFB Group has expanded its offerings to include an assortment of delectable snacks, from wafers, cookies, to crackers, and cookie and cracker sandwiches.

The Biscuits product group's market share in retail sales value in the Philippines FY 2025 is 29.2% (source: Nielsen), ranking 2<sup>nd</sup>. The segment delivered 2.4% growth and regained market leadership in the last three months of the year. Market Share peaked at 31.3% in December 2025.

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<sup>1</sup> 20 years later, or in 2021, MONDE acquired MY Crackers, Inc.'s remaining 40% stake in MMYSC and MMYSC became MONDE's wholly-owned subsidiary.

The APAC BFB Group manufactures, distributes, and markets its biscuit products mainly domestically in the Philippines. Brands under the biscuits segment that the APAC BFB Business manufactures, distributes, and markets in the Philippines are *Nissin*, *SkyFlakes*, *Fita*, *Bingo*, and *M.Y. San Grahams*.

### ***Prepared Cakes***

Monde Cakes sustained strong double-digit growth, posting +26.8 % vs. the prior year—well ahead of the overall cakes category (+8%) and major competitors. This performance lifted Monde Cakes to a record-high 12.5% market share as of December 2025, up from 10.7% in the prior year. The brand also strengthened its leadership in the rounded cake segment, ranking as the No. 1 player in the rounded cake format according to Nielsen.

In Thailand, the APAC BFB Group manufactures, distributes, and markets products under the *Voiz*, *Sumo*, *Kid-O*, *Tini-O*, and *An Pan* brands.

### ***Others***

The products of the APAC BFB Group under *Others* are packaged baked goods, beverages, culinary aids, and fresh bread.

Under beverages, the APAC BFB Group's yogurt drinks' market share in retail sales value in the Philippines FY 2025 is 88.5% (source: Nielsen), ranking 1<sup>st</sup>. Cultured milk recorded a 25.3% market share in retail sales value in the Philippines in FY 2025 (source: Nielsen), ranking 2<sup>nd</sup>. Under culinary aids, Oyster sauce's market share in retail sales value in the Philippines in FY 2025 is 59.9% (source: Nielsen), ranking 1<sup>st</sup>.

The APAC BFB Group markets domestically in the Philippines the various brands under its Others product group. The Company manufactures, distributes, and markets *Monde* packaged bakery products. *Monde* represents the APAC BFB Group's product initiative to venture into the mass premium bakery segment. *Monde* was the first brand in the Philippines to offer bakeshop-quality cakes and pastries made with real eggs and fresh ingredients.

SMFC manufactures *Monde Bread and Monde Walter*, a healthy product line offering bread that contains fiber and wheat, and has low or no sugar.

In 2006 and 2016, MONDE entered into distribution agreements with Dairy Plus Co., Ltd. ("**DPC**") and Dutch Mill Co. Ltd., ("**DMC**") respectively, where MONDE became the exclusive distributor of *Dutch Mill* yogurt products and cultured milk in the Philippines. In 2010, the Group expanded this relationship to include the marketing of *Dutch Mill Yoghurt Drink* products. In 2023, MONDE further expanded its relationship with DMC to include the marketing of *Dutchmill Delight* and *Dutchmill Proyo Yoghurt Drink*. MONDE believes that it derives above-market economic advantages from these marketing and distribution agreements because of the entrepreneurial role it plays in making marketing investments for the relevant products.

In 2014, MONDE entered a 20-year Distribution, Marketing, and Sales Development Agreement to establish an agency relationship with Sandpiper Spices and Condiments Corp. ("**SSCC**"), the manufacturer of *Mama Sita's* branded products, to exclusively market and distribute *Mama Sita's* products in the Philippines. These products include oyster sauce, meal mixes, and sauces. *Mama Sita's* is a legacy brand with rich culinary heritage and is well-established in the Philippine market. In 2023, MONDE allowed SSCC or its distributors to sell permitted products in the foodservice and non-traditional channels.

In 2024, MONDE entered into an exclusive distribution agreement with Binh Duong Nutifood Nutrition Food Joint Stock Company, a Vietnam-based company, for a chocolate drink with *nata de coco*, co-branding the same as Monde Nuvi chocolate drink. MONDE also launched a new product, Goodnom Fresh Gata in 2024.

### **Raw materials**

Raw materials accounted for 70%-75% of cost of goods sold from the year ended December 31, 2019 onwards. In 2025, the raw materials that accounted for the largest percentages of the APAC BFB Business's cost of goods sold were wheat/flour, palm oil, shortening, coconut oil, and sugar.

For the year ended December 31, 2025, flour from MONDE's Santa Rosa plant served majority of the APAC BFB Group's production requirements, with the remainder purchased from local millers. The APAC BFB Group sources palm oil for its Philippine operations from multiple local suppliers and refiners, which in turn procure the same from Indonesia and Malaysia while its Thailand operations source palm oil entirely from Thailand. Sugar and coconut oil are sourced mainly from local suppliers in the Philippines and Thailand. The cost of packaging is immaterial compared to the aforementioned raw materials.

For packaging, the main raw materials used across all product groups are plastic wrappers, plastic cups, PET sachets, and packaging cartons. Except for the polyethylene terephthalate (PET) sachets used for soy sauce and oil, all packaging materials are sourced locally. As part of the Group's sustainability initiatives, the APAC BFB Group has implemented various measures to reduce packaging material usage, which have also resulted in significant cost savings. In Thailand, the APAC BFB Group resized and redesigned its biscuits product packaging to make it more compact and adjusted the thickness of the packaging. The Group is also considering the use of recyclable materials for all its packaging in the future.

Prices of raw materials are subject to significant volatility due to extreme weather conditions, size of harvests, transportation and storage costs, governmental agricultural policies, currency exchange rate fluctuations, and other factors. The APAC BFB Group regularly reviews the prices of commodity raw materials such as flour and sugar, and makes provision in its supply contracts to allow for further adjustment to achieve cost efficiency and supply assurance. The APAC BFB Group has managed to partially mitigate price fluctuations in raw materials through a combination of (i) operational synergies, (ii) the use of long-term contracts with suppliers to lock in pricing, and (iii) the diversification of supply sources. Given that a significant portion of the APAC BFB Group's flour requirement is produced in-house at its Santa Rosa plant, it enjoys consistent supply, quality, and cost savings for flour from this operational synergy. In 2024, MONDE entered into a long-term land lease agreement with Atlantic Grains, Inc., and purchased the latter's flour milling facilities in Calaca, Batangas, providing redundant capacity for the APAC BFB Group's flour requirements. Operational synergy is also achieved in the purchase of seasonings for instant noodles production from the seasoning plant in Thailand, which offers comparatively lower costs than sourcing seasonings from the Philippines, as Thailand serves as one of the regional hubs for the food manufacturing industry.

## **Suppliers**

The APAC BFB Group conducts vendor/supplier due diligence and accreditation procedures. To optimize value for both suppliers and the Group as purchaser, the Group has adopted a more holistic end-to-end value analysis approach to assess total system costs and losses, taking into account factors such as price, quality, reliability, and impact across the supply chain. This approach has been applied to key inputs such as wheat, palm oil, and packaging; and involves working with suppliers to identify solutions that could reduce inefficiencies. Through this process, the Group has opened up new opportunities for collaboration, and accelerated the implementation of sustainable initiatives such as renewable energy projects in 2022.

The APAC BFB Group does not depend on a single supplier whose loss would have a material adverse effect on its operations. The APAC BFB Group's key suppliers include Pacificor, LLC, Pilmico Foods Corporation, Oleo-Fats Inc., Bunge Asia Pte. Ltd., Tap Oil Manufacturing Corporation, All Asian Countertrade, Inc., and Multi Oil Manufacturing Corporation, which supply raw materials such as wheat, palm oil, flour, sugar, and coconut oil.

## **Research and Development (R&D)**

The Group spent 0.36%, 1.0%, and 0.27% of its revenues for the years ended December 31, 2023, 2024, and 2025, respectively, on research and development. In addition to its in-house R&D capabilities, the APAC BFB Group collaborates with various innovation companies and organizations to support its product development and innovation initiatives.

## **Distribution channels**

MONDE distributes its products through resellers and distributors with whom it maintains strong and long-standing relationships. This has enabled the Group to build robust distribution capabilities and achieve extensive market

penetration across all key distribution channels in the Philippines, an archipelagic country with unique logistical challenges.

MONDE's main distribution channels are traditional trade, modern trade, the community distribution network, and a small portion of online sales. For the year ended December 31, 2025, MONDE had in the Philippines more than 240,000 customers in traditional trade, and 82 chains with almost 12,000 doors in modern trade. It also had more than 1,300 independent brand experts forming part of a community distribution network.

The APAC BFB Group currently exports its instant noodles and biscuits products to more than 50 countries, particularly across Asia, the Middle East, Europe, and North America.

## **Customers**

MONDE does not have any customer which accounts for more than 10% of its total net sales for the year ended December 31, 2025. Thus, the loss of any of its customers would not have a material adverse effect on its operations.

MONDE has standardized distribution contracts with its distributors and modern trade customers (with general payment terms for modern trade customers), while outlets follow standard operating procedures for invoicing.

## **Competition**

The APAC BFB Group believes that future growth across all product groups will be driven by (i) meaningful product innovation and renovation focused on improving consumer experience in taste and overall value, premiumization, and hyper-convenience; (ii) extensive distribution coverage; (iii) impactful in-store execution; and (iv) strengthening brand saliency and imagery.

### ***Instant Noodles***

Competitors in the Philippines' instant noodles category include Payless, Quickchow, Homi, Nissin, Nongshim, and Ottogi, among others. Most local players compete primarily on price, while imported brands offer international taste profiles.

### ***Biscuits***

The APAC BFB Group remains among the leading brands in the Biscuits category. To further strengthen its position in the market, the APAC BFB Group aims to focus on brands where it has the ability to gain additional market share and where gross margins are higher.

In Thailand, the APAC BFB Group faces competition from Universal Robina, Glico, Mondelez, Thai President, and Mayora, which generally compete on product range, new product development, and investment in marketing campaigns.

### ***Others***

Yogurt as a category competes within the broader Ready-To-Drink Dairy, where Ready-To-Drink Milk is the largest segment. Key players in plain milk include Nestlé, Bear Brand, and Selecta, while those in Chocolate Milk include Chuckie, Vitamilk and Zesto Choc-O. Within the Yogurt segment, directly competing brands are Alaska and Cimory S. With the entry of Monde Nuvi in Ready-To-Drink Chocolate Milk, it competes with long-time market leader Chuckie. Yakult is the main competitor in cultured milk, competing on its heritage as a highly functional and specialized digestive drink.

For culinary aids, competitors include Nutri-Asia and Ajinomoto which primarily compete on value pricing; Unilever and Nestlé which are established global brands in seasoning and flavorings; and Del Monte which promises taste and nutrition. However, these brands are better known for other products, rather than the categories in which *Mama Sita's* is a leader. Goodnom Fresh Gata's main competitor is the leading brand Coco Mama from Century Pacific.

In the bakery segment where lower-priced products dominate, MONDE entered the packaged cake market by pioneering the mass premium segment. MONDE's pricing is approximately 30% more affordable per unit than products of other leading bakery brands such as Red Ribbon and Goldilocks, but more than 50% premium to other packaged cakes such as Big E and Rebisco.

## Employees

As of December 31, 2025, MONDE had 3,571 employees. The following table sets forth the breakdown of MONDE's employees by function as of the same date.

Functions	Number of Employees in 2025
Operations (manufacturing, procurement and supply network)	2,988
Sales and Marketing (sales, brands, insights, media)	223
Support (human resources, IT)	123
Accounting and Finance	160
Product Development	40
Corporate (corporate & government affairs, legal and compliance, sustainability, audit)	37
<b>Total</b>	<b>3,571</b>

MONDE believes that the compensation packages and benefits it offers to employees are competitive. MONDE established a provident fund with its employees on a voluntary basis. In the Philippines, both the employees and the Company contribute to the fund monthly, at rates ranging from 1% to 20% of the employee's basic salary. After three years, the Company matches the employee contributions up to 3%. Vesting applies to retiring employees beginning on the 10<sup>th</sup> year.

As of December 31, 2025, 21% of MONDE's employees belonged to and were represented by one trade union, namely the Confederation of Filipino Workers. MONDE's existing collective bargaining agreement, which was set to expire on April 30, 2026, was renegotiated with the Santa Rosa Union, with negotiations concluded on March 31, 2026 and the new collective bargaining agreement scheduled to be formally signed on April 16, 2026. Salary increases and supplemental benefits such as one-time signing and mid-year bonuses, as well as medical and bereavement assistance, are consistent components of the collective bargaining agreement.

MONDE is not involved in any material labor dispute which would have a material effect on its business, financial condition, and results of operations. The Company is not aware of any circumstances that would give rise to such labor disputes, and has not experienced any labor strikes.

## Intellectual Property

MONDE holds several trademarks, trade names, service marks, and other intellectual property rights, including trade secrets on technology, know-how, and formulae used in its production processes. The Company considers these intellectual property ("IP") assets, particularly its trademarks, to be crucial to its operations as brand recognition is a key factor in the success of its business.

MONDE has registered its trademarks in the relevant jurisdictions where it operates. As of December 31, 2025, it has over 300 trademarks, trade names, and service marks registered in over 40 countries and territories. MONDE's subsidiaries also procure and renew the relevant trademark registrations for their respective brands. Depending on the jurisdiction, trademark registrations generally remain valid as long as they continue to be used. MONDE has pending trademark applications and generally expects that these will be granted.

To protect its IP assets, MONDE relies on a combination of: (i) patent, trademark, copyright, and trade secret protection laws across various jurisdictions; (ii) confidentiality and non-disclosure agreements with employees and counterparties; and (iii) active monitoring and enforcement against third-party misuse and infringement. In addition to maintaining trademark registrations, MONDE pursues all available remedies to safeguard its portfolio of intellectual property rights.

## **Transactions with and/or Dependence on related parties**

In the ordinary course of business, the Group enters into transactions with affiliates and other related parties. Transactions with related parties are fair, entered into on an arm's length basis, and at market rates. Details of these transactions are described in Note 23 (Related Party Transactions) of the Group's 2025 Audited Consolidated Financial Statements attached hereto as Annex A.

## **Governmental Approvals**

MONDE and its Philippine subsidiaries have obtained, or are in the process of obtaining or updating where applicable, the material permits and licenses from relevant regulatory agencies and local government units.

MONDE believes that it holds all material permits and licenses necessary to operate its business as currently conducted, and that such permits and licenses are valid, subsisting, or undergoing renewal. MONDE expects to secure in due course approvals for those permits and licenses that are pending renewal. MONDE does not expect that the pendency of such renewals will have a material adverse impact on its operations.

## **Government Regulation**

The Group has no knowledge of any recent or impending governmental regulations whose implementation will result in a material adverse effect on MONDE's or its significant subsidiaries' business or financial position.

Various government agencies in the Philippines regulate the different aspects of the Group's manufacturing, processing, sales, and distribution operations.

## **Costs and Effects of Compliance with Environmental Laws**

The Group incurred about ₱252,366,872.16 in expenses for environmental compliance for its APAC BFB Business for the year 2025. On an annual basis, operating expenses incurred by the Group to comply with environmental laws for its APAC BFB Business are not significant or material relative to MONDE and its subsidiaries' total cost and revenues.

Costs for environmental compliance included (a) environmental monitoring and management, which cover air emission sampling (point source and/or ambient air), maintenance of air pollution control facilities (e.g., dust collectors), wastewater sampling, operation and maintenance of wastewater treatment facilities, solid waste management (waste treatment and disposal through third-party service providers), and permitting (such as application and permit fees for pollution control officer accreditations, permits to operate, discharge permits, permits to transport); (b) environmental enhancement programs, including housekeeping, tree planting and growing activities, and clean-up drives; (c) training programs; (d) compliance with extended producer responsibility requirements; and (e) settlement of penalties and impositions, where applicable.

## **Major Business Risks**

The APAC BFB Business's 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 are expected to continue to influence its results in the foreseeable future. Factors other than those discussed below could also significantly impact the APAC BFB Business's results of operations and financial condition in the future.

### ***Demand and Pricing***

The APAC BFB Group's results of operations are affected by consumer demand for its products, while pricing decisions also influence such demand. In determining selling prices, the APAC BFB Group considers various factors, including, among others, prices of raw and packaging materials, taxes, fuel prices and other operating costs, distribution channels, and general economic conditions. The APAC BFB Group believes that instant noodles, bread, biscuits, and culinary aids are consumer staples. While demand for these products may be influenced by movements in disposable

income, changes in product prices, and competitive pressures, both volume and value have generally proven resilient despite periods of persistently high inflation.

Demand for fast-moving consumer goods is generally price elastic, particularly among consumers in lower socio-economic segments where disposable income is more limited. During periods of price increases or relatively weak national economic performance that reduce disposable income, consumers, especially those in lower socio-economic groups, tend to shift to comparable lower-priced staple products and reduce consumption of discretionary products.

In addition, demand for fast-moving consumer goods is also influenced by the relative price relationships among such goods, and other consumer products and services. Consumers tend to adjust their purchasing decisions based on changes in perceived value-for-money propositions. The APAC BFB Group intends to continue innovating its products and strengthening its brands to enhance their perceived product value.

### ***Changes in Consumer Tastes and Preferences***

The APAC BFB Group's future growth depends 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 factor in maintaining the market share for the APAC BFB Group's product portfolios is the ability to continuously and successfully introduce new products and product extensions that align with 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 APAC BFB Group's products. This may then significantly impact the APAC BFB Group's results of operations.

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

Advertising increases consumer awareness of the APAC BFB Group's products and brands, which, in turn, influences purchase decisions and, consequently, sales volumes. The APAC BFB Group believes that product differentiation and brand loyalty are achieved through its continuing marketing and image-building efforts, and that consumer brand preferences are the cumulative result of sustained exposure to the brands over time. However, the effects of these sales and marketing activities may not be immediate, which may result in revenue growth that is not fully reflected in 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 APAC BFB 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 APAC BFB Group sources its raw materials and all its 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, political unrest, global and regional conflict, and currency exchange rate fluctuations. In addition, the APAC BFB Group's ability to obtain raw materials and packaging materials may be 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 APAC BFB Group's profitability depends, among other factors, on its ability to anticipate and react to fluctuations in the price of commodities, raw materials, and packaging materials. Increases in the prices of, or shortages in, the

APAC BFB Group's raw materials and packaging materials may lead to higher production costs or disruptions in production schedules, either of which could adversely affect operating margins. Production delays may also result in reduced sales volumes and profitability as well as potential loss of market share. Conversely, favorable movements of raw material costs and other items might improve the APAC BFB Group's margins and results of operations. The APAC BFB Group has been able to mitigate price fluctuations in raw materials to some extent through a combination of (i) operational synergies, (ii) the use of short-term and long-term contracts with suppliers to lock in pricing, and (iii) diversification of supply sources.

Given that a significant portion of the APAC BFB Group's flour requirement is produced in-house at its Santa Rosa facility, the APAC BFB Group enjoys consistent supply, quality, and cost savings for flour from this operational synergy. This is further enhanced by the APAC BFB Group's affiliate's own grain import terminal which allows independent procurement of wheat at scale. In 2024, MONDE entered into a long-term land lease agreement with Atlantic Grains, Inc., and purchased the latter's flour milling facilities in Calaca, Batangas, which provides redundant capacity for the APAC BFB Group's flour requirements. Operational synergies are also achieved in the supply of seasoning for instant noodles production through the APAC BFB Group's seasoning plant in Thailand, to produce seasoning and condiments for its noodle plants in the Philippines.

Increases in costs of raw materials and packaging materials can typically be passed on to consumers. However, such increases may affect consumer demand as the APAC BFB 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 APAC BFB Group's market share. As a result, any material increase in the market prices of raw materials could adversely affect the APAC BFB Group's operating margins, which may affect its financial position and operating performance.

### ***Product Mix***

The APAC BFB Group has a diversified product mix which primarily includes instant noodles, biscuits, and other fast-moving consumer products. The APAC BFB Group adopts a multi-brand approach, pursuant to which one or more brands or product lines operate within each product category. Under each brand, the APAC BFB Group offers products with different flavors, package sizes, and/or product formats to provide variety to consumers. 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 APAC BFB Group to continually develop new products and launch product extensions to capture various consumer preferences enables the APAC BFB 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 margins. Each of the APAC BFB Group's brands also has its own unique positioning with different marketing strategies and promotional costs. As a result, the APAC BFB Group's revenue and profitability are significantly influenced by its product mix.

### ***Competition***

The APAC BFB Group's products face competition from other domestic producers as well as from imported products and foreign brands. Competitive factors facing the APAC BFB Group's products include price, product quality, 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.

In the instant noodles segment, the APAC BFB Group's main competitors include domestic producers that primarily compete on pricing, as well as imported/multinational brands that offer diverse flavors and taste experiences. The biscuits and other fast-moving consumer product groups similarly 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 and consolidation among existing competitors, among other factors, could have a material impact on the APAC BFB Group's financial performance and results of operations.

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

The majority of the APAC BFB Business's assets and revenues are derived from operations in the Philippines. Accordingly, the APAC BFB Group's business, financial condition, results of operations, and prospects are substantially influenced by economic, social, and political conditions in the Philippines and are also exposed to global commodity markets, primarily agricultural goods and energy. Volatility in commodity and fuel prices, including due to geopolitical developments and weather-related disruptions, may materially affect input costs and margins. Changes in agricultural policies and regulations, including importation rules and quotas for key raw materials such as sugar, may also affect input availability and pricing and could adversely impact results. In addition, demand for certain product categories may be sensitive to changes in consumer purchasing behavior. The APAC BFB Group also operates in Thailand and exports to select territories, and is therefore subject to risks related to conditions in those markets as well as shipping cost and availability, which may impact growth and profitability.

### ***Seasonality***

In the consumer goods industry, results of operations generally follow the seasonality of consumer buying patterns, and the APAC BFB Group's sales are affected accordingly. In the Philippines, most food and beverage products, including those of the APAC BFB Group, experience increased sales from October to December in connection with 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 APAC BFB Group's sales, and the degree of seasonality varies across product categories. Some of the APAC BFB Group's products exhibit distinct seasonal patterns. For instance, *Lucky Me!* wet pouch instant noodles tend to experience higher sales in the rainy season due to the consumers' preference for warm food. Instant noodles and crackers are mainstays of relief goods being distributed during times of calamities. A number of biscuit products experience higher sales during the school year as the APAC BFB Group's products are generally purchased for lunch boxes, between-meals, on-the-go consumption, and home consumption. As a result, seasonality could affect the APAC BFB Group's financial condition and results of operations from one quarter to another. To counter the seasonality of some of its products, the APAC BFB Group launches marketing and advertising initiatives designed to encourage the sustained consumption of its products throughout the year. The APAC BFB Group believes that the diversity of its product mix reduces the impact of seasonality on its overall operations.

### ***Innovation***

In addition to introducing new product innovations and renovations, the APAC BFB Group's ability to achieve its strategic aspirations depends on its capacity to continuously implement process and work system innovations that eliminate inefficiencies. Constant improvement in process innovation and work system design support multiple objectives, including delivering superior product quality and consumer experience, bringing fresher products to market, increasing productivity, and improving sustainability through reduced waste, more efficient use of resources, and enhanced process reliability.

### ***Capacity and Utilization of the APAC BFB Group's Facilities***

The ability of the APAC BFB 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 APAC BFB Group to introduce new products or new uses for its existing products, which, in turn, impacts the ability of the APAC BFB Group to be agile and responsive to rapidly changing customer needs and expectations.

Capacity improvements and expansions 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.

## MEAT ALTERNATIVE BUSINESS – QUORN FOODS

### Products and Markets

The Group's Meat Alternative Business produces and sells two categories of food products marketed under two brands: (i) mycoprotein-based products marketed and sold under the *Quorn* brand, and (ii) plant-based products marketed and sold under the *Cauldron* brand. *Quorn* and *Cauldron* products are positioned as healthy and environment-friendly alternative protein sources suitable for various cooking methods. *Quorn* and *Cauldron* products cater to different meal occasions and needs, such as breakfast, lunch, dinner, snacking, and food-on-the-go.

The Meat Alternative Business offers an extensive range of mycoprotein-based vegan and vegetarian products, some of which are gluten-free. *Quorn* products offer an alternative for the key meat types: beef, pork, poultry, and fish. Its products cover all key shop aisles: frozen, chilled, and food cupboards.

*Quorn* products are sold in the UK, the Republic of Ireland, the US, Europe (including Switzerland, Belgium, Germany, Netherlands, France, Spain, Luxembourg, Italy, and Austria), the Nordics (Sweden, Finland, Norway, and Denmark), Southeast Asia, and Australasia.

*Cauldron* products are sold in the UK and the Republic of Ireland. All *Cauldron* products are suitable for vegetarians, and *Cauldron* tofu and falafel are suitable for vegans. *Cauldron* products offer alternative sources of protein that complement *Quorn* products and are offered in chilled form.

### Raw Materials

All *Quorn* branded products contain mycoprotein, which is produced at Belasis. Mycoprotein can be used in both vegan and vegetarian products and uses glucose as a key ingredient. To ensure continuity of supply, the Meat Alternative Business obtains its glucose supply from several suppliers based in the UK and France. Other minerals are also used in the production of mycoprotein. Although some of these minerals are sourced from a single supplier, the Meat Alternative Business continues to identify alternative suppliers to avoid supply issues where required. Therefore, the Meat Alternative Business does not believe that losing any of its suppliers would materially affect its operations.

*Cauldron* products are made from various ingredients, including soya beans, chickpeas, soya protein, onion, and seasonings. Mycoprotein is combined with other raw materials such as egg albumen (or its alternative for vegan products), natural flavors, seasonings, and coatings to produce *Quorn* products. These raw materials are sourced through a pool of accredited third-party suppliers who are regularly audited by *Quorn Foods's* Quality and Compliance team in accordance with *Quorn Foods's* sourcing procedures and its food safety, quality assurance, and sustainability standards. Many ingredient suppliers are long-standing suppliers of the Meat Alternative Business, with whom it has long-term supply agreements for key raw materials. The Meat Alternative Business does not depend on a single raw materials supplier, where the loss of such a supplier would materially affect its operations.

### Suppliers

*Quorn Foods's* Procurement Department ensures continuity of supply by having multiple sources for the critical ingredients and a geographical spread of suppliers using a standard supply contract for most of its suppliers. In all instances, renewal is done by negotiation and agreement. Procurement closely coordinates with the Planning team to ensure that appropriate stock levels are maintained. Purchasing efficiencies are secured through regular benchmarking and comparative tendering of materials. Quality control is assured via a systemic technical audit program, Global Food Safety Initiative ("GFSI") accreditation, self-audit questionnaires, and physical checks, as appropriate.

### Research and Development (R&D)

The *Quorn Foods* group spent 5%, 4%, and 3% of its revenues for the years ended December 31, 2023, 2024, and 2025 respectively, in research and development. Furthermore, to augment its in-house R&D capabilities, the *Quorn Foods* group also collaborates with other organizations.

Quorn Foods conducts R&D in three principal areas:

- to further develop the fermentation process for the production of mycoprotein;
- to establish new commercial applications for mycoprotein; and
- to develop great tasting food for the consumers of the *Quorn* and *Cauldron* brands.

## **Distribution Channels**

The Meat Alternative Business uses third-party logistics providers to distribute products to retailers and foodservice customers. These logistics providers are regularly audited by Quorn Foods's Technical and Compliance team and covered by Quorn Foods's food safety, quality assurance, and sustainability standards.

The Meat Alternative Business uses two third-party logistics providers in the UK with long-term contracts.

For overseas markets, the Meat Alternative Business has a network of shipping, warehouse, and transportation service providers to ensure goods are stored and distributed to meet service and quality standards.

### ***Retail***

As of December 31, 2025, the Meat Alternative Business products were available in approximately 240,000 points of distribution, primarily in the UK, the US, and Europe across leading food retailers.

Food retailers in the UK primarily purchase directly from Quorn Foods. Food retailers outside the UK largely source the Meat Alternative Business products through direct supply from Quorn Foods, but with some reliance on third-party distributors.

### ***Quick Service Restaurants (QSR)***

The Meat Alternative Business has a strong presence in QSR distribution channels. The Meat Alternative Business supplies three out of the top ten and eight out of the top 50 restaurant and fast-food chains in the UK, with more restaurants and fast-food chains than competitors. Building on this strength, the Meat Alternative Business is working to extend its reach in QSR to the rest of Europe.

### ***Foodservice Outlets***

The Meat Alternative Business feeds out-of-home consumers through all stages of their lives (learning, caring, working and relaxing) and has a strong presence in the foodservice segment. Its products are served in approximately 75% of all schools (approximately 24,000 out of 32,000 schools) in the UK. Based on the Meat Alternative Business's internal brand tracking, they are available on the menu of 3,000 pubs/bars (4,500 menu items). Beyond the UK, the Meat Alternative Business is growing its foodservice business across Europe.

Foodservice outlets in the UK purchase directly from Quorn Foods and indirectly through major wholesalers. Foodservice outlets outside the UK source the Meat Alternative Business products through both third-party distributors and wholesalers.

## **Top Customers**

For the year ended December 31, 2025, the Meat Alternative Business's top five customers accounted for more than 50% of total net sales. These customers are all based in the UK, and its largest single customer, Tesco, accounted for 20% of the Meat Alternative Business's total net sales.

The Meat Alternative Business generally supplies its customers in accordance with the customer's standard purchasing terms. Annual business plans are also agreed in relation to matters such as promotional activity and funding. Such practice is customary across the UK retail market.

## Competition

The Meat Alternative Business competes with a broad category of market participants such as multinational corporates, venture capital-backed newer entrants, and retailer private label products. The product group also competes with traditional meat brands and purely plant-based producers.

Quorn Foods is the market leader in the meat alternatives market in the UK, with *Quorn* and *Cauldron* being the No.1 and No. 6 brands with 27.8% and 3.5% of grocery retail market share by value in 2025, respectively, according to Circana (52-week data). *Quorn* has the broadest product portfolio in the UK market.

In the UK, the *Quorn* brand primarily competes with various meat alternative brands and private label products. *Cauldron* is complementary to the *Quorn* brand and competes in the alternative protein category. In the frozen category, the main branded competitor to *Quorn* is Linda McCartney, with Birds Eye also having a presence in the last three years. Competition comes from private labels and brands such as The Tofoo Co, THIS, Vivera, and Richmond in the chilled category. In the US, *Quorn* primarily competes with Beyond Meat, Impossible Foods, Boca (a brand of Kraft Heinz Foodservice), Gardein (a brand of Conagra Brands), and Morning Star Farms (a brand of Kellanova, now ultimately owned by Mars Inc.), which offer products across multiple categories. *Quorn* also competes with traditional meat brands such as Tyson.

*Quorn* is differentiated by a range of attributes including, the taste, health benefits, and sustainability of its food, driven by its core ingredient *Quorn* mycoprotein. The extensive range *Quorn* has across both chilled and frozen categories allows it to cover more meal occasions more often, as a key alternative to beef, pork, poultry, and fish. *Cauldron* complements the *Quorn* brand and competes in the plant-based protein category on taste, health, and natural ingredients.

## Employees

As of December 31, 2025, Quorn Foods had 732 employees across six international locations. The Meat Alternative Business believes that its diverse, well-trained, and experienced employee pool is a strong asset.

It aims to support its operating functions, grow the capability of its employees and promote its core values (“Stronger Together,” “Think Big Act with Courage,” “Make Lives Better,” and “Strive to be the Best”) through the implementation of various professional and personal development programs. These programs include:

- secondment opportunities to develop skills and capabilities and gain experience;
- financial support for professional qualifications;
- operational training to provide technical skills;
- an onboarding program to introduce new joiners to Meat Alternative Business’s operations, policies, and administrative procedures;
- coaching programs developed to improve feedback conversations and enhance team performance;
- an online objective setting and performance review process; and
- a development plan framework to encourage conversations and ensure employees have a clear growth plan.

The following tables detail Meat Alternative Business’s employees by employee type and by location.

Employee Type	Count
Executive management team	3
Other full-time employees	671
Other part-time employees	58
<b>Total</b>	<b>732</b>

Location	Count
UK	712
Continental Europe	12
US	8
<b>Total</b>	<b>732</b>

As of December 31, 2025, some of the employees of the Meat Alternative Business belonged to and were represented by two trade unions, Unite the Union at Belasis and Stokesley; and the Bakers, Food, and Allied Workers Union at Methwold.

As of December 31, 2025, Quorn Foods had a collective bargaining agreement with its employees in Belasis, Methwold, and Stokesley. The key provisions of these agreements include various aspects of pay, working hours and conditions, holidays, and the resolution of grievances.

The Meat Alternative Business believes that its employees' compensation packages and benefits are competitive. Base salaries are benchmarked using independent external bodies and salary surveys to ensure they remain competitive. Employee benefits include:

- pension contribution with Quorn Foods's standard matching rate of up to 5% for most employees, with higher contributions for certain employees in legacy pension schemes. Contribution to pension schemes is made through a salary sacrifice arrangement to maximize tax efficiency for employees who contribute to their pension;
- company car (or equivalent cash allowance) for staff above a certain grade (both recently reviewed for competitiveness);
- health care benefits for staff above a certain grade augmented by permanent health insurance for executive level staff;
- life assurance for employees in the pension scheme at four times the salary (ten times the salary for those in Belasis bargaining group); and
- discretionary bonus scheme for all employees at a level commensurate with their grades.

### **Intellectual Property**

Quorn Foods holds several trademarks, trade names, service marks, and other intellectual property rights, including patents, trade secrets, know-how and formulae in connection with its production processes. It considers these intellectual property rights, particularly patents, trademarks, and know-how as crucial to its operations.

Quorn Foods has registered its trademarks in the relevant jurisdictions in which it operates, as well as those it might operate in in the future. As of December 31, 2025, it has over 20 trademarks, trade names, and service marks registered in over 100 countries and territories. Depending on the jurisdiction, trademark registrations generally are valid as long as they are used. Quorn Foods has pending trademark applications and generally expects that these will be granted.

In addition to trademark registration, Quorn Foods relies on a combination of (i) patent, trademark, copyright, and trade secret protection laws in various jurisdictions; (ii) employee and third-party non-disclosure agreements; and (iii) policing of third-party misuses and infringement to protect its intellectual properties. Quorn Foods pursues available remedies to protect its portfolio of intellectual property rights, including trademark registrations.

### **Governmental Approvals**

The Meat Alternative Business has obtained, or is in the process of obtaining or updating where relevant, all material permits and licenses from the relevant and appropriate government units and regulatory agencies.

The Meat Alternative Business believes that it has all material permits and licenses necessary for it to operate its business as currently conducted and such permits and licenses are valid, subsisting, or pending renewal. The Meat Alternative Business expects to secure in due course approvals for those material permits and licenses which are

pending renewal. The Meat Alternative Business does not expect that the pendency of the renewals for certain permits will have a material adverse impact on its operations.

### **Government Regulation**

The Meat Alternative Business is subject to the prevailing food standards and related regulations that apply in the markets in which it operates.

### **Costs and Effects of Compliance with Environmental Laws**

The Meat Alternative Business did not directly incur separately identifiable expenses for environmental compliance for the year 2025. Compliance with environmental and sustainability standards is a key consideration in all decisions made by the Meat Alternative Business.

On an annual basis, operating expenses incurred by the Meat Alternative Business to comply with environmental laws are not significant or material relative to the Meat Alternative Business's total cost and revenues.

### **Major Business Risks**

The Meat Alternative Business's 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 the results of operations and financial condition in the future.

#### ***Demand and Pricing***

The Meat Alternative Business's results of operations are affected by consumers' demand for its products, while pricing decisions also influence such demand. When determining its selling prices, the Meat Alternative Business considers various factors, including, among others, the prices of raw materials and packaging materials, taxes, fuel prices and other operating costs, distribution channels, and general economic conditions. In spite of the challenges faced recently by the alternative protein foods category due to inflation and cost-of-living pressures, the Meat Alternative Business believes the category remains an emerging category with further growth potential. For the year ended December 31, 2025, meat alternatives have seen a mixed performance with overall category declines. Sales of the Meat Alternative Business products can be sensitive to movements in disposable incomes, changes in product prices, and competitive pressures.

Demand for fast-moving consumer goods is price elastic in general, particularly for consumers with limited disposable income. 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 Meat Alternative Business intends to continue innovating its products to enhance their perceived product value, and taste preference over competition.

#### ***Changes in Consumer Tastes and Preferences***

The Meat Alternative Business'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 Meat Alternative Business'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 Meat Alternative Business's products. This may then significantly impact the results of the Meat Alternative Business. For example, publicity regarding "Ultra Processed Foods" has affected perceptions of the category among some consumers. In response, a number of the Meat Alternative Business's key frozen ingredient products have been relaunched without artificial ingredients.

The Meat Alternative Business regularly keeps abreast of the evolving consumer preferences and believes that its current broad array of products can address the shifts in trends. The Meat Alternative Business believes that *Quorn* mycoprotein meat alternative products are well-placed to serve this segment for customers who demand food products that are more environment-friendly and offer health benefits. It innovates to develop new or enhance existing product lines with recent initiatives including new products in its deli range and salt and pepper tenders in its frozen range.

### ***Effectiveness of Sales and Marketing Activities***

The effectiveness of the Meat Alternative Business's sales and marketing activities is critical to its market share expansion and revenue growth. The Meat Alternative Business communicates with consumers through various channels and touchpoints, including television, radio advertising, social media platforms (such as YouTube, Facebook, Instagram, and X), its website and sponsorship. Customer touchpoints at the point of purchase include in-store promotions and loyalty programs.

Advertising increases consumer awareness of the Meat Alternative Business's products and brands, which, in turn, influences purchase decisions and, consequently, sales volumes. The Meat Alternative Business believes that product differentiation and brand loyalty are achieved through its marketing and image-building efforts, and that consumer brand preferences are the cumulative result of sustained exposure to the brands over an extended period supported by more than 40 years of brand presence in the UK. 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 a major component of the Meat Alternative Business's cost of goods sold. Direct materials comprise raw materials and packaging materials. Raw materials primarily consist of glucose, free-range egg, and other food ingredients. The Meat Alternative Business sources raw materials and all its packaging materials globally with a majority originating from the UK and European Union.

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 Meat Alternative Business'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 Meat Alternative Business'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 Meat Alternative Business's raw materials and packaging materials generally leads to an increase in production costs or interruption in the Meat Alternative Business'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 materials costs and other items might improve the Meat Alternative Business's margins and results of operations. The Meat Alternative Business has been able to mitigate price fluctuations in raw materials to some extent through a combination of (i) operational synergies, (ii) the use of short-term and long-term contracts with suppliers to lock in pricing, and (iii) diversification of supply sources.

Given that the Meat Alternative Business's key ingredient mycoprotein is produced in-house at its Belasis facility, the Meat Alternative Business enjoys consistent supply, quality, and cost savings from this operational synergy compared to competition relying on external supply of their protein source.

Increases in costs of raw materials and packaging materials can typically be passed on to consumers. However, this may affect consumer demand as the Meat Alternative Business's consumers are generally price sensitive due to the prolonged and severe food inflation in the UK. 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 Meat Alternative Business's market share. As a result, any material increase in the market price of raw materials could adversely affect the Meat Alternative Business's operating margins, which may affect its financial position and operating performance.

### ***Product Mix***

The Meat Alternative Business has a diversified product mix which primarily includes the brands *Quorn* and *Cauldron* and their various products in centerplate, ingredients, deli, and snacking. *Quorn* has an extensive range of vegan and vegetarian products. *Quorn* products also cover all key shop aisles: frozen and chilled. While *Cauldron* covers an array of vegan and vegetarian products that use other ingredients than mycoprotein including soy and tofu. With these two brands, the Meat Alternative Business is able to cover the whole range of vegan and vegetarian consumers with different dietary requirements. The ability of the Meat Alternative Business to continuously develop new products and launch product extensions to capture various consumer preferences enables the Meat Alternative Business 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 Meat Alternative Business's brands has its own unique positioning with different marketing strategies and promotional costs. As a result, the Meat Alternative Business's revenue and profitability are largely affected by its product mix.

### ***Competition***

The Meat Alternative Business's products face competition from other domestic producers as well as from imported products and foreign brands. Competitive factors facing the Meat Alternative Business'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. Due to the strong competitive pressures in the category and the persistent volume decline, various market participants exited the category or closed, especially as start-up funding became hard to come by. During this period, the Meat Alternative Business increased its market share as retailers prioritize shelf space for reliable suppliers with strong consumer reputation.

The Meat Alternative Business competes with a broad category of market participants such as multinational corporates, venture capital-backed newer entrants, and private labels, and also competes with traditional meat brands. 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 Meat Alternative Business's financials and results of operations.

### ***Economic, Social and Political Conditions in the United Kingdom and Other Countries***

The majority of the Group's assets and revenue from its Meat Alternative Business are located in or derived from its operations in the UK with all manufacturing facilities located in the UK, as well as the majority of sales originating from the territory. Other selling locations are primarily the US, the European Union ("EU"), and select non-EU European countries. Therefore, economic, social, and political conditions in the UK may also affect the Meat Alternative Business's business, financial condition, results of operations, and prospects. The UK continues to be affected by inflation above the long term target of 2%, as well as subdued economic growth. Interest rates are falling, but remain significantly above the low levels seen for most of the last fifteen years. These factors may impact consumer buying behavior on a prolonged basis, as well as the company's input costs. The political and regulatory environment provides additional uncertainty as policy decisions relating to matters such as energy price support for industry and corporate taxation continue to evolve. These developments may impact the operations of the Meat Alternative Business.

The situation in other key markets is also a possible source of uncertainty as the economic situation in most EU countries is one of low growth. Consumer segments growth rates are lower than historic averages as households manage tighter budgets. Economic conditions in the US and other markets have the potential to be significantly affected by current policy volatility and this may translate into further pressure on consumers and impact demand for Meat Alternative products. Changes to international trading arrangements including import tariffs or other restrictions may also affect the Meat Alternative Business' operations.

### ***Seasonality***

In the consumer goods industry, results of operations generally follow the seasonality of consumer buying patterns, and the Meat Alternative Business's sales are affected accordingly. Typically, the start of the year commences with a stronger health orientation and the accompanying Veganuary initiatives. While in the summer, barbecue and picnic products are trending in the warmer weather, and frozen products generally retreat. The festive season at the end of the year typically features special stock keeping units, while the school season (and holidays) introduce seasonality in lunch products. As a result, seasonality could affect the Meat Alternative Business's financial condition and results of operations from one quarter to another. The Meat Alternative Business 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 Meat Alternative Business's aspiration will also depend on the Meat Alternative Business's ability to continuously drive improvements in its production, supply, and operations processes.

### ***Capacity and Utilization of the Meat Alternative Business's Facilities***

The ability of the Meat Alternative Business 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 Meat Alternative Business to introduce new products or new uses for its existing products, which, in turn, impacts the ability of the Meat Alternative Business 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.

## **Item 2. Properties**

The Group does not own land in the Philippines. MONDE does not have any principal properties that are subject to a mortgage, lien, or encumbrance. There are no legal restrictions that would preclude Monde Nissin Thailand Co. Ltd. and Monexco International Ltd. from owning land in Thailand by virtue of their foreign ownership. Similarly, there are no legal restrictions that would preclude Monde Nissin (UK) Limited ("MNUK") or Quorn Foods from owning land in the UK by virtue of their foreign ownership.

A summary of the Group's properties that are used in the Group's businesses in the Philippines is set out below:

<b>Type of Property Owned</b>	<b>Owner</b>	<b>Location</b>	<b>Approx. Gross Floor Area (sq.m.)</b>
Building	MONDE	Balibago, Santa Rosa, Laguna	120,000
Building	MMYSC	Carmelray Industrial Park 2, Calamba, Laguna	60,300
Building	MONDE	Light Industry & Science Park 4, Malvar, Batangas	37,200
Building	MONDE	Casuntingan, Mandaue, Cebu	34,200
Building	MONDE	Alviera, Porac, Pampanga	26,000
Building	MMYSC	Sto. Domingo, Cainta, Rizal	24,000
Building	MONDE	Bunawan District, Davao	13,900
Building	MONDE	Carmelray Industrial Park 1, Calamba, Laguna	10,700
Building	MONDE	Brixton, Pasig City	7,700

Type of Property Owned	Owner	Location	Approx. Gross Floor Area (sq.m.)
Building	MONDE	Calaca, Batangas	14,751

A summary of the properties leased and used in the Group's businesses in the Philippines is set out below:

Lessor	Lessee	Location	Approximate Leased Area (sq.m.)	Expiration Date	Renewal	Type of Property
Monde Land Inc.	MONDE	Sta. Rosa, Laguna	80,678	31-Jan-58	Renewable for 25 years	Factory
Infitus Corporation	MONDE	Brixton, Pasig City	2,361	31-Mar-31	N/A	Office
BDO Rental, Inc.	MONDE	Brgy. Dolores and Banaba, Porac, Pampanga	47,091	29-Dec-30	N/A	Factory
Monde Land Inc.	MONDE	Sta. Rosa, Laguna	61,199	20-May-52	Renewable for 25 years	Factory
Monde Land Inc.	MONDE	Sta. Rosa, Laguna	29,279	01-Nov-37	Renewable for 25 years	Factory
Monde Land Inc.	MONDE	Mandaue, Cebu	24,598	31-Jan-58	Renewable for 25 years	Factory
Rockwell Land Corporation	MONDE	Rockwell Center, Makati City	640 sq.m. office space, 9 parking lots	30-Apr-30	No automatic renewal	Office
Monde Land Inc.	MONDE	Brgy. Ilang, Davao City	42,153	01-Jan-37	Renewable for 25 years	Factory
Science Park of the Philippines, Inc.	MONDE	Malvar, Batangas	66,008	22-Jun-95	Automatic renewal of 25 years	Factory
Science Park of the Philippines, Inc.	MONDE	Malvar, Batangas	19,050	22-Jun-95	Automatic renewal of 25 years	Factory
Colorado Shipyard Corp.	MONDE	Mandaue, Cebu	1,605	10-Mar-30	Renewable for 10 years	Warehouse
Philippine Rigid Construction Corp.	MONDE	Mandaue, Cebu	1,605	10-Mar-30	Renewable for 10 years	Warehouse
Monde Rizal Properties, Inc.	MMYSC	Cainta, Rizal	36,977	01-Oct-51	Renewable for 25 years	Factory
Monde Rizal Properties, Inc.	MMYSC	Cainta, Rizal	32,735	01-Jul-52	Renewable for 25 years	Factory
Monde Rizal Properties, Inc.	MMYSC	Calamba, Laguna	66,573	01-Apr-27	Renewable for 10 years	Factory
Juan Miguel V. Yulo Enterprises	SMFC	Carmelray Industrial Park 1, Canlubang, Calamba City, Laguna	33,058	01-Jan-37	No automatic renewal	Factory
N&G Realty and Development Corporation	MONDE	Cagayan de Oro	3,000	31-May-25 <sup>2</sup>	No automatic renewal	Warehouse
Atlantic Grains Inc.	MONDE	Calaca, Batangas	11,890	15-Nov-74	Renewable for 25 years	Factory
Tipco Estates Corporation	MMYSC	Mabalacat, Pampanga	132,111	28-Feb-74	Renewable for 25 years	Warehouse

### Item 3. Legal Proceedings

The Group is not involved in any litigation, arbitration, or claims (including personal injuries, employee compensation or product liability claims) of material importance, and the Group is not aware of any litigation, arbitration, or claims of material importance pending or threatened against it that would have a material adverse effect on its business, financial condition, or results of operations.

### Item 4. Submission of Matters to a Vote of Security Holders

Except for matters taken up during the annual stockholders' meeting in 2025, there are no other matters submitted to a vote of security holders during the period covered by this report. The matters submitted to security holders' vote are reflected in the minutes of MONDE's 2025 annual stockholders' meeting, a copy of which is available on MONDE's website.

<sup>2</sup> The renewal lease agreement is pending execution.

**PART II - OPERATIONAL AND FINANCIAL INFORMATION**

**Item 5. Market for Issuer's Common Equity and Related Stockholder Matters**

Market Information

MONDE's common shares are listed with the PSE.

The high and low prices of MONDE's common shares for each quarter in 2025 are as follows:

Quarter	2025	
	High (in ₱)	Low (in ₱)
1 <sup>st</sup>	8.60	6.65
2 <sup>nd</sup>	8.12	6.60
3 <sup>rd</sup>	7.95	6.68
4 <sup>th</sup>	7.50	5.65

Holders

MONDE's Stock and Transfer Agent, BDO Unibank, Inc. – Trust and Investments Group – Securities Services (Stock Transfer) (“**STA**”) reports that there are twenty-five (25) stockholders of record as of December 31, 2025, ranked in terms of number of shareholdings, as follows:

	Name of Stockholder	Number of Shares Held	% of Total Shares Outstanding Held
1	Hartono Kweefanus	4,214,244,600	23.453
2	Betty T. Ang	3,265,920,000	18.176
3	PCD Nominee Corp. (Filipino)	2,543,600,066	14.156
4	PCD Nominee Corp. (Non-Filipino)	1,576,930,134	8.776
5	Henry Soesanto <sup>1</sup>	1,508,681,396	8.396
6	My Crackers, Inc.	1,228,611,496	6.838
7	Hoediono Kweefanus	948,324,600	5.278
8	Anna Roosdiana Darmono	765,897,600	4.262
9	Evelyn Darmono	765,897,600	4.262
10	Monica Darmono	765,897,598	4.262
11	AU Mountain Investments Corporation	381,060,000	2.121
12	Carousel Holdings, Inc.	3,000,000	0.017
13	David John Nicol	234,900	0.001
14	Edwin Lee Lapasaran Lim and/or Ma. Hope C. Lim	200,000	0.001
15	Cristobal S. Hautea	60,000	0.000
16	Tim Philipp Andy Koerber	25,000	0.000
17	Donnel Kelvin Tan Ong	20,000	0.000
18	Elvira M. Cruz or Bernardo A. Cruz	5,000	0.000
19	Glenn Maverick Almonte Ang	600	0.000
20	Jennifer T. Ramos	500	0.000
21	Ofelia R. Blanco	400	0.000
22	Nina Perpetua D. Aguas	2	0.000
23	Kataline Darmono	2	0.000
24	Anabelle L. Chua <sup>2</sup>	1	0.000
25	Ramon Felicisimo M. Lopez <sup>3</sup>	1	0.000
	<b>TOTAL</b>	<b>17,968,611,496</b>	<b>100.000</b>

<sup>1</sup> Mr. Henry Soesanto owns another 41,046,000 shares through PCD Nominee Corp. (Non-Filipino), which brings his total ownership percentage to 8.625%.

<sup>2</sup> Ms. Anabelle L. Chua owns another 20,000 shares through PCD Nominee Corp (Filipino).

<sup>3</sup> Mr. Ramon Felicisimo M. Lopez owns another 25,000 shares through PCD Nominee Corp (Filipino).

### Dividend Policy

The Board of Directors (the “**Board**”) is authorized to declare dividends only from MONDE’s unrestricted retained earnings, representing the net accumulated earnings of the Company, which have not been appropriated for any managerial, contractual, or legal purpose, and which are free for distribution to the shareholders as dividends. The amount of retained earnings available for declaration as dividends is determined pursuant to SEC regulations. The Board may not declare dividends which will impair capital. MONDE may pay dividends in cash, property, or by the issuance of shares of stock, subject to certain requirements. Cash and property dividends are subject to Board approval, while stock dividends, in addition to Board approval, require the approval of (1) stockholders representing at least two-thirds of the outstanding capital stock of the shareholders at a shareholders’ meeting called for such purpose, and (2) the SEC (in case stock dividends will be declared out of an increase in authorized capital stock).

In relation to foreign shareholders, dividends payable may not be remitted using foreign exchange sourced from the Philippine banking system unless the investment was first registered with the *Bangko Sentral ng Pilipinas* (“**BSP**”).

The Revised Corporation Code generally requires a Philippine corporation with retained earnings in excess of 100% of its paid-in capital to declare and distribute as dividends the amount of such surplus. Notwithstanding this general requirement, a Philippine corporation may retain all or any portion of such surplus in the following cases: (i) when justified by definite expansion projects or programs approved by the corporation’s board of directors; (ii) when the corporation is prohibited under any loan agreement with financial institutions or creditors, whether local or foreign, from declaring dividends without their consent, and such consent has not been secured; or (iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is need for special reserve for probable contingencies.

### Dividends

The following table sets out cash dividends declared by MONDE in the two most recent years:

<b>Declaration Date</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Dividend/ share (in ₱)</b>	<b>Total dividend (₱ in millions)</b>
April 10, 2024	May 10, 2024	June 5, 2024	0.12	2,156.23
November 6, 2024	December 2, 2024	December 27, 2024	0.14	2,515.61
March 26, 2025	April 25, 2025	May 22, 2025	0.15	2,695.29
November 4, 2025	December 4, 2025	January 7, 2026	0.16	2,874.98

MONDE maintains an annual dividend payment ratio of 60% of the preceding fiscal year’s net income after tax, subject to the requirements of applicable laws and regulations, capital expenditure requirements, compliance with loan covenants, and other circumstances which restrict the payment of dividends. In this connection, while there are certain dividend-related covenants undertaken by the Parent Company in its guarantee of certain loan obligations of its indirect subsidiary Quorn Foods, there are currently no pre-existing, subsisting, or foreseeable factual conditions (such as a relevant event of default) that restricts MONDE’s ability to declare dividends.

### Recent Sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction

There were no securities sold by MONDE within the past three (3) years that were not registered under the Securities Regulation Code.

## Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations as of December 31, 2025.

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

The Group's 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 are expected to continue to influence its results in the foreseeable future. Factors other than those discussed below could also significantly impact the Group's results of operations and financial condition in the future.

#### *Demand and Pricing*

The Group's results of operations are affected by consumer demand for its products, while pricing decisions also influence such demand. When determining its selling prices, the Group considers various factors, including, among others, prices of raw and packaging materials, taxes, fuel prices and other operating costs, distribution channels, and general economic conditions. The Group's portfolio includes consumer staples such as instant noodles, bread, biscuits, and culinary aids, as well as plant-based meat alternatives. While staple products have generally demonstrated resilience in both volume and value despite periods of high inflation, demand for meat alternatives, as an emerging category, has been more volatile, particularly amid inflationary pressures and cost-of-living challenges.

Demand for fast-moving consumer goods is price elastic in general, particularly among consumers in lower socio-economic segments where disposable income is limited. When prices increase or during periods of relatively weak economic performance, consumers tend to shift to lower-priced alternatives and reduce 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 innovating its products and strengthening its brands to enhance perceived value, improve taste and quality, and support sustained demand.

#### *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 changes in consumer tastes and preferences. A key factor in maintaining market share for the Group's product portfolios is the ability to continuously and successfully introduce new products and product extensions aligned with evolving 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 shifts, 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 the results of the Group.

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. To take advantage of the "premiumization" trend, particularly from the growing and rising middle class seeking higher quality and higher value products, the Group expanded its mass premium segment (the segment between premium and mainstream price points) by launching instant noodles with Asian flavors and instant pasta under the *Lucky Me!* brand and introducing *Monde Specials* as its mass premium packaged baked goods line offering high-quality baked products such as sponge cake, among other initiatives.

#### *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 multiple channels and touchpoints, including traditional media, digital platforms, in-store promotions, and brand activations.

Advertising enhances consumer awareness of the Group's products and brands, which, in turn, influences purchase decisions and, consequently, sales volumes. The Group believes that product differentiation and brand loyalty are achieved through its marketing and brand-building efforts; and that consumer preferences are the cumulative result of long-term brand exposure. 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 and comprise raw materials and packaging materials. Raw materials primarily consist of wheat/flour, palm oil, sugar, and coconut oil, as well as plant-based inputs such as glucose, free-range eggs, and other food ingredients. 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 and geopolitical tensions, natural disasters, regulatory changes, supplier disruptions, and logistics constraints.

Recent geopolitical developments, including ongoing conflicts in the Middle East, have contributed to heightened volatility in global energy markets and international shipping routes. These developments may result in increased fuel and freight costs, potential disruptions or delays in key shipping lanes, and tighter global supply conditions for certain commodities and packaging inputs. If sustained, these conditions could materially increase the Group's input and logistics costs and may adversely affect operating margins and production continuity.

The Group's profitability depends on its ability to manage fluctuations in commodities and input costs. Increases in raw material and packaging prices or supply shortages may raise production costs, disrupt operations, and reduce margins, while favorable movements may improve profitability. The Group mitigates these risks through operational synergies, supplier contracts, hedging, and diversification of sourcing.

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 affiliated grain import terminal which allows independent procurement of wheat on a 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.

While some parts of the cost increases are typically passed on to consumers, this may affect demand given the price sensitivity of the Group's consumer base. In certain cases, cost increases may not be fully passed on to protect volumes and market share, which could adversely affect margins and the Group's financial and operating performance.

### ***Product Mix***

The Group has a diversified product mix which primarily includes instant noodles, biscuits, and other fast-moving consumer products as well as plant-based meat alternatives under brands such as Quorn and Cauldron across frozen, chilled, deli, and snacking categories. 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 shifting consumer tastes and preferences.

The Group's main competitors for the instant noodle segment are domestic producers which compete on pricing and regional brands that offer different flavors and taste experiences. The biscuits and other fast-moving consumer product groups face competition from multinational, national, regional, and local 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. Accordingly, 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 also being exposed to global commodity markets, mainly those for agricultural goods and energy.

Government policies affecting key agricultural inputs, particularly sugar importation quotas and pricing regulations, may materially influence the Group's raw material costs and supply dynamics.

Global geopolitical tensions, particularly in the Middle East, may impact energy prices, inflation levels, and supply chain stability. These factors could indirectly impact consumer purchasing power, input costs, and the overall operating environment of the Group across its markets. If prolonged, such conditions could have a material adverse effect on the Group's sales mix, margins, and overall operating performance.

Demand for the Group's products is influenced by the broader economic environment and consumer income levels. While certain categories such as biscuits, beverages, and packaged cakes are more sensitive to income changes, the Group's core products including instant noodles and culinary aids are considered staples and are generally more resilient during economic downturns.

The Group also operates in Thailand and exports to other markets, exposing it to economic and political conditions in those jurisdictions. Global economic conditions may influence distributor behaviour and act more cautiously on new product launches and promotional spending, which could affect the Group's expansion plans. In addition, fluctuations in global shipping costs and availability may impact export growth and profitability.

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 APAC BFB's sales. In addition, seasonality varies across product types. Some of the APAC BFB'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. The Philippine national and local government also sources instant noodles and crackers, as staples in its relief goods packages, from the APAC BFB for distribution to the public. 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, 2025, 2024, 2023 and for the three years ended December 31, 2025, was derived from the Group's audited consolidated financial statements, prepared in accordance with Philippine Accounting Standards. 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 Before Tax, Core Income Before Tax Margin, Core Income (After Tax), Core Income (After Tax) 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 gains (losses) on guaranty asset, and other non-recurring income (expenses) NRI(E). In 2025, 2024 and 2023, NRE refers to SG&A NRE related to restructuring costs 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 Audited 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 twelve months ended December 31, 2025.

## I - SUMMARY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

### I.A CORE INCOME AFTER TAX RECONCILIATION

	in millions, except percentages									
	FY2025 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY2024 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY2023 (Audited)	% to Net Sales (in %)
<b>Core Net Sales</b>	86,483	100.0	3,363	4.0	83,120	100.0	2,950	3.7	80,170	100.0
Less: <b>Core Cost of Goods Sold</b>	57,665	66.7	3,235	5.9	54,430	65.5	(1,012)	(1.8)	55,442	69.2
<b>Gross Profit</b>	28,818	33.3	128	0.4	28,690	34.5	3,962	16.0	24,728	30.8
<b>Less: Core Sales, General &amp; Administrative (SGA) <sup>1</sup></b>	16,171	18.7	488	3.1	15,683	18.9	1,385	9.7	14,298	17.8
Other Income (Expense)										
Miscellaneous Income	49	0.1	29	145.0	20	–	(10)	(33.3)	30	0.1
Interest expense <sup>2</sup>	(258)	(0.3)	229	(47.0)	(487)	(0.6)	36	(6.9)	(523)	(0.7)
Foreign exchange gain/(loss) - net <sup>3</sup>	186	0.2	(13)	(6.5)	199	0.2	248	n/m	(49)	(0.1)
	(23)	–	245	(91.4)	(268)	(0.3)	274	(50.6)	(542)	(0.7)
<b>Core Income Before Tax</b>	12,624	14.6	(115)	(0.9)	12,739	15.3	2,851	28.8	9,888	12.3
Less: Provision for income tax <sup>4</sup>	2,922	3.4	(21)	(0.7)	2,943	3.5	681	30.1	2,262	2.8
<b>Core Income (After Tax)</b>	9,702	11.2	(94)	(1.0)	9,796	11.8	2,170	28.5	7,626	9.5
Less: Non-Controlling Interest	(16)	–	(20)	n/m	4	–	(6)	(60.0)	10	–
<b>Core Income (After Tax) at Ownership</b>	9,718	11.2	(74)	(0.8)	9,792	11.8	2,176	28.6	7,616	9.5

### I.B REPORTED INCOME AFTER TAX RECONCILIATION

	in millions, except percentages									
	FY2025 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY2024 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY 2023 (Audited)	% to Net Sales (in %)
<b>Core Income (After Tax)</b>	9,702	11.2	(94)	(1.0)	9,796	11.8	2,170	28.5	7,626	9.5
<b>Other income (expenses)</b>										
Fair Value gain on:										
Guaranty asset	(1,091)	(1.3)	1,558	(58.8)	(2,649)	(3.2)	(3,951)	n/m	1,302	1.6
Financial assets (FVTPL)	121	0.1	39	47.6	82	0.1	(11)	(11.8)	93	0.1
Foreign exchange gain (loss) <sup>5</sup>	(158)	(0.2)	16	(9.2)	(174)	(0.2)	(303)	n/m	129	0.2
Impairment (loss)/reversal	(59)	(0.1)	6,737	(99.1)	(6,796)	(8.2)	6,476	(48.8)	(13,272)	(16.6)
Miscellaneous income	252	0.3	8	3.3	244	0.3	8	3.4	236	0.3
	(935)	(1.1)	8,358	(89.9)	(9,293)	(11.2)	2,219	(19.3)	(11,512)	(14.4)
<b>Finance income (expense)</b>										
Finance Costs <sup>6</sup>	(189)	(0.2)	61	(24.4)	(250)	(0.3)	(92)	58.2	(158)	(0.2)
Finance Income	450	0.5	(129)	(22.3)	579	0.7	151	35.3	428	0.5
Derivative gain – net	35	–	(30)	(46.2)	65	0.1	44	n/m	21	–
	296	0.3	(98)	(24.9)	394	0.5	103	35.4	291	0.4
<b>Other non-recurring expenses (NREs)</b>										
Restructuring Costs in Meat Alternative	(318)	(0.4)	9	(2.8)	(327)	(0.4)	188	(36.5)	(515)	(0.6)
<b>Income Tax Provision <sup>7</sup></b>	(146)	(0.2)	(26)	21.7	(120)	(0.1)	(3,603)	n/m	3,483	4.3
<b>Reported net income (after tax)</b>	<b>8,599</b>	<b>9.9</b>	<b>8,149</b>	<b>1,810.9</b>	<b>450</b>	<b>0.5</b>	<b>1,077</b>	<b>n/m</b>	<b>(627)</b>	<b>(0.8)</b>

Note: See “Other Financial Data – reconciliation of PFRS and non-PFRS measures.”

n/m = not meaningful %

<sup>1</sup> 2023 to 2025 excludes Others SG&A NREs and impairment loss

<sup>2</sup> Recurring interest expense on Loans and Trust Receipts Payable

<sup>3</sup> Foreign exchange gain on U.S dollars balances for the Group’s natural hedge.

<sup>4</sup> Based on recurring income tax rate per entity.

<sup>5</sup> Excluding foreign exchange gain on USD reserves for the Group’s natural hedge (included in the Core Income calculation above)

<sup>6</sup> Excluding recurring interest expense on Loans and Trust Receipts Payable (included in the Core Income calculation above)

<sup>7</sup> 2023 mainly due to reduction in deferred tax liabilities (DTL) related to PPE and brand impairment in Meat Alternative; From 2023 to 2025 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 (after 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.

	in millions, except percentages					
	FY 2025 (Audited)	% to Total (in %)	FY 2024 (Audited)	% to Total (in %)	FY 2023 (Audited)	% to Total (in %)
<b>Net Sales</b>						
APAC BFB	72,824	84.2	69,528	83.6	65,942	82.3
<i>Growth vs. prior year</i>	4.7%		5.4%		12.6%	
Meat Alternative	13,659	15.8	13,592	16.4	14,228	17.7
<i>Growth vs. prior year</i>	0.5%		-4.5%		-4.3%	
<b>Total</b>	<b>86,483</b>	<b>100.0</b>	<b>83,120</b>	<b>100.0</b>	<b>80,170</b>	<b>100.0</b>
<b>Growth vs. prior year</b>	<b>4.0%</b>		<b>3.7%</b>		<b>9.2%</b>	
		% of Segment Net Sales (in %)		% of Segment Net Sales (in %)		% of Segment Net Sales (in %)
<b>Gross Profit</b>						
APAC BFB	25,317	34.8	25,773	37.1	21,715	32.9
Meat Alternative	3,501	25.6	2,917	21.5	3,013	21.2
<b>Total</b>	<b>28,818</b>	<b>33.3</b>	<b>28,690</b>	<b>34.5</b>	<b>24,728</b>	<b>30.8</b>
<b>Core Income (after tax) at Ownership</b>						
APAC BFB	10,022	13.8	10,596	15.2	8,582	13.0
Meat Alternative	(304)	(2.2)	(804)	(5.9)	(966)	(6.8)
<b>Total</b>	<b>9,718</b>	<b>11.2</b>	<b>9,792</b>	<b>11.8</b>	<b>7,616</b>	<b>9.5</b>
<b>Core EBITDA <sup>(1)</sup></b>						
APAC BFB	15,387	21.1	16,007	23.0	13,544	20.5
Meat Alternative	495	3.6	12	0.1	(4)	(0.0)
<b>Total</b>	<b>15,882</b>	<b>18.4</b>	<b>16,019</b>	<b>19.3</b>	<b>13,540</b>	<b>16.9</b>

Note: (1) See “Other Financial Data - Core EBITDA Reconciliation”

(2) FY2023 growth based on comparable 2022 after restatement of Meat Alternative 2022 sales due to IFRS-15 adjustment.

## RESULTS OF OPERATIONS

For the twelve months ended December 31, 2025, compared to the twelve months ended December 31, 2024.

### Net Sales

Consolidated net sales up by 4.0% to ₱86,483 million in full year (FY) 2025, driven by continued growth in APAC BFB domestic operations, largely from volume increases in biscuits and other categories, partially offset by the Meat Alternative segment, as category softness continues.

### APAC BFB

APAC BFB net sales increased by 4.7% to ₱72,824 million in FY 2025 largely driven by volume growth in biscuits and other categories. The domestic business sales (which accounts for 93.6% of total APAC BFB sales) improved by 5.4% in FY 2025, supported by solid volume growth in biscuits, cakes, and culinary. Biscuits volume growth was driven by successful campaigns and category growth, with Grahams becoming the second-largest biscuit brand in 2025. Solid growth in other categories continued to be driven by culinary and packaged cakes. Noodles showed some signs of recovery in Q4 as total Noodles volume grew by 2.9% versus prior quarter driven by the Instant Mami noodle segment. Meanwhile, international business (which accounts for 6% of total APAC BFB sales) declined by 5.3% on a constant currency basis in FY 2025.

### ***Meat Alternative***

Net sales in the Meat Alternative segment increased by 0.5% on a reported basis, and decreased by 2.9% on a constant currency basis to ₱13,659 million in FY 2025 as the year-on-year contraction continued to moderate. Q4 2025 sales grew year-on-year by 5.3% on a reported basis, and 0.3% on a constant currency basis on volumes that were down by 0.1% due to continuing positive trajectory driven by ongoing growth in UK retail snacking combined with relaunch of frozen ingredients and improving food service performance.

### ***Core Cost of Goods Sold***

Cost of goods sold increased by 5.9% to ₱57,665 million in FY 2025 due to sales volume growth and significant increases in the edible oil 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 ₱47,507 million in FY 2025 primarily due to higher sales volume and inflationary headwinds in edible oil ingredients which was partly softened by lower price of flour and cost management initiatives.

### ***Meat Alternative***

The cost of goods sold in the Meat Alternative segment decreased by 4.8% to ₱10,158 million in FY 2025 mainly due to lower input costs, lower inventory carrying costs, and overall benefits from supply chain transformation program.

### ***Gross Profit***

Gross profit in FY 2025 increased by 0.4% to ₱28,818 million. The decline in the APAC BFB segment was partly offset by continued recovery in the Meat Alternative segment.

### ***APAC BFB***

Gross profit for the APAC BFB segment declined year-on-year by 1.8% to ₱25,317 million. Gross margin decreased by 2.3% to 34.8% in FY 2025 due to increases in palm oil and coconut oil prices. Q4 2025 gross margin decline tapered to 0.9% due to pricing actions and early benefits of cost management initiatives.

### ***Meat Alternative***

Gross profit for the Meat Alternative segment increased by 20.0% to ₱3,501 million for FY 2025. Gross margin improved by 4.1% to 25.6% in FY 2025 driven by transformation benefits, lower inventory, lower input costs, and targeted selling price increases.

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

Sales, general and administrative expenses increased by 3.1% to ₱16,171 million in FY 2025, driven by higher spending across both APAC BFB and Meat Alternative segments. As a percentage of sales, FY 2025 SG&A slightly decreased by 0.2%, to 18.7%.

### ***APAC BFB***

SG&A in the APAC BFB segment increased by 3.5%, to ₱12,467 million in FY 2025. The increase was due to higher logistics costs driven by higher sales volume and salary inflation. SG&A, as a percentage of sales in FY 2025, reached 17.1%, which was 0.2% lower vs. FY 2024 due to lower marketing spend.

### ***Meat Alternative***

Core SG&A in the Meat Alternative segment increased by 1.8% to ₱3,704 million in FY 2025 mainly driven by higher marketing spend.

### ***Core Income (After Tax)***

Core income (after tax) decreased by 1.0% to ₱9,702 million in FY 2025 mainly due to impact of edible oil cost in APAC BFB segment.

### ***Non-Core Foreign Exchange Gain/Loss***

Non-Core foreign exchange (forex) loss decreased by 9.2% to ₱158 million in FY2025. The forex loss in 2025 was mainly attributable to accounts payable, trust receipts, and acceptance payable.

### ***Finance Income***

Finance income decreased by 22.3% to ₱450 million in FY 2025 mainly due to lower interest income from U.S dollar and peso-denominated market placements/time deposits.

### ***Derivative Gain***

The Group recorded a derivative gain of ₱35 million in FY 2025 compared to a derivative gain of ₱65 million in FY 2024. This is mainly due to lower actual interest received from non-deliverable cross-currency swap (CCS) agreement as of December 31, 2025.

### ***Fair value loss on guaranty asset***

The Group recorded a non-cash fair value loss on guaranty asset amounting to ₱1,091 million in FY2025, compared to a higher non-cash fair value loss of ₱2,649 million in FY 2024. FY 2025 loss was primarily driven by lower Monde stock price, dividend yield, adverse changes in the volatility of stock price of similar companies, and foreign exchange rates, in relation to MNSPL's recognized guaranty asset under the Top-Up Deed as at December 31, 2023.

### ***Impairment Loss (before tax)***

The Group recorded an impairment loss (before tax) amounting to ₱59 million in FY 2025 compared to ₱6,796 million in FY 2024 following the annual impairment assessment. 2025 impairment loss of ₱678 million mainly pertains to property, plant and equipment in APAC BFB with a value-in-use assessed at zero due to the absence of expected future cash inflow. This was partly offset by a partial reversal of impairment losses in the Meat Alternative segment amounting to ₱619 million driven by improved future cash flow projections. Meanwhile, the impairment in FY 2024 was primarily due to projected lower cash flows and further increase in the weighted average cost of capital in Meat Alternative business. The impairment loss was allocated to the value of property, plant and equipment (PPE) (₱2,953 million) and brand (₱3,872 million). *For more information, please see Note 3 of the Audited Consolidated Financial Statements.*

### ***Other Non-Recurring Expenses (NRE)***

Other non-recurring expenses decreased by 2.8%, to ₱318 million FY 2025. The NRE in FY 2024 pertains to organizational right-sizing in the Meat Alternative segment while FY 2025 pertains to additional restructuring and expenses related to supply chain transformation as part of the overall transformation program in the Meat Alternative segment.

### ***Income Before Income Tax***

FY 2025 income before income tax was at ₱11,667 million, from ₱3,512 million income in 2024. The significant increase was due to lower impairment and fair values losses in the Guaranty Assets in 2025 versus prior year as discussed in the foregoing.

### ***Total Income Tax Expense***

Total income tax expense increased from ₱3,062 million in 2024 to ₱3,067 million in 2025.

### ***Reported Net Income/Loss (after tax)***

As a result of the foregoing, the Group reported net income of ₱8,599 million in FY 2025 as compared to ₱450 million net income in FY 2024.

## **For the year ended December 31, 2024, compared to the year ended December 31, 2023**

### ***Net Sales***

Consolidated net sales up by 3.7% to ₱83,120 million in FY 2024 due to broad-based growth in different product categories and geographic markets in the APAC BFB segment despite continued difficulties in the Meat Alternative segment.

#### ***APAC BFB***

APAC BFB net sales increased by 5.4% to an all-time high of ₱69,528 million in FY 2024. The domestic business sales growth improved by 5.0% in FY 2024 driven by double-digit volume growth in other categories (beverage, culinary and packaged cakes) and modest single-digit volume growth in biscuits and noodles. Biscuits volume growth was supported by high single-digit growth in the second half of the year due to solid demand in *M.Y San Graham* crackers, successful marketing campaigns and supply improvement in *Skyflakes* crackers and *Nissin Butter Coconut*. Meanwhile, international business grew by 11.4%, on a constant currency basis, in FY 2024 primarily due to strong growth in biscuits and noodles.

#### ***Meat Alternative***

Net sales in the Meat Alternative segment decreased by 4.5% on a reported basis, and decreased by 9.3% on a constant currency basis to ₱13,592 million in FY 2024 because of continued category headwinds. Overall, UK and US sales declined on a constant currency basis by 9.6% and 14.1%, respectively, due to continued challenge in the retail market. Meanwhile, foodservice growth remains positive in the face of economic and market challenges, net sales up by 7.0% in FY 2024.

### ***Cost of Goods Sold***

Cost of goods sold decreased by 1.8% to ₱54,430 million in FY 2024 despite volume growth in APAC BFB primarily due to lower commodity costs across business segments.

#### ***APAC BFB***

The cost of goods sold in the APAC BFB segment decreased by 1.1% to ₱43,755 million in FY 2024 despite higher volume primarily due to lower average prices of flour, palm oil, and sugar. However, this was partly offset by the sharp increase in the prices of oil-based ingredients in the second half of the year.

### ***Meat Alternative***

The cost of goods sold in the Meat Alternative segment decreased by 4.8% to ₱10,675 million in FY 2024 mainly due to volume decline, lower raw material prices, and lower inventory obsolescences due to operational improvements resulting to reduced level of inventories.

### ***Gross Profit***

Gross profit increased by 16.0% to ₱28,690 million in FY 2024 due to solid improvement in APAC BFB despite being softened by the decline in the Meat Alternative segment.

### ***APAC BFB***

Gross profit for the APAC BFB segment increased by 18.7% to ₱25,773 million in FY 2024 primarily due to strong volume growth in all categories and lower average price of key ingredients, as discussed above.

### ***Meat Alternative***

Gross profit for the Meat Alternative segment decreased by 3.2% despite improvement in the raw materials and utility prices primarily due to lower volume.

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

Sales, general and administrative expenses increased by 9.7% to ₱15,683 million in FY 2024. The higher spending in the APAC BFB segment was partly offset by the lower spending in the Meat Alternative segment.

### ***APAC BFB***

SG&A in the APAC BFB segment increased by 15.3%, to ₱12,045 million in FY 2024. The increase was due to marketing reinvestment to support volume growth, salary inflation, and higher general admin expenses.

### ***Meat Alternative***

Core SG&A in the Meat Alternative segment decreased by 5.5%, to ₱3,638 million in FY 2024. This is mainly driven by a disciplined approach on various cost and organizational restructuring in view of continued topline challenges. Moreover, FY 2024 Core SG&A, as a percentage of sales, decreased by 0.3%, to 26.8%.

### ***Core Foreign Exchange (forex) Gains/ Loss***

Foreign exchange gain on U.S dollar in FY 2024 was at ₱199 million compared with a forex loss of ₱49 million in FY 2023. FY 2024 gains were due to an effective hedge program and strengthening of U.S dollar against the Philippine peso. USD to PhP closing exchange was at ₱55.385 in December 31, 2023 and ₱57.979 in December 31, 2024. FY 2024 forex gains on USD hedge was partially offset by forex loss on trust receipts and accounts payable transactions that are being reported under non-core forex gains/loss.

### ***Core Income (After Tax)***

Core income (after tax) significantly increased by 28.5% to ₱9,796 million in FY 2024, due to an all-time high result in APAC BFB.

### ***Non-Core Foreign Exchange Gain/Loss***

Non-Core foreign exchange (forex) loss in FY 2024 was ₱174 million. Meanwhile, in FY 2023 the Group recognized forex gain of ₱129 million. The forex loss in 2024 was mainly attributable to accounts payable, trust receipts, and acceptance payable.

### ***Finance Income***

Finance income increased by 35.3% to ₱579 million in FY 2024 mainly due to higher interest income from U.S dollar and peso-denominated market placements/time deposits.

### ***Derivative Gain (Loss)***

The Group recorded a derivative gain of ₱65 million in FY 2024 compared to a derivative gain of ₱21 million in FY 2023. This is mainly due to actual interest received from non-deliverable cross-currency swap (CCS) agreement as of December 31, 2024.

### ***Fair value loss on guaranty asset***

The Group recorded a fair value loss on guaranty asset amounting to ₱2,649 million in FY2024. This was primarily driven by adverse changes in the volatility of stock price of similar meat alternative companies, interest rates movements, and lower stock price of Monde, in relation to MNSPL's recognized a guaranty asset under the Top-Up Deed as at December 31, 2023.

### ***Impairment Loss (before tax)***

The Group recorded an impairment loss (before tax) amounting to ₱6,796 million in FY 2024 compared to ₱13,272 million in FY 2023 as a result of the annual impairment assessment. The impairments were made primarily on its Meat Alternative business following a review of the performance of the business, its future expectations, and overall current economic conditions in MNUKL. The additional impairment in 2024 was primarily due to projected lower cash flow and further increase in the weighted average cost of capital. The impairment loss was allocated to the value of property, plant and equipment (PPE) (₱2,953 million) and brand (₱3,872 million). Meanwhile, in 2023, the additional impairment loss in the Meat Alternative segment was allocated to the value of PPE (₱7,188 million) and brand (₱6,173 million). The goodwill and brand were acquired through business combinations. The brand intangible asset is under Marlow Foods Limited, which owns the *Quorn* and *Cauldron* brand. *For more information, please see Note 3 of the Audited Consolidated Financial Statements.*

### ***Other Non-Recurring Expenses (NRE)***

Other non-recurring expenses decreased by 36.5%, to ₱327 million FY 2024. The NRE in FY 2024 and 2023 pertains to organizational right-sizing in the Meat Alternative segment in view of continued category challenges.

### ***Income/Loss Before Income Tax***

In 2024, income before income tax was at ₱3,512 million, from ₱1,847 million loss in 2023. The 2024 result was mainly driven by improved operating performance for the year, partly offset by non-cash, non-operational impairment in the Meat Alternative business and a fair value loss on guaranty asset. Meanwhile, the 2023 loss was mainly due to non-cash, non-operational impairment in the Meat Alternative business.

### ***Total Income Tax Expense***

Total income tax expense increased from negative ₱1,221 million in 2023 to ₱3,062 million. The increase was due to increase in the current income tax expense due to higher taxable income in 2024 for APAC BFB. Meanwhile in 2023, the Group reported a negative deferred income tax amounting to ₱4,022 million primarily due to the reduction in the deferred tax liabilities (₱3,225 million) as a result of brand and PPE value impairment in the Meat Alternative segment.

In addition, the Group recognized adjustment in the deferred income tax amounting to ₱394 million. This was related to Corporate Interest Restrictions in MFL and MNUK.

### ***Reported Net Income/Loss (after tax)***

As a result of the foregoing, the Group reported net income of ₱450 million in FY 2024 as compared to ₱627 million net loss in FY 2023.

### **For the year ended December 31, 2023, compared to the year ended December 31, 2022**

#### ***Core Net Sales***

Consolidated net sales increased by 8.4% on a reported basis and 9.2% on a comparable basis to ₱80,170 million in FY 2023 due to broad-based growth across categories in APAC BFB, offsetting softness in the Meat Alternative.

#### ***APAC BFB***

APAC BFB net sales increased by 12.6% to ₱65,942 million in FY 2023 driven by solid performance in all geographic markets and categories. The domestic business grew by 11.9% in FY 2023 driven by broad-based volume growth across categories led by noodles and supported by carryover price actions from 2022 and the first half (1H) of 2023. Noodles volume have fully recovered from a temporary decline in Q3 2022 and market share in the Philippines reached 67.5% in Q4 2023. Meanwhile, international business grew by 23.3% on a reported basis and 21.6% at a constant currency basis in FY 2023 primarily due to strong growth in biscuits and noodles.

#### ***Meat Alternative***

Net sales in the Meat Alternative segment decreased by 7.6% on a reported basis, and decreased by 7.0% on a comparable and constant currency basis to ₱14,228 million in FY 2023 because of continued macro economic and category headwinds. Overall, UK and US sales declined on a comparable and constant currency basis by 6.8% and 29.4%, respectively, due to continuous challenge in the retail market. Meanwhile, foodservice growth remains positive in the face of economic and market challenges, net sales up by 6.0% in FY 2023 on a comparable basis.

#### ***Core Cost of Goods Sold***

Cost of goods sold increased by 9.2% to ₱55,442 million in FY 2023, primarily due to higher volume in APAC BFB and higher commodity costs accross business segments.

#### ***APAC BFB***

The cost of goods sold in the APAC BFB segment increased by 9.5% to ₱44,227 million in FY 2023, primarily due to higher sales volume and elevated prices of sugar and eggs in FY 2023, partly offset primarily by the lower prices of edible oil-based ingredients. However, the segment witnessed a positive impact due to decreased prices of wheat, palm oil, and other oil-based ingredients, particularly noticeable during second half of 2023, as the average prices were lower than the second half 2022 and the first half of 2023.

#### ***Meat Alternative***

The cost of goods sold in the Meat Alternative segment increased by 7.9% to ₱11,215 million in FY 2023 despite volume decline primarily due to elevated prices of key ingredients, partly offset by the decline in the average prices of utilities. Notably, while prices remain elevated, actual prices in the second half of 2023 and lock ins for 2024 are significantly lower than average prices in 2022 and the first half of 2023.

#### ***Core Gross Profit***

Gross profit increased by 6.8% on a reported basis and 9.3% on comparable basis to ₱24,728 million in FY 2023 due to solid improvement in APAC BFB, partly offset by the decline in the Meat Alternative segment.

### ***APAC BFB***

Gross profit for the APAC BFB segment increased by 19.6% to ₱21,715 million in FY 2023 primarily due to strong volume growth across categories supported by carry-over selling price increases at the backdrop of declining commodity prices in the second half of 2023.

### ***Meat Alternative***

Gross profit for the Meat Alternative segment decreased by 39.7% on a reported basis as FY 2022 includes certain payments to customers that were reported as part of selling expenses in 2022 and Q1 to Q3 2023 which were reclassified to sales deduction in Q4 2023. Based on comparable FY 2022, FY 2023 decreased by 32.6% to ₱3,013 million due to volume decline and effect of hyperinflationary environment on input costs.

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

Sales, general and administrative expenses decreased by 3.6% on a reported basis and at par with FY 2022 on a comparable basis to ₱14,298 million in FY 2023. The higher spending in the APAC BFB segment to support volume growth was partly offset by the lower spending in the Meat Alternative segment.

### ***APAC BFB***

SG&A in the APAC BFB segment increased by 7.8%, to ₱10,448 million in FY 2023. The increase was due to higher marketing, selling, transport, and other administrative expenses primarily to support growth and inflation. FY 2023 SG&A, as a percentage of sales, slightly decreased by 0.7% against FY 2022, to 15.8% in FY 2023.

### ***Meat Alternative***

SG&A in the Meat Alternative segment decreased by 25% on a reported basis as FY 2022 includes certain payments to customers that were reported as part of marketing expenses in 2022 and Q1 to Q3 2023 which were reclassified to contra-revenue in Q4 2023. Based on a comparable FY 2022, FY 2023 decreased by 16.4% to ₱3,850 million reflecting the benefits of cost control measures and restructuring in view of continued topline challenges. These resulted to lower spending on advertising and promotions, salaries and wages, and other operating expenses. Moreover, FY 2023 SG&A, as a percentage of sales, decreased by 3.9% on comparable basis, to 27.1%.

### ***Core Foreign Exchange (forex) Gains/ Loss***

Foreign exchange loss on U.S dollar in FY 2023 was at ₱49 million compared with forex gains of ₱571 million in FY 2022. FY 2023 forex loss on USD hedge was offset by forex gains on trust receipts, accounts payable transactions, and others that are being reported under non-core forex gain. FY 2022 gains were due to an effective hedge program amidst unprecedented strengthening of U.S dollar against the Philippine peso. USD to PhP closing exchange was ₱51.00 in December 31, 2021, ₱55.755 in December 31, 2022, and ₱55.385 in December 31, 2023.

### ***Core Income (After Tax)***

Core income (after tax) significantly increased by 15.7% to ₱7,626 million in FY 2023, due to an all-time high result in APAC BFB.

### ***Non-Core Foreign Exchange Gain/Loss***

Non-Core foreign exchange (forex) gains in FY 2023 was ₱130 million. The gains were mainly on accounts payable, trust receipts and acceptance payable. Meanwhile, in FY 2022, the Group recognized forex loss of ₱149 million.

### ***Finance Income***

Finance income increased by 187.2% to ₱428 million in FY 2023 mainly from U.S dollar and peso-denominated market placements/time deposits.

### ***Derivative Gain (Loss)***

The Group recorded a derivative gain of ₱21 million in FY 2023 compared to a derivative gain of ₱1,306 million in FY 2022. FY 2022 derivative gains pertain to unwinding of non-deliverable cross-currency swap (CCS) agreement entered last March 4, 2022, with the notional amount of ₱5,839.5 (£85.0) million. The CCS was used to hedge the Parent Company's exposure to the GBP foreign exchange risk on its investment in MNSPL and was designated as net investment hedge.

### ***Fair value gain on guaranty asset***

The Group recorded a fair value gain on guaranty asset amounting to ₱1,302 million in FY2023. This was related to the agreement ("Top-Up Deed") between MNSPL and MNSG Holdings Pte. Ltd. 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 as at December 31, 2023.

### ***Impairment Loss (before tax)***

The Group recorded an impairment loss (before tax) amounting to ₱13,272 million in FY 2023 compared to ₱21,374 million in FY 2022 as a result of the annual impairment assessment. The impairments were made primarily on its Meat Alternative business following a review of the performance of the business, its future expectations, and overall current economic conditions in MNUKL. In 2023, the additional impairment loss in Meat Alternative was allocated to the value of property, plant and equipment (PPE)(₱7,188 million) and brand (₱6,173 million). Meanwhile, in 2022, the impairment loss on the Meat Alternative business was allocated to the value of goodwill (₱16,501 million), brand (₱4,043 million), and PPE (₱620 million). The goodwill and brand were acquired through business combinations. The brand intangible asset is under Marlow Foods Limited, which owns the *Quorn* and *Cauldron* brand. Post acquisition, from 2015 to 2019, MNUKL achieved Net Sales CAGR growth of around 9.8% (in GBP), a significant improvement from previous owners. Moreover, the Meat Alternative segment consistently recorded a solid EBITDA between ₱1,899 million to ₱2,283 million from 2017 to 2020. However, unprecented macro headwinds and category headwinds, have put pressure on the top line and bottom line of the Meat Alternative segment. MNUKL's 2019 to 2023 Net Sales CAGR growth declined by negative 2% while Core EBITDA deteriorated to ₱1,471 million in FY 2021, ₱618 million in FY 2022, and neutral in FY2023 despite benefits from restructuring. In 2023, further deterioration in cash projection, discount rates, and projected capacity requirements resulted to additional impairment loss. *For more information, please see Note 3 of the Audited Consolidated Financial Statements.*

### ***Other Non-Recurring Expenses (NRE)***

Other non-recurring expenses increased by 15.5%, to ₱515 million FY 2023. The NRE in FY 2023 pertains to restructuring costs in the Meat Alternative segment. Meanwhile, FY 2022 NREs pertain to first tranche of restructuring costs (₱252 million) in the Meat Alternative, expenses related to global strategic alignment initiatives (₱129 million), and provision in Thailand due to selective EU recall (₱64 million).

### ***Losses Before Income Tax***

In 2023, loss before income tax was at ₱1,847 million, from ₱11,886 million loss in 2022. As discussed in the foregoing, 2022 and 2023 losses were mainly due to non-cash, non-operational impairment in Meat Alternative business.

### ***Total Income Tax Expense***

Total income tax expense decreased from ₱1,129 million in 2022 to negative ₱1,221 million in 2023. The decrease was due to year on year movement in the deferred income tax expense which offset the increase in the current income tax expense due to higher taxable income in 2023. In 2023, the Group reported a negative deferred income tax amounting to ₱4,022 million primarily due to the reduction in the deferred tax liabilities (₱3,225 million) as a result of brand and PPE value impairment in the Meat Alternative segment. In addition, the Group recognized adjustment in the deferred income tax amounting to ₱394 million. This was related to Corporate Interest Restrictions in MFL and MNUK. Meanwhile in 2022, the Group reported a negative deferred income tax amounting to ₱1,300 million primarily due to reduction in deferred tax liabilities as a result of the brand impairment, as discussed in the foregoing.

### ***Reported Net Loss (after tax)***

As a result of the foregoing, the Group reported net loss of ₱627 million in FY 2023 as compared to ₱13,015 million net loss in FY 2022.

## **STATEMENT OF FINANCIAL POSITION**

Financial condition as at December 31, 2025, compared to as at December 31, 2024.

### ***Current Assets***

The Group's current assets increased by 7.1%, from ₱33,927 million as at December 31, 2024 to ₱36,337 million as at December 31, 2025, driven by higher cash and cash equivalents, receivables, and prepayments and other current assets.

	December 31, 2025		December 31, 2024		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
<b>in millions, except percentages</b>						
Cash and cash equivalents	15,398	42	14,158	42	1,240	8.8
Trade and other receivables	8,401	23	7,710	23	691	9.0
Inventories	8,972	25	8,921	26	51	0.6
Prepayments and other current assets	1,756	5	1,326	4	430	32.4
Current financial assets	1,810	5	1,812	5	(2)	(0.1)
<b>Total Current Assets</b>	<b>36,337</b>	<b>100</b>	<b>33,927</b>	<b>100</b>	<b>2,410</b>	<b>7.1</b>

**Cash and cash equivalents** increased by 8.8%, from ₱14,158 million as at December 31, 2024 to ₱15,398 million as at December 31, 2025. Additional cash and cash equivalent of ₱1,240 million due to ₱11,332 million operating cash inflow, after payment for CapEx of ₱4,719 million, ₱2,695 million dividends, ₱2,541 million payment of loans, and ₱540 million additional pension funding.

**Trade and other receivable** increased by 9.0% as at December 31, 2025 to ₱8,401 million due to higher sales in Q4 and higher days sales outstanding (DSO). FY 2025 DSO was 34 days compared to 31 days in FY 2024.

**Prepayments and other current assets** increased by 32.4%, from ₱1,326 million as at December 31, 2024, to ₱1,756 million as at December 31, 2025, mainly due to downpayment for wheat purchases including ocean freight.

## Noncurrent Assets

The Group's noncurrent assets increased by 5.6%, from ₱44,159 million as at December 31, 2024, to ₱46,627 million as at December 31, 2025 mainly due to additional capital expenditures and impact of forex and reversal of previous impairment on meat alternative intangible assets.

	December 31, 2025		December 31, 2024		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
	in millions, except percentages					
Noncurrent receivables	1,432	3	1,320	3	112	8.5
Guaranty asset	7,711	17	8,129	18	(418)	(5.1)
Financial assets at FVOCI – Noncurrent	584	1	814	2	(230)	(28.3)
Investments in associates and joint ventures	1,117	2	1,134	3	(17)	(1.5)
Property, plant and equipment	27,309	59	25,507	58	1,802	7.1
Intangible assets	6,655	14	5,456	12	1,199	22.0
Deferred tax assets – net	962	2	1,008	2	(46)	(4.6)
Other noncurrent assets	857	2	791	2	66	8.3
<b>Total Noncurrent Assets</b>	<b>46,627</b>	<b>100</b>	<b>44,159</b>	<b>100</b>	<b>2,468</b>	<b>5.6</b>

**Noncurrent receivables** mainly pertains to an interest-bearing loan extended by KBT to third parties amounting to ₱1,145 million and interest-bearing noncurrent receivable in MNSPL.

**Guaranty asset** decreased to ₱7,711 million as at December 31, 2025, from ₱8,129 million as at December 31, 2024 due to additional fair value loss recognized in FY 2025 primarily driven by lower stock price of Monde, dividend yield, adverse changes in the volatility of stock price of similar companies, and foreign exchange rates.

	As at December 31, 2025, in millions
Guaranty asset:	
Beginning Balance	₱8,129
Fair value loss on guaranty asset	(1,091)
Cumulative translation adjustment	673
	<b>₱7,711</b>

**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 December 31, 2025, the fair value of FCG was based on quoted prices while the fair value of Terramino, Inc. approximates its transaction price.

**Property, plant and equipment** increased by 7.1% from ₱25,507 million as at December 31, 2024 to ₱27,309 million as at December 31, 2025. The increase from continued investments in improving capability, capacity and efficiency of the Group amounting to ₱4,719 million. APAC BFB's major investment in 2025 pertain to new production plant and warehouse in Mabalacat, Pampanga.

**Intangible assets** increased by 22.0% from ₱5,456 million as at December 31, 2024 to ₱6,655 million as at December 31, 2025 mainly due to foreign exchange translation, impairment reversal in MNUK due to higher projected cash outflow, and additional software purchases.

**Other noncurrent assets** increased by 8.3% from ₱791 million as at December 31, 2024 to ₱857 million as at December 31, 2025 mainly due to advances to suppliers and contractors.

### Current Liabilities

The Group's current liabilities increased by 10.9%, from ₱15,537 million as at December 31, 2024 to ₱17,234 million as at December 31, 2025, mainly due to dividends payable.

	December 31, 2025		December 31, 2024		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
in millions, except percentages						
Accounts payable and other current liabilities	12,441	72	12,550	81	(109)	(0.9)
Dividends Payable	2,875	16	-	-	2,875	n/m
Acceptances and trust receipts payable	1,040	6	1,608	10	(568)	(35.3)
Refund liabilities	298	2	379	2	(81)	(21.4)
Current portion of lease liabilities	93	1	78	1	15	19.2
Current portion of loans payable	47	-	364	2	(317)	(87.1)
Income tax payable	440	3	558	4	(118)	(21.1)
<b>Total</b>	<b>17,234</b>	<b>100</b>	<b>15,537</b>	<b>100</b>	<b>1,697</b>	<b>10.9</b>

**Dividends Payable** as at December 31, 2024, were nil and ₱2,875 as at December 31, 2025. The BOD approved the declaration cash dividends of ₱0.16 per share for stockholders of record date as at November 4, 2025. The dividends payable as at December 31, 2025 were paid in full on January 7, 2026.

**Acceptances and trust receipts payable** decreased by 35.3%, from ₱1,608 million as at December 31, 2024, to ₱1,040 million as at December 31, 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 21.4%, from ₱379 million as at December 31, 2024 to ₱298 million as at December 31, 2025. The provision was consistent with PFRS 15.

**Current portion of lease liabilities** increased by 19.2%, from ₱78 million as at December 31, 2024 to ₱93 million as at December 31, 2025 which mainly came from lease liabilities of MNUK and Parent Company.

**Current portion of loans payable** decreased by 87.1%, from ₱364 million as at December 31, 2024 to ₱47 million as at December 31, 2025 due to reclassification of portion of MNUKL's loans payable from current to noncurrent due to extension. Remaining current portion of loans pertains to short-term loans of Da Sun Holdings Pte. Ltd.

**Income tax payable** decreased by 21.1%, from ₱558 million as at December 31, 2024 to ₱440 million as at December 31, 2025 mainly due to decrease in Parent Company income tax payable.

### Noncurrent Liabilities

The Group's noncurrent liabilities decreased by 18.7%, from ₱7,011 million as at December 31, 2024 to ₱5,700 million as at December 31, 2025.

	December 31, 2025		December 31, 2024		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
in millions, except percentages						
Lease liabilities	2,465	43	2,522	36	(57)	(2.3)
Loans payable	1,591	28	2,842	41	(1,251)	(44.0)
Pension liability	912	16	1,285	18	(373)	(29.0)
Derivative liability	659	12	289	4	370	128.0
Deferred tax liabilities – net	38	1	32	-	6	18.8
Other noncurrent liabilities	35	-	41	1	(6)	(14.6)
<b>Total</b>	<b>5,700</b>	<b>100</b>	<b>7,011</b>	<b>100</b>	<b>(1,311)</b>	<b>(18.7)</b>

**Loans payable** decreased by 44.0%, from ₱2,842 million as at December 31, 2024 to ₱1,591 million as at December 31, 2025 mainly due to payment of MNUK loans.

**Pension liabilities** decreased by 29.0%, from ₱1,285 million as at December 31, 2024 to ₱912 million as at December 31, 2025 due to payment of contributions to the plan amounting to ₱540 million.

**Derivative liability** increased by 128.0% from ₱289 million as at December 31, 2024 to ₱659 million as at December 31, 2025 mainly due to higher cross currency swap and additional crude palm oil swap contract and mark to market adjustments.

**Deferred tax liabilities-net** increased by 18.8%, from ₱32 million as at December 31, 2024 to ₱38 million as at December 31, 2025 due to foreign exchange translation.

**Other noncurrent liabilities** decreased by 14.6% from ₱41 million as at December 31, 2024 to ₱35 million as at December 31, 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 8.1% from ₱55,538 million as at December 31, 2024 to ₱60,031 million as at December 31, 2025 due to recognition of the results of operations for FY 2025 net of higher dividends declared during the year.

**Financial condition as at December 31, 2024, compared to as at December 31, 2023.**

### *Current Assets*

The Group's current assets decreased by 6.0%, from ₱36,090 million as at December 31, 2023 to ₱33,927 million as at December 31, 2024 primarily due to payments of dividends, loans, and capital expenditures (CapEx).

	December 31, 2024		December 31, 2023		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
<i>in millions, except percentages</i>						
Cash and cash equivalents	14,158	42	16,679	46	(2,521)	(15.1)
Trade and other receivables	7,710	23	6,410	18	1,300	20.3
Inventories	8,921	26	9,187	25	(266)	(2.9)
Prepayments and other current assets	1,326	4	1,100	3	226	20.5
Current financial assets	1,812	5	2,714	8	(902)	(33.2)
<b>Total Current Assets</b>	<b>33,927</b>	<b>100</b>	<b>36,090</b>	<b>100</b>	<b>(2,163)</b>	<b>(6.0)</b>

**Cash and cash equivalents** decreased by 15.1%, from ₱16,679 million as at December 31, 2023 to ₱14,158 million as at December 31, 2024 due to payment of dividends, MNUK's loan, and Group capital expenditures.

**Trade and other receivable** increased by 20.3% as at December 31, 2024 to ₱7,710 million due to higher sales in Q4 2024.

**Prepayments and other current assets** increased by 20.5%, from ₱1,100 million as at December 31, 2023 to ₱1,326 million as at December 31, 2024 mainly due to downpayment for wheat purchases and downpayment for supply agreement for agricultural products in relation to the Group's new product "GoodNom".

**Current financial assets** decreased by 33.2% as at December 31, 2024 to ₱1,812 million mainly due to disposals of financial assets at FVTPL (net of additional investments in FY 2024).

## Noncurrent Assets

The Group's noncurrent assets decreased by 8.0%, from ₱48,005 million as at December 31, 2023 to ₱44,159 million as at December 31, 2024 due to additional impairment losses in the Meat Alternative segment and lower guaranty asset.

	December 31, 2024		December 31, 2023		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
in millions, except percentages						
Noncurrent receivables	1,320	3	–	–	1,320	n/m
Guaranty asset	8,129	18	10,432	22	(2,303)	(22.1)
Financial assets at FVOCI – Noncurrent	814	2	601	1	213	35.4
Investments in associates and joint ventures	1,134	3	1,125	2	9	0.8
Property, plant and equipment	25,507	58	25,155	52	352	1.4
Intangible assets	5,456	12	8,813	19	(3,357)	(38.1)
Deferred tax assets – net	1,008	2	937	2	71	7.6
Other noncurrent assets	791	2	942	2	(151)	(16.0)
<b>Total Noncurrent Assets</b>	<b>44,159</b>	<b>100</b>	<b>48,005</b>	<b>100</b>	<b>(3,846)</b>	<b>(8.0)</b>

**Noncurrent receivables** mainly pertains to an interest-bearing loan extended by KBT to third parties amounting to ₱1,145 million.

**Guaranty asset** decreased to ₱8,129 million as at December 31, 2024, from ₱10,432 million as at December 31, 2023 primarily driven by adverse impact of changes in stock price volatility of benchmarked companies, higher interest rate expense, and lower stock price of Monde.

	As at December 31, 2024, in millions
Guaranty asset:	
Beginning Balance	₱10,432
Fair value loss on guaranty asset	(2,649)
Cumulative translation adjustment	346
	<b>₱8,129</b>

**Financial assets at FVOCI** pertains to subscription to 820,268,295 common shares out of the unissued authorized capital stock of Figaro Coffee Group, Inc. (FCG) amounting to ₱820 million and subscription to 665,845 Series B Preferred Stock of Terramino, Inc., amounting to ₱109 million. FCG is a quoted security, as at December 31, 2024, the fair value of FCG was based on quoted prices while the fair value of Terramino, Inc. approximates its transaction price. The increase was due to quoted price of FCG from December 31, 2023, to December 31, 2024.

**Property, plant and equipment** increased by 1.4% from ₱25,155 million as at December 31, 2023 to ₱25,507 million as at December 31, 2024. The increase from continued investments in improving capability, capacity and efficiency of the Group amounting to ₱4,823 million was partly offset by impairment in the Meat Alternative segment amounting to ₱2,953 million. APAC BFB's major investment was on the construction of new manufacturing facility in Davao, purchase of various machineries, and 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.

**Intangible assets** decreased by 38.1% from ₱8,813 million as at December 31, 2023 to ₱5,456 million as at December 31, 2024 mainly due to the additional impairment on brand value under Marlow Foods Limited, which owns *Quorn* and *Cauldron*. For more information, please refer to the foregoing discussion of impairment loss for the period ended December 31, 2024.

**Deferred tax assets** increased by 7.6% from ₱937 million as at December 31, 2023 to ₱1,008 million as at December 31, 2024 mainly due to set-up of temporary differences from tax computation from Parent Company.

### Current Liabilities

The Group's current liabilities decreased by 12.4%, from ₦17,735 million as at December 31, 2023 to ₦15,537 million as at December 31, 2024 mainly due to payment of dividends.

	December 31, 2024		December 31, 2023		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
in millions, except percentages						
Accounts payable and other current liabilities	12,550	81	11,684	66	866	7.4
Acceptances and trust receipts payable	1,608	10	1,608	9	–	–
Refund liabilities	379	2	407	2	(28)	(6.9)
Current portion of loans payable	364	2	1,200	7	(836)	(69.7)
Current portion of lease liabilities	78	1	89	1	(11)	(12.4)
Dividends Payable	–	–	2,156	12	(2,156)	(100.0)
Income tax payable	558	4	591	3	(33)	(5.6)
<b>Total</b>	<b>15,537</b>	<b>100</b>	<b>17,735</b>	<b>100</b>	<b>(2,198)</b>	<b>(12.4)</b>

**Accounts payable and other current liabilities** increased by 7.4%, from ₦11,684 million as at December 31, 2023 to ₦12,550 million as at December 31, 2024 mainly due to increase in trade payables attributable to higher purchases and higher final income tax payable related to dividends declared.

**Refund liabilities** decreased by 6.9%, from ₦407 million as at December 31, 2023 to ₦379 million as at December 31, 2024. The provision was consistent with PFRS 15.

**Current portion of loans payable** decreased by 69.7%, from ₦1,200 million as at December 31, 2023 to ₦364 million as at December 31, 2024 mainly due to partial settlement of MFL's loan.

**Current portion of lease liabilities** decreased by 12.4%, from ₦89 million as at December 31, 2023 to ₦78 million as at December 31, 2024 due to the reclassification of portion of MNUKL's lease liabilities from current to noncurrent.

**Dividends Payable** as at December 31, 2023, at ₦2,156 million and nil as at December 31, 2024. The BOD approved the declaration of cash dividends of ₦0.12 per share for stockholders of record as of November 29, 2023, which was paid last January 11, 2024.

**Income tax payable** decreased by 5.6%, from ₦591 million as at December 31, 2023 to ₦558 million as at December 31, 2024 mainly due to decreased income tax payable of MNC and MMYSC.

### Noncurrent Liabilities

The Group's noncurrent liabilities decreased by 10.8%, from ₦7,862 million as at December 31, 2023 to ₦7,011 million as at December 31, 2024.

	December 31, 2024		December 31, 2023		Increase/Decrease	
	Audited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
in millions, except percentages						
Loans payable	2,842	41	3,734	47	(892)	(23.9)
Lease liabilities	2,522	36	2,594	33	(72)	(2.8)
Pension liability	1,285	18	1,007	13	278	27.6
Derivative liability	289	4	106	1	183	172.6
Deferred tax liabilities – net	32	–	382	5	(350)	(91.6)
Other noncurrent liabilities	41	1	39	1	2	5.1
<b>Total</b>	<b>7,011</b>	<b>100</b>	<b>7,862</b>	<b>100</b>	<b>(851)</b>	<b>(10.8)</b>

**Loans payable** decreased by 23.9%, from ₦3,734 million as at December 31, 2023 to ₦2,842 million as at December 31, 2024 due to the partial settlement of MFL's sterling term loan.

**Pension liabilities** increased by 27.6%, from ₦1,007 million as at December 31, 2023 to ₦1,285 million as at December 31, 2024 due to changes in the discount and salary increase rate assumptions.

**Derivative liability** increased by 172.6% from ₱106 million as at December 2023 to ₱289 million as at December 31, 2024 mainly due to mark to market adjustment for THB cross currency swap.

**Deferred tax liabilities-net** decreased by 91.6%, from ₱382 million as at December 31, 2023 to ₱32 million as at December 31, 2024 primarily due to application against deferred tax asset by MNUK due to the increase in tax losses and other deferred tax assets.

### *Equity*

The Group's total equity decreased by 5.1% from ₱58,498 million as at December 31, 2023 to ₱55,538 million as at December 31, 2024 due to the recognition of the results of operations for FY 2024 net of higher dividends declared during the year.

## 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 and dividend payments and CapEx requirements. The IPO proceeds were fully used up as at June 30, 2024. For the twelve months ended December 31, 2025, the Group's cash flows from operations were sufficient to provide for its operations, dividends, 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 year ended December 31, 2025, 2024, and 2023, should be read in conjunction with the statements of cash flows and notes included in the Audited Consolidated Financial Statements.

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

	<b>Twelve months Ended December 31,</b>		
	2025	2024	2023
	in millions		
Net cash flows provided by operating activities	11,332	13,037	13,291
Net cash flows used in investing activities	(4,899)	(5,097)	(4,749)
Net cash flows used in financing activities	(5,211)	(10,477)	(3,500)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,222</b>	<b>(2,537)</b>	<b>5,042</b>
Effect of Exchange Rate Changes on cash and cash equivalents	18	16	8
<b>Cash and cash equivalents at beginning of year</b>	<b>14,158</b>	<b>16,679</b>	<b>11,629</b>
<b>Cash and cash equivalents as at December 31</b>	<b>15,398</b>	<b>14,158</b>	<b>16,679</b>

### *Net cash flow provided by operating activities*

The net cash flows provided by operating activities were ₱11,332 million for the year ended December 31, 2025. Cash generated from operations (after adjusting for, among other things, depreciation, and amortization, and working capital changes) was ₱13,994 million. The Group generated cash from interest received amounting to ₱417 million and paid income taxes of ₱3,080 million.

The net cash flows provided by operating activities were ₱13,037 million for the year ended December 31, 2024. Cash generated from operations (after adjusting for, among other things, depreciation, and amortization, and working capital changes) was ₱15,866 million. The Group generated cash from interest received amounting to ₱569 million and paid income taxes of ₱3,398 million.

The net cash flows provided by operating activities were ₱13,291 million for the year ended December 31, 2023. Cash generated from operations (after adjusting for, among other things, depreciation, and amortization, and working capital changes) was ₱15,299 million. The Group generated cash from interest received amounting to ₱412 million and paid income taxes of ₱2,420 million.

#### ***Net cash flows used in investing activities***

The Group's net cash flows used in investing activities were ₱4,899 million for the year ended December 31, 2025. The cash outflow primarily for the Group's payments for CapEx of ₱4,719 million and intangible assets of ₱239 million. The net cash inflow pertaining to proceeds from termination of financial assets (net of avallment) ₱154 million.

The Group's net cash flows used in investing activities were ₱5,097 million for the year ended December 31, 2024. The cash outflow primarily for the Group's payments for CapEx of ₱4,823 million and loan extension amounting to ₱1,210 million. The net cash inflow pertaining to proceeds from termination of financial assets (net of avallment) ₱302 million and collection of loans amounting to ₱500 million.

The Group's net cash flows used in investing activities were ₱4,749 million for the year ended December 31, 2023. The cash outflow primarily for the Group's payments for CapEx of ₱3,641 million. The other cash outflow pertain to Parent company subscription to 820,268,295 common shares out of the unissued authorized capital stock of FCG amounting to ₱820 million and subscription to 665,845 Series B Preferred Stock of Terramino, Inc., amounting to ₱109 million.

#### ***Net cash flows used in financing activities***

The net cash flows used in financing activities were ₱5,211 million for the year ended December 31, 2025. The net cash outflow was primarily due to dividend payment amounting to ₱2,695 million and partial settlement of MNUK loan amounting to ₱2,541 million. The other cash outflow pertains to payment of lease liabilities (₱276 million) and interest expense (₱262 million).

The net cash flows used in financing activities were ₱10,477 million for the year ended December 31, 2024. The net cash outflow was primarily due dividend payment amounting to ₱6,828 million and partial settlement of MFL's sterling term loan amounting to ₱1,932 million (net of new avallment). The other cash outflow pertains to payment of lease liabilities (₱1,326 million) and interest expense (₱517 million).

The net cash flows used in financing activities were ₱3,500 million for the year ended December 31, 2023. The net cash outflow was primarily due to partial settlement of MFL's sterling term loan amounting to ₱2,705 million (net of new avallment). The other cash outflow pertains to payment of interest expense (₱453 million) and lease liabilities (₱333 million).

## 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, Core Income After Tax margin, Core EBITDA margin, and Interest rate coverage ratio

	As at December 31,		
	2025	2024	2023
Current ratio	2.11	2.18	2.03
Acid test ratio	1.49	1.52	1.42
Solvency ratio	0.55	0.56	0.55
Debt-to-equity ratio	0.38	0.41	0.44
Asset-to-equity ratio	1.39	1.41	1.44
	Twelve months Ended December 31,		
	2025	2024	2023
Core Net Sales Growth <sup>1</sup>	4.0%	3.7%	9.2%
Core Gross Margin	33.3%	34.5%	30.8%
Core Income After Tax margin (at ownership)	11.2%	11.8%	9.5%
Core EBITDA Margin	18.4%	19.3%	16.9%
Interest rate coverage ratio <sup>2</sup>	35.20	20.93	17.84

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

Financial ratios	Formula
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
Acid test ratio	$\frac{\text{Cash and cash equivalents} + \text{Current receivables} + \text{Current Financial Assets}}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Net income attributable to equity holders of the Company} + \text{Depreciation and amortization} + \text{Impairment Loss} - \text{FMV gain on guaranty asset}}{\text{Total liabilities}}$
Debt-to-equity ratio	$\frac{\text{Total liabilities (current + noncurrent)}}{\text{Equity attributable to equity holders of the Company}}$
Asset-to-equity ratio	$\frac{\text{Total assets (current + noncurrent)}}{\text{Equity attributable to equity holders of the Company}}$
2023 Interest rate coverage ratio <sup>1</sup>	$\frac{\text{Core EBITDA}}{\text{Finance Costs}}$
Net Sales Growth	$\frac{\text{Current period net sales} - \text{prior period net sales}}{\text{Prior period net sales}}$
Gross margin	$\frac{\text{Gross profit}}{\text{Net Sales}}$
Core EBITDA Margin	$\frac{\text{Core EBITDA}}{\text{Net Sales}}$
Core Income After Tax (at ownership)	$\frac{\text{Core Income after-tax at Ownership}}{\text{Net sales}}$

<sup>1</sup>Calculated based on comparable 2022 sales, after restatement of Meat Alternative sales due to IFRS-15 adjustment

<sup>2</sup>Calculation based on titan loan covenant's formula

## 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, warehouse, and machineries.

The table below sets out the Group's estimated 2026 CapEx plan and actual spend for the twelve months ended December 31, 2025, 2024, and 2023.

	Plan	Actual		
	2026	2025	2024	2023
	(in ₱ millions)			
Property, Plant and Equipment				
APAC BFB	6,543	3,838	4,120	2,610
Meat Alternative	988	881	703	1,031
<b>Total Property, Plant and Equipment</b>	<b>7,531</b>	<b>4,719</b>	<b>4,823</b>	<b>3,641</b>
Right-of-Use (ROU) Assets				
APAC BFB	–	47	1,077	–
Meat Alternative	–	14	18	21
<b>Total ROU Assets</b>	<b>–</b>	<b>61</b>	<b>1,095</b>	<b>21</b>
<b>Total</b>	<b>7,531</b>	<b>4,780</b>	<b>5,918</b>	<b>3,662</b>

In 2025 for APAC BFB, major CapEx was primarily on new production capability, initial investment related to capacity expansion, operational efficiencies, and investment in system to support the Group. Major CapEx pertains to new plant in Mabalacat, Pampanga and new bakery line. In 2024, for APAC BFB, major CapEx was primarily on capacity expansion in Davao and Thailand, acquisition of building and machineries from Atlantic Grains Inc. for additional flour processing capability, and operational efficiencies. In addition, ROU assets for 2025 pertains to 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 primarily for capacity expansion. Meanwhile, in 2023, the Group's major CapEx in its APAC BFB segment was primarily for the construction of new bakery manufacturing lines for additional capacity and capability and investment in various machineries to improve operational efficiencies.

In 2025, Meat Alternative investment were primarily related to operational efficiencies. In 2024 and 2023, for Meat Alternative, investments were primarily for fermentation, long life paste design, research and development, and other capabilities.

2026 capital plan to focus on building capacity and capability in APAC BFB.

No assurance can be given that the Group's capital expenditure plan will not change or that the amount of the capital expenditures for any project or as a whole will not change in future years from current expectations.

## 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:

	Twelve Months Ended December 31, 2025			Non-PFRS Reported
	PFRS Reported	Non-PFRS Adjustments APAC BFB	Meat Alternative	
		(in ₪ millions)		
<b>NET SALES</b>	86,483	-	-	86,483
<b>Less: COST OF GOODS SOLD</b>	57,665	-	-	57,665
<b>GROSS PROFIT</b>	28,818	-	-	28,818
<b>Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES</b>				
Impairment loss – Net	59	(678)	619	-
General and administrative expenses	8,176	-	(318)	7,858
Selling expenses	8,313	-	-	8,313
	16,548	(678)	301	16,171
<b>Core Other Income/(Expense)</b>				
Miscellaneous Income	-	49	-	49
Interest Expense – Orchid + Trust Receipts	-	(258)	-	(258)
Forex gains on USD Stockpile	-	186	-	186
	-	(23)	-	(23)
<b>CORE INCOME BEFORE TAX</b>	12,270	655	(301)	12,624
<b>OTHER INCOME (CHARGES)</b>				
Loss on Change in FV of Guaranty Asset	(1,091)	-	-	(1,091)
Foreign exchange gain (loss) – net	28	(186)	-	(158)
Share in net earnings of an associate	30	-	-	30
Market valuation gain on financial instruments at fair value through profit or loss	121	-	-	121
Miscellaneous + dividend Income	270	(49)	-	221
	(642)	(235)	-	(877)
<b>INCOME BEFORE FINANCE INCOME (EXPENSES)</b>	11,628	420	(301)	11,747
<b>FINANCE INCOME (EXPENSES)</b>				
Finance Income	450	-	-	450
Finance Costs	(447)	258	-	(189)
Derivative gain	35	-	-	35
	38	258	-	296
<b>Other Non-Recurring Expenses</b>				
Impairment Reversal/(Loss) -Net	-	(678)	619	(59)
Restructuring costs in MNUKL	-	-	(318)	(318)
	-	(678)	301	(377)
<b>INCOME BEFORE INCOME TAX</b>	11,666	-	-	11,666
<b>PROVISION FOR CURRENT INCOME TAX</b>				
Current	2,961	-	-	2,961
Deferred	106	-	-	106
<b>PROVISION FOR CURRENT INCOME TAX</b>	3,067	-	-	3,067
<b>NET INCOME FROM CONTINUING OPERATIONS</b>	8,599	-	-	8,599

	2024			Non-PFRS Reported
	PFRS Reported	Non-PFRS Adjustments		
		APAC BFB	Meat Alternative	
	(in ₱ millions)			
NET SALES	83,120	-	-	83,120
Less: COST OF GOODS SOLD	54,430	-	-	54,430
GROSS PROFIT	28,690	-	-	28,690
Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Impairment loss – Net	6,796	29	(6,825)	-
General and administrative expenses	8,353	-	(327)	8,026
Selling expenses	7,657	-	-	7,657
	22,806	29	(7,152)	15,683
Core Other Income/(Expense)				
Miscellaneous Income	-	-	20	20
Interest Expense – Orchid + Trust Receipts	-	(487)	-	(487)
Forex gains on USD Stockpile	-	199	-	199
	-	(288)	20	(268)
CORE INCOME BEFORE TAX	5,884	(317)	7,172	12,739
OTHER INCOME (CHARGES)				
Loss on Change in FV of Guaranty Asset	(2,649)	-	-	(2,649)
Foreign exchange gain (loss) – net	25	(199)	-	(174)
Share in net earnings of an associate	56	-	-	56
Market valuation gain on financial instruments at fair value through profit or loss	82	-	-	82
Miscellaneous + dividend Income	208	-	(20)	188
	(2,278)	(199)	(20)	(2,497)
INCOME BEFORE FINANCE INCOME (EXPENSES)	3,606	(516)	7,152	10,242
FINANCE INCOME (EXPENSES)				
Finance Income	579	-	-	579
Finance Costs	(739)	487	-	(252)
Derivative gain	66	-	-	66
	(94)	487	-	393
Other Non-Recurring Expenses				
Impairment Reversal/(Loss) -Net	-	29	(6,825)	(6,796)
Restructuring costs in MNUKL	-	-	(327)	(327)
	-	29	(7,152)	(7,123)
INCOME BEFORE INCOME TAX	3,512	-	-	3,512
PROVISION FOR CURRENT INCOME TAX				
Current	3,365	-	-	3,365
Deferred	(303)	-	-	(303)
PROVISION FOR CURRENT INCOME TAX	3,062	-	-	3,062
NET INCOME FROM CONTINUING OPERATIONS	450	-	-	450

	2023			Non-PFRS Reported
	PFRS Reported	Non-PFRS Adjustments		
		APAC BFB	Meat Alternative	
	(in ₱ millions)			
NET SALES	80,170	-	-	80,170
Less: COST OF GOODS SOLD	55,442	-	-	55,442
GROSS PROFIT	24,728	-	-	24,728
Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Impairment loss - Net	13,272	89	(13,361)	-
General and administrative expenses	7,775	-	(439)	7,336
Selling expenses	7,038	-	(76)	6,962
	28,085	89	(13,876)	14,298
Core Other Income/(Expense)				
Miscellaneous Income	-	-	30	30
Interest Expense – Orchid + Trust Receipts	-	(523)	-	(523)
Forex loss on USD Stockpile	-	(49)	-	(49)
	-	(572)	30	(542)
CORE INCOME BEFORE TAX	(3,357)	(661)	13,906	9,888
OTHER INCOME (CHARGES)				
Gain on Change in FV of Guaranty Asset	1,302	-	-	1,302
Foreign exchange gain (loss) - net	80	49	-	129
Share in net earnings of an associate	36	-	-	36
Market valuation gain on financial instruments at fair value through profit or loss	93	-	-	93
Miscellaneous + dividend Income	230	-	(30)	200
	1,741	49	(30)	1,760
INCOME BEFORE FINANCE INCOME (EXPENSES)	(1,616)	(612)	13,876	11,648
FINANCE INCOME (EXPENSES)				
Finance Income	428	-	-	428
Finance Costs	(681)	523	-	(158)
Derivative gain	21	-	-	21
	(232)	523	-	291
Other Non-Recurring Expenses				
Impairment Reversal/(Loss) -Net	-	89	(13,361)	(13,272)
Restructuring costs in MNUKL	-	-	(515)	(515)
	-	89	(13,876)	(13,787)
INCOME BEFORE INCOME TAX	(1,848)	-	-	(1,848)
PROVISION FOR CURRENT INCOME TAX				
Current	2,801	-	-	2,801
Deferred	(4,022)	-	-	(4,022)
PROVISION FOR CURRENT INCOME TAX	(1,221)	-	-	(1,221)
NET INCOME FROM CONTINUING OPERATIONS	(627)	-	-	(627)

## II. EBITDA Reconciliation

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

	For the twelve months ended December 31, 2025		
	(Audited)		
	APAC BFB	Meat Alternative	Total
	(in ₱ millions)		
Income before Income Tax	12,775	(1,107)	11,668
Finance Costs	243	204	447
Finance Income	(407)	(43)	(450)
EBIT	12,611	(946)	11,665
Derivative Gain	(29)	(6)	(35)
Foreign Exchange (Gain)/Loss	(29)	1	(28)
Gain Change in FV of Guaranty Asset	-	1,091	1,091
Restructuring costs in MNUKL	-	318	318
Impairment (Reversal)/Loss	678	(619)	59
Dividend Income	(15)	-	(15)
Depreciation and Amortization Expense	2,171	656	2,827
<b>EBITDA</b>	<b>15,387</b>	<b>495</b>	<b>15,882</b>

For the twelve months ended December 31, 2024  
(Audited)

	APAC BFB	Meat Alternative	Total
	(in ₱ millions)		
<b>Income before Income Tax</b>	14,316	(10,804)	3,512
Finance Costs	371	367	738
Finance Income	(507)	(72)	(579)
<b>EBIT</b>	<b>14,180</b>	<b>(10,509)</b>	<b>3,671</b>
Derivative Gain	(64)	(1)	(65)
Foreign Exchange (Gain)/Loss	(34)	9	(25)
Gain Change in FV of Guaranty Asset	-	2,649	2,649
Restructuring costs in MNUKL	-	327	327
Impairment (Reversal)/Loss	(29)	6,825	6,796
Dividend Income	(22)	-	(22)
Depreciation and Amortization Expense	1,976	712	2,688
<b>EBITDA</b>	<b>16,007</b>	<b>12</b>	<b>16,019</b>

For the twelve months ended December 31, 2023  
(Audited)

	APAC BFB	Meat Alternative	Total
	(in ₱ millions)		
<b>Income before Income Tax</b>	11,922	(13,769)	(1,847)
Finance Costs	241	441	682
Finance Income	(395)	(33)	(428)
<b>EBIT</b>	<b>11,768</b>	<b>(13,361)</b>	<b>(1,593)</b>
Derivative Gain	(21)	-	(21)
Foreign Exchange (Gain)/Loss	(61)	(20)	(81)
Gain Change in FV of Guaranty Asset	-	(1,302)	(1,302)
Restructuring costs in MNUKL	-	515	515
Impairment (Reversal)/Loss	(89)	13,361	13,272
Dividend Income	(22)	-	(22)
Depreciation and Amortization Expense	1,969	803	2,772
<b>EBITDA</b>	<b>13,544</b>	<b>(4)</b>	<b>13,540</b>

### III. FINANCIAL LIABILITIES

The following table summarizes the Group's financial liabilities as at December 31, 2025 and 2024.

	2025					Total
	In ₱, in millions					
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	
<b>Financial Liabilities</b>						
Accounts payable and other current liabilities*	1,286	10,214	108	-	-	11,608
Dividends payable	-	2,875	-	-	-	2,875
Loans payable**	-	62	55	1,733	-	1,850
Acceptance and trust receipts payable	-	-	1,040	-	-	1,040
Refund liabilities	-	298	-	-	-	298
Lease liabilities	-	69	190	977	7,176	8,412
	1,286	13,518	1,393	2,710	7,176	26,083

	2024					Total
	(In ₱ millions)					
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	
<b>Financial Liabilities</b>						
Accounts payable and other current liabilities*	2,693	8,822	8	-	-	11,523
Loans payable**	-	46	2,242	1,164	-	3,452
Acceptance and trust receipts payable	-	-	1,609	-	-	1,609
Refund Liabilities	-	379	-	-	-	379
Lease liabilities	-	63	182	979	7,356	8,580
	2,693	9,310	4,041	2,143	7,356	25,543

\* Excluding statutory payables

\*\* including interest payable up to maturity

## Off-Balance Sheet Arrangements

As at December 31, 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 26 to Audited 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 December 31, 2025, 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 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 ₱2,179.1 million, ₱1,843.6 million and ₱2,055.4 million, as at 2025, 2024 and 2023, respectively.

## OTHER MATTERS

### Commodity Prices and Other Input costs

The Company continues to monitor commodity prices in the global and local markets particularly for our key input costs on our two business segments:

- For APAC BFB business, the Parent Company has partially secured the prices of estimated requirements for wheat and palm oil until Q4 2026. Meanwhile, MNC and MMYSC have partially secured the prices of coconut oil until Q2 2026. The segment also entered a supply contract that secured the generation costs of seven out of nine production plants in the Philippines until June 2027.
- For our Meat Alternative business segment, MFL has secured the prices of glucose and egg albumen until end of Q4 2026 and secured the electricity costs of two out of three production plants in United Kingdom.

### Impact of Middle East Conflict

Ongoing geopolitical tensions, including the conflict in the Middle East, have contributed to global economic uncertainty, fuel and commodity price volatility, and inflationary pressures, which may affect consumer purchasing power and demand. While certain product categories are more sensitive to changes in consumer income levels, the Group's core products are generally considered essential and have historically shown greater resilience during periods of economic uncertainty. The Group may also experience cost pressures from increases in raw materials, packaging, freight, and labor costs. The Group continues to manage these risks through operational efficiencies, supplier arrangements, hedging, and diversified sourcing.

Management has assessed the situation and determined that the conflict constitutes a non-adjusting event under *PAS 10, Events after the Reporting Period*, as it does not provide evidence of conditions existing at the reporting date. As of April 10, 2026, the potential future financial impact on the Group's operations cannot yet be reliably estimated.

### Dividend Declaration

On March 25, 2026, the BOD approved the declaration of regular cash dividends of ₱0.24 per common share to stockholders of record as of April 24, 2026, payable on or before May 21, 2026.

### Others

There are no unusual items regarding the nature and amount affecting assets, liabilities, equity, net income, or cash flows, except those stated in the 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.

	Twelve months average			Closing Rate		
	For the period ended December 31,			As at December 31,		
	2025	2024	2023	2025	2024	2023
1GBP	75.8172	73.2263	69.1980	79.3325	72.8477	70.609
1USD	57.5121	57.2925	55.6502	58.9500	57.9790	55.385

## Item 7. Financial Statements

The (i) Consolidated Audited Financial Statements and Supplementary Schedules, and the (ii) Parent Company's (*i.e.*, MONDE's) Audited Financial Statements and Supplementary Schedules, are filed as an integral part of this report.

## Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

MONDE has engaged the services of SyCip Gorres Velayo & Company ("**SGV & Co.**") as external auditor during the five most recent calendar years. There were no disagreements with SGV & Co. on any matter of accounting and financial disclosure.

### Information on Independent Public Accountant

- a. The Board, upon the recommendation of its Audit Committee (comprising Independent Directors), approved the engagement of SGV & Co. as independent auditor for 2025 based on SGV & Co.'s qualifications and track record. Remuneration was fixed at ₱16,970,000.00, exclusive of value-added taxes. Stockholder approval for SGV & Co.'s engagement was secured on June 27, 2025.
- b. Representatives of SGV & Co. for the current year and for the most recently completed fiscal year are expected to be present at MONDE's annual stockholders' meeting. They will have the opportunity to make such statements relevant to their role as external auditor if they desire to do so, and are expected to be available to respond to appropriate questions.

Pursuant to the General Requirements of Revised SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), the external auditor's Partner-in-Charge for audit years 2024 to 2025 is Mr. Roel E. Lucas. Ms. Editha V. Estacio was the Partner-in-Charge for the audit years 2020 to 2023.

### External Audit Fees and Services

Fees billed for the professional services rendered by the external auditor for the last three completed calendar years are as follows:

Year	Audit and Audit-Related Fees (in ₱)
2025	18,560,952.68
2024	23,559,516.78
2023	23,766,791.00

SGV & Co. performs year end audits, as well as other audit-related services for compliance purposes. The total amount of fees paid to SGV & Co. for (i) audit and (ii) audit-related services for the year 2025 is ₱18,560,952.68, broken down as follows: (a) audit fees of ₱16,970,000.00 for the audit of MONDE's and its subsidiaries' year-end financial statements for the period ended December 31, 2025; and (b) audit-related fees of ₱1,590,952.68 for tax services relating to the Bureau of Internal Revenue's Revenue Regulations No. 9-2025, general tax consultancy services, and tax updates trainings / seminar.

The Board's Audit Committee has an existing policy to review and to pre-approve the audit and non-audit services rendered by the independent external auditor. MONDE is proscribed from engaging the independent auditor for certain non-audit services which are expressly prohibited by prevailing SEC regulations to be performed by an independent auditor for its audit clients. This is to ensure that the independent auditor maintains the highest level of independence from the Company, both in fact and appearance.

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 9. Directors and Executive Officers of the Issuer

#### (a) Information Required of Directors and of Executive Officers

##### (1) Directors and Executive Officers

In accordance with MONDE's Amended By-Laws, a MONDE Director holds office for one (1) year or until his/her successor's election and qualification.

The following Directors were elected during the June 2025 annual stockholders' meeting, to serve for a 1-year term:

Hartono Kweefanus, Chairperson Emeritus  
Kataline Darmono, Chairperson  
Hoediono Kweefanus, Vice-Chairperson  
Betty T. Ang  
Henry Soesanto  
Monica Darmono  
Nina Perpetua D. Aguas, Lead Independent Director  
Anabelle L. Chua, Independent Director  
Ramon Felicisimo M. Lopez, Independent Director

The below sets forth a summary of the qualifications and personal data of the Directors as of December 31, 2025:

**Mr. Hartono Kweefanus**, Indonesian, 76 y.o., Chairperson Emeritus. Also: chairman of the board of Monde M.Y. San Corporation, PT Khong Guan Biscuit Indonesia, KBT International Holdings, Inc., and Suntrak Corporation; director of Monde Land, Inc., Monde Nissin Singapore Pte. Ltd., Monde Nissin International Investments Ltd., Monde Nissin Holdings (Thailand) Ltd., Monde Nissin New Zealand Limited, Monexco International Ltd., Monde Nissin (Thailand) Co., and Da Sun Holdings Pte. Ltd. Graduated from Nanyang University, Singapore, majoring in Industrial and Business Management. Mr. Kweefanus has been a MONDE Director for 46 years.

**Ms. Kataline Darmono**, Indonesian, 47 y.o., Chairperson of the Board. Also: member, board of PT Wahana Mekar Lestari and PT Khong Guan Biscuit Indonesia. Received her Bachelor of Arts, majoring in Finance, from Lehigh University, Pennsylvania, USA, and her Master of Business Administration from Pepperdine University, California, USA. Joined MONDE as Non-Executive Director on April 12, 2021.

**Mr. Hoediono Kweefanus**, Indonesian, 74 y.o., Vice Chairperson. Also: president and director of P.T. Nissin Biscuit and P.T. Monde Makkota; Vice-Chairman of KBT International Holdings, Inc., director of Monde Nissin Singapore Pte. Ltd., Monde Nissin International Investments Ltd., Monde Nissin Holdings (Thailand) Ltd., Monde Nissin New Zealand Limited, Monexco International Ltd., Monde Nissin (Thailand) Co. Ltd., Da Sun Holdings Pte. Ltd., and Sun Operation Company Limited. Graduated from Nanyang University Singapore with a Bachelor of Commerce degree. Mr. Kweefanus has been a MONDE Director for 13 years.

**Ms. Betty T. Ang**, Filipino, 71 y.o., President. Also a director of Suntrak Corporation. Graduated from Assumption College with a Bachelor of Science in Commerce, majoring in Business Management. Ms. Ang has been MONDE's President and Director for more than 46 years, being with the Company since its incorporation on May 23, 1979.

**Mr. Henry Soesanto**, Indonesian, 74 y.o., Executive Vice-President, and Chief Executive Officer. Also: president of Monde M.Y. San Corporation, Chairman of the Board of Sarimonde Foods Corporation, All Fit & Popular Foods, Inc. and Monde Nu-Agri Corporation; and director of Monde Land, Inc., Monde

Nissin Singapore Pte. Ltd., Monde Nissin UK Ltd., Monde Nissin International Investments Ltd., Monde Nissin Holdings (Thailand) Ltd., Monde Nissin New Zealand Limited, Suntrak Corporation, KBT International Holdings, Inc., Monexco International Ltd., Monde Nissin (Thailand) Co. Ltd., Da Sun Holdings Pte. Ltd., Sun Operation Company Limited, and Amico Innovations, Inc. Also treasurer and director at Monde Malee Beverage Corporation. Graduated from the Institute of Technology, Surabaya, Indonesia with a Bachelor of Science, majoring in Chemical Engineering, and a Master of Science in Chemical Engineering, and finished US-based eCornell University's Plant-Based Nutrition Certificate Program. Mr. Soesanto has been a MONDE Director for 36 years, and had been with the Company for 44 years.

**Ms. Monica Darmono**, Indonesian, 71 y.o., Treasurer. Also: treasurer and director of KBT Holdings, Inc.; and director at Monexco International Ltd., Monde Malee Beverage Corporation, and Amico Innovations, Inc. Graduated from the Standard College of Singapore with a Bachelor of Science, majoring in Accounting. Ms. Darmono has been a MONDE Director for 20 years.

**Ms. Nina Perpetua D. Aguas**, Filipino, 73 y.o.; Lead Independent Director. Also currently executive chairperson of Insular Life Assurance Co.; chairman of Insular Healthcare, Inc.; chairman and trustee of Insular Foundation; director of Unionbank of the Philippines, and Shell Pilipinas Corporation; and senior advisor and co-founder of Ascort Asia Group – Indonesia. Formerly, independent director of Megawide Construction Corporation; chairman of the Bank of Florida; member of the World Bank Group's Advisory Council on Gender and Development, and The Philippine Stock Exchange's Market Integrity Board; director of City Savings Bank, Philippine Life Insurance Association, Shell Company of the Philippines, Ltd., Insurance Institute for Asia & the Pacific, and Mapfre Insular Insurance Corporation; CEO and Independent Board Trustee of The Insular Life Assurance Co. Ltd.; President, and CEO of the Philippine Bank of Communications; Managing Director and Head of Private Bank – Asia Pacific and Managing Director and Retail Banking Head – Asia Pacific of the Australia and New Zealand (ANZ) Banking Ltd., Singapore; and managing director and head of Corporate Center Compliance in New York for Citigroup, Inc. Received her Bachelor of Science in Commerce, Accounting from the University of Santo Tomas. Awarded Citibank's Distinguished Alumni for Leadership and Ingenuity in 2021, Forbes Magazines' 25 Asia Power Businesswomen, and Business Insider's 100 People Transforming Business in Asia in 2019, and the Filipina Women Network (FWN) 100 Most Influential Filipina Women Leaders in the World™ in 2013. Joined MONDE as an Independent Director on April 15, 2021.

**Ms. Anabelle L. Chua**, Filipino, 65 y.o., Independent Director. Also independent director of BDO Network Bank, Inc., BDO Securities Corporation, Emerging Power Inc., and Singlife Philippines Inc. (elected March 2026). Formerly director and member of the Audit, and Capital Markets Development Committees of The Philippine Stock Exchange, Inc.; director, chairperson of the Finance Committee, and member of the Finance, Audit, Risk Management, Nominations and Governance, and Related Party Transaction Committees, of MERALCO; director, chairperson of the Technology Group Governance Committee, and member of the Audit and Risk and Compliance Committees of Maya Philippines, Inc.; director and member of the Audit and Technology Governance Committees of Mayabank, Inc.; director of Smart Communications, Inc., ePLDT Inc., Smart Broadband, Inc., Digital Telecommunications Phils., Inc., Digital Mobile Phils, Inc., PLDT Communications and Energy Ventures, Inc., Philippine Telecommunications Investment Corporation, PLDT Global Investments Holdings, Inc., PLDT Global Corporation, PLDT Capital Pte Ltd., MediaQuest Holdings Inc., TV5 Network Inc., Cignal TV, Philstar Daily Inc., Pilipino Star Printing Co., Inc., Pilipino Star Ngayon, Inc., Philstar Global Corporation, Business World Publishing Corporation, Beacon Electric Asset Holdings Inc., Eastern Telecommunications Philippines Inc., Vega Telecom Inc., Voyager Innovations Inc., PLDT- Smart Foundation, Meralco PowerGen Corporation, Global Business Power Corporation, and Securities Clearing Corporation of the Philippines. Previously held the following management positions: Group Chief Financial Officer and Senior Vice President, Chief Risk Management Officer, and Treasurer of PLDT, Inc.; Chief Financial Officer of Smart Communications, Inc.; Corporate Finance Senior Transactor and Market Execution Head, Customer Risk Management Head, Business MIS Head, Financial Accounting Head, and Financial Analyst at Citibank, N.A.; controller of Solid Pacific Finance Ltd.; and banking assistant at the Philippine National Oil Company. Received her Bachelor of Science in Business Administration and Accountancy from the University of the Philippines (magna cum

laude), and ranked number 1 in the October 1982 Certified Public Accountant Board Examinations. Awarded the ING- FINEX CFO of the Year in 2021. Joined MONDE as an Independent Director on September 22, 2023.

**Mr. Ramon Felicisimo M. Lopez**, Filipino, 65 y.o., Independent Director. Currently, Independent Director of SM Investments Corporation, AIC Group of Companies Holding Corporation, New Marketlink Pharmaceutical Corporation, Seedbox Securities, Inc., Pilmico Foods Corporation; trustee and vice chairman of Valenzuela City Technological College; Philippine Governor and chairman of the Governing Board of the Economic Research Institute for ASEAN and East Asia; member of the board of advisors of Packworks Venture Pte. Ltd.; member of the advisory board of the Bayan Family of Foundations; and adviser to AYC Consultants, Inc. Formerly secretary (cabinet member/minister) of the Department of Trade and Industry of the Government of the Republic of the Philippines; chairperson of the Philippine Board of Investments, Philippine Economic Zone Authority, National Development Company, Export Development Council, Anti-Red Tape Authority Advisory Council, Philippine International Trading Corp., Center for International Trade Expositions and Missions (CITEM), and Halal Board; supervised the DTI-attached agencies such as the Intellectual Property Office of the Philippines, Technical Education and Skills Development Authority, and the Cooperative Development Authority, among others. Was also Vice President and Head of Strategic Planning of RFM Corporation; and executive director of Go Negosyo. Received his Bachelor of Arts in Economics from the University of the Philippines, and Masters in Development Economics from Williams College, Massachusetts, USA. Awarded the 2016 Nation Builders Award for Government Service, 2017 Philippine Innovation Man of the Year, 2018 Presidential Order of Sikatuna (with a rank of Datu), 2020 People of the Year by People Asia, Presidential Medal of Merit in 2022, and the 2022 Lifetime Contributor of the Year by The Asia CEO Awards. Joined MONDE as an Independent Director on June 28, 2024.

MONDE's Corporate Officers and Key Executives are as follows:

Betty T. Ang, President  
Henry Soesanto, Executive Vice-President and Chief Executive Officer  
Monica Darmono, Treasurer  
Helen G. Tiu, Corporate Secretary and Chief Legal Counsel  
Marivic N. Cajucom-Uy, Chief Sustainability Officer  
Rico A. Gonzales, Chief Business Officer  
Jesse C. Teo, Chief Financial Officer  
Michael J. Paska, Chief Investor Relations Officer and Chief Risk Management Officer  
Daniel Teichert, Chief Internal Audit Executive  
Jon Edmarc R. Castillo, Chief Compliance Officer and PSE Company Information Officer  
Katherine C. Lee-Bacus, Assistant Corporate Secretary  
Anne Katherine N. Santos, Assistant Corporate Secretary  
Wendy T. Antioquia, Regional Research and Development Director  
Melissa C. Pabustan, Chief Marketing Officer  
Jocelyn Jones G. So, Chief Information and Digital Officer  
Luzviminda M. Mercurio, Chief People & Culture Officer  
Maria Olivia Y. Misa, Head of Corporate and Government Affairs

Set forth below is a summary of their qualifications and other relevant information:

**Atty. Helen G. Tiu**, Filipino, 65 y.o., Corporate Secretary and Chief Legal Counsel. She was MONDE's Data Protection Officer from June 26, 2019 to March 22, 2022, and Chief Legal Officer from July, 2017 to July, 2022. Also director and corporate secretary of Sarimonde Foods Corporation, All Fit and Popular Foods, Inc., Monde Malee Beverage Corporation, Monde Nu-Agri Corporation, and Amico Innovations, Inc.; corporate secretary of Monde M. Y. San Corporation, KBT International Holdings, Inc., Philstar Daily, Inc., Pilipino Star Ngayon, Inc., Pilipino Star Printing Co., Inc., Philstar Global Corporation, JS Publications (The Freeman) Co., Inc., and Igloo Supply Chain Philippines, Inc.; and trustee of Harvard Law School Alumni Association of the Philippines and UP Women Lawyers' Circle, Inc. Previously: independent director at NiHAO Mineral Resources International, Inc., Asiabest Group International, Inc., and Dizon Copper Silver

Mines, Inc.; director in Petron Corporation; president of the Harvard Law School Alumni Association of the Philippines; corporate secretary for Aboitiz Transport System Corporation (now 2Go Group, Inc.); partner at SGV & Co.; Head Executive Assistant to the Secretary of Energy at the Philippine Department of Energy; instructor at the College of Business Administration, University of the Philippines. Member, Integrated Bar of the Philippines, UP Women Lawyers' Circle, Inc., Good Governance Advocates and Practitioners of the Philippines (GGAPP), and Harvard Club of the Philippines Foundation, Inc. Received her Bachelor of Science in Business Administration and Accountancy (cum laude), and Bachelor of Laws, from the University of the Philippines, and her Master of Laws from Harvard University. She has been MONDE's Corporate Secretary since 2014.

**Ms. Marivic N. Cajucom-Uy**, Filipino, 61 y.o., Chief Sustainability Officer. Joined MONDE in 1989, previously served in various capacities, including Sustainability Director, Internal Consulting Director, Core Business Strategy Director, Marketing Director, and Marketing Manager. Previously: Client Service Executive of Pulse Research Group (now known as Nielsen). Received her Bachelor of Arts in Economics (cum laude) from the University of the Philippines. She has been with MONDE for 37 years.

**Mr. Rico A. Gonzales**, Filipino, 61 y.o., Chief Business Officer. Previously: Chief Strategy Officer, Monde Nissin Corporation; Chief Strategy Officer, Monde Nissin Singapore Pte. Ltd.; Managing Director, Meval International Pte. Ltd.; General Manager, Lemnis Lighting Asia Pte. Ltd.; Chief Executive Officer, Philips Electronics & Lighting Inc., Philippines; General Manager, Philips Lighting, Philippines; General Manager, Philips Consumer Lifestyle, Philippines; General Manager, Philips Electronics Singapore; Channel Development Director, Philips Electronics & Lighting Inc.; and Sales Manager – Associate Director, Procter & Gamble, Philippines. Received his Bachelor of Science in Business Administration from University of the Philippines. Joined MONDE in 2023.

**Mr. Jesse C. Teo**, Filipino, 54 y.o., Chief Financial Officer. Also: director at Monde Nissin Singapore Pte. Ltd., Monde Nissin UK Ltd., Monde Nissin New Zealand Ltd., Sarimonde Foods Corporation, All Fit & Popular Foods, Inc., Monde Nu-Agri Corporation, and Monde Nissin Foundation, Inc.; director and treasurer of Amico Innovations, Inc.; trustee of Monde Nissin Foundation, Inc.; and Chief Financial Officer at Sarimonde Foods Corporation, All Fit and Popular Foods, Inc., KBT International Holdings, Inc., and Monde Nu-Agri Corporation. Previously: Associate Director – Global Business Services of P&G International Operations SA ROHQ; Country Finance Manager of Procter & Gamble (Distributing) Philippines, Inc.; Associate Director – Asia Internal Audit of Procter & Gamble Asia Pte Ltd.; and Group Manager, Global Feminine Care Financial Planning & Analysis of The Procter & Gamble Co., Inc. Received his degree in BS Management – Honours Program from Ateneo de Manila University. Has been with MONDE for 11 years.

**Mr. Michael J. Paska**, American, 56 y.o., Chief Investor Relations Officer and Chief Risk Management Officer. Previously: independent consultant at Asian Development Bank, and was connected with Edtech Capital Advisors, Amalgamated Investment Bancorporation, Fortman Cline Capital Markets, Groveland Capital, Whitebox Advisors, Wachovia Securities (now Wells Fargo), Progress Energy, Andersen Consulting (now Accenture), and the US' Central Intelligence Agency (CIA). Member, CFA Institute. He has a Bachelor of Science in Electrical Engineering from the University of Minnesota, a Master of Economics from North Carolina State University, and an MBA from the University of Chicago. Joined MONDE in 2019.

**Mr. Daniel Teichert**, German, 47 y.o., Chief Internal Audit Executive. Previously: Chief Risk Management Officer (August 2016 to November 2023), interim Chief Internal Audit Executive and concurrent Chief Risk Management Officer (November 2023 to December 2024), Monde Nissin Corporation. Also: various financial management roles, including: Vice President Finance and IT Sourcing Division, Siemens Inc. Philippines; Chief Financial Officer, ATOS Philippines; Vice President Corporate – Head of Finance, Atlantic, Gulf and Pacific; Principal Business Analyst, Music Group Philippines ROHQ; and Chief Financial Officer, Philab Industries, Inc. Member, Good Governance Advocates and Practitioners of the Philippines, Philippine Chapter of the Institute of Internal Auditors, and International Association of Privacy Professionals. He has degrees in Industriekaufmann (IHK, DE) from Siemens AG

“Stammhauslehre,” Bachelor in Commercial Economics from Hogeschool Zeeland, NL, and Betriebswirt (VWA), Verwaltungs und Wirtschaftakademie, (Essen DE). Has been with MONDE for nine years.

**Atty. Jon Edmarc R. Castillo**, Filipino, 39 y.o., Chief Compliance Officer and PSE Company Information Officer. Previously: Senior Associate, SyCip Salazar Hernandez & Gatmaitan; Litigation, Labor, and Permits Manager, Philex Mining Corporation; Researcher, University of the Philippines Law Center. Member and Accredited Arbitrator, Integrated Bar of the Philippines. Certified Compliance Officer, Center for Global Best Practices; Alumnus, University of the Asia and the Pacific Center for Research and Communication Data Protection Officer Foundational and Certification Program. Member, Philippine Institute of Arbitrators; Member, Good Governance Advocates and Practitioners of the Philippines. Received his Bachelor of Arts (Magna Cum Laude) and Juris Doctor Degrees from the University of the Philippines. Joined MONDE in 2020.

**Atty. Katherine C. Lee-Bacus**, Filipino, 36 y.o., Assistant Corporate Secretary. Previously: Associate, SyCip Salazar Hernandez & Gatmaitan; Associate, Risk and Internal Audit, Isla Lipana & Co; Audit Specialist, Bank of the Philippine Islands. Member, Integrated Bar of the Philippines, and Philippine Institute of Certified Public Accountants. Certified Compliance Officer, Center for Global Best Practices; Alumnus, University of the Asia and the Pacific Center for Research and Communication Data Protection Officer Foundational and Certification Program. Received her J.D. from Ateneo Law School, and her Bachelor of Science in Accountancy (magna cum laude) from Saint Louis College. Joined MONDE in 2021.

**Atty. Anne Katherine N. Santos**, Filipino, 37 y.o., Assistant Corporate Secretary. Previously: Senior Associate, SyCip Salazar Hernandez & Gatmaitan. Member, Integrated Bar of the Philippines. Certified Compliance Officer, Center for Global Best Practices; Alumnus, University of the Asia and the Pacific Center for Research and Communication Data Protection Officer Foundational and Certification Program. Received her J.D. from Ateneo Law School, and her Bachelor of Science in Management Engineering from Ateneo de Manila University. Joined MONDE in 2021.

**Ms. Wendy T. Antioquia**, Filipino, 59 y.o., Regional Research and Development Director. Previously: General Manager-Biscuits and Wafer Business Unit, R&D Head, and R&D Specialist. Received her Bachelor of Science degree in Food Technology from the University of the Philippines; member of the Philippine Association of Food Technologists. She has been with MONDE for 33 years.

**Ms. Melissa Chua-Pabustan**, Filipino, 54 y.o., Chief Marketing Officer. She was previously connected with RFM Corporation. Has degrees in BS Applied Economics and BS Marketing Management from De La Salle University. She has been with MONDE for 29 years.

**Ms. Jocelyn Jones G. So**, Hong Kong SAR Chinese, 61 y.o., Chief Information and Digital Officer. Previously with PCCW Solutions Ltd. as: Senior Vice President and CMT Industry Head; Senior Vice President, Business Process Unit, HKT; and Senior Vice President, Systems Solutions Development and Integration. Received her Bachelor of Science in Math, Major in Computer Science from Ateneo de Manila University and her Master of Business Administration, Major in Information Technology from University of Western Sydney. Joined MONDE in 2022.

**Ms. Luzviminda M. Mercurio**, Filipino, 61 y.o., Chief People & Culture Officer. Previously: Vice President for HR-Training and Staffing, GE Consumer Finance; HR and Organization & Talent Development Manager, Mondelez Philippines (previously Kraft Foods Philippines); Regional Learning and Development Leader – ASEAN Region, General Electric; and CEO, Strategic Learning and Professional Development Consulting. Received her Bachelor of Arts in Communication from the University of the Philippines; finished the Leadership & Management Development Program of Ateneo Graduate School of Business. Joined MONDE in 2021.

**Atty. Maria Olivia Y. Misa**, Filipino, 56 y.o., Head of Corporate and Government Affairs. Also: trustee of Monde Nissin Foundation, Inc. Previously: Head of Government and Industry Affairs, Nestlé Philippines; Head of Compliance, Nestlé Nutrition Southeast Asia & Pacific Region; Regional Regulatory Affairs Director- Asia Pacific, Mead Johnson Nutrition (now Reckitt); Corporate Relations Director- Asia Pacific,

Middle East and Africa, Abbott Nutrition. Member of the Integrated Bar of the Philippines and UP Women Lawyers Circle, Inc. Member of the Board and Corporate Secretary of Philippine Chamber of Food Manufacturers, Inc. Received her Bachelor of Science in Economics and Juris Doctor from the University of the Philippines, and certifications for International Food Law and Food Safety at the Michigan State University. Joined MONDE in 2023.

## **(2) Significant Employees**

While MONDE values the contribution of each of its executive and non-executive employees, it believes that there is no single executive or non-executive employee whose resignation or loss would have a material adverse impact on the Company's business.

## **(3) Family Relationships**

Mr. Hartono Kweefanus, Mr. Hoediono Kweefanus, and Ms. Monica Darmono are siblings. Ms. Betty T. Ang is married to Mr. Hoediono Kweefanus. Mr. Henry Soesanto is married to Ms. Monica Darmono. Ms. Kataline Darmono is the daughter of Mr. Hartono Kweefanus.

There are no other known family relationships either by consanguinity or affinity up to the fourth civil degree between and among MONDE's incumbent directors and executive officers.

## **(4) Involvement in Certain Legal Proceedings**

To the best of the Company's knowledge and belief and after due inquiry, none of MONDE's directors or executive officers, in the five-year period prior to the date of this Annual Report, had: (1) any petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within a two-year period of that time; (2) been convicted by final judgment in a criminal proceeding, domestic or foreign, or has been subjected to a pending judicial proceeding of a criminal nature, domestic or foreign, excluding traffic violations and other minor offenses; (3) been subjected to any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities, or banking activities; or (4) been found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange, or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

The Group is not involved in any litigation, arbitration, or claims (including personal injuries, employee compensation or product liability claims) of material importance, and the Group is not aware of any litigation, arbitration, or claims of material importance pending or threatened against it that would have a material adverse effect on its business, financial condition, or results of operations.

## **(b) Resignation of Directors**

From Listing Date up to the present, no Director has resigned or declined to stand for re-election to the Board as a result of any disagreement with MONDE on any matter relating to the Company's operations, policies, or practices.

## **(c) Others**

### Board Attendance

The directors' attendance record for Board meetings in 2025 is as follows:

Director	No. of Meetings Attended/Held	Attendance Percentage
Hartono Kweefanus	4/7	57.1%
Kataline Darmono	7/7	100.0%
Hoediono Kweefanus	7/7	100.0%
Betty T. Ang	7/7	100.0%
Henry Soesanto	6/7	85.7%
Monica Darmono	6/7	85.7%
Nina Perpetua D. Aguas	7/7	100.0%
Anabelle L. Chua	7/7	100.0%
Ramon Felicisimo M. Lopez	7/7	100.0%

The Board has established committees to assist in exercising its authority and monitoring MONDE's performance in accordance with MONDE's Revised Manual on Corporate Governance ("CG Manual"), and related SEC circulars.

The incumbent members of the Board's Audit Committee and their attendance at meetings in 2025 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Anabelle L. Chua (Chairperson)	7/7	100.0%
Nina Perpetua D. Aguas	7/7	100.0%
Ramon Felicisimo M. Lopez	7/7	100.0%

The incumbent members of the Board's CGNR Committee and their attendance at meetings in 2025 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Ramon Felicisimo M. Lopez (Chairperson)	3/3	100.0%
Nina Perpetua D. Aguas	3/3	100.0%
Anabelle L. Chua	3/3	100.0%

The incumbent members of the Board's Risk and Related Party Transactions Committee and their attendance at meetings in 2025 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Nina Perpetua D. Aguas (Chairperson)	3/3	100.0%
Ramon Felicisimo M. Lopez	3/3	100.0%
Anabelle L. Chua	3/3	100.0%

The incumbent members of the Board's Executive Committee and their attendance at meetings in 2025 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Henry Soesanto (Chairperson)	1/1	100.0%
Betty T. Ang	1/1	100.0%
Nina Perpetua D. Aguas	1/1	100.0%
Monica Darmono	1/1	100.0%
Kataline Darmono	1/1	100.0%

Performance Evaluation

The Board undergoes a formal assessment process annually whereby each director completes an evaluation questionnaire that is intended to provide insights on the effectiveness of the Board, its Committees, the Chairperson, and the directors. The assessment criteria or metrics include board composition; board roles, functions and processes; information management; representation of shareholders; management of MONDE’s performance; succession planning; dynamics and relationships; and other best practices in corporate governance. The aggregated results are presented to the Board during a Board meeting at the end of the assessment process. Pursuant to the recommendation of the SEC’s Code of Corporate Governance for PLCs and of MONDE’s CG Manual, this annual performance assessment is to be supported by an external facilitator every three years. For the 2023 performance assessment process conducted in 2024, MONDE was assisted by the Institute of Corporate Directors (ICD) and for the 2024 performance assessment process conducted in 2025, by Good Governance Advocates and Practitioners of the Philippines, Inc. (“GGAPP”).

**Item 10. Executive Compensation**

**(a) Executive Compensation**

The aggregate compensation paid or incurred during the last two calendar years, as well as those estimated to be paid in the ensuing calendar year, to MONDE’s Chief Executive Officer (“CEO”), and MONDE’s senior executive officers are as follows:

Name and Principal Position	Year	Salary (in ₱)	Other Variable Benefits (in ₱)	Total (in ₱)
Betty Ang <i>President</i>	2024-2026			
Henry Soesanto <i>Chief Executive Officer</i>	2024-2026			
Rico A. Gonzales <i>Chief Business Officer</i>	2024-2026			
Marivic N. Cajucom-Uy <i>Chief Sustainability Officer</i> <i>(Retiring April, 2026)</i>	2024-2025			
Samuel C. Sih <i>Chief Commercial Officer</i> <i>(Retired February 2025)</i>	2024			
Jesse C. Teo <i>Chief Financial Officer</i>	2025-2026			
Wendy T. Antioquia <i>Regional Research and Development Director</i>	2026			
Total compensation of the CEO and four most highly compensated officers <sup>3</sup>	2024	63,433,591.00	145,619,000.00	209,052,591.00
	2025	71,023,472.00	142,711,620.00	213,735,092.00
	2026 (est.)	73,041,981.35	141,560,026.65	214,602,008.00

<sup>3</sup>CEO Mr. Henry Soesanto, President Ms. Betty T. Ang, Chief Business Officer Mr. Rico A. Gonzales, Chief Sustainability Officer Ms. Marivic N. Cajucom-Uy, and former Chief Commercial Officer Mr. Samuel C. Sih (ret.), comprise the “CEO and four most highly compensated officers” in 2024. CEO Mr. Henry Soesanto, President Ms. Betty T. Ang, Chief Business Officer Mr. Rico A. Gonzales, Chief Sustainability Officer Ms. Marivic N. Cajucom-Uy, and Chief Financial Officer Jesse C. Teo comprise the “CEO and four most highly compensated officers” for 2025. CEO Mr. Henry Soesanto, President Ms. Betty T. Ang, Chief Business Officer Mr. Rico A. Gonzales, Chief Financial Officer Jesse C. Teo, and Regional Research and Development Director Ms. Wendy T. Antioquia are expected to comprise the “CEO and four most highly compensated officers” for 2026.

Name and Principal Position	Year	Salary (in ₱)	Other Variable Benefits (in ₱)	Total (in ₱)
All other officers and Directors as a group unnamed <sup>4</sup>	2024	83,371,730.00	59,382,903.00	142,754,633.00
	2025	83,503,914.00	59,450,444.94	142,954,358.94
	2026 (est.)	87,679,109.70	61,930,967.19	149,610,076.89
Total	2024	146,805,321.00	205,001,903.00	351,807,224.00
	2025	154,527,386.00	202,162,064.94	356,689,450.94
	2026 (est.)	160,721,091.05	203,490,993.84	364,212,084.89

**(b) Compensation of Directors**

Under the Amended By-Laws' Article I, Section 5, "directors shall be entitled to receive from [MONDE] fees and other compensation for their services in accordance with Section 29 of the Revised Corporation Code. In no case shall the total yearly compensation of [d]irectors exceed three percent (3.0%) of the net income before income tax of [MONDE] during the preceding year. The Board's Corporate Governance, Nominations, & Remuneration (*i.e.*, CGNR) Committee shall have the responsibility of recommending such fees and other compensation of [d]irectors. In discharging this duty, the CGNR Committee shall be guided by the principle that [d]irectors should be fairly remunerated for their performance and for work required and responsibility assumed in a company of [MONDE's] size and scope."

**(1) Standard Arrangements**

Other than payment of reasonable per diems for the attendance by Independent Directors at the meetings of the Board and of Board Committees, there are no other arrangements pursuant to which the Directors are compensated, directly or indirectly, for any services provided as a director and for their committee participation or special assignments.

On March 1, 2021, the Board approved a resolution fixing the current meeting fees of Independent Directors, as follows:

Board Meeting Fee per meeting attended (per diem)	240,000.00
Board Committee Meeting Fee per meeting attended (per diem)	₱ 120,000.00

Directors who are not Independent Directors do not receive meeting fees or any other remuneration. The foregoing meeting fees were determined before the current Independent Directors became members of the Board. The current Independent Directors did not participate in the determination of said meeting fees.

Pursuant to the requirement of the Revised Corporation Code's Sections 29 and 49 relating to an annual report of the total compensation of each member of the Board of Directors, below is a table showing the gross compensation received by the Directors in 2024 and 2025 and those estimated to be payable in 2026:

	2024 (in ₱)			2025 (in ₱)			2026 – estimate (in ₱)		
	Board Meetings	Committee Meetings	Total	Board Meetings	Committee Meetings	Total	Board Meetings	Committee Meetings	Total
Non-Independent Directors	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Independent Directors									
Nina Perpetua D. Aguas	1,440,000.00	1,800,000.00	3,240,000.00	1,680,000.00	1,680,000.00	3,360,000.00	1,680,000.00	1,680,000.00	3,360,000.00
Marie Elaine Teo	480,000.00	600,000.00	1,080,000.00	-	-	-	-	-	-
Anabelle L. Chua	1,440,000.00	1,320,000.00	2,760,000.00	1,680,000.00	1,560,000.00	3,240,000.00	1,680,000.00	1,560,000.00	3,240,000.00
Ramon Felicisimo M. Lopez	960,000.00	720,000.00	1,680,000.00	1,680,000.00	1,560,000.00	3,240,000.00	1,680,000.00	1,560,000.00	3,240,000.00
<b>Total</b>	<b>4,320,000.00</b>	<b>4,440,000.00</b>	<b>8,760,000.00</b>	<b>5,040,000.00</b>	<b>4,800,000.00</b>	<b>9,840,000.00</b>	<b>5,040,000.00</b>	<b>4,800,000.00</b>	<b>9,840,000.00</b>

<sup>4</sup> The salary of "All Other Officers and Directors as a Group Unnamed" increased in 2025 (compared to 2024) as a result of the onboarding of a new senior management executive in 2025, along with salary adjustments for inflation which was extended to all MONDE employees. For 2026 (est.), with Ms. Cajucom-Uy's impending retirement in April 2026, Regional Research and Development Director Ms. Wendy T. Antioquia will be included in "Total Compensation of the CEO and four most highly compensated officers".

## (2) Other Arrangements

Other than as disclosed above, there are no arrangements pursuant to which any of the Directors were compensated or are to be compensated, directly or indirectly, by MONDE for services rendered as Directors or Board Committee members during the last calendar year, and the ensuing calendar year.

As mentioned, Directors other than Independent Directors do not receive meeting fees nor any other form of remuneration as such. Thus, no meeting fees or any other form of remuneration were incurred or paid to non-independent directors for their services as such in 2024 and 2025.

## (c) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no employment contracts between MONDE and its executive officers.

There are neither special compensatory plans nor arrangements with respect to an executive officer that has resulted or will result from the resignation, retirement, or any other termination of such executive officer's employment with MONDE, or from a change-in-control in MONDE, or a change in an executive officer's responsibilities following a change in control of the Company.

## (d) Warrants and Options Outstanding: Repricing

There are no outstanding warrants or options held by the CEO, by executive officers, nor by all Directors and officers as a group.

## Item 11. Security Ownership of Certain Beneficial Owners and Management

### (a) Security Ownership of Certain Record and Beneficial Owners and Management

#### (1) Security Ownership of Certain Record and Beneficial Owners of more than 5% as of December 31, 2025:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (of total outstanding shares)
Common	<b>Hartono Kweefanus</b> JL Syamsurizal Kota Adm. Jakarta Pusat, Indonesia (Director)	Hartono Kweefanus (same as record owner)	Indonesian	4,214,244,600	23.453%
Common	<b>Hoediono Kweefanus</b> <sup>5</sup> JL Raya Darmo 65 Surabaya, Indonesia (Director)	Hoediono Kweefanus (same as record owner)	Indonesian	948,324,600	5.278%
Common	<b>Betty T. Ang</b> <sup>6</sup> 45B Park Terraces Condominium, Palm Drive, Ayala Center, Makati (Director)	Betty T. Ang (same as record owner)	Filipino	3,265,920,000	18.176%

<sup>5</sup> Mr. Hoediono Kweefanus and Ms. Betty. T. Ang are spouses. As such, under Rule 3.1.2 of the SRC Implementing Rules and Regulations ("SRC IRR"), they are each deemed to have an indirect beneficial interest in the other's shares.

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (of total outstanding shares)
Common	<b>Henry Soesanto</b> <sup>6</sup> Unit 45A, Discovery Primea Suites 6749 Ayala Avenue, Brgy. Urdaneta (Director)	Henry Soesanto (same as record owner)	Indonesian	1,549,727,396 <sup>7</sup>	8.625%
Common	<b>My Crackers, Inc.</b> 1763 P.M. Guanzon St. Paco, Manila	Keng Sun Mar Peter Mar	Filipino	1,228,611,496	6.838%
Common	<b>PCD Nominee Corporation (Non-Filipino)</b> <sup>8</sup> Philippine Depository & Trust Corp., 29 <sup>th</sup> Floor, BDO Equitable Tower 8751 Paseo de Roxas, Makati City	PCD participants acting for themselves or for their customers <sup>9</sup>	Various Non-Filipino	1,535,884,134 <sup>10</sup>	8.548% <sup>11</sup>
Common	<b>PCD Nominee Corporation (Filipino)</b> <sup>9</sup> Philippine Depository & Trust Corp., 29 <sup>th</sup> Floor, BDO Equitable Tower 8751 Paseo de Roxas, Makati City	PCD participants acting for themselves or for their customers	Various Filipino	2,543,600,066	14.156%

(2) Security Ownership of Directors and of Management (Executive Officers) as of December 31, 2025:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent (of total outstanding shares)
<b>DIRECTORS</b>				
Common	Hartono Kweefanus	(direct) 4,214,244,600	Indonesian	23.453%
Common	Hoediono Kweefanus <sup>6</sup>	(direct) 948,324,600	Indonesian	5.278%
Common	Betty T. Ang <sup>6</sup>	(direct) 3,265,920,000	Filipino	18.176%
Common	Henry Soesanto <sup>7 and 8</sup>	(direct and indirect <sup>11</sup> ) 1,549,727,396	Indonesian	8.625%
Common	Monica Darmono <sup>7</sup>	(direct) 765,897,598	Indonesian	4.262%
Common	Kataline Darmono	(direct) 2 Monica Darmono is the beneficial owner of 2 shares	Indonesian	0.000%
Common	Nina Perpetua D. Aguas	(direct) 2	Filipino	0.000%

<sup>6</sup> Mr. Henry Soesanto and Ms. Monica Darmono are spouses. As such, under Rule 3.1.2 of the SRC IRR, they are each deemed to have indirect beneficial interest in the other's shares.

<sup>7</sup> This is inclusive of Mr. Henry Soesanto's ownership of another 41,046,000 shares through PCD Nominee Corp. (Non-Filipino) which brings his total ownership percentage to 8.625% and PCD Nominee Corp. (Non-Filipino)'s total ownership percentage to 8.136%.

<sup>8</sup> PCD Nominee Corporation is the registered owner of the shares in the books of the Company's stock transfer agent. PCD Nominee Corporation is a corporation wholly owned by the PDTC, which acts as nominee and legal title holder of all shares of stock lodged in the PDTC. PDTC is a private corporation organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines.

<sup>9</sup> Under the PDTC's current system, only PCD participants (i.e., brokers and custodians) are recognized by the PDTC as the owners of the lodged shares. Each beneficial owner of shares through a PCD participant (i.e., brokers and custodians) is the beneficial owner to the extent of the number of shares in his/her/its account with the PCD participant. Based on the reports provided to the Company by the STA, out of the PCD Nominee Corporation account, none of the PCD participants hold more than 5% of the Company's outstanding capital stock for various trust accounts as of December 31, 2025.

<sup>10</sup> This excludes Mr. Henry Soesanto's ownership of another 41,046,000 shares through PCD Nominee Corp. (Non-Filipino) which brings PCD Nominee Corp. (Non-Filipino)'s total ownership percentage to 8.548%.

<sup>11</sup> Shares held through PCD Nominee are deemed indirect shares.

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent (of total outstanding shares)
		Henry Soesanto is the beneficial owner of 2 shares		
Common	Anabelle L. Chua <sup>12</sup>	(direct and indirect <sup>12</sup> ) 20,001 Henry Soesanto is the beneficial owner of 1 share	Filipino	0.000%
Common	Ramon Felicisimo M. Lopez <sup>13</sup>	(direct and indirect <sup>12</sup> ) 25,001 Henry Soesanto is the beneficial owner of 1 share	Filipino	0.000%
<b>CEO and Four Most Highly Compensated Officers</b>				
Common	Betty T. Ang	(please see above)	Filipino	(please see above)
Common	Henry Soesanto (CEO)	(please see above)	Indonesian	(please see above)
Common	Rico A. Gonzales	(indirect <sup>12</sup> ) 555,000	Filipino	0.003%
Common	Marivic N. Cajucom-Uy	(indirect <sup>12</sup> ) 827,800	Filipino	0.005%
Common	Jesse C. Teo	(indirect <sup>12</sup> ) 1,682,900	Filipino	0.009%
Common	Wendy T. Antioquia	(indirect <sup>12</sup> ) 1,093,000	Filipino	0.006%
<b>Other Corporate Officers/Key Executives</b>				
Common	Helen G. Tiu	(indirect <sup>12</sup> ) 4,575,000	Filipino	0.026%
Common	Michael J. Paska	(indirect <sup>12</sup> ) 150,000	American	0.001%
Common	Daniel Teichert	(indirect <sup>12</sup> ) 192,900	German	0.001%
Common	Jon Edmarc R. Castillo	(indirect <sup>12</sup> ) 81,300	Filipino	0.000%
Common	Katherine C. Lee-Bacus	(indirect <sup>12</sup> ) 55,900	Filipino	0.000%
Common	Anne Katherine N. Santos	(indirect <sup>12</sup> ) 43,000	Filipino	0.000%
Common	Melissa C. Pabustan	(indirect <sup>12</sup> ) 547,300	Filipino	0.003%
Common	Jocelyn Jones G. So	(indirect <sup>12</sup> ) 60,000	Hong Kong SAR Chinese	0.000%
Common	Luzviminda M. Mercurio	(indirect <sup>12</sup> ) 10,000	Filipino	0.000%
Common	Maria Olivia Y. Misa	-	Filipino	0.000%
<b>All Directors and Officers as a group</b>		<b>10,754,033,300</b>		<b>59.849%</b>

### (3) Voting Trust Holders of 5% or more

MONDE knows of no person holding more than 5% of common shares under a voting trust or similar agreement.

### (4) Changes in Control

No change of control in MONDE has occurred since the beginning of its last calendar year.

## Item 12. Certain Relationships and Related Transactions

The Group, in its regular conduct of business, has entered into transactions with associates and other related parties principally comprising advances and reimbursement of expenses, purchase and sale of trade inventory/merchandise, leasing, and administrative service agreements. Sales and purchases of goods and services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions. Under MONDE's Material Related Party Transactions Policy, the Board oversees the proper implementation of the system for identifying, monitoring, measuring, controlling, and reporting material related party transactions ("MRPTs"), in accordance with the requirements of the SEC's Memorandum Circular No. 10 S. of 2019, or the *Rules on Material Related Party Transactions for PLCs*.

<sup>12</sup> Ms. Anabelle L. Chua has indirect beneficial ownership over the 20,000 shares held through PCD Nominee Corp. in her own name.

<sup>13</sup> Mr. Ramon Felicisimo M. Lopez has indirect beneficial ownership over the 25,000 shares held through PCD Nominee Corp. in his own name.

Directors, officers, and employees are required to promptly disclose any business and family-related transactions with MONDE to ensure that they are at arm's length, under fair terms, and will inure to MONDE's and its shareholders' best interest in accordance with applicable laws and regulations.

## PART IV – CORPORATE GOVERNANCE

### Item 13. Corporate Governance

MONDE's Articles of Incorporation, Amended By-Laws, CG Manual, Code of Conduct and Ethics, together with the respective charters of its Board of Directors and the Board Committees, along with the rest of its company policies, incorporate the principles and best practices of corporate governance embodied in the Revised Corporation Code of the Philippines and the corporate governance-related issuances of the SEC and the PSE.

The Board champions good corporate governance. In line with the principles and recommendations under the SEC's MC No. 19, Series of 2016, or the *Code of Corporate Governance for Publicly-Listed Companies* ("**CG Code**"), the Board has approved the adoption of MONDE's (a) key Board charters to guide its members in the Board's oversight functions, *i.e.*, the Board Charter, the Audit Committee Charter, the Risk and Related Party Transactions Committee Charter, the Corporate Governance, Nominations, and Remuneration Committee Charter, and the Executive Committee Charter; (b) CG Manual, and Code of Conduct and Ethics; and (c) other key governance policies (*i.e.*, Sustainability, Conflict of Interest, Data Privacy, Anti-Bribery and Corruption, Prevention of Insider Trading, Whistleblowing, Material Related Party Transactions, Foreign Currency and Commodities Risk Management and Cash Investment Policy, Guidelines and Limitations re Engaging External Auditors for Non-Audit Services, and Policy Promulgation Guidelines).

To promote an exchange of diverse viewpoints, the Board comprises nine (9) individuals with a multitude of professional and personal backgrounds. To enhance its ability to perform its oversight function over management, the Board has six (6) non-executive directors. Showing its commitment to gender diversity, MONDE has five (5) female directors as the majority members of its nine (9)-member Board.

In compliance with leading practices on corporate governance, the Board has (a) elected a Chairperson who is a separate person from its President as well as its Chief Executive Officer; (b) created a five-member Executive Committee where at least one director out of its five members is an Independent Director so that the interest of the minority shareholders are safeguarded; and (c) created board oversight committees (*i.e.*, Audit Committee, Risk and Related Party Transactions Committee, and Corporate Governance, Nominations, and Remuneration Committee), the members of which are entirely made up of Independent Directors. MONDE has a Lead Independent Director, consistent with the recommendation of the CG Code.

The Board and the Board Committees meet regularly in accordance with the By-Laws and CG Manual to discuss corporate matters as well as to formulate, review, and assess governance controls and procedures. For the year 2025, the Board had seven meetings, its Executive Committee had one meeting, its Audit Committee had seven meetings, its Risk and Related Party Transactions Committee had three meetings, and its Corporate Governance, Nomination, and Remuneration Committee had three meetings.

In compliance with prevailing SEC regulations and the PSE's disclosure rules, MONDE's structured and unstructured disclosures and other information, as well as its Articles of Incorporation, By-Laws, CG Manual, Code of Conduct and Ethics, the Board and the Board Committee Charters, and key policies, are accessible by investors and the general public through MONDE's website and MONDE's Company's portal in PSE EDGE.

From the effectivity of its CG Manual to the date of this report, there is no known material deviation by MONDE from its CG Manual.

In accordance with the CG Manual, the Board, together with Management, conducted annual trainings on corporate governance for 2025. The Board and MONDE's key executive officers attend compliance and governance trainings by leading service providers [primarily, for 2021 to 2023, by the Institute of Corporate Directors and, for 2024 to 2025, by GGAPP] to keep them abreast with the developments in and/or best practices on good corporate governance, data and cybersecurity, ESG initiatives, financial reporting, and fraud detection and response.

Improvement and Recognition.

In 2025, MONDE received 3 Golden Arrows from the ICD, SEC, and the PSE at the September 2025 ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards. MONDE has also received 3 Golden Arrows for all its previous Integrated Annual Corporate Governance Report (I-ACGR) submissions, beginning the 2021 I-ACGR.

In 2025, as in 2023 and 2022, MONDE was recognized by the SEC through its Gender and Development Awards, receiving commendation for promoting gender diversity on its Board. Five (5) out of nine (9) Directors in MONDE's Board are women.

MONDE's Board conducted annual self-evaluation exercises in 2022 to 2025 covering the performance of the individual Directors, the Board as a body, and its different Committees, and the relationship and interaction between Board and Management. For 2025, the self-evaluation exercise was carried out with the assistance of GGAPP.

Professional advisors in the fields of legal, audit/assurance, compensation benchmarking, compliance, risk, and sustainability consulting have been or are being engaged by MONDE, as necessary, to help ensure its compliance with best-in-field practices and that its ESG framework remains robust and current.

MONDE, led by the Board, Management, and the heads of its Audit, Compliance, Legal, and Risk functions, continues to monitor and evaluate policies and operations to ensure compliance with good governance principles.

**PART V - EXHIBITS AND SCHEDULES**

**Item 14. Exhibits and Reports on SEC Form 17-C**

**(a) Exhibits**

Please see the accompanying 2025 Consolidated Audited Financial Statements and Supplementary Schedules (Annex A), 2025 Parent Company Audited Financial Statements and Supplementary Schedules (with BIR ITR Filing Reference) (Annex B), and 2025 Sustainability Report (Annex C).

**(b) Reports on SEC Form 17-C**

Along with the submission of mandatory periodic reports, MONDE discloses material and market-sensitive information in accordance with the Securities Regulation Code, SEC regulations, and the PSE's Listing and Disclosure Rules.

In 2025, MONDE submitted the following Current Reports on SEC form 17-C under the corresponding PSE Disclosure Form:


	Date of Disclosure	SEC Form	PSE Form	Description
1.	February 7, 2025	SEC Form 17-C	PSE Form 4-13	Clarification of News Reports regarding News Article headlined "Figaro selling stake to new investors"
2.	February 19, 2025	SEC Form 17-C	PSE Form 4-31	Press Release on Fourth Quarter Guidance based on Preliminary 2024 Full-year Results
3.	March 7, 2025	SEC Form 17-C	PSE Form 14-1	Notice of Full Year 2024 Earnings Briefing
4.	March 27, 2025	SEC Form 17-C	PSE Form 6-1	Declaration of Cash Dividends at PhP 0.15/share for stockholders of record as of April 25, 2025, and payable on or before May 22, 2025
5.	March 27, 2025	SEC Form 17-C	PSE Form 4-8	Change in Officer – secondment of Mr. Michael Stanley D. Tan to MONDE's UK-Based Meat Alternative Business
6.	March 27, 2025	SEC Form 17-C	PSE Form 4-30	Earnings Briefing Materials (FY 2024)
7.	March 27, 2025	SEC Form 17-C	PSE Form 4-31	Press Release re: FY 2024 Financial Results

	Date of Disclosure	SEC Form	PSE Form	Description
8.	April 25, 2025	SEC Form 17-C	PSE Form 14-1	Notice of Q1 2025 Earnings Briefing
9.	May 14, 2025	SEC Form 17-C	PSE Form 4-30	Earnings Briefing Materials (Q1 2025)
10.	May 14, 2025	SEC Form 17-C	PSE Form 4-31	Press Release re: Q1 2025 Financial Results
11.	May 16, 2025	SEC Form 17-C	PSE Form 7-1	Notice of 2025 Annual Stockholders' Meeting
12.	June 27, 2025	SEC Form 17-C	PSE Form 4-24	Results of the Annual Stockholders' Meeting
13.	June 27, 2025	SEC Form 17-C	PSE Form 4-25	Results of the Organizational Meeting of Board of Directors
14.	July 25, 2025	SEC Form 17-C	PSE Form 14-1	Notice of 1H 2025 Earnings Briefing
15.	August 6, 2025	SEC Form 17-C	PSE Form 4-30	Earnings Briefing Materials (1H 2025)
16.	August 6, 2025	SEC Form 17-C	PSE Form 4-31	Press Release re: 1H 2025 Financial Results
17.	August 27, 2025	SEC Form 17-C	PSE Form 4-13	Clarification of News Reports regarding News Article "Monde Nissin waits for right time to sell Figaro stake"
18.	October 23, 2025	SEC Form 17-C	PSE Form 14-1	Notice of 9M 2025 Earnings Briefing
19.	November 5, 2025	SEC Form 17-C	PSE Form 6-1	Declaration of Cash Dividends at Php 0.16/share for stockholders of record as of December 4, 2025 and payable on or before January 7, 2026
20.	November 5, 2025	SEC Form 17-C	PSE Form 4-30	Earnings Briefing Materials (9M 2025)
21.	November 5, 2025	SEC Form 17-C	PSE Form 4-31	Press Release re: 9M 2025 Financial Results

**SIGNATURES**

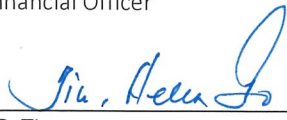
Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, at the place and on the date indicated below.

By:

  
 \_\_\_\_\_  
 Henry Soesanto  
 Chief Executive Officer and Executive  
 Vice President

  
 \_\_\_\_\_  
 Jesse C. Teo  
 Chief Financial Officer

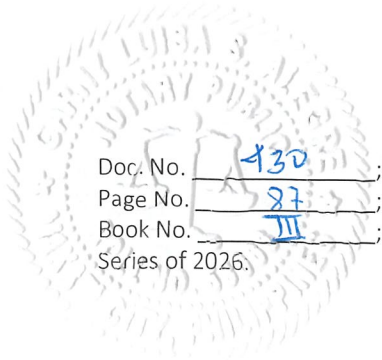
  
 \_\_\_\_\_  
 Leo L. San Juan  
 Finance Shared Services and Tax Head


  
 \_\_\_\_\_  
 Helen G. Tiu  
 Corporate Secretary

REPUBLIC OF THE PHILIPPINES     }  
 MAKATI CITY                             } ss.

**SUBSCRIBED AND SWORN TO** before me this APR 10 2026 at the place stated above, affiant(s) exhibiting to me their respective competent evidences of identity, as follows:

NAMES	COMPETENT EVIDENCE OF IDENTITY	DATE OF ISSUANCE	PLACE OF ISSUANCE
Henry Soesanto	Indonesian Passport No. E4558427	March 1, 2024 Valid until March 1, 2034	KBRI Manila
Jesse C. Teo	Philippine Passport No. P0044240B	December 27, 2018 Valid until December 26, 2028	DFA NCR West
Helen G. Tiu	Pag-IBIG MID No. 1212-0257-2480	-	-
Leo L. San Juan	Driver's License No. C07-07-01902	June 9, 2023 Valid until July 23, 2033	



  
**ATTY. GARNY-LUISA S. ALEGRE**  
 Notary Public for Makati City  
 Appointment No. M-270 until December 31, 2026  
 Roll of Attorneys No. 53666  
 PTR No. 10768116AG/ 1-05-2026/Makati City  
 IBP No. 480877/12-04-2024  
 Roll No. 53666/Albay Chapter  
 MCLE Compliance No. VIII-0007515 valid until April 14, 2028  
 23rd Floor 1 Proscenium at Rockwell, Estrella St. corner J.P Rizal  
 Brgy. Guadalupe Viejo, Makati City 1210, Metro Manila

# **ANNEX A**

2025 Consolidated Audited Financial  
Statements and Supplementary Schedules



Monde Nissin

MONDE NISSIN CORPORATION  
Felix Reyes Street,  
Barangay Balibago  
City of Santa Rosa, Laguna  
4026 Philippines

Tel.: (+632) 7759-7500  
Fax: (+632) 8810-9207  
[www.mondenissin.com](http://www.mondenissin.com)

**THE SECURITIES AND EXCHANGE COMMISSION**

7907 Makati Avenue, Salcedo Village, Barangay Bel-Air  
Makati City, 1209 Philippines

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of **MONDE NISSIN CORPORATION** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

**SyCip Gorres Velayo & Co.**, the independent auditor appointed by the stockholders, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

**Henry Soesanto**

Acting Chairman of the Board

**Henry Soesanto**

Chief Executive Officer

**Jesse Teo**

Chief Financial Officer

**Enrico Peñas**

Head of Finance Shared Services

**APR 10 2026**


Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2026

REPUBLIC OF THE PHILIPPINES)  
Makati City, Metro Manila ) S.S.

SUBSCRIBED AND SWORN TO before me this APR 10 2026 at Makati City,  
Metro Manila by:

Name	Competent Evidence of Identity	Place and Date of Issue
Henry Soesanto	SSS No. 33-3066285-6	N/A
Jesse Teo	Driver's License No. N04-88090860	LTO; 23 October 2033
Enrico Penas	Passport No. P7677114A	DFA NCR West; 26 June 2028

Doc. No. 431 ;  
Page No. 38 ;  
Book No. III ;  
Series of 2026.

  
**ATTY. GARNY-LUISA S. ALEGRE**  
Notary Public for Makati City  
Appointment No. M-270 until December 31, 2026  
Roll of Attorneys No. 53666  
PTR No. 10768116AG/1-05-2026/Makati City  
IBP No. 480878/12-04-2024  
MCLE Compliance No. VIII-0007515 valid until April 14, 2028  
23<sup>rd</sup> Floor, One Proscenium Tower, Estrella St., Rockwell Center  
Makati City, 1210 Metro Manila, Philippines

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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**COMPANY NAME**

M	O	N	D	E		N	I	S	S	I	N		C	O	R	P	O	R	A	T	I	O	N		A	N	D		
S	U	B	S	I	D	I	A	R	I	E	S																		

**PRINCIPAL OFFICE** ( No. / Street / Barangay / City / Town / Province )

F	E	L	I	X		R	E	Y	E	S		S	T	.	,		B	A	R	A	N	G	A	Y				
B	A	L	I	B	A	G	O	,		C	I	T	Y		O	F		S	A	N	T	A		R	O	S	A	,
L	A	G	U	N	A																							

Form Type

A	C	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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**COMPANY INFORMATION**

<p style="text-align: center; font-size: small;">Company's Email Address</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>mnc-sec.communications @mondenissin.com</b> </div>	<p style="text-align: center; font-size: small;">Company's Telephone Number</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>+632 7759-7595</b> </div>	<p style="text-align: center; font-size: small;">Mobile Number</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>+63 917 852 4044</b> </div>
<p style="text-align: center; font-size: small;">No. of Stockholders</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>25</b> </div>	<p style="text-align: center; font-size: small;">Annual Meeting (Month / Day)</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Last Friday of June</b> </div>	<p style="text-align: center; font-size: small;">Fiscal Year (Month / Day)</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>12/31</b> </div>

**CONTACT PERSON INFORMATION**

The designated contact person **MUST** be an Officer of the Corporation

<p style="text-align: center; font-size: small;">Name of Contact Person</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Atty. Leo San Juan</b> </div>	<p style="text-align: center; font-size: small;">Email Address</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>leo.sanjuan@mondenissin .com</b> </div>	<p style="text-align: center; font-size: small;">Telephone Number/s</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>+632 7759-7519</b> </div>	<p style="text-align: center; font-size: small;">Mobile Number</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>+63 966 140 5851</b> </div>
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**CONTACT PERSON'S ADDRESS**

**Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna**

**NOTE 1 :** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2 :** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

### Opinion

We have audited the consolidated financial statements of Monde Nissin Corporation and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit



procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### ***Impairment Testing of Property, Plant and Equipment and Brand***

Under Philippine Accounting Standard (PAS) 36, *Impairment of Assets*, the Group is required to test for impairment brand with indefinite useful life on an annual basis and property, plant and equipment with indicators of impairment at the end of each reporting period. This impairment test was significant to our audit because the balances of property, plant and equipment amounting to ₱27.3 billion and brand with indefinite life amounting to ₱5.6 billion as at December 31, 2025 are material to the consolidated financial statements. In addition, management’s assessment process is complex and highly judgmental and is based on assumptions which are subject to higher level of estimation uncertainty, specifically short-term and long-term growth rates applied to revenue and EBITDA, and the discount rate applied.

The related disclosures on the Group’s property and equipment and brand are included in Notes 3, 12, 13 and 26 to the consolidated financial statements.

### ***Audit Response***

We tested the methodologies and assumptions used made by management in determining the recoverable amounts of the cash-generating units (CGUs) relating to brands with indefinite useful lives and property, plant and equipment. The key assumptions used in the impairment models include short-term and long-term growth rates applied to revenue and EBITDA, and the discount rate. We involved our internal valuation specialists to assist in evaluating the appropriateness of the discount rate applied to the forecast cash flows. In assessing the discount rate, we benchmarked the assumptions used in deriving the discount rate against comparative market data and evaluated whether the discount rate appropriately reflected the risks inherent in the projected cash flows. We assessed the forecast financial information by comparing it with budgets approved by the Board of Directors, actual results, and industry growth rate forecasts published by independent analysts. We also evaluated management’s assumptions for consistency with external market and economic data. In addition, we assessed whether the Group’s disclosures appropriately describe the key assumptions used in the impairment assessment and appropriately highlight those assumptions to which the recoverable amounts of brands with indefinite useful lives and property, plant and equipment are most sensitive.

### ***Valuation of Guaranty Asset***

The Group has guaranty asset amounting to ₱7.7 billion as at December 31, 2025. 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. The valuation of the guaranty asset involves significant management judgment and is based on assumptions which are subject to higher level of estimation uncertainty, specifically forecasted price of the shares serving as collateral over the guaranty, historical volatility for similar companies of the Parent Company and Monde Nissin (UK) Limited (MNUKL), interest rate curve, and aggregate impairment on Monde Nissin Singapore Pte. Ltd. (MNSPL).

The related disclosures on the Group’s guaranty asset are included in Notes 3, 10, 23 and 26 to the consolidated financial statements.



### *Audit Response*

We involved our internal specialists in evaluating the valuation model and the assumptions used in the valuation of the guaranty asset at year-end. These assumptions include forecasted collateral value; historical volatility for similar companies of the Parent Company and Monde Nissin (UK) Limited (MNUKL), interest rate curve, and aggregate impairment on Monde Nissin Singapore Pte. Ltd. (MNSPL). We performed an independent assessment of the discount rate assumptions determined by management. The assumptions underlying the discount rate calculation were benchmarked against comparative market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the valuation is most sensitive; specifically, those that have the most significant effect on the determination of the fair value of the guaranty asset.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Sheet), SEC Form 17-A and Annual Report for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and
- Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

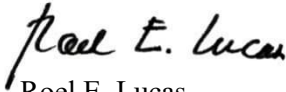
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



From the matters communicated with those charged with governance, we determine matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Roel E. Lucas.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Amounts in Thousands)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 5)	₱15,398,256	₱14,158,203
Trade and other receivables (Note 6)	8,400,984	7,709,717
Inventories (Note 7)	8,971,748	8,920,788
Prepayments and other current assets (Note 8)	1,756,238	1,326,147
Current financial assets (Note 9)	1,809,793	1,812,489
Total Current Assets	36,337,019	33,927,344
<b>Noncurrent Assets</b>		
Noncurrent receivables (Notes 9 and 23)	1,432,078	1,320,296
Guaranty asset (Notes 10, 18 and 23)	7,710,921	8,128,814
Financial assets at fair value through other comprehensive income (FVOCI) (Note 10)	584,296	813,971
Investments in associates and joint ventures (Note 11)	1,116,711	1,133,847
Property, plant and equipment (Note 12)	27,309,413	25,506,662
Intangible assets (Note 13)	6,654,814	5,456,069
Deferred tax assets – net (Note 24)	962,224	1,007,502
Other noncurrent assets (Note 14)	856,654	792,243
Total Noncurrent Assets	46,627,111	44,159,404
	₱82,964,130	₱78,086,748
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities (Note 15)	₱12,441,381	₱12,550,324
Dividends payable (Note 18)	2,874,978	–
Acceptances and trust receipts payable (Notes 7 and 16)	1,039,990	1,608,501
Refund liabilities (Note 15)	298,116	378,784
Current portion of lease liabilities (Note 25)	92,507	77,620
Current portion of loans payable (Note 17)	46,728	364,239
Income tax payable	439,500	557,803
Total Current Liabilities	17,233,200	15,537,271
<b>Noncurrent Liabilities</b>		
Lease liabilities (Note 25)	2,464,815	2,522,145
Loans payable (Note 17)	1,591,746	2,842,396
Pension liability (Note 22)	911,731	1,284,907
Derivative liability (Note 26)	658,669	288,604
Deferred tax liabilities – net (Note 24)	37,982	32,267
Other noncurrent liabilities	34,836	40,256
Total Noncurrent Liabilities	5,699,779	7,010,575
Total Liabilities (Carried Forward)	22,932,979	22,547,846



	<b>December 31</b>	
	<b>2025</b>	2024
Total Liabilities ( <i>Brought Forward</i> )	<b>₱22,932,979</b>	₱22,547,846
<b>Equity</b>		
Capital stock (Note 18)	8,984,306	8,984,306
Additional paid-in capital (Note 18)	39,361,947	39,361,947
Retained earnings (Note 18):		
Appropriated	44,452	211,452
Unappropriated	4,310,528	1,095,599
Fair value reserve of financial assets at FVOCI (Note 10)	(579,642)	(349,967)
Remeasurement losses on pension liability (Note 22)	(612,921)	(595,305)
Equity reserve (Note 18)	8,483,176	8,491,129
Cumulative translation adjustments (Note 18)	(116,269)	(1,832,647)
<b>Equity Attributable to Equity Holders of the Parent Company</b>	<b>59,875,577</b>	55,366,514
<b>Non-controlling Interests</b> (Note 4)	<b>155,574</b>	172,388
Total Equity	<b>60,031,151</b>	55,538,902
	<b>₱82,964,130</b>	₱78,086,748

*See accompanying Notes to Consolidated Financial Statements.*



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Amounts in Thousands, Except Earnings Per Share Value)

	Years Ended December 31		
	2025	2024	2023
<b>NET SALES</b> (Note 19)	<b>₱86,483,039</b>	₱83,120,056	₱80,169,467
<b>COST OF GOODS SOLD</b> (Notes 7 and 19)	<b>57,664,588</b>	54,430,389	55,441,703
<b>GROSS PROFIT</b>	<b>28,818,451</b>	28,689,667	24,727,764
<b>SALES, GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Selling and distribution expenses (Note 20)	8,312,934	7,657,013	7,037,765
General and administrative expenses (Note 20)	8,176,448	8,353,218	7,775,036
Impairment loss – net (Notes 11, 12, 13, and 20)	59,497	6,795,930	13,271,654
	<b>16,548,879</b>	22,806,161	28,084,455
	<b>12,269,572</b>	5,883,506	(3,356,691)
<b>OTHER INCOME (EXPENSES)</b>			
Fair value gain (loss) on:			
Guaranty asset (Note 10)	(1,090,928)	(2,648,829)	1,301,750
Financial assets at fair value through profit or loss (FVTPL) (Note 9)	121,148	81,960	92,600
Share in net earnings of associates and joint ventures (Note 11)	30,692	55,504	35,552
Foreign exchange gains – net (Note 4)	28,666	25,004	80,406
Dividend income (Note 10)	15,093	22,147	22,147
Miscellaneous income (Note 21)	255,535	185,614	209,518
	<b>(639,794)</b>	(2,278,600)	1,741,973
<b>INCOME (LOSS) BEFORE FINANCE INCOME (EXPENSES)</b>	<b>11,629,778</b>	3,604,906	(1,614,718)
<b>FINANCE INCOME (EXPENSES)</b>			
Finance income (Note 21)	449,708	579,277	428,114
Finance costs (Note 21)	(447,187)	(738,599)	(681,359)
Derivative gain – net (Note 26)	34,700	65,869	20,833
	<b>37,221</b>	(93,453)	(232,412)
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>11,666,999</b>	3,511,453	(1,847,130)
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b> (Note 24)			
Current	2,961,311	3,365,114	2,801,172
Deferred	106,443	(303,179)	(4,021,724)
	<b>3,067,754</b>	3,061,935	(1,220,552)
<b>NET INCOME (LOSS)</b>	<b>₱8,599,245</b>	₱449,518	(₱626,578)

(Forward)



	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>NET INCOME (LOSS)</b>	<b>₱8,599,245</b>	₱449,518	(₱626,578)
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
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) (Notes 18 and 26)	1,716,378	1,060,841	581,492
Other comprehensive income (loss) not to be reclassified to profit and loss in subsequent periods:			
Fair value gain (loss) on financial assets at FVOCI (Note 10)	(229,675)	213,270	(328,107)
Remeasurement loss on defined benefit plans (Note 22)	(21,378)	(91,092)	(414,960)
Income tax effect	3,756	21,753	99,806
Other comprehensive income (loss) – net of tax	1,469,081	1,204,772	(61,769)
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>₱10,068,326</b>	₱1,654,290	(₱688,347)
Net income (loss) attributable to:			
Equity holders of the Parent Company	₱8,618,199	₱445,848	(₱636,408)
Non-controlling interests	(18,954)	3,670	9,830
	<b>₱8,599,245</b>	₱449,518	(₱626,578)
Total comprehensive income (loss) attributable to:			
Equity holders of the Parent Company	₱10,087,286	₱1,650,528	(₱698,092)
Non-controlling interests	(18,960)	3,762	9,745
	<b>₱10,068,326</b>	₱1,654,290	(₱688,347)
<b>Earnings (loss) per Share (EPS)</b> (Note 18)			
Income (loss) attributable to equity holders of the parent	<b>₱0.48</b>	₱0.02	(₱0.04)

See accompanying Notes to Consolidated Financial Statements.



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**(Amounts in Thousands)**

	Equity Attributable to Equity Holders of the Parent Company										Non-controlling Interests (Notes 4 and 18)	Total Equity
	Capital Stock (Note 18)	Additional Paid-in Capital (Note 18)	Retained Earnings (Deficit) (Note 18)		Fair Value Reserve of Financial Assets at FVOCI (Note 10)	Remeasurement Losses on Pension Liability (Note 22)	Equity Reserve (Notes 10 and 18)	Cumulative Translation Adjustments (Note 18)	Total	Total		
			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 (loss)	-	-	-	8,618,199	-	-	-	-	8,618,199	(18,954)	8,599,245	
Other comprehensive income (loss), net of tax	-	-	-	-	(229,675)	(17,616)	-	1,716,378	1,469,087	(6)	1,469,081	
Total comprehensive income (loss)	-	-	-	8,618,199	(229,675)	(17,616)	-	1,716,378	10,087,286	(18,960)	10,068,326	
Acquisition during the year (Note 4)	-	-	-	-	-	-	(7,953)	-	(7,953)	2,146	(5,807)	
Release of appropriation (Note 18)	-	-	(167,000)	167,000	-	-	-	-	-	-	-	
Dividends (Note 18)	-	-	-	(5,570,270)	-	-	-	-	(5,570,270)	-	(5,570,270)	
<b>Balance as at December 31, 2025</b>	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱44,452</b>	<b>₱4,310,528</b>	<b>(₱579,642)</b>	<b>(₱612,921)</b>	<b>₱8,483,176</b>	<b>(₱116,269)</b>	<b>₱59,875,577</b>	<b>₱155,574</b>	<b>₱60,031,151</b>	
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	-	-	-	445,848	-	-	-	-	445,848	3,670	449,518	
Other comprehensive income (loss), net of tax	-	-	-	-	213,270	(69,431)	-	1,060,841	1,204,680	92	1,204,772	
Total comprehensive income (loss)	-	-	-	445,848	213,270	(69,431)	-	1,060,841	1,650,528	3,762	1,654,290	
Equity reserve arising from noninterest-bearing loan (Notes 9 and 18)	-	-	-	-	-	-	(659)	-	(659)	-	(659)	
Acquisition during the year (Note 4)	-	-	-	-	-	-	-	-	-	58,722	58,722	
Dividends (Note 18)	-	-	-	(4,671,839)	-	-	-	-	(4,671,839)	-	(4,671,839)	
<b>Balance as at December 31, 2024</b>	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱211,452</b>	<b>₱1,095,599</b>	<b>(₱349,967)</b>	<b>(₱595,305)</b>	<b>₱8,491,129</b>	<b>(₱1,832,647)</b>	<b>₱55,366,514</b>	<b>₱172,388</b>	<b>₱55,538,902</b>	
Balance as at January 1, 2023	₱8,984,306	₱46,515,847	₱5,211,452	(₱4,039,669)	(₱235,130)	(₱210,805)	(₱622,335)	(₱3,474,980)	₱52,128,686	₱142,498	₱52,271,184	
Net income (loss)	-	-	-	(636,408)	-	-	-	-	(636,408)	9,830	(626,578)	
Other comprehensive income (loss), net of tax	-	-	-	-	(328,107)	(315,069)	-	581,492	(61,684)	(85)	(61,769)	
Total comprehensive income (loss)	-	-	-	(636,408)	(328,107)	(315,069)	-	581,492	(698,092)	9,745	(688,347)	
Day 1 adjustment from initial recognition of guaranty asset at fair value (Note 10)	-	-	-	-	-	-	9,104,076	-	9,104,076	-	9,104,076	
Equity restructuring (Note 18)	-	(7,153,900)	-	7,153,900	-	-	-	-	-	-	-	
Acquisition during the year (Note 4)	-	-	-	-	-	-	10,047	-	10,047	(42,339)	(32,292)	
Release of appropriation (Note 18)	-	-	(5,000,000)	5,000,000	-	-	-	-	-	-	-	
Dividends (Note 18)	-	-	-	(2,156,233)	-	-	-	-	(2,156,233)	-	(2,156,233)	
<b>Balance as at December 31, 2023</b>	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱211,452</b>	<b>₱5,321,590</b>	<b>(₱563,237)</b>	<b>(₱525,874)</b>	<b>₱8,491,788</b>	<b>(₱2,893,488)</b>	<b>₱58,388,484</b>	<b>₱109,904</b>	<b>₱58,498,388</b>	

See accompanying Notes to Consolidated Financial Statements.



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in Thousands)

	Years Ended December 31		
	2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income (loss) before income tax	<b>₱11,666,999</b>	₱3,511,453	(₱1,847,130)
Adjustments to reconcile income (loss) before income tax to net cash flows:			
Depreciation and amortization (Notes 12, 13, 19, 20 and 21)	<b>2,826,728</b>	2,687,921	2,771,966
Fair value loss (gain) on guaranty asset (Note 10)	<b>1,090,928</b>	2,648,829	(1,301,750)
Finance income (Notes 5, 9 and 21)	<b>(449,708)</b>	(579,277)	(428,114)
Finance costs (Notes 16, 17, 21 and 25)	<b>447,187</b>	738,599	681,359
Movement in pension liability (Notes 19, 20 and 22)	<b>(232,193)</b>	192,182	85,874
Fair value gain on financial assets at FVTPL (Note 9)	<b>(121,148)</b>	(81,960)	(92,600)
Impairment loss – net (Notes 11, 12, 13 and 20)	<b>59,497</b>	6,795,930	13,271,654
Derivative gain – net	<b>(34,700)</b>	(65,869)	(20,833)
Share in net earnings of associates and joint venture (Note 11)	<b>(30,692)</b>	(55,504)	(35,552)
Unrealized foreign exchange gain – net	<b>(27,313)</b>	(102,874)	(38,535)
Loss on retirement of intangibles (Note 13)	<b>5,402</b>	47	–
Loss (gain) on sale of property, plant and equipment	<b>(3,098)</b>	3,503	(26,116)
Working capital adjustments:			
Decrease (increase) in:			
Prepayments and other current assets	<b>(430,091)</b>	(226,473)	169,535
Trade and other receivables	<b>(387,030)</b>	(1,098,761)	464,583
Inventories	<b>(50,960)</b>	265,739	1,692,043
Increase (decrease) in:			
Acceptance and trust receipts payable	<b>(578,560)</b>	10,163	(723,774)
Accounts payable and other current liabilities	<b>323,780</b>	1,250,558	470,318
Refund liabilities	<b>(80,668)</b>	(27,893)	206,237
Net cash generated from operations	<b>13,994,360</b>	15,866,313	15,299,165
Income tax paid	<b>(3,079,614)</b>	(3,398,185)	(2,420,129)
Interest received	<b>417,348</b>	568,505	412,209
Net cash flows from operating activities	<b>11,332,094</b>	13,036,633	13,291,245
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to:			
Property, plant and equipment (Notes 12 and 28)	<b>(4,719,074)</b>	(4,823,143)	(3,641,270)
Current financial assets (Note 9)	<b>(747,555)</b>	(3,459,263)	(3,871,363)
Intangible assets (Note 13)	<b>(238,894)</b>	(115,885)	(81,130)
Noncurrent receivables (Notes 9 and 27)	<b>(111,782)</b>	(1,209,918)	–
Financial assets at FVOCI (Note 10)	<b>–</b>	–	(928,808)
Proceeds from:			
Disposal of current financial assets (Note 9)	<b>899,676</b>	3,760,823	3,672,926
Sale of property, plant and equipment	<b>37,267</b>	77,032	45,057
Collection of loans (Note 27)	<b>–</b>	500,000	–
Decrease (increase) in other noncurrent assets	<b>(55,124)</b>	147,752	40,531
Dividends from an associate (Note 11)	<b>36,019</b>	25,825	14,951
Net cash flows used in investing activities	<b>(4,899,467)</b>	(5,096,777)	(4,749,106)

(Forward)



	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from (payments for):			
Cash dividends (Note 18)	<b>(₱2,695,292)</b>	(₱6,828,072)	₱-
Payment of loans	<b>(2,540,809)</b>	(2,016,573)	(3,623,216)
Availment of loans	<b>531,835</b>	84,315	917,838
Principal portion of lease liabilities (Note 25)	<b>(276,475)</b>	(1,325,800)	(332,604)
Interest	<b>(262,351)</b>	(516,792)	(452,509)
Derivatives (Note 26)	<b>43,396</b>	65,869	20,833
Noncontrolling interest for investment in subsidiary (Note 4)	<b>(5,807)</b>	58,722	(32,292)
Increase (decrease) in other noncurrent liabilities	<b>(5,420)</b>	1,699	1,884
Net cash flows used in financing activities	<b>(5,210,923)</b>	(10,476,632)	(3,500,066)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,221,704</b>	(2,536,776)	5,042,073
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>18,349</b>	16,091	8,188
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>14,158,203</b>	16,678,888	11,628,627
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>₱15,398,256</b>	₱14,158,203	₱16,678,888

*See accompanying Notes to Consolidated Financial Statements.*



# **MONDE NISSIN CORPORATION AND SUBSIDIARIES**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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

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### **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 received approval from the SEC and Philippine Stock Exchange, Inc. (PSE) in April 2021 to list up to 17,968,611,496 common shares, completing its IPO and listing under the symbol “Monde” on June 1, 2021, and is now subject to the Revised Securities Regulation Code (SRC) Rule 68. 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) amend the authorized number of shares to 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 were approved by the SEC on April 7, 2021.

The Parent Company’s principal place of business is at Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna.

The consolidated financial statements were reviewed and recommended for approval by the Audit Committee on April 10, 2026. On the same date, the BOD also approved and authorized the issuance of the consolidated financial statements.

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### **2. Basis of Preparation and Material Accounting Policy Information**

#### Basis of Preparation

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

The 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 consolidated financial statements are presented in Philippine peso, which is the



Group's presentation currency and the Parent Company's functional currency. All values are rounded to the nearest thousands, except when otherwise indicated.

#### New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- 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.

#### Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements unless otherwise indicated.

##### *Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

##### *Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements* – PFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure on newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to PAS Statement of Cash Flows, which include changing the starting point in determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.



PFRS 18, and the amendments of other standards, is effective to reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. PFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

*Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group applied the materiality guidance in its 2025 accounting policy disclosures.

Basis of Consolidation and Non-controlling Interests

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at December 31 each year and for the years then ended. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the non-controlling interest acquired is recognized as part of “Equity reserve” account in the equity attributable to the equity holders of the Parent Company.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interests and other components of equity while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

*Non-controlling Interests.* Non-controlling interests represent the portion of profit or loss and OCI and the net assets not held by the Parent Company and are presented separately in the consolidated statement of financial position, separately from equity attributable to equity holders of the Parent Company.

#### Investments in Associates and Joint Ventures

An associate is an entity over which the Group has significant influence, generally ownership of 20% to 49%. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group’s investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, investments in associates and joint ventures are initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortized nor tested for impairment separately.

The consolidated profit or loss reflects the Group’s share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The Group’s share of profit or loss of an associate or joint venture is shown on the consolidated profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture. If the Group’s share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group discontinues recognizing its share of further losses. After the Group’s interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.



The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as “Share in net earnings (losses) of associates and joint venture” in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

#### Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### a. Financial Assets

*Initial Recognition and Measurement.* Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are “solely payments of principal and interest (SPPI)” on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cashflows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.



*Subsequent Measurement.* For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The financial assets of the Group as at December 31, 2025 and 2024 consist of financial assets at amortized cost, financial assets at FVTPL and financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

*Financial assets at amortized cost (debt instruments)*

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, trade and other receivables, loans receivable recorded under the "Current financial assets" account in the consolidated statement of financial position in 2025, noncurrent receivables and advances to employees recorded under "other noncurrent assets" in the consolidated statement of financial position.

*Financial assets at FVTPL*

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognize in the consolidated statement of profit and loss.

The category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI.

*Financial assets designated at FVOCI (equity instruments)*

Financial assets at FVOCI are subsequently measured using cash flow projection of the investee (income approach), quoted price, and last transaction price. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statements of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

*Impairment of Financial Assets.* The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cashflows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



The key inputs in the model include the Group's definition of default and historical data of three years for the origination, maturity date and default date. The Group considers trade receivables in default when contractual payment are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. Trade receivables are written off when there is no reasonable expectation of recovery.

For other financial assets such as nontrade receivables and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk (SICR) since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been SICR since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from reputable credit rating agencies to determine whether the debt instrument has SICR and to estimate ECLs.

#### *Determining the stage for impairment*

At each reporting date, the Group assesses whether there has been a SICR for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis. An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed SICR since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

#### *Staging assessment*

PFRS 9 establishes a three-stage approach for impairment of financial assets, based on whether there has been SICR of a financial asset. Three stages then determine the amount of impairment to be recognized.

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced SICR since initial recognition. Entities are required to recognize 12-month ECL for stage 1 financial instruments. In assessing whether credit risk has increased significantly, entities are required to compare the risk of default occurring on the financial instrument as at the reporting date, with the risk of default occurring on the financial instrument at the date of initial recognition.
- Stage 2 is comprised of all non-financial instruments which have experienced SICR since initial recognition. Entities are required to recognize lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument



improves such that there is no longer SICR since initial recognition, then entities shall revert to recognizing 12-month ECL.

- Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with negative impact on the estimated future cash flows of a financial instrument or portfolio of financial instruments. The ECL model requires that lifetime ECL be recognized for impaired financial instruments, which is similar to the requirements under PAS 39 for impaired financial instruments.

b. Financial Liabilities

*Initial Recognition and Measurement.* Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

*Subsequent Measurement.* The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at FVTPL*

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied.

This category applies to the Group's derivative liabilities.

*Financial liabilities at amortized cost (loans and borrowings)*

After initial measurement, other financial liabilities are measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on the acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognized in profit or loss when other financial liabilities are derecognized, as well as through the EIR amortization process.

This category applies to the Group's accounts payable and other current liabilities (excluding statutory payables), acceptance and trust receipts payable and loans payable.

*Exchange or modification of financial liabilities.* The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered substantially different if the present value of the cash flows under



the new terms, including any fees paid net of any fees received and discounted using the original EIR, is at least 10% different from the present value of the remaining cash flows of the original financial liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

#### Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

An embedded derivative within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as either at amortized cost or at FVTPL depending on whether the cash flows of the hybrid contract are solely payments of principal and interest and the assessment of the business model within which the financial asset is held.

The Group has dual currency investments that fail the SPPI test and are recognized as financial assets at FVTPL.

#### Derivative Financial Instruments and Hedge Accounting

The Group engages in derivative transactions such as dual currency investment, structured note, binary note, crude palm oil (CPO) swaps, cross currency swaps (CCS), interest rate swap, guaranty asset and USD / PHP Call Option with European Knockout Option (EKO) to manage its foreign currency, interest rate and other financial 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. Derivatives are carried as assets where their fair value is positive and as liabilities when their fair value is negative.

The Group applies hedge accounting for transactions that meet specified criteria. At inception of the hedge relationship, the Group formally designates and documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management



objective and strategy for undertaking the hedge and how the Group will assess whether the hedging relationship meets the effectiveness requirements (including analysis of the sources of ineffectiveness and how the hedge ratio is determined) that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity hedged item.

*Cashflow hedges.* Under a cashflow hedge, the effective portion of the gain or loss on the hedging instrument is recognized in the cashflow hedge reserve in OCI, while any ineffective portion is recognized immediately in profit or loss. The cashflow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or the carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in the OCI for the period. For any other cashflow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cashflows offset profit or loss.

*Hedges of a net investment.* Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI, while any gains or losses relating to the ineffective portion are recognized in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the consolidated statement of comprehensive income

*Fair value hedges.* Hedges of the exposure to changes in the fair value of a recognized asset or liability, or an unrecognized firm commitment, are accounted for as fair value hedges. Gains or losses from remeasuring the hedging instrument at fair value are recognized in profit or loss. Simultaneously, the carrying amount of the hedged item is adjusted for the gain or loss attributable to the hedged risk, with this adjustment also recognized in profit or loss. If the hedge relationship is terminated or no longer meets the criteria for hedge accounting, any adjustment to the carrying amount of a hedged financial instrument is amortized to profit or loss over its remaining term.

*Guaranty Asset.* The fair value of the guaranty asset at initial recognition is determined using Monte Carlo Simulation as the option pricing model. As the transaction is between entities under common control, the difference in fair value on the initial recognition of the guaranty asset is accounted for as an equity transaction, i.e., as a contribution of equity, recognized in equity under “Equity Reserve”. Any subsequent changes in the fair value of the guaranty asset are recognized in profit or loss.



### Inventories

Inventories are valued at the lower of cost and net realizable value (NRV).

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and packaging materials – purchase cost on a first-in, first-out basis;
- In-transit – purchase cost;
- Finished goods and work in-process – cost of direct materials, labor and a proportion of manufacturing overhead costs based on normal operating capacity and determined based on weighted average method.

NRV for finished goods, work in-process and in-transit inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. NRV for raw materials and packaging materials is the current replacement cost.

### Prepayments and Other Current Assets

*Input Value-added Tax (VAT)*. Input VAT represents VAT imposed on the Group by its suppliers and contractors for the acquisition of goods and services required under the tax laws and regulations. Input VAT is recognized as an asset and will be used to offset against the Group's current output VAT liabilities. Input VAT is stated at its recoverable amount.

Deferred input VAT represents the input VAT related to the unpaid portion of the cost of services and unamortized input VAT related to acquisitions of capital goods.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the consolidated statement of financial position.

### Property, Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and any accumulated impairment losses. The initial cost of property, plant and equipment, consists of its purchase price including import duties and other costs directly attributable in bringing the asset to its working condition and location for its intended use. Cost also includes the cost of replacing the part of such property, plant and equipment when the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Land improvements	20 years
Buildings and improvements	10–55 years
Right-of-use (ROU) assets	20-25 years or term of lease, whichever is shorter
Leasehold improvements	20 years or term of the lease, whichever is shorter
Plant machinery and fixtures	3–55 years
Office furniture and equipment	3–5 years
Transportation equipment	4–5 years
Computer and communications equipment	3–5 years



The useful life of each of the Group's property, plant and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice and experience with similar assets. The property, plant and equipment's residual values, useful lives and depreciation and amortization methods are reviewed at each reporting period, and adjusted prospectively, if appropriate.

Machineries-under-installation and construction in-progress represent properties under construction and are stated at cost, net of accumulated impairment losses if any. These include cost of construction and other direct costs. Machineries-under-installation and construction in-progress are not depreciated until such time that the relevant assets are completed and put into operational use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognized.

Fully depreciated property, plant and equipment are retained in the accounts until these are no longer in use.

The Group classifies ROU assets as part of property, plant and equipment. The Group recognizes ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received, and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. ROU assets are subject to impairment.

#### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as of the date of the acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized using the straight-line method over the following useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired:

Distribution rights	20 years
Patents	20 years
License	10 years
Trademarks	7–10 years
Software	3–10 years



The amortization period and method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

#### Impairment of Nonfinancial Assets

The Group assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset or CGU's fair value less costs of disposal (FVLCD) and its value in use (VIU). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

In determining FVLCD, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Any impairment loss is recognized in profit or loss in the expense category consistent with the function of the impaired asset.

For noncurrent financial assets excluding guaranty asset, goodwill and brand with indefinite useful life, an assessment is made at the end of each reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment have been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.



Brand with indefinite life is tested for impairment annually as at December 31, and when circumstances indicate that the carrying value may be impaired.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually as at December 31, either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

In addition, any previously recognized impairment loss on these intangible assets is assessed for possible reversal when there has been a change in the estimates used to determine the asset's recoverable amount. A reversal is recognized immediately in profit or loss, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior periods.

#### Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as Lessee.* The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

*Lease liabilities.* At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

*Short-term leases and leases of low-value assets.* The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

#### Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has assessed and concluded that it is



the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

*Sale of Goods.* Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

- *Variable Consideration.* If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of the Group's goods provide customers with a right of return within a specified period. The rights of return give rise to variable consideration.
  - *Rights of Return.* The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price).
  - *Sales discount.* The Group's contracts with customers generally provide customers with discounts (presented as deduction from "Sales"). The Group uses most likely amount method to estimate the amount of expected future rebates for distribution discounts. A refund liability is recognized for the expected future sales discount (i.e., the amount not included in the transaction price).
- *Consideration payable to customers.* Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to the customers (e.g., slotting fees, electronic data interchange (EDI) subscription, dealer support). The consideration payable to a customer is accounted as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Group.

*Refund liabilities.* A refund liability is recognized for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Group's refund liabilities arise from its customers' right of return and sales discount. The liability is measured at the amount the Group ultimately expects it will have to return to the customer and distribution discounts to be granted. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

#### Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Cost of goods sold, sales, general and administrative expenses and interest expense are recognized in profit or loss in the period these are incurred.



Foreign Currency Translations

The consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional and presentation currency. All subsidiaries and associates evaluate their primary economic and operating environment and determine their functional currency and items included in the financial statements of each entity are initially measured using that functional currency.

*Transactions and Balances.* Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency rate prevailing on the period of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rate of exchange prevailing at the financial reporting date.

All differences are recognized in the consolidated statement of comprehensive income with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognized in OCI until the investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recognized in OCI.

Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

*Group Companies.* The Philippine peso is the currency of the primary economic environment in which the Parent Company and all other subsidiaries and associates operate, except for the following:

Subsidiaries:	Functional Currency
Monde Nissin Singapore Pte Ltd (MNSPL)	Pound Sterling
Monde Nissin (UK) Limited (MNUKL)	Pound Sterling
Marlow Foods Limited (MFL)	Pound Sterling
Quorn Smart Life GmbH	European Euro
Quorn Foods Inc	United States Dollar
Cauldron Foods Ltd	Pound Sterling
Quorn Foods Ltd	Pound Sterling
Quorn Foods Sweden AB	Swedish Krona
Monde Nissin New Zealand Limited (MNNZ)	New Zealand Dollar
Monde Nissin Holding (Thailand) Limited (MNHTL)	Thai Baht
Monexco International Limited (MIL)	Thai Baht
Monde Nissin (Thailand) Company Limited (MNTH)	Thai Baht
Da Sun Holdings Pte. Ltd. (DSHPL)	Thai Baht
Sun Operation Co., Ltd.	Thai Baht
Monde Nissin International Investments Ltd (MNIL)	United States Dollar



The financial statements of the consolidated subsidiaries and associates with functional currency other than the Philippine peso are translated to Philippine peso as follows:

- Assets and liabilities using the spot rate of exchange prevailing at the financial reporting date;
- Components of equity using historical exchange rates; and
- Income and expenses using the monthly weighted average exchange rate.

The exchange differences arising on the translation are recognized as other comprehensive income (loss). Upon disposal of any of these subsidiaries and associates, the deferred cumulative amount recognized in “Cumulative translation adjustments” relating to that particular subsidiary will be reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

#### Employee Benefits

*Defined Benefit Plan.* The net defined benefit liability is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not re-classified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of



the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

#### Income Taxes

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of reporting period.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

*Deferred Tax.* Deferred tax is provided using the liability method on temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### Earnings (loss) per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the Parent Company (after adjusting for interest on the convertible note) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

#### Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets.

#### Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as interest expense. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

#### Events after Reporting Period

Post year-end events that provide additional information about the Group's financial position at the end of reporting period (adjusting events), if any, are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

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### **3. Material Accounting Judgments, Estimates and Assumptions**

The preparation of the 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 consolidated financial statements:

*Determination of method to estimate variable consideration and assessing the constraint.* The Group's contracts with customers include a right of return and sales discounts that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the revenue with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for sales discounts, the Group determined that using the most likely amount method is appropriate, given that these contracts have single volume threshold.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

*Determination of lease term of contracts with renewal and termination options – Group as a lessee.* The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group expects to exercise its right to renew the lease of real estate properties where its facilities are located; hence, has included the renewal period as part of the lease term.

*Assessing Useful Life of Brand.* Brand pertains to the distinctive name of the businesses acquired by the Group to promote its products from those other entities (see Note 13).

Based on the Group's analysis of all the relevant factors on brand, there is no foreseeable limit to the period over which the business is expected to generate net cash inflows for the Group and therefore, these were assessed to have an indefinite life.

*Presentation of Day 1 Adjustment on Guaranty Asset.* The guaranty asset is a transaction between entities under common control since the parties to the transaction are controlled by the same shareholders. As a result, the Day 1 adjustment is recognized in equity under "Equity Reserve", with the subsequent changes in the fair value recognized in profit or loss (see Notes 10, 18 and 26).



### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting period that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities are discussed below. The Group based its estimates and assumptions on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the Group's control. Such changes are reflected in the assumptions when they occur.

*Impairment of Non-Financial Assets.* The Group performs impairment review of non-financial assets with indefinite useful life (goodwill, brand and trademark) on an annual basis or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. This requires an estimation of the VIU of the CGUs to which goodwill, brand and trademark are allocated. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset flows. The impairment on the goodwill, brand and trademark and license is determined by comparing: (a) the carrying amount of the CGU to which these assets have been allocated; and (b) the present value of the annual projected cash flows for five years and terminal value computed under the discounted cash flow method. The recoverable amount of the CGU has been determined based on a VIU calculation using cash flow projections which were based on financial budgets approved by senior management of the Group covering a five-year period. VIU is most sensitive to changes in growth rates and discount rates. These estimates are most relevant to goodwill and other intangible assets with indefinite useful lives recognized by the Group.

With regards to the assessment of VIU, management believes that no reasonably possible change in any of the key assumptions would result to a materially different calculation.

Impairment exists when carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of FVLCD and its VIU.

- a. *Brand.* An impairment analysis was made following a review of the performance of the business of MNUKL, its future expectations and overall economic conditions. The Group determined that the recoverable amount of the Group's intangible assets in MNUKL is based on VIU calculation using cash flow projection from financial budgets approved by management covering a 5-year period:
  - *Revenue growth* – Sales revenue is assumed to increase an average of 4.30% each year from 2026 to 2030, an average of 3.20% each year from 2025 to 2029 and an average of 4.30% each year from 2024 to 2028.
  - *Long-term growth rate* – The long-term growth rate used was 2.00% in 2025, 2024 and 2023, and is based on published industry research.
  - *Discount rate* – The pre-tax discount rate, which is derived from MNUKL's weighted average cost of capital (WACC), is 9.98% in 2025, 9.35% in 2024, and 10.10% in 2023, based on the strength of the brand and the risk profile of the industry.
  - *Terminal Value* – The terminal value which represents the estimated value of the business beyond the explicit forecast period, is derived by capitalizing the final year of the explicit forecast period (the terminal year) by a perpetuity factor based on the discount rate less long-term growth rate.



EBITDA was estimated taking into account past experience adjusted by the revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and estimated sales volume and price growth for the next five years.

Based on the assumptions above, MNUKL recognized provision for (reversal of) impairment loss on brand amounting to (P583.8 million) in 2025, P3,871.7 million in 2024 and P6,172.5 million in 2023. Information on the Group's brand is disclosed in Note 13.

b. *Property, plant and equipment*

*MNUKL.* For property, plant and equipment in MNUKL, the recoverable amount of its asset was based on VIU calculation using cash flow projection from financial budgets approved by management covering a 5-year period, which is consistent with the estimated useful life of the property, plant and equipment. The key assumptions employed in the impairment assessment of property, plant and equipment are identical to those used for goodwill and brand in the CGU. The impairment analysis resulted to net (reversal of) impairment loss amounting to (P35.0 million) in 2025, P2,952.9 million in 2024 and P7,187.9 million in 2023.

*Parent Company and MNSPL.* In 2025, the Parent Company and MNSPL assessed that the VIU of certain property, plant and equipment are zero since the assets pertain to discontinued product line with no expected cash flow. This is an indication of impairment resulting to an impairment loss of P608.9 million and P57.5 million in the Parent Company and MNSPL, respectively, for the year ended December 31, 2025. Management assessed that any scrap value (FVLCD) is not material.

Based on these assessments, the Group recognized net impairment loss amounting to P631.5 million in 2025, P2,903.4 million in 2024 and P7,094.5 million in 2023 (see Notes 12 and 20). Information on the Group's property, plant and equipment is disclosed in Note 12.

c. *Investments in associates and joint ventures.* The Group assesses impairment of investments in associates and joint ventures whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The factors that the Group considers important, which could trigger an impairment review include the following:

- A downgrade of an associate's or joint venture's credit rating or a decline in the fair value of the associate or joint venture in consideration of other available information
- Significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the associate or joint venture operates

The Group determined that the negative results of operations and cashflow projections of the associates and joint ventures are impairment indicators of its investment in WHATIF F&I Pte. Ltd., YCE Group Pte Ltd, Honey Droplet Hong Kong and Monde Malee Beverage Corporation (MMBC).

The Group determined that the recoverable amount of its investments in WHATIF F&I Pte. Ltd., YCE Group Pte Ltd, Honey Droplet Hong Kong and MMBC is its FVLCD. The Group determined that the carrying amount of its investments in WHATIF F&I Pte. Ltd., YCE Group Pte Ltd, Honey Droplet Hong Kong and MMBC were no longer recoverable due to the current and forecasted performance of the entities.



Based on the assumptions above, the Group's investment in WHATIF F&I Pte. Ltd., YCE Group Pte Ltd, Honey Droplet Hong Kong, and MMBC have been fully impaired as at December 31, 2025 and 2024. The Group recognized additional impairment loss amounting to ₱11.8 million in 2025 and ₱20.9 million in 2024 on its investment in Calaca Harvest Terminal, Inc. (CHTI). Accumulated impairment over these investments amounted to ₱655.0 million and ₱643.2 million as at December 31, 2025 and 2024, respectively.

Information on the Group's investments in associates and joint ventures and related impairment loss recognized are disclosed in Notes 11 and 20.

*Fair Value of Guaranty Asset.* The fair value of guaranty asset recognized as of December 31, 2025 is determined using Monte Carlo Simulation as the option pricing model. The inputs to the model such as the forecasted price of the shares serving as collateral over the guaranty, historical volatility for similar companies of MNUKL, and interest rate curve are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The aggregate impairment loss of MNSPL's investment in MNUKL, derived using VIU calculation, also serves as a key input to the model. The Group's guaranty asset is accounted for as a derivative instrument in accordance with PFRS 9.

Information on the Group's guaranty asset is disclosed in Notes 10 and 26.

*Fair Value of Financial Instruments.* The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Information on the Group's fair value of financial instruments is disclosed in Note 26.

*Assessment for ECL on Other Financial Assets at Amortized Cost.* The Group determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12-months unless there has been SICR since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and,
- Actual or expected significant adverse changes in the operating results of the borrower.



The Group also considers financial assets that are more than 90 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

Information on the Group's ECL on other financial assets at amortized cost is disclosed in Notes 6 and 9.

*Leases – Estimating the incremental borrowing rate (IBR).* The Group cannot readily determine the interest rate implicit in the lease; therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Information on the Group's lease liabilities is disclosed in Note 25.

*Estimation of Pension and Other Benefits Costs.* The cost of defined benefit pension plans and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include determining the discount rates, future salary increases, mortality rates, and future pension increases. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Philippine government bonds with terms consistent with the expected employee benefit payout as of reporting date.

The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

As at December 31, 2025 and 2024, the balance of the Group's present value of defined benefit obligations and other benefits is shown in Note 22 to the consolidated financial statements.

*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. Management also reviews the level of projected gross margin for the use of Optional Standard Deduction (OSD) and assess the future tax consequences for the recognition of deferred tax assets and deferred tax liabilities.

Information on the Group's recognized and unrecognized deferred tax assets are disclosed in Note 24.



### Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as interest expense. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Information on the Group's provisions is disclosed in Notes 6, 7, 9, 11, and 12.

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

The 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 December 31, 2025 and 2024, as set out below:

Subsidiaries	Principal Activity	Country of Incorporation	Percentage of Ownership			
			2025		2024	
			Direct	Indirect	Direct	Indirect
MNSPL	Investment/sales	Singapore	<b>100.00</b>	–	100.00	–
MNUKL	Investment holding	United Kingdom	–	<b>100.00</b>	–	100.00
Marlow Foods Limited	Manufacturing, Sales, and Marketing	United Kingdom	–	<b>100.00</b>	–	100.00
Quorn Smart Life GmbH	Sales, and Marketing	Germany	–	<b>100.00</b>	–	100.00
Quorn Foods Inc	Sales, and Marketing	United States of America	–	<b>100.00</b>	–	100.00
Cauldron Foods Ltd*	Sales, and Marketing	United Kingdom	–	<b>100.00</b>	–	100.00
Quorn Foods Sweden	Sales, and Marketing	Sweden	–	<b>100.00</b>	–	100.00
MNNZ	Distribution of food related goods	New Zealand	–	<b>100.00</b>	–	100.00
MNHTL**	Investment company	Thailand	–	<b>6.54</b>	–	6.54
MIL	Manufacture of seasonings	Thailand	–	<b>100.00</b>	–	100.00
MNTH**	Manufacture and distribution of bread and cookies	Thailand	–	<b>56.48</b>	–	56.48
DSHPL***	Investment holding	Singapore	–	<b>49.00</b>	–	49.00
Sun Operation Co., Ltd.	Manufacture and distribution of animal food and care products	Thailand	–	<b>100.00</b>	–	100.00
MNIIL	Investment company	British Virgin Islands	<b>100.00</b>	–	100.00	–
MNHTL**	Investment company	Thailand	–	<b>93.46</b>	–	93.46
MNTH**	Manufacture and distribution of bread and cookies	Thailand	–	<b>43.52</b>	–	43.52
KBT International Holdings, Inc. (KBT)	Investment company	Philippines	<b>100.00</b>	–	100.00	–

(Forward)



Subsidiaries	Principal Activity	Country of Incorporation	Percentage of Ownership			
			2025		2024	
			Direct	Indirect	Direct	Indirect
MNAC****	Manufacture, process, and distribution of industrial coconut and agricultural products	Philippines	100.00	–	90.91	–
Sarimonde Foods Corporation (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 it has significant control as it has the power to direct the relevant activities

\*\*\*\*Dormant. Actual transfer of stock certificate was completed in 2025.

The Group has direct and indirect ownership interests in associates and joint ventures which are further discussed in Note 11.

a. Subsidiaries

i. MNSPL

In 2025, 2024, and 2023, the Parent Company'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
<i>(In Thousands, Except No. of shares)</i>				
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	291,391
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	May 23, 2025	18,000,000	18,000	1,344,848
May 9, 2025	September 11, 2025	1,616,000	1,616	124,918
May 9, 2025	September 30, 2025	5,384,000	5,384	417,043

(Forward)



Approval date	Payment date	No. of shares	Amount in GBP	Amount in PHP
May 9, 2025	December 1, 2025	1,360,000	1,360	₱105,357
November 4, 2025	In one or several tranches, on or before November 30, 2026	3,125,000	3,125	242,089

ii. MNTH

On November 14, 2014, MMYSC subscribed 250,000 shares of the 2,500,000 shares to retain its 10.00% ownership interest in MNTH and MIL subscribed 2,250,000 shares of the 2,500,000 shares to increase its ownership interest from 30.00% to 38.57%. As a result, the Parent Company's direct ownership interest in MNTH decreased from 45.33% in 2013 to 38.86% in 2014 while the Parent Company's indirect ownership interest in MNTH increased from 36.00% in 2013 to 44.57% in 2014. The Parent Company recognized equity reserve from this transaction amounting to ₱99.6 million (see Note 18).

On July 11, 2018, the Parent Company and Monde Asia Pacific Co., Ltd., entered into a Deed of Absolute Sale of Shares (Agreement) wherein Monde Asia Pacific Co., Ltd., agreed to transfer its 12.57% ownership interest in MNTH to the Parent Company in exchange for ₱1. As a result of this transaction, the Group owned 100% of the outstanding shares of MNTH. The Parent Company recognized equity reserve from this transaction amounting to ₱15.8 million (see Note 18).

iii. KBT

In 2017, the Parent Company made additional investments in KBT amounting to ₱28.0 million. As a result of this transaction, the ownership interest of the Parent Company in KBT increased from 91.66% in 2017 to 95.69% in 2018. The Parent Company recognized equity reserve from this transaction amounting to ₱33.4 million (see Note 18).

In November 2023, the Parent Company purchased from the minority shareholders of KBT a total of 99,995 common shares of KBT representing 4.31% of the outstanding capital stock. This increased the Parent Company's ownership interest from 95.69% in 2022 to 100.00% in 2023. This resulted in the reduction of the Group's non-controlling interest related to KBT amounting of ₱42.3 million and increase in equity reserve of ₱10.0 million (see Note 18). In 2025, the actual transfer of stock certificate was completed. The Parent Company recognized a reduction in equity reserve from this transaction amounting of ₱8.1 million (see Note 18).

On July 29, 2024 and November 6, 2024, the Parent Company's BOD approved and authorized the Parent Company to subscribe for 1,250,000 and 20,000 additional ordinary shares, respectively, in KBT at an aggregate subscription price of ₱1,100.0 million and ₱200.0 million, respectively. The shares were fully paid in August 2024 and November 2024, respectively.



iv. MNAC

On June 10, 2016, the Parent Company and Agricolology Group Philippines, Inc. (AGPI) entered into an agreement wherein AGPI agreed to subscribe to 73,422 Common Class B shares of MNAC, which has a par value or subscription price of ₱7.3 million. Also, under the agreement, the Parent Company agreed to donate to AGPI ₱7.3 million so that AGPI can pay for the subscription price of the shares. As a result of this transaction, the ownership interest of the Parent Company in MNAC was reduced to 90.91%. The Parent Company recognized its share of the equity reserve from this transaction amounting to ₱7.7 million (see Note 18).

On November 26, 2016, the BOD of MNAC approved the cessation of MNAC's business operations effective January 1, 2017.

In 2025, the Parent Company acquired and paid for 73,422 shares representing the non-controlling interest in MNAC for a total consideration of ₱5.5 million. This resulted in the reduction of the Group's non-controlling interest related to MNAC amounting of ₱5.7 million and increase in equity reserve of ₱0.1 million (see Note 18).

v. SFC

In 2019, the Parent Company agreed to sell its 20% ownership interest in SFC to MNSG Holdings Pte. Ltd. in exchange for ₱48.0 million.

The Group has elected to measure the non-controlling interests in the acquiree at the proportionate share of the value of the net identifiable assets acquired.

vi. MMYSC

On January 28, 2021, the Parent Company purchased from My Crackers, Inc. (MCI) the latter's 4,500,000 common shares in MMYSC representing 40% of the outstanding capital stock of MMYSC for ₱1,822.5 million. This increased the Parent Company's ownership interest from 60% in 2020 to 100% in 2021. This resulted in the reduction of the Group's non-controlling interest related to MMYSC amounting of ₱1,289.9 million and increase in equity reserve of ₱532.6 million in 2021 (see Note 18).

vii. MNUKL

In 2023, MNSPL's BOD approved to subscribe additional ordinary shares of MNUK payable in several tranches.

<u>Approval date</u>	<u>Payment date</u>	<u>No. of shares</u>	<u>Amount in GBP</u>
May 10, 2023	May 15, 2023	23,000,000	£23,000
May 10, 2023	July 25, 2023	17,000,000	17,000
August 9, 2023	September 6, 2023	16,000,000	16,000
September 22, 2023	In one or several tranches, on or before April 30, 2024	4,000,000	4,000



On November 23, 2023, MNSPL's BOD approved the proposed repayment and refinancing through debt-to equity conversion of the loan, including accrued interests, by MNUKL amounting to ₱9,792.3 million (£138.7 million). As a result of this transaction, MNUKL issued additional 138,694,817 ordinary shares of ₱1.0 each or a total subscription price of ₱9,792.3 million (£138.7 million).

In 2024, MNSPL subscribed and paid for 27,000,000 and 5,000,000 additional shares of MNUKL at an aggregate subscription price of ₱27.0 million and ₱5.0 million, respectively.

In 2025, MNSPL subscribed and paid for additional 25,000,000 shares of MNUKL at an aggregate subscription price of ₱25.0 million.

viii. Amico

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 which was paid on October 3, 2025.

ix. 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 (₱9,309.7 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 determined it has control as it has the power to direct the relevant activities of DSHPL, therefore recognizing DSHPL as a subsidiary.

x. 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 (₱61.0 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.



b. 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 manufacturers and distributes a variety of meat alternative brands and products to the retail trade and food service customers in the UK, US, Europe 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, 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 PFRS Accounting Standards. Inter-segment revenues, and finance income and expenses are eliminated upon consolidation and reflected in the "Eliminations" column.

	2025			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales	₱72,823,760	₱13,668,092	(₱8,813)	₱86,483,039
Costs and expenses	(57,805,187)	(13,538,059)	16,004	(71,327,242)
Depreciation and amortization	(2,170,596)	(656,132)	-	(2,826,728)
Finance income	417,702	42,753	(10,747)	449,708
Derivative gain – net	28,725	5,975	-	34,700
Finance expense	(239,887)	(218,047)	10,747	(447,187)
Loss on change in FV of guaranty asset	-	(1,090,928)	-	(1,090,928)
Foreign exchange gain (loss) - net	29,298	(632)	-	28,666
Impairment gain (loss)	(678,269)	618,772	-	(59,497)
Share in profit of associates and joint venture	30,692	-	-	30,692
Other income	356,717	42,250	(7,191)	391,776
Income (loss) before income tax	12,792,955	(1,125,956)	-	11,666,999
Provision for income tax	3,053,960	13,794	-	3,067,754
Net income (loss)	₱9,738,995	(₱1,139,750)	₱-	₱8,599,245
<b>Other information</b>				
Total assets	₱79,581,524	₱14,671,046	(₱11,288,440)	₱82,964,130
Total liabilities	₱19,256,535	₱3,857,836	(₱181,392)	₱22,932,979
Investment in associates and joint venture	₱1,116,711	₱-	₱-	₱1,116,711
Capital expenditures	₱3,838,101	₱880,973	₱-	₱4,719,074



	2024			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales	₱69,528,484	₱13,605,426	(₱13,854)	₱83,120,056
Costs and expenses	(53,806,417)	(13,960,136)	13,854	(67,752,699)
Depreciation and amortization	(1,983,524)	(704,397)	–	(2,687,921)
Finance income	524,846	72,124	(17,693)	579,277
Derivative gain – net	64,403	1,466	–	65,869
Finance expense	(385,222)	(371,070)	17,693	(738,599)
Loss on change in FV of guaranty asset	–	(2,648,829)	–	(2,648,829)
Foreign exchange gain (loss) - net	33,727	(8,723)	–	25,004
Impairment gain (loss)	28,614	(6,824,544)	–	(6,795,930)
Share in profit of associates and joint venture	55,504	–	–	55,504
Other income	268,979	20,742	–	289,721
Income (loss) before income tax	14,329,394	(10,817,941)	–	3,511,453
Provision for (benefit from) income tax	3,422,356	(360,421)	–	3,061,935
Net income (loss)	₱10,907,038	(₱10,457,520)	₱–	₱449,518
Other information				
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
Capital expenditures	₱4,120,566	₱702,577	₱–	₱4,823,143
	2023			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales - third parties	₱65,941,954	₱14,237,274	(₱9,761)	₱80,169,467
Costs and expenses	(52,705,540)	(14,786,759)	9,761	(67,482,538)
Depreciation and amortization	(1,969,099)	(802,867)	–	(2,771,966)
Finance income	963,783	33,365	(569,034)	428,114
Derivative gain – net	20,833	–	–	20,833
Finance expense	(267,460)	(982,933)	569,034	(681,359)
Gain on change in FV of guaranty asset	–	1,301,750	–	1,301,750
Foreign exchange gain – net	60,563	19,843	–	80,406
Impairment gain (loss)	88,656	(13,360,310)	–	(13,271,654)
Share in profit of associates and joint venture	35,552	–	–	35,552
Other income	294,086	30,179	–	324,265
Income (loss) before income tax	12,463,328	(14,310,458)	–	(1,847,130)
Provision for (benefit from) income tax	2,764,440	(3,984,992)	–	(1,220,552)
Net income (loss)	₱9,698,888	(₱10,325,466)	₱–	(₱626,578)
Other information				
Total assets	₱76,183,132	₱21,237,872	(₱13,326,345)	₱84,094,659
Total liabilities	₱17,862,388	₱7,763,027	(₱29,144)	₱25,596,271
Investment in associates and joint venture	₱1,125,054	₱–	₱–	₱1,125,054
Capital expenditures	₱2,610,336	₱1,030,934	₱–	₱3,641,270

### 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:

	2025	2024	2023
Domestic	<b>₱68,124,910</b>	₱64,665,271	₱61,587,481
Foreign	<b>18,358,129</b>	18,454,785	18,581,986
	<b>₱86,483,039</b>	₱83,120,056	₱80,169,467

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

The table below shows the Group's carrying amount of non-current assets per geographic location, excluding noncurrent receivables and advances to employees presented under "other noncurrent assets" and deferred tax assets.

	2025	2024
Domestic:		
Property, plant and equipment (Note 12)	<b>₱21,298,594</b>	₱20,621,927
Investments in associates and joint ventures (Note 11)	<b>1,116,711</b>	1,133,847
Intangible assets (Note 13)	<b>686,536</b>	635,677
Other noncurrent assets (Note 14)	<b>693,416</b>	566,327
Total	<b>₱23,795,257</b>	₱22,957,778
Foreign:		
Property, plant and equipment (Note 12)	<b>₱6,010,819</b>	₱4,884,735
Intangible assets (Note 13)	<b>5,968,278</b>	4,820,392
Other noncurrent assets (Note 14)	<b>12,003</b>	125,992
	<b>11,991,100</b>	9,831,119
	<b>₱35,786,357</b>	₱32,788,897

## 5. Cash and Cash Equivalents

	2025	2024
Cash on hand and in banks	<b>₱5,091,021</b>	₱4,802,726
Cash equivalents	<b>10,307,235</b>	9,355,477
	<b>₱15,398,256</b>	₱14,158,203

Cash in banks earns 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.



Interest income from cash and cash equivalents amounted to ₱393.1 million in 2025, ₱552.7 million in 2024, and ₱410.1 million in 2023 (see Note 21).

## 6. Trade and Other Receivables

	2025	2024
Trade receivables:		
Non-related parties	₱8,418,280	₱7,648,316
Related parties (Note 23)	86	3
Other receivables	101,026	68,252
	8,519,392	7,716,571
Allowance for ECL	118,408	6,854
	<b>₱8,400,984</b>	<b>₱7,709,717</b>

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:

	2025	2024
Balance at January 1	₱6,854	₱23,532
Provision for ECL (Note 20)	117,145	69,420
Write-off	(5,628)	(86,267)
Currency translation adjustments	37	169
Balance at end of period	<b>₱118,408</b>	<b>₱6,854</b>

## 7. Inventories

	2025	2024
Finished goods	₱3,478,621	₱3,464,428
Raw materials	2,462,410	3,104,652
Work in-process	1,271,775	1,063,727
Packaging and other materials	1,136,649	1,014,405
In-transit	622,293	273,576
	<b>₱8,971,748</b>	<b>₱8,920,788</b>



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:

	2025	2024
Balance at beginning of year	<b>₱236,747</b>	₱389,145
Provision	<b>1,164</b>	126,588
Write-off	<b>(155,446)</b>	(287,924)
Currency translation adjustments	<b>16,226</b>	8,938
Balance at end of year	<b>₱98,691</b>	₱236,747

The cost of inventories recognized under "Cost of goods sold" account amounted to ₱57,664.6 million in 2025, ₱54,430.4 million in 2024 and ₱55,441.7 million in 2023 (see Note 19).

Under the terms of the agreements covering liabilities under trust receipts totaling ₱1,040.0 million, and ₱1,608.5 million as at December 31, 2025 and 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 trusted merchandise or their sales proceeds (see Note 16).

## 8. Prepayments and Other Current Assets

	2025	2024
Prepayments	<b>₱623,970</b>	₱606,466
Advances to suppliers	<b>611,114</b>	391,922
Input VAT	<b>366,927</b>	188,367
Creditable withholding tax (CWT) and other credits	<b>147,149</b>	126,613
Other current assets	<b>7,078</b>	12,779
	<b>₱1,756,238</b>	₱1,326,147

Prepayments pertain to prepayments of freight, insurance, and advertising expenses.

Advances to suppliers comprise mainly of advance payments for inventories which are expected to be delivered and completed in the succeeding year.

Input VAT represents VAT imposed on the Group by its suppliers and contractors for the acquisition of goods and services required under the tax laws and regulations.

Creditable withholding tax represents unapplied certificates which can be used as payment of income tax due in the succeeding years.



## 9. Current Financial Assets

	2025	2024
Loans receivable:		
Related parties (Note 23)	<b>₱211,181</b>	₱206,759
Others	<b>1,336,163</b>	1,228,803
Financial assets at FVTPL	<b>1,809,793</b>	1,812,489
	<b>3,357,137</b>	3,248,051
Allowance for ECL (Note 23)	<b>(115,266)</b>	(115,266)
	<b>₱3,241,871</b>	₱3,132,785
	<b>2025</b>	<b>2024</b>
Current portion	<b>₱1,809,793</b>	₱1,812,489
Noncurrent portion (Note 27)	<b>1,432,078</b>	1,320,296
	<b>₱3,241,871</b>	₱3,132,785

*Loans receivable to related parties.* On July 3, 2022, MNSPL and MNSG Holdings Pte. Ltd. agreed to extend the maturity of ₱162.3 million (\$3.0 million) loan to MNSG Holdings Pte. Ltd. from July 3, 2022 to July 3, 2024.

On July 3, 2024, MNSPL and MNSG Holdings Pte. Ltd. agreed to extend the maturity of ₱176.9 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 amounting to ₱83.7 million (see Notes 21 and 23). Interest income on the amortization of financing cost amounted to ₱6.3 million in 2025 and ₱4.5 million in 2024 (see Note 21).

On October 15, 2024, MNSPL entered into a new Loan agreement with MNSG Holdings Pte Ltd amounting to ₱2.1 million (฿1.1 million). 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 ₱95.9 million (£1.2 million) and ₱91.5 million (£1.3 million) as at December 31, 2025 and 2024, respectively (see Note 23).

*Others.* Other loans receivable pertains to interest-bearing loans receivable from third parties including Sandpiper Spices and Condiments Corporation (SSCC) (see Note 27).

On November 15, 2024, KBT entered into a Loan Agreement with Atlantic Grains, Inc. (AGI) wherein KBT agreed to extend an unsecured 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.

The interest rates used in 2025 and 2024 are 5.5% to 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 December 31, 2025 and 2024, the loan outstanding amounted to ₱191.2 million and ₱83.8 million, respectively. Interest receivable amounted to ₱9.0 million and ₱0.84 million as at December 31, 2025 and 2024, respectively.



Interest income from loans receivable amounted to ₱49.7 million, ₱21.6 million in 2024 and ₱18.0 million in 2023 (see Note 21).

*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:

	2025	2024
Balance at January 1	<b>₱1,812,489</b>	₱2,042,058
Acquisitions	<b>747,555</b>	3,459,263
Disposal	<b>(899,676)</b>	(3,760,823)
Fair value change during the year	<b>121,148</b>	81,960
Foreign exchange gain (loss)	<b>28,277</b>	(9,969)
Balance at end of period	<b>₱1,809,793</b>	₱1,812,489

## 10. Noncurrent Financial Assets

### Financial Assets at FVOCI

	2025	2024
Cost		
Figaro Coffee Group, Inc. (FCG)	<b>₱820,268</b>	₱820,268
Wide Faith Investment Holdings Ltd.	<b>235,130</b>	235,130
Terramino, Inc.	<b>108,540</b>	108,540
	<b>1,163,938</b>	1,163,938
Fair value adjustment		
Wide Faith Investment Holdings Ltd.	<b>(235,130)</b>	(235,130)
FCG	<b>(344,512)</b>	(114,837)
	<b>(579,642)</b>	(349,967)
	<b>₱584,296</b>	₱813,971

a. FCG

On January 25, 2023, the Parent Company's BOD authorized the Parent Company to subscribe for 820,268,295 common shares of FCG ("FCG Shares") out of FCG's unissued authorized capital stock. FCG is a diversified food conglomerate with retail restaurants and branches in the Philippines and abroad, that serve a variety of food offerings and services.

On February 2, 2023, the Parent Company paid an aggregate subscription price of ₱820.3 million for the FCG Shares. As a result, the Parent Company holds 15% of FCG's issued and outstanding capital stock.

The Group recognized dividend income from FCG amounting to ₱15.1 million, ₱22.1 million and ₱22.1 million in 2025, 2024 and 2023, respectively.

b. Wide Faith Investment Holdings Ltd.

As at December 31, 2025 and 2024, unquoted equity securities pertain to investment in Wide Faith Investment Holdings Ltd., which have been written-down to nil as at December 31, 2025 and 2024. Wide Faith Investment Holdings Ltd. is incorporated in the British Virgin Islands whose principal activity is investment holding.



c. Terramino, Inc.

On March 22, 2023, the Parent Company’s BOD approved the Parent Company’s subscription for 665,845 Series B Preferred Stock of Terramino, Inc., a Delaware, U.S.-incorporated company engaged in research, development and commercialization of food products made from koji. Said 665,845 preferred shares represent 1.89% of Terramino, Inc.’s outstanding capital stock at a subscription price of up to ₱108.5 million (\$2.0 million).

Guaranty Asset at FVTPL

During the financial year ended December 31, 2023, MNSPL entered into an agreement (“Top-Up Deed”) 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. The initial recognition of the guaranty asset amounting to ₱9,104.1 million 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 fair value of the guaranty asset:

	2025	2024
Guaranty asset:		
Balance at January 1	<b>₱8,128,814</b>	₱10,432,256
Fair value loss on guaranty asset	<b>(1,090,928)</b>	(2,648,829)
Cumulative translation adjustment	<b>673,035</b>	345,387
	<b>₱7,710,921</b>	₱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. A sensitivity analysis on these inputs is disclosed in Note 26.



## 11. Investments in Associates and Joint Venture

Entities	Principal Activity	Country of Incorporation	Percentage of Ownership	Amount	
				2025	2024
<b>Associates</b>					
Monde Land Inc. (MLI)	Buying, leasing and acquiring of real estate	Philippines	40.00	<b>₱979,406</b>	₱984,733
WHATIF F&I Pte. Ltd.*	Research and development	Singapore	21.20	<b>324,211</b>	324,211
Calaca Harvest Terminal, Inc. (CHTI)	Engaged in and carry on a general and commercial business by buying, selling, storage, warehouse and transport of grain and other related commodities	Philippines	20.00	<b>170,000</b>	170,000
YCE Group Pte Ltd*	Manufacturing of ice	Singapore	32.00	<b>78,249</b>	78,249
				<b>1,551,866</b>	1,557,193
<b>Joint Venture</b>					
Honey Droplet Hong Kong**	Purchasing, processing, exporting, and selling honey worldwide (excluding Japan)	Hong Kong	50.00	<b>218,748</b>	218,748
MMBC	Importation, marketing, promotion, and sale of beverage products	Philippines	48.99	<b>1,141</b>	1,141
				<b>219,889</b>	219,889
Less allowance for impairment loss (Note 3):					
	WHATIF F&I Pte. Ltd.			<b>324,211</b>	324,211
	CHTI			<b>32,695</b>	20,886
	YCE			<b>78,249</b>	78,249
	Honey Droplet Hong Kong			<b>218,748</b>	218,748
	MMBC			<b>1,141</b>	1,141
				<b>655,044</b>	643,235
				<b>₱1,116,711</b>	₱1,133,847

\*Previously "NAMZ Pte Ltd". Indirect ownership through MNSPL

\*\*Indirect ownership through MNSPL

### Investments in Associates

	2025	2024
Cost:		
Beginning and end of year	<b>₱1,330,322</b>	₱1,330,322
Accumulated share in net earnings:		
Balance at beginning of year	<b>226,871</b>	197,192
Share in net earnings	<b>30,692</b>	55,504
Dividends from MLI	<b>(36,019)</b>	(25,825)
End of year	<b>221,544</b>	226,871
Accumulated impairment loss	<b>(435,155)</b>	(423,346)
	<b>₱1,116,711</b>	₱1,133,847



Summarized consolidated financial information of MLI, a material associate, follows:

	2025	2024
<b>Consolidated Statement of Financial Position</b>		
Current assets	<b>₱382,592</b>	₱383,896
Noncurrent assets	<b>1,246,459</b>	1,260,031
Current liabilities	<b>(64,407)</b>	(72,001)
Noncurrent liabilities	<b>(46,458)</b>	(40,424)
Equity	<b>₱1,518,186</b>	₱1,531,502
Group's share in equity	<b>₱607,274</b>	₱612,601
Goodwill	<b>372,132</b>	372,132
Group's carrying amount of the investment	<b>₱979,406</b>	₱984,733

	2025	2024	2023
<b>Consolidated Statement of Comprehensive Income</b>			
Revenue	<b>₱265,991</b>	₱356,216	₱288,912
Cost of sales	<b>(157,941)</b>	(183,528)	(152,837)
Sales, general and administrative expenses	<b>(12,732)</b>	(13,261)	(27,426)
Other income	<b>3,510</b>	2,564	162
Income before income tax	<b>98,828</b>	161,991	108,811
Provision for income tax	<b>22,098</b>	23,232	19,930
Income after income tax / Total comprehensive income	<b>₱76,730</b>	₱138,759	₱88,881
Group's share of profit for the year	<b>₱30,692</b>	₱55,504	₱35,552

The Group's share in the aggregated summarized financial information for immaterial associates follow:

	2025	2024	2023
<b>Consolidated Statement of Comprehensive Income</b>			
Revenue	<b>₱119,153</b>	₱135,422	₱117,623
Cost of sales	<b>(116,581)</b>	(118,767)	(107,727)
Sales, general and administrative expenses	<b>(96,878)</b>	(90,268)	(3,832)
Other expenses	<b>(35,846)</b>	(35,463)	(21,992)
Loss before income tax / Total comprehensive loss	<b>(₱130,152)</b>	(₱109,076)	(₱15,928)

The Group did not recognize its share in net losses in associates amounting to ₱130.1 million in 2025, ₱109.1 million in 2024 and ₱15.9 million in 2023. The accumulated share in net losses in associates not recognized amounted to ₱423.2 million and ₱293.1 million as at December 31, 2025 and 2024, respectively.

#### CHTI

The Parent Company recognized an impairment loss on its investment in CHTI amounting to ₱11.8 million and ₱20.9 million in 2025 and 2024, respectively (see Notes 3 and 20).



The associates had no contingent liabilities or capital commitments as at December 31, 2025 and 2024. There have been no guarantees provided by the Group to the associate as at December 31, 2025 and 2024.

Investment in Joint Ventures

	2025	2024
Cost	<b>₱399,223</b>	₱399,223
Accumulated share in net earnings	<b>(179,334)</b>	(179,334)
Accumulated impairment loss	<b>(219,889)</b>	(219,889)
	<b>₱-</b>	<b>₱-</b>

The Group's shares in the aggregate summarized financial information of individually-immaterial joint ventures follow:

	2025	2024	2023
Revenue	<b>₱-</b>	₱-	₱-
Expenses	<b>(82)</b>	(90)	(1,608)
Other income	<b>20</b>	52	2,075
Income (loss) before income tax	<b>(62)</b>	(38)	467
Provision for income tax	-	11	117
Income (loss) after income tax / Total comprehensive income (loss)	<b>(₱62)</b>	<b>(₱49)</b>	<b>₱350</b>

The Group did not recognize share in net income in joint ventures amounting to nil in 2025 and 2024, and ₱0.4 million in 2023. The accumulated share in net losses in joint ventures not recognized as at December 31, 2025, 2024 and 2023 amounted to ₱85.4 million. There have been no guarantees provided by the Group to the joint venture company as at December 31, 2025 and 2024.

a. Honey Droplet Hong Kong

The Group has a 50.00% interest in the ownership and voting rights in a joint venture, Honey Droplet Hong Kong. This joint venture is incorporated in Hong Kong and is a strategic venture in purchasing, processing, exporting, and selling honey worldwide (excluding Japan). The Group jointly controls the venture with other partner under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

As of December 31, 2025 and 2024, Honey Droplet Hong Kong has no operations due to factory shut down. The Group determined that non-operation and cashflow projections of Honey Droplet Hong Kong are impairment indicators. As a result, the Group's investment in Honey Droplet Hong Kong is fully impaired as at December 31, 2025 and 2024.

b. MMBC

In 2015, the Group signed a Joint Venture Agreement with Malee Beverage Public Co. Ltd., a leading juice and canned fruit manufacturer in Thailand, to set up MMBC to tap the aggressive growth of the beverage market in the Philippines. MMBC has ₱100.0 million of registered capital, of which the Group and Malee share 48.99% each and the remaining 2.00% are held by individual investors.



In 2023, MMBC ceased its business operations and has no formal plans to resume commercial operations. As a result, the Group's investment in MMBC is fully impaired as at December 31, 2025 and 2024.

The joint ventures have no contingent liabilities or capital commitments as at December 31, 2025 and 2024. There have been no guarantees provided or received for any related party receivables and payables.



## 12. Property, Plant and Equipment

2025													
	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Plant Machinery and Fixtures	Office Furniture and Equipment	Transportation Equipment	Computer and Communications Equipment	Machineries Under Installation	Construction In-progress	ROU Land (Note 25)	ROU Others (Note 25)	Total
<b>Cost</b>													
Balance at beginning of year	₱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	-	-	78,199	4,535	379,899	28,820	15,259	14,652	719,031	3,478,679	8,563	52,601	4,780,238
Disposals and retirement	-	-	(66,527)	(46,824)	(830,098)	(8,140)	(18,083)	(26,184)	-	(11,555)	-	(57,590)	(1,065,001)
Reclassifications	-	-	506,449	-	1,964,687	41,724	-	19,953	(420,197)	(2,216,995)	188,682	(188,682)	(104,379)
Foreign currency translation adjustments	58,849	765	499,917	5,125	1,118,017	22,005	453	15,153	9,537	204,106	-	-	1,933,927
Balance at end of year	644,530	7,905	16,593,763	126,720	40,338,650	627,950	160,286	418,945	2,177,144	5,423,964	3,983,495	605,734	71,109,086
<b>Accumulated Depreciation</b>													
Balance at beginning of year	-	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 19, 20 and 21)	-	281	659,802	6,132	1,682,157	63,075	23,242	35,913	-	-	109,150	68,466	2,648,218
Disposals and retirement	-	-	(66,333)	(25,440)	(798,436)	(7,858)	(12,867)	(26,183)	-	-	-	(35,196)	(972,313)
Reclassifications	-	-	393	-	(393)	-	-	-	-	-	2,830	(2,830)	-
Foreign currency translation adjustments	-	572	139,651	6,245	247,216	9,607	235	9,142	-	-	-	-	412,668
Balance at end of year	-	6,055	6,946,300	104,235	19,074,441	390,901	77,237	299,557	-	-	596,794	295,605	27,791,125
<b>Accumulated Impairment Loss</b>													
Balance at beginning of year	-	-	2,420,974	955	10,120,818	22,280	-	1,791	82,672	1,705,597	-	-	14,355,087
Impairment loss (Notes 3 and 20)	-	-	(363,922)	20,436	344,366	265	-	-	608,933	-	-	21,402	631,480
Disposals and retirement	-	-	-	(20,436)	(15,424)	(265)	-	-	-	-	-	(21,402)	(57,527)
Reclassifications	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation adjustments	-	-	225,608	-	737,525	-	-	-	-	116,375	-	-	1,079,508
Balance at end of year	-	-	2,282,660	955	11,187,285	22,280	-	1,791	691,605	1,821,972	-	-	16,008,548
<b>Net Book Value</b>	<b>₱644,530</b>	<b>₱1,850</b>	<b>₱7,364,803</b>	<b>₱21,530</b>	<b>₱10,076,924</b>	<b>₱214,769</b>	<b>₱83,049</b>	<b>₱117,597</b>	<b>₱1,485,539</b>	<b>₱3,601,992</b>	<b>₱3,386,701</b>	<b>₱310,129</b>	<b>₱27,309,413</b>

2024													
	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Plant Machinery and Fixtures	Office Furniture and Equipment	Transportation Equipment	Computer and Communications Equipment	Machineries Under Installation	Construction In-progress	ROU Land (Note 25)	ROU Others (Note 25)	Total
<b>Cost</b>													
Balance at beginning of year	₱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 end of year	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
<b>Accumulated Depreciation</b>													
Balance at beginning of year	-	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 19, 20 and 21)	-	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 end of year	-	5,202	6,212,787	117,298	17,943,897	326,077	66,627	280,685	-	-	484,814	265,165	25,702,552

(Forward)



2024

	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Plant Machinery and Fixtures	Office Furniture and Equipment	Transportation Equipment	Computer and Communications Equipment	Machineries Under Installation	Construction In-progress	ROU Land (Note 25)	ROU Others (Note 25)	Total
<b>Accumulated Impairment Loss</b>													
Balance at beginning of year	₱-	₱-	₱997,622	₱955	₱8,466,664	₱22,280	₱-	₱1,791	₱486,312	₱1,380,719	₱-	₱-	₱11,356,343
Impairment loss (Notes 3 and 20)	-	-	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 end of year	-	-	2,420,974	955	10,120,818	22,280	-	1,791	82,672	1,705,597	-	-	14,355,087
<b>Net Book Value</b>	<b>₱585,681</b>	<b>₱1,938</b>	<b>₱6,941,964</b>	<b>₱45,631</b>	<b>₱9,641,430</b>	<b>₱195,184</b>	<b>₱96,030</b>	<b>₱112,895</b>	<b>₱1,786,101</b>	<b>₱2,264,132</b>	<b>₱3,301,436</b>	<b>₱534,240</b>	<b>₱25,506,662</b>



Machineries-under-installation pertain to plant equipment for various product lines that are still under-installation, and which are expected to be completed until 2026. Additions to machineries under installation include costs for the construction of new production facilities.

Construction-in-progress pertains to the construction of an additional building and building improvements which is expected to be completed until 2027. There were no capitalized borrowing costs as the construction in-progress were funded by cash from operations.

In 2025, 2024 and 2023, the Group recognized net provision for impairment loss on property, plant and equipment amounting to ₱631.5 million, ₱2,903.4 million and ₱7,094.5 million, respectively (see Note 20).

The Group has no property, plant and equipment used as collateral as at December 31, 2025 and 2024.

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱2,179.1 million, ₱1,843.6 million, and ₱2,055.4 million as at 2025, 2024 and 2023, respectively (see Note 27).

### 13. Intangible Assets

	2025								Total
	Goodwill	Brand	Distribution Rights	Patents	License	Trademarks with definite useful life	Trademarks with indefinite useful life	Software	
<b>Cost</b>									
Balance at beginning of year	₱17,868,843	₱19,405,709	₱727,560	₱-	₱66,141	₱7,485	₱14,459	₱1,160,826	₱39,251,023
Additions	-	-	-	-	57,809	4,824	-	176,261	238,894
Disposals and retirement	-	-	-	-	-	-	-	(41,349)	(41,349)
Reclassifications	-	-	-	15,812	-	-	-	88,567	104,379
Foreign currency translation adjustments	1,590,659	1,719,445	-	-	-	798	-	63,719	3,374,621
Balance at end of year	19,459,502	21,125,154	727,560	15,812	123,950	13,107	14,459	1,448,024	42,927,568
<b>Accumulated Amortization</b>									
Balance at beginning of year	-	45,773	378,938	-	15,220	2,474	-	658,236	1,100,641
Amortization (Notes 19, 20 and 21)	-	-	36,378	756	8,687	1,171	-	131,518	178,510
Disposals and retirement	-	-	-	-	-	-	-	(35,947)	(35,947)
Reclassifications	-	-	-	-	-	-	-	-	-
Foreign currency translation adjustments	-	4,074	-	35	20	343	-	39,882	44,354
Balance at end of year	-	49,847	415,316	791	23,927	3,988	-	793,689	1,287,558
<b>Accumulated Impairment Loss</b>									
Balance at beginning of year	17,868,843	14,818,339	-	-	-	-	7,131	-	32,694,313
Reversal of impairment loss (Notes 3 and 20)	-	(583,792)	-	-	-	-	-	-	(583,792)
Foreign currency translation adjustments	1,590,659	1,284,016	-	-	-	-	-	-	2,874,675
Balance at end of year	19,459,502	15,518,563	-	-	-	-	7,131	-	34,985,196
<b>Net Book Value</b>	₱-	₱5,556,744	₱312,244	₱15,021	₱100,023	₱9,119	₱7,328	₱654,335	₱6,654,814

	2024								Total
	Goodwill	Brand	Distribution Rights	Patents	License	Trademarks with definite useful life	Trademarks with indefinite useful life	Software	
<b>Cost</b>									
Balance at beginning of year	₱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 end of year	17,868,843	19,405,709	727,560	-	66,141	7,485	14,459	1,160,826	39,251,023
<b>Accumulated Amortization</b>									
Balance at beginning of year	-	44,362	342,560	-	7,827	1,904	-	255,768	652,421
Amortization (Notes 19, 20 and 21)	-	-	36,378	-	7,393	461	-	95,641	139,873
Disposals and retirement	-	-	-	-	-	-	-	(17,812)	(17,812)
Reclassifications	-	-	-	-	-	-	-	322,791	322,791

(Forward)



	2024									
	Goodwill	Brand	Distribution Rights	Patents	License	Trademarks with definite useful life	Trademarks with indefinite useful life	Software	Total	
Foreign currency translation adjustments	P-	P1,411	P-	P-	P-	P109	P-	P1,848	P3,368	
Balance at end of year	-	45,773	378,938	-	15,220	2,474	-	658,236	1,100,641	
<b>Accumulated Impairment Loss</b>										
Balance at beginning of year	17,318,215	10,631,507	-	-	-	-	7,131	-	27,956,853	
Impairment loss (Notes 3 and 20)	-	3,871,692	-	-	-	-	-	-	3,871,692	
Foreign currency translation adjustments	550,628	315,140	-	-	-	-	-	-	865,768	
Balance at end of year	17,868,843	14,818,339	-	-	-	-	7,131	-	32,694,313	
<b>Net Book Value</b>	<b>P-</b>	<b>P4,541,597</b>	<b>P348,622</b>	<b>P-</b>	<b>P50,921</b>	<b>P5,011</b>	<b>P7,328</b>	<b>P502,590</b>	<b>P5,456,069</b>	

Goodwill and brand were acquired through business combinations. The Group performed its annual impairment test in December 2025 and 2024 (see Note 3).

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 27). As at December 31, 2025, the remaining amortization period is 8 years and 7 months.

#### 14. Other Noncurrent Assets

	2025	2024
Advances to suppliers and contractors	<b>P587,413</b>	P488,125
Advances to employees (Note 23)	<b>151,235</b>	99,924
Refundable and other deposits	<b>73,841</b>	77,284
Deferred input VAT for amortization	<b>19,051</b>	88,655
Others	<b>25,114</b>	38,255
	<b>P856,654</b>	P792,243

Advances to suppliers and contractors comprise mainly of advance payments for major equipment and construction/improvements of plant sites and office spaces.

Advances to employees are long-term advances granted to employees.

Refundable and other deposits are deposits for office and warehouse spaces which are refundable upon the termination of the lease contract.

Deferred input VAT pertains to input VAT from acquisition of capital goods which are claimed over 5 years. This is expected to be fully utilized in 2026.



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

### Accounts Payable and Other Current Liabilities

	2025	2024
Trade payables		
Non-related parties	<b>₱6,101,925</b>	₱6,265,686
Related parties (Note 23)	<b>41,915</b>	44,196
Nontrade payables	<b>2,830,629</b>	2,931,745
Accruals for:		
Selling, general and administrative expenses	<b>897,399</b>	585,230
Advertising and promotions	<b>774,454</b>	591,683
Personnel costs	<b>314,036</b>	422,412
Other accruals	<b>235,280</b>	260,704
Trade spend	<b>197,670</b>	217,074
Statutory payables	<b>833,679</b>	1,026,839
Provisions	<b>121,000</b>	118,267
Others	<b>93,394</b>	86,488
	<b>₱12,441,381</b>	₱12,550,324

Accounts payable and other current liabilities are noninterest-bearing and are generally settled within 30 to 60 days.

Trade payables pertain to liabilities to suppliers for the purchase of raw materials, finished goods, and other costs directly related to the Group's operations.

Nontrade payables include liabilities related to utilities, advertising, other operating and manufacturing overhead expenses.

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

Statutory payables comprise mainly of the Group's liabilities to the tax authorities such as withholding taxes payable, final taxes payable, etc.

Provisions include claims by third parties in the ordinary course of business. As allowed by PAS 37, only a general description is provided as the disclosure of additional details beyond the present disclosures may prejudice the Group's position and negotiation strategies with respect to these matters.

Trade and other receivables and payables to related parties that were eliminated upon consolidation are presented below:

Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
Trade sales/ purchases	<b>2025</b>	<b>₱20,980,631</b>	<b>₱2,162,470</b>	30-60 days; non- interest-bearing	Unsecured; no impairment
	2024	₱18,839,916	₱3,324,503		



### Refund Liabilities

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

	2025	2024
Refund liabilities:		
Arising from rights of return	₱274,251	₱331,539
Arising from volume discount	23,865	47,245
	<b>₱298,116</b>	<b>₱378,784</b>

### 16. Acceptance and Trust Receipts Payable

This account represents the Group's peso and US dollar-denominated liabilities incurred in connection with the importations and acquisitions of raw materials from foreign suppliers. These raw materials are insured in compliance with the requirements of the bank. These liabilities are for a period of 1 year with an average annual interest rate of 5.14% in 2025 and 5.60% in 2024.

The Group has outstanding acceptance and trust receipts payable amounting to ₱1,040.0 million, ₱1,608.5 million as at December 31, 2025 and 2024, respectively.

The Group recognized interest expense amounting to ₱62.0 million in 2025, ₱112.3 million in 2024 and ₱99.0 million in 2023 (see Note 21).

### 17. Loans Payable

#### Loans Payable

Description	Maturities	Interest Rates	2025	2024
<b>MFL</b>				
₱105.0 million term loan	June 2027 subject to extension of 2 years	Margin and SONIA	₱1,110,655	₱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
<b>DSHPL</b>				
₱93.5 million term loan	December 2029	Noninterest-bearing	111,287	27,968
<b>SUN OP</b>				
₱200.0 million term loan	May 2030	Margin and THOR	373,820	-
₱20.0 million term loan	March 2026	2.6% p.a.	37,382	-
₱5.0 million term loan	March 2026	2.5% p.a.	9,346	-
			<b>1,642,490</b>	<b>3,233,268</b>
Unamortized debt issue costs			<b>(4,016)</b>	<b>(26,633)</b>
			<b>₱1,638,474</b>	<b>₱3,206,635</b>
Current portion			<b>₱46,728</b>	<b>₱364,239</b>
Non-current portion			<b>1,591,746</b>	<b>2,842,396</b>
			<b>₱1,638,474</b>	<b>₱3,206,635</b>



### MFL Loan

As at December 31, 2025 and 2024, MFL has outstanding unsecured loans payable amounting to ₱1,110.7 million (£14.0 million) and ₱3,205.3 million (£44.0 million), respectively. The sterling term loan facility amounting to ₱8,329.9 million (£105.0 million) with maturity on June 2027 subject to extension of 2 years 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 June 30, 2024 and each quarter thereafter.
- The Group is required to maintain an interest cover of greater than 3.0 from June 30, 2024 and each quarter thereafter.

The facility also includes a revolving credit facility of ₱1,190.0 million (£15.0 million) subject to the same financial covenants above. MFL had no draw down as at December 31, 2025 and 2024.

In 2023, MFL obtained and drew an uncommitted short term credit facility with a financial institution amounting to ₱364.2 million (£5.0 million).

On June 2025, MFL has settled loans amounting to ₱2,540.8 million (£30.0 million).

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

### Sun Op Loan

In 2025, Sun Op entered into interest-bearing loan agreements with Citibank, N.A. The term loan facility amounting to ₱373.8 million (₱200.0 million) with maturity on May 2030 and interest rate based on Margin and THOR has the following financial covenants:

- The Group is required to maintain Gross Leverage of less than 3.5x from June 30, 2025 and each quarter thereafter
- The Group is required to maintain an interest cover of greater than 3.0 from June 30, 2025 and each quarter thereafter.

As at December 31, 2025, the Group is in compliance with these covenants.

In 2025, Sun Op also obtained an open account financing loan amounting to ₱46.7 million (₱25.0 million). In 2026, a portion of the loan amounting to ₱18.7 million (₱10.0 million) was rolled over, with a new maturity date of December 6, 2026 and an interest rate of 1.75%.

Interest expense related to the loans amounted to ₱146.3 million in 2025, ₱294.4 million in 2024 and ₱353.2 million in 2023 (see Note 21).

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

	2025	2024
<b>Loans Payable</b>		
Balance at January 1	<b>₱26,633</b>	₱78,780
Reductions during the period	<b>(116)</b>	(6,658)
Amortization during the period (Note 21)	<b>(23,769)</b>	(48,244)
Foreign currency translation adjustments	<b>1,268</b>	2,755
<b>Total</b>	<b>₱4,016</b>	₱26,633



In 2023, amortization of debt issue costs on loans payable amounted to ₱45.2 million (see Note 21).

## 18. Equity

### Capital Stock and Additional Paid-in Capital (APIC)

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

Par value per share	₱0.50
Authorized number of shares	20,400,000,000
Issued and outstanding common shares	17,968,611,496

The details of the Parent Company's additional paid-in capital as at December 31, 2025, 2024 and 2023 follows:

	2025	2024	2023
Balance at January 1	₱39,361,947	₱39,361,947	₱46,515,847
Equity restructuring	-	-	(7,153,900)
Balance at end of period	₱39,361,947	₱39,361,947	₱39,361,947

The total number of stockholders was 25 and 24 as at December 31, 2025 and 2024, respectively. With respect to the Parent Company's stockholders as at December 31, 2025, the shares were either held (a) in certificated form or (b) in scripless form held under the account of PCD Nominee Corp. (PCD Nominee) through 142 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).

### Amendment of AOI

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 including the amending the authorized capital stock of the Parent Company (without increasing or decreasing the same) such that the authorized number of shares, as amended, shall be:

- a. 20,400,000,000 common shares with a par value of ₱0.50 per share, from the current par value of ₱1.00 per share; and
- b. 3,600,000,000 Preferred Shares classified into:

Class of Preferred Shares	No. of shares	Par value	Amount
Non-voting "A"	400,000,000	₱1.00	₱400,000
Non-voting "B"	800,000,000	1.00	800,000
Voting "C"	2,400,000,000	0.25	600,000
Total	3,600,000,000		₱1,800,000

Said preferred shares' issue value, dividend rate and the terms and conditions of their redemption shall be determined by the BOD at the time of their respective issuances. Furthermore, they shall be cumulative and non-participating as to dividends and non-convertible into common shares. Said preferred shares shall also enjoy preference in assets in the event of liquidation of the Parent Company and in the payment of dividends as against common shares; however, they shall not enjoy any pre-emptive rights to any issue of shares (whether common or preferred).



These amendments on the Parent Company's AOI was approved by the SEC on April 7, 2021.

There have been no issuances of preferred stock as at December 31, 2025 and 2024.

### Retained Earnings

#### *Parent Company*

On the following dates, the BOD approved the following cash dividends, all of which have not been previously appropriated except for 2023:

Dividend declaration and stockholders of record date	Dividend per share	Amount
November 4, 2025	<b>₱0.16</b>	<b>2,874,978</b>
March 26, 2025	<b>0.15</b>	<b>2,695,292</b>
November 6, 2024	0.14	2,515,606
April 10, 2024	0.12	2,156,233
November 29, 2023	0.12	2,156,233

On March 25, 2026, the BOD approved the declaration of regular cash dividends of ₱0.24 per common share to stockholders of record as of April 24, 2026, payable on or before May 21, 2026.

As at December 31, 2025 and 2024, dividends payable amounted to ₱2,875.0 million and nil, respectively. The dividends payable as at December 31, 2025 were paid in full on January 7, 2026.

The BOD approved the following:

- On March 22, 2023, reversal of the 2022 appropriation amounting to ₱5,000.0 million for expansions and other capital requirements.
- On December 6, 2022, appropriation of ₱167.0 million for expansion and other capital requirements which are expected to be completed in 2025. This appropriation was then reversed in 2025

### *MIL*

Under Section 1202 of the Thai Civil and Commercial Code, MIL is required to set aside to a statutory reserve of at least 5% of its income each time MIL pays dividend, until the reserve reaches 10% of the registered capital. The statutory reserve can neither be offset against deficit nor used for dividend payment. The statutory reserve of MIL amounted to ₱44.5 million as at December 31, 2025, 2024 and 2023.

The Group's appropriated retained earnings follows:

	2025		2024		2023	
	Expected Completion	Amount	Expected Completion	Amount	Expected Completion	Amount
Expansions and capital expenditures	-	₱-	2025	₱167,000	2024-2025	₱167,000
MIL statutory reserve	<b>Indefinite</b>	<b>44,452</b>	Indefinite	44,452	Indefinite	44,452
		<b>₱44,452</b>		<b>₱211,452</b>		<b>₱211,452</b>



Restriction on Retained Earnings

As at December 31, 2025 and 2024, undistributed retained earnings of subsidiaries and an associate amounting to ₱1,996.7 million and ₱2,796.9 million, respectively, are not available for dividend declaration until the actual declaration of the subsidiaries and an associate. Further, the undistributed retained earnings include appropriated retained earnings amounting to ₱44.5 million of MIL as at December 31, 2025, and ₱211.5 million of MMYSC and MIL as at December 31, 2024.

Equity Restructuring

On March 29, 2023, the Parent Company's BOD approved the equity restructuring of the Parent Company by offsetting the Deficit as at December 31, 2022 against available additional paid-in capital (APIC) as at December 31, 2022.

On June 9, 2023, SEC then approved the Parent Company's equity restructuring to wipe-out the Deficit as at December 31, 2022 in the amount of ₱7,153.9 million against the APIC of ₱46,515.8 million.

Equity Reserve (see Note 4)

	2025	2024
Initial recognition of guaranty asset at fair value:		
MNSPL (Notes 10 and 26)	<b>₱9,104,076</b>	₱9,104,076
Investments:		
MMYSC	<b>(532,573)</b>	(532,573)
MNTH	<b>(115,390)</b>	(115,390)
KBT	<b>35,336</b>	43,408
MNAC	<b>(7,614)</b>	(7,733)
Equity reserve arising from noninterest-bearing loan	<b>(659)</b>	(659)
	<b>₱8,483,176</b>	₱8,491,129

Cumulative Translation Adjustments

Cumulative translation adjustments attributable to equity holders of the Parent Company are as follows:

	2025	2024
Foreign investments:		
MNSPL	<b>₱850,732</b>	(₱1,119,497)
MNTH	<b>517,730</b>	145,797
MNIIL	<b>(184,565)</b>	(184,810)
MIL	<b>(263,661)</b>	999
Cross currency swap:		
MNC (Note 26)	<b>(1,036,505)</b>	(675,136)
	<b>(₱116,269)</b>	(₱1,832,647)

Earnings (Loss) per Share (EPS)

The following reflects the income and share data used in the basic EPS computation:

	2025	2024	2023
Net income (loss) attributable to equity holders of the parent:	<b>₱8,618,199</b>	₱445,848	(₱636,408)
Weighted average number of common shares	<b>17,968,611,496</b>	17,968,611,496	17,968,611,496
Basic EPS	<b>₱0.48</b>	₱0.02	(₱0.04)



The Parent Company has no potentially dilutive shares as at December 31, 2025, 2024 and 2023. Thus, the basic and diluted earnings (loss) per share in 2025, 2024 and 2023 are the same for each of the three years presented.

## 19. Net Sales and Cost of Goods Sold

### Net Sales by Geography and Operating Segment

	2025	2024	2023
APAC BFB			
Philippines	<b>₱68,124,910</b>	₱64,665,271	₱61,587,481
Other Countries	<b>4,698,850</b>	4,863,213	4,354,473
	<b>72,823,760</b>	69,528,484	65,941,954
Meat Alternative			
United Kingdom	<b>10,806,415</b>	10,685,625	11,153,610
United States	<b>749,750</b>	757,567	858,872
Other Countries	<b>2,103,114</b>	2,148,380	2,215,031
	<b>13,659,279</b>	13,591,572	14,227,513
	<b>₱86,483,039</b>	₱83,120,056	₱80,169,467

All revenues are recognized at a point in time.

### Cost of Goods Sold

	2025	2024	2023
Direct materials	<b>₱44,459,034</b>	₱40,865,595	₱42,013,958
Direct labor (Note 21)	<b>3,399,822</b>	3,209,976	3,051,851
Manufacturing overhead:			
Depreciation and amortization (Notes 12 and 13)	<b>2,276,506</b>	2,184,426	2,215,656
Light and water	<b>1,375,286</b>	1,270,376	1,403,750
Indirect labor (Note 21)	<b>1,236,047</b>	1,145,029	1,022,838
Plant utilities and other consumption	<b>1,233,071</b>	1,226,907	1,064,543
Repairs and maintenance	<b>1,180,604</b>	1,316,253	1,543,080
Steam	<b>624,212</b>	529,087	615,585
Rent (Notes 23 and 25)	<b>19,527</b>	27,053	29,003
Others	<b>1,976,944</b>	2,004,233	1,957,994
Total manufacturing costs	<b>57,781,053</b>	53,778,935	54,918,258
Inventory movements (Note 7):			
Work in-process	<b>(160,748)</b>	460,914	155,336
Finished goods	<b>44,283</b>	190,540	368,109
	<b>₱57,664,588</b>	₱54,430,389	₱55,441,703



## 20. Sales, General and Administrative Expenses

### General and Administrative Expenses

	2025	2024	2023
Salaries, wages and employee benefits (Note 21)	<b>₱4,350,424</b>	₱4,289,464	₱4,308,889
Outside services	<b>1,401,336</b>	1,508,709	989,157
Depreciation and amortization (Notes 12, 13 and 21)	<b>550,222</b>	503,495	556,310
Repairs and maintenance	<b>338,185</b>	230,145	198,740
Insurance	<b>167,475</b>	225,182	241,737
Traveling expenses	<b>160,258</b>	150,567	85,604
Research and development	<b>156,752</b>	164,528	285,341
Taxes and licenses	<b>151,032</b>	182,040	172,857
Membership and subscription	<b>139,887</b>	164,511	117,578
Light, water, and telecommunication	<b>120,891</b>	112,524	96,710
Provision for ECL (Notes 6 and 9)	<b>117,145</b>	69,420	7,750
Warehouse and office supplies	<b>108,211</b>	80,940	65,482
Fringe benefit tax	<b>95,220</b>	96,139	109,564
Recruitment and training expenses	<b>64,595</b>	26,785	40,216
Rent (Notes 23 and 25)	<b>58,196</b>	61,443	63,844
Bank charges	<b>16,853</b>	19,829	12,414
Donations	<b>6,517</b>	55,247	11,261
Inventory loss	–	–	112,055
Others	<b>173,249</b>	412,250	299,527
	<b>₱8,176,448</b>	₱8,353,218	₱7,775,036

### Selling and Distribution Expenses

	2025	2024	2023
Advertising and promotions	<b>₱3,852,996</b>	₱3,431,178	₱2,999,834
Transportation and delivery	<b>3,631,343</b>	3,444,163	3,190,551
Merchandising expense	<b>795,390</b>	743,261	735,248
Dealer support	<b>33,205</b>	38,411	112,132
	<b>₱8,312,934</b>	₱7,657,013	₱7,037,765

### Impairment Loss – Net

	2025	2024	2023
Property, plant and equipment – net (Notes 3 and 12)	<b>₱631,480</b>	₱2,903,352	₱7,094,546
Intangible assets (Notes 3 and 13)	<b>(583,792)</b>	3,871,692	6,177,108
Investments in associates and joint venture (Notes 3 and 11)	<b>11,809</b>	20,886	–
	<b>₱59,497</b>	₱6,795,930	₱13,271,654



**21. Finance Income and Costs, Depreciation and Amortization Expense, Personnel Costs and Miscellaneous Income**

Finance Income

	2025	2024	2023
Cash and cash equivalents (Note 5)	₱393,096	₱552,701	₱410,130
Loans receivable (Notes 9 and 27)	49,712	21,572	17,984
Amortization of financing cost (Note 9)	6,275	4,511	-
Amortization of discount on security deposit	625	493	-
	<b>₱449,708</b>	<b>₱579,277</b>	<b>₱428,114</b>

Finance Costs

	2025	2024	2023
Interest expense on lease liabilities (Note 25)	₱173,860	₱177,078	₱183,877
Interest on loans payable (Note 17)	146,327	294,429	353,188
Acceptance and trust receipts payable (Note 16)	62,010	112,317	99,038
Loss on loan modification (Note 9)	-	83,746	-
Amortization of debt issue costs on loans payable (Note 17)	23,769	48,244	45,244
Others	41,221	22,785	12
	<b>₱447,187</b>	<b>₱738,599</b>	<b>₱681,359</b>

Personnel Costs

	2025	2024	2023
Cost of goods sold:			
Direct labor (Note 19)	₱3,269,324	₱3,206,966	₱3,002,431
Indirect labor (Note 19)	1,236,047	1,145,029	1,022,838
Retirement expense (Notes 19 and 22)	130,498	3,010	49,420
Sales, general and administrative expenses:			
Salaries and wages (Note 20)	2,723,673	3,080,167	3,478,652
Employee benefits (Note 20)	1,408,173	987,999	767,005
Retirement expense (Notes 20 and 22)	218,578	221,298	63,232
	<b>₱8,986,293</b>	<b>₱8,644,469</b>	<b>₱8,383,578</b>



Depreciation and Amortization Expense

	2025	2024	2023
Property, plant and equipment (Note 12)	<b>₱2,648,218</b>	₱2,548,048	₱2,676,723
Intangible assets (Note 13)	<b>178,510</b>	139,873	95,243
	<b>₱2,826,728</b>	₱2,687,921	₱2,771,966
	<b>2025</b>	2024	2023
Cost of goods sold (Note 19)	<b>₱2,276,506</b>	₱2,184,426	₱2,215,656
Sales, general and administrative expense (Note 20)	<b>550,222</b>	503,495	556,310
	<b>₱2,826,728</b>	₱2,687,921	₱2,771,966

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, reversal of ECL and other miscellaneous items which are recorded under the “Miscellaneous income” account in the consolidated statements of comprehensive income.

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**22. Pension Plan**

The Parent Company and certain subsidiaries maintain noncontributory and defined benefit retirement plans covering substantially all their regular employees. The benefit plan is paid in a lump sum upon retirement or separation. These benefits are funded by the Group. Contributions and costs are determined in accordance with the actuarial study made for the plan. The latest actuarial valuation report is December 31, 2025.

The Group’s plan assets are managed and maintained by a local bank. The Group appointed a local trustee bank as the retirement plan trustee. The trustee bank is responsible for the general administration of the retirement plan and the management of the retirement fund. As the administrator of the retirement plan, the trustee bank is responsible for the ultimate control, disposition, or management of the money received or contributed.



Changes in the net defined benefit liability in 2025 and 2024 follow:

	Recognized in profit or loss				Benefits Paid	Remeasurements in OCI					Contributions by Employer	Foreign Currency Translation Adjustments	December 31, 2025
	January 1, 2025	Current Service Cost	Net Interest Cost	Subtotal (Note 21)		Actuarial Changes Arising from Financial Assumptions	Actuarial Changes Arising from Demographic Assumptions	Actuarial Changes Arising from Changes in Experience Adjustments	Remeasurement Gain on Plan Asset	Subtotal			
Present value of defined benefit obligation	(P1,727,151)	(P287,576)	(P101,902)	(P389,478)	P138,923	P60,905	P28,453	(P106,541)	P-	(P17,183)	P-	P162,361	(P1,832,528)
Fair value of plan asset	442,244	-	40,402	40,402	(97,654)	-	-	-	(4,195)	(4,195)	540,000	-	920,797
Net pension liability	(P1,284,907)	(P287,576)	(P61,500)	(P349,076)	P41,269	P60,905	P28,453	(P106,541)	(P4,195)	(P21,378)	P540,000	P162,361	(P911,731)

	Recognized in profit or loss				Benefits Paid	Remeasurements in OCI					Contributions by Employer	Foreign Currency Translation Adjustments	December 31, 2024
	January 1, 2024	Current Service Cost	Net Interest Cost	Subtotal (Note 21)		Actuarial Changes Arising from Financial Assumptions	Actuarial Changes Arising from Demographic Assumptions	Actuarial Changes Arising from Changes in Experience Adjustments	Remeasurement Gain on Plan Asset	Subtotal			
Present value of defined benefit obligation	(P1,517,221)	(P160,634)	(P92,031)	(P252,665)	P128,044	(P8,157)	(P645)	(P82,121)	P-	(P90,923)	P-	P5,614	(P1,727,151)
Fair value of plan asset	509,974	-	28,357	28,357	(95,918)	-	-	-	(169)	(169)	-	-	442,244
Net pension liability	(P1,007,247)	(P160,634)	(P63,674)	(P224,308)	P32,126	(P8,157)	(P645)	(P82,121)	(P169)	(P91,092)	P-	P5,614	(P1,284,907)



The maximum economic benefit available is a combination of expected refunds from the plan and reductions in future contributions. The trustee has no specific matching strategy between the plan assets and the retirement obligation. The Group is not required to pre-fund the defined benefit obligation before they become due. The amount and timing of contributions to the retirement fund are at the Group's discretion.

The carrying value and fair value of plan assets by each class as at the end of the reporting period are as follow:

	2025	2024
Investments in UITF	₱599,176	₱2,193
Debt instruments:		
Fixed rate treasury notes and retail treasury bonds	255,265	369,262
Corporate bond and fixed-rate notes	63,878	65,174
Liabilities	(2,624)	(586)
Cash and cash equivalents	194	520
Others	4,908	5,681
	<b>₱920,797</b>	<b>₱442,244</b>

The plan assets have diverse investments and do not have any concentration risk.

The costs of defined benefit pension plans as well as the present value of the pension obligation are actuarially determined using projected unit credit method. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension benefit obligations for the defined benefit plans are shown below:

	2025	2024
Discount rate	2.76-6.49%	2.76-6.14%
Salary increase rate	4.00-6.00%	5.00-9.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at December 31, 2025 and 2024, assuming if all other assumptions were held constant:

	Increase(decrease)	2025	2024
		Effect on Defined Benefit Obligation	
Discount rates	1.00%	(₱150,339)	(₱152,757)
	(1.00%)	177,060	180,928
Future salary increases	1.00%	176,349	179,519
	(1.00%)	(152,458)	(154,410)

The average duration of the defined benefit obligation at the end of the reporting period is 8.70–14.80 years in 2025 and 9.70–15.50 years in 2024.

Shown below is the expected future benefit payment:

Financial Year	2025	2024
Year 1	₱281,600	₱218,594
Years 2–5	537,779	433,499
Years 6–10	1,019,712	992,942



## 23. 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 Parent Company has Material Related Party Transaction Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The following are the significant transactions with related parties:

Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
<i>Associates and joint ventures</i>					
<b>MLI</b>					
Rent expense	2025	₱66,752	(₱5,952)	15 days;	Unsecured
	2024	56,084	(5,234)	Noninterest-bearing	
	2023	64,808	–		
Miscellaneous income	2025	147	86	60 days;	Unsecured
	2024	17	3	Noninterest-bearing	
	2023	–	–		
<b>Honey Droplet Ltd.</b>					
Advances and interest income (Note 9)	2025	–	–	4-6 years;	Unsecured;
	2024	–	–	Interest-bearing	Gross advances
	2023	–	–		amounted to
					₱115.3 million in
					2025 and 2024; fully
					impaired in 2025 and
					2024
<b>CHTI</b>					
Transportation and delivery expense and wheat handling fees	2025	278,923	(37,937)	15 days;	Unsecured
	2024	316,796	(42,845)	Noninterest-bearing	
	2023	324,596	(49,204)		
<i>Common shareholders</i>					
<b>PT. Nissin Biscuit Indonesia</b>					
Trade purchases – net	2025	49,855	1,974	45 days;	Unsecured
	2024	49,671	3,883	Noninterest-bearing	
	2023	46,075	–		
<b>MNSG Holdings Pte. Ltd.</b>					
Guaranty asset	2025	(417,893)	7,710,921	Refer to Notes 10 and 26	
	2024	(2,303,442)	8,128,814		
	2023	10,432,256	10,432,256		
Loans receivable - net (Notes 9 and 21)	2025	–	95,915	2 years;	Unsecured
	2024	–	91,493	Interest-bearing	
	2023	–	172,305		
Trade and other receivables (Note 6)	2025	–	86		
	2024	–	3		
	2023	–	–		
Loans receivable - net (Notes 9 and 21)	2025	–	95,915		
	2024	–	91,493		
	2023	–	172,305		
Trade and other payables - net (Note 15)	2025	–	(41,915)		
	2024	–	(44,196)		
	2023	–	(49,204)		
Advances to employees (Note 14)	2025	51,311	151,235	1-5 years;	Unsecured
	2024	9,333	99,924	Noninterest-bearing	
	2023	20,814	90,591		

These transactions with related parties will be settled through cash.



Trade and other receivables and payables to related parties that were eliminated upon consolidation are presented below:

Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
Trade sales/ purchases	2025	₱20,980,631	₱2,162,470	30-60 days; non- interest-bearing	Unsecured; no impairment
	2024	₱18,839,916	₱3,324,503		

Wide Faith Foods Co. Ltd.

On November 17, 2015, the Parent Company entered into a Guarantee Agreement with The Hongkong and Shanghai Banking Corporation Limited, Bangkok Branch, to guarantee the ₱141.4 million (\$3.0 million) loan of Wide Faith Foods Co. Ltd. As at December 31, 2025, the loan has been fully settled and is no longer outstanding.

Compensation of Key Management Personnel

	2025	2024	2023
Short-term employee benefits	₱1,448,212	₱1,586,878	₱1,451,857
Post-employment benefits	61,609	76,413	147,541
	<b>₱1,509,821</b>	<b>₱1,663,291</b>	<b>₱1,599,398</b>

## 24. Income Tax

Organization for Economic Co-operation and Development (OECD) Pillar Two Model Rules

The Group is within the scope of Global Minimum Tax (“GMT”) under the OECD Pillar Two model rules (“Pillar Two”) since it has annual consolidated group revenues exceeding €750.0 million (₱45,900.0 million). Under the Pillar Two legislation, a company is liable to pay a top-up tax for the difference between its effective tax rate per jurisdiction and a 15% minimum rate.

Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates effective beginning January 1, 2024 for United Kingdom, Germany, Sweden and Netherlands and January 1, 2025 for Singapore, Thailand, New Zealand and Hongkong.

As a result, the Group has performed an assessment of the potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the tax filings, country-by-country reporting, and financial statements for the covered entities of the Group.

There is also a transitional “safe-harbour” under the rules which, if passed for a given country, automatically means no GMT liability will arise in respect of that country. All entities within the Group will pass the transitional safe harbour test.

Based on the assessment, the Group does not expect material exposure to Pillar Two top up taxes and has no related current tax exposure.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position, and cash flows.



The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to GMT taxes.

Current Income Tax

A reconciliation of the provision for income tax computed at the applicable statutory tax rate of the Group to provision for income tax as shown in the consolidated statements of comprehensive income is as follows:

	2025	2024	2023
Provision for income tax computed at applicable statutory tax rate (17% to 25%)	<b>₱4,306,231</b>	(₱1,338,564)	(₱1,761,405)
Income tax effects of:			
Nontaxable income	<b>(1,374,825)</b>	(1,052,475)	(1,094,971)
Change in unrecognized DTA	<b>178,358</b>	2,573,042	(165,847)
Benefit from OSD	<b>(129,072)</b>	(136,898)	(123,693)
Nondeductible expenses	<b>117,753</b>	3,157,050	2,305,545
Interest income already subjected to final tax and not subject to tax	<b>(86,157)</b>	(118,992)	(94,580)
Expired and applied NOLCO	<b>45,249</b>	(374)	140
Nondeductible interest expense	<b>15,502</b>	25,572	19,392
Difference in tax rate of temporary differences	<b>(1,127)</b>	(729)	(211,348)
Net deferred tax on unremitted interest income	-	(288)	(49,194)
Others	<b>(4,158)</b>	(45,409)	(44,591)
	<b>₱3,067,754</b>	₱3,061,935	(₱1,220,552)

Deferred Income Tax

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

	2025	2024
<b>Deferred tax assets - net</b>		
Lease liabilities	<b>₱691,254</b>	₱685,135
Right-of-use assets	<b>(607,224)</b>	(616,286)
Allowance for impairment loss	<b>244,265</b>	259,153
Pension liability	<b>209,800</b>	308,097
Derivative liability	<b>162,493</b>	72,151
Accrued expenses	<b>155,381</b>	157,813
Refund liabilities	<b>74,529</b>	94,696
Unrealized profits from intercompany sales	<b>33,860</b>	36,042
Unrealized foreign exchange gain	<b>(18,241)</b>	(5,859)
Excess of the tax base over the carrying amounts of non-monetary assets	<b>17,838</b>	14,545
Unamortized past service cost	<b>14,691</b>	7,133

(Forward)



	2025	2024
Allowance for inventory obsolescence	₱887	₱1,491
Allowance for ECL	769	1,582
NOLCO	–	1,657
Others	<b>(18,078)</b>	<b>(9,848)</b>
	<b>962,224</b>	<b>1,007,502</b>
<b>Deferred tax liabilities - net</b>		
NOLCO	<b>1,915,722</b>	913,198
Brand	<b>(1,401,648)</b>	(1,185,900)
Property, plant and equipment	<b>(1,036,649)</b>	(211,609)
Interest expense	<b>478,201</b>	444,738
Unrealized foreign exchange gain	<b>(3,839)</b>	(2,257)
Interest income	<b>(535)</b>	(1,064)
Others	<b>10,766</b>	10,627
	<b>(37,982)</b>	<b>(32,267)</b>
	<b>₱924,242</b>	<b>₱975,235</b>

The reconciliation of the Group's deferred taxes is as follows:

	2025	2024
Beginning balance	<b>₱975,235</b>	₱555,228
Provision for (benefit from) deferred income tax during the period recognized in profit or loss	<b>(106,443)</b>	303,179
Provision for deferred income tax during the period recognized in OCI	<b>3,756</b>	21,753
Currency translation adjustments	<b>51,694</b>	95,075
Deferred tax assets, ending	<b>₱924,242</b>	₱975,235

In 2023, the Group reversed deferred tax liabilities on brands and property, plant and equipment amounting to ₱3,283.0 million as a result of the additional impairment recognized during the year.

The following deferred tax assets were not recognized in the consolidated financial statements since management believes that it will not be utilized in the future:

	2025	2024
Unused NOLCO	<b>₱938,939</b>	₱1,900,936
Allowance for impairment loss	<b>209,703</b>	30,601
Right-of-use assets and lease liabilities	<b>11,340</b>	9,875
Asset retirement obligation	<b>5,629</b>	5,219
MCIT	<b>4,503</b>	4,189
Inventory obsolescence	<b>1,408</b>	7,782
Others	<b>1,196</b>	1,177
	<b>₱1,172,718</b>	₱1,959,779

As at December 31, 2025 and 2024, deferred tax liability on undistributed earnings of subsidiaries amounting to ₱462.2 million and ₱436.7 million, respectively, was not recognized since the Parent Company controls the dividend policy of its subsidiaries, hence, it is able to control the timing of the reversal of the temporary difference with these subsidiaries and such temporary difference is not seen to reverse in the foreseeable future. Deferred tax assets on cumulative translation adjustments amounted to ₱29.0 million, and ₱458.2 million as at December 31, 2025 and 2024, respectively, were



not recognized since it is not probable that taxable profit will be available against which the temporary difference can be utilized.

The balances of unused NOLCO with their corresponding years of expiration are as follows:

Year Incurred	Expiry Year	NOLCO	MCIT
<b>Philippine Entities</b>			
2020	2025	₱191,549	₱-
2021	2026	1,123	-
2022	2025	731	804
2023	2026	1,004	2,036
2024	2027	-	1,349
2025	2028	-	1,118
		194,407	5,307
Expired during the year		(182,865)	(804)
Applied during the year		(9,641)	-
		1,901	4,503
<b>MNSPL</b>			
2018	N/A	30,329	-
2019	N/A	221,793	-
2020	N/A	128,940	-
2021	N/A	155,294	-
2022	N/A	144,587	-
2023	N/A	192,553	-
2024	N/A	166,249	-
2025	N/A	49,925	-
		1,089,670	-
		₱1,091,571	₱4,503

In 2023, a deferred tax asset is recognized in respect of interest deductions that have been restricted in MFL and MNUK. The deferred tax was recognized on the basis that it can be offset against the deferred tax liability in respect of the brand intangible.

#### Board of Investments Incentive

In 2024, the Parent Company was registered with the Board of Investments (BOI) as a Domestic Market Enterprise for the production of Butter Coconut Biscuits in its Davao manufacturing plant. The Parent Company was granted fiscal incentives which include Income Tax Holiday (ITH) period five (5) years subject to the provisions of the National Internal Revenue Code of 1997, as amended by Republic Act No. 11534, or the Corporate Recovery and Tax Incentives for Enterprise (CREATE) Act, and the terms and conditions of the Registration Agreement. The ITH period shall be reckoned from September 17, 2024, as the project's actual date of start of commercial operations.

#### MMYSC

MMYSC's current provision for income tax is computed based on Optional Standard Deduction (OSD) in accordance with Revenue Regulation (RR) No. 16-2008, *Implementing the Provisions of Section 34(L) of the Tax Code of 1997, As Amended by Section 3 of Republic Act No. 9504, Dealing on the Optional Standard Deduction Allowed to Individuals and Corporations in Computing Their Taxable Income*. The OSD is equivalent to 40% of gross income, as provided by law, in lieu of the itemized allowable deductions.



The OSD results in an effective tax rate of 15% for the years in which OSD is projected to be utilized. The availment of OSD affected the recognition of deferred tax assets and liabilities on income and expenses that are not considered in the determination of gross income for income tax purposes. MMYSC forecasts that it will continue to avail of the OSD, such that the manner by which it will recover or settle the underlying assets and liabilities, for which the deferred tax assets and liabilities were initially recognized, would not result in any future tax consequence under OSD.

On February 27, 2026, the Philippine Economic Zone Authority (PEZA) Board approved the application of MMYSC as a New Economic Domestic Market Enterprise, specifically to engage in manufacturing SkyFlakes crackers and sandwiches at the TECO Industrial Park Special Economic Zone. MMYSC is currently in the process of executing the Registration Agreement with PEZA.

Pursuant to its registration, MMYSC is entitled to six (6) years Income Tax Holidays and ten (10) years Enhanced Deductions Regime with lowered corporate tax rate of 20% and additional deductions under Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, as amended by Republic Act No. 12066 or the CREATE to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act.

MNUKL

The main rate of UK corporation tax increased from 19% to 25% on April 1, 2023. The increase in rate was substantively enacted on May 24, 2021, and the impact of this rate change has been reflected in the measurement of recognized deferred tax balances at December 31, 2025 and 2024.

MNTH

Under the Investment Promotion Act B.E. 2520, the Thailand BOI granted MNTH promotional privileges subject to certain imposed conditions. Significant tax privileges include the following:

Certificate No.	64-0754-1-00-1-0
Grant date	June 2021
Nature	For manufacturing of dehydrated foods
Significant privileges:	
Exemption from corporate income tax for profit from promoted operations	6 years, capped at THB 469.2 million
Exemption from import duty on approved machinery	Granted
Exemption from import duty on raw materials and significant supplies used in production for export	Granted
Date of first earning operating income	Not yet utilized

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**25. Leases**

Parent Company

The Parent Company leases various real estate properties for its plant sites, warehouses, and office spaces. The most significant of these lease agreements is the lease agreement with MLI, for its plant sites in Sta. Rosa Laguna, Cebu, and Davao. The agreements are for periods of 25 to 50 years, renewable for another 25 years. Under the terms of the leases, in the event that the lessor decides to sell the leased property, the Parent Company shall have the first option to buy the said property subject to the constitutional limitations on the ownership of land.



On June 24, 2020, the Parent Company entered into agreements with Science Park of the Philippines for the lease of certain parcels of land in San Fernando, Malvar, Batangas to be used for various operational activities. The lease agreements are valid for 50 years, up to 2095, and are automatically renewable for another 25 years.

On November 15, 2024, the Parent Company entered into an agreement with Atlantic Grains Inc. (AGI) for the lease of certain parcels of land in Calaca City, Batangas to be used for various operational activities. The lease agreement is valid for 50 years up to 2074 subject to automatic renewal for another 25 years.

On May 1, 2025, the Parent Company entered into an agreement with Rockwell Land Corporation for the lease of office building in Rockwell Center, Makati City to be used for various operational activities. The lease agreement is valid for 5 years up to 2030 but may be renewed upon mutual agreement of the parties in writing or initiated by the Parent Company by providing a written notice of intent to renew at least one hundred eighty (180) calendar days prior to the expiration of the contract.

The Parent Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Parent Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The undiscounted potential future rental payments relating to periods following the exercise date of extension options not within the control of lessee that are not included in the lease term amounted to ₱94.5 million as at December 31, 2025 and 2024. The extension options not included are exercisable in 2030.

#### MMYSC

MMYSC leases real estate properties for a period of 50 years up to 2052 from Monde Rizal, an associate through KBT, renewable for another 25 years. MMYSC also entered into another lease agreement for the lease of real property for a period of 10 years.

On March 1, 2024, MMYSC entered into a lease agreement with TIPCO Estates Corporation for the lease of certain industrial lots inside the TECO Industrial Park located in Mabalacat, Pampanga to be used for various operational activities. The lease agreement is valid for 50 years and is renewable for another 25 years.

#### MNTH

MNTH entered into several lease agreements in respect of the lease of its office building space and transport service agreements. The terms of the agreements are generally between 1 and 3 years.

There are no new lease contracts that have not yet commenced as at December 31, 2025.

#### MNUKL

In 2022, new leases entered into by MNUKL included an office in the Netherlands and several replacement motor cars most of which are electric for fossil fuel substitutions.

In 2021, MNUKL has entered into various lease agreements. The most significant agreements pertain to a 6-year lease contract of an office building in United States amounting to ₱58.3 million (£0.9 million) and a 5-year lease contract of a fleet of forklift trucks at three United Kingdom sites amounting to ₱40.8 million (£0.6 million). In 2023, the office lease in United States is terminated



and the overall fleet of motor vehicles has reduced. The leased car fleet is now comprised mostly of electric or dual fuel vehicles.

The following are the amounts recognized in consolidated statement of comprehensive income:

	2025	2024	2023
Depreciation expense of right-of-use assets included in property, plant and equipment (Note 12)	<b>₱177,616</b>	₱172,191	₱171,859
Interest expense on lease liabilities (Note 21)	<b>173,860</b>	177,078	183,877
Expenses relating to short-term leases (Notes 19 and 20)	<b>42,296</b>	49,199	81,501
Expenses relating to leases of low-value assets (Notes 19 and 20)	<b>35,427</b>	39,297	11,346
	<b>₱429,199</b>	₱437,765	₱448,583

The movements in the Group's lease liabilities are as follows:

	2025	2024
Balance at beginning of year	<b>₱2,599,765</b>	₱2,682,867
Payment of principal portion of lease liabilities	<b>(276,475)</b>	(1,325,800)
Additions (Note 12)	<b>61,164</b>	1,094,676
Accretion of interest (Note 21)	<b>173,860</b>	177,078
Disposal (Note 12)	<b>(992)</b>	(29,056)
	<b>2,557,322</b>	2,599,765
Less: Current portion	<b>92,507</b>	77,620
	<b>₱2,464,815</b>	₱2,522,145

The maturity analysis of lease liabilities is disclosed in Note 26.

## 26. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables, loans receivable, noncurrent receivables 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, and loan payable, which arise directly from its operations.

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.



The sensitivity analyses in the following sections relate to the position as at December 31, 2025 and 2024. The sensitivity of the relevant statement of other comprehensive income item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at December 31, 2025 and 2024.

#### 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.

*Interest Rate Sensitivity.* The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	<b>Increase (Decrease) in Basis Points</b>	<b>Effect on Income Before Tax</b>
<b>2025</b>	<b>+100</b>	<b>₱11,107</b>
	<b>-100</b>	<b>(11,107)</b>
2024	+100	₱32,053
	-100	(32,053)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### 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.

The table below summarizes the Group's significant foreign currency-denominated financial assets and liabilities (impact of other currencies is not material) as at December 31:

	<b>2025</b>				
	<b>Original Currency</b>				<b>Peso</b>
	<b>USD</b>	<b>EUR</b>	<b>JPY</b>	<b>THB</b>	<b>Equivalent</b>
<b>Financial Assets</b>					
Cash and cash equivalents	\$63,165	€490	¥-	฿1,194,391	₱5,989,926
Financial assets at FVTPL*	27,511	-	-	-	1,621,773
Trade and other receivables	23,956	1,467	-	374,111	2,212,987
	<b>114,632</b>	<b>1,957</b>	<b>-</b>	<b>1,568,502</b>	<b>9,824,686</b>
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities	35,648	1,430	2,295	358,477	2,871,312
<b>Net Financial Assets (Liabilities)</b>	<b>\$78,984</b>	<b>€527</b>	<b>(¥2,295)</b>	<b>฿1,210,025</b>	<b>₱6,953,374</b>

\*Presented under current financial assets



	2024				
	Original Currency				
	USD	EUR	JPY	THB	Peso Equivalent
<b>Financial Assets</b>					
Cash and cash equivalents	\$54,737	€410	¥-	฿1,159,247	₱5,156,438
Financial assets at FVTPL*	22,142	-	-	-	1,283,771
Trade and other receivables	29,567	1,186	-	275,728	2,251,614
	106,446	1,596	-	1,434,975	8,691,823
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities	35,732	2,338	9,636	337,347	2,786,254
Net Financial Assets (Liabilities)	\$70,714	(€742)	(¥9,636)	฿1,097,628	₱5,905,569

\*Presented under current financial assets

The Group's exposure to foreign currency risk arises primarily from its USD denominated payables and operational requirements. To mitigate this risk and optimize the cost of funding, the Group employs a systematic foreign currency stockpiling strategy. The Group maintains a foreign currency stockpile at a maximum of 60% of its USD Net Short Position. This position is reviewed and updated quarterly to reflect current market exposures.

In translating the foreign currency-denominated financial instruments into Philippine peso amounts, the exchange rates used are as follows:

Year	Currency			
	USD (\$)	EUR (€)	JPY (¥)	THB (฿)
<b>2025</b>	<b>₱58.95</b>	<b>₱69.21</b>	<b>₱0.38</b>	<b>₱1.87</b>
2024	₱57.98	₱60.39	₱0.37	₱1.69

The following table demonstrates the sensitivity to a reasonably possible change in the U.S. Dollar, European Euro, Japanese Yen, and Thai Baht for the next period, with all other variables held constant, of the Group's income before tax. The reasonably possible change in exchange rate was based on forecasted exchange rate changes within the next two months after the reporting period. The methods and assumptions used remained unchanged over the reporting periods being presented.

	2025		2024	
	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax
U.S. dollar	1.67% (1.67%)	₱77,757 (77,757)	4.68% (4.68%)	₱191,877 (191,877)
European euro	14.61% (14.61%)	5,329 (5,329)	1.51% (1.51%)	(677) 677
Japanese yen	2.00% (2.00%)	(17) 17	6.04% (6.04%)	(215) 215
Thailand baht	10.66% (10.66%)	241,093 (241,093)	4.88% (4.88%)	90,475 (90,475)

The Group's exposure to foreign currency changes for all other currencies is not material.



### 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. To mitigate default risk, the Group implements a systematic onboarding and vetting process for all counterparties. A key requirement of this framework is that all banking and financial institution counterparties must maintain an investment-grade credit rating. Counterparty credit limits are reviewed periodically to ensure exposure remains within the Group's defined risk appetite. Since the Group trades only with recognized third parties, there is no requirement for collateral.

*Maximum exposure to credit risk.* The table below shows the maximum exposure to credit risk for the Group's financial assets, without taking account any collateral and other credit enhancements:

	2025	2024
Financial assets at amortized cost		
Cash and cash equivalents*	<b>₱15,397,050</b>	₱14,157,155
Trade and other receivables	<b>8,400,984</b>	7,709,717
Noncurrent receivables	<b>1,432,078</b>	1,320,296
Advances to employees**	<b>151,235</b>	99,924
Refundable security deposit****	<b>192,681</b>	188,682
<b>Total credit risk exposure</b>	<b>₱25,574,028</b>	<b>₱23,475,774</b>

\*Excluding cash on hand amounting to ₱1.2 million in 2025 and ₱1.0 million in 2024.

\*\*Recorded under "other noncurrent assets".

\*\*\*UITF and other derivatives recorded under "current financial assets".

\*\*\*\*Including the discount recognized as ROU.

*Aging analysis.* The aging analysis of financial assets follows:

	2025					ECL	Total
	Days Past Due						
	Current	1-30 Days	31-60 Days	61-90 Days	More than 90 Days		
<b>Financial assets at amortized cost</b>							
Cash and cash equivalents*	₱15,397,050	₱-	₱-	₱-	₱-	₱-	₱15,397,050
Trade and other receivables	6,948,555	1,218,668	205,248	10,736	17,777	118,408	8,519,392
Noncurrent receivables	1,432,078	-	-	-	-	115,266	1,547,344
Advances to employees**	151,235	-	-	-	-	-	151,235
	<b>23,928,918</b>	<b>1,218,668</b>	<b>205,248</b>	<b>10,736</b>	<b>17,777</b>	<b>233,674</b>	<b>25,615,021</b>
<b>Financial asset at FVTPL</b>							
Guaranty asset	7,710,921	-	-	-	-	-	7,710,921
Others***	1,809,793	-	-	-	-	-	1,809,793
<b>Financial assets at FVOCI</b>	<b>584,296</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>584,296</b>
<b>Refundable security deposit****</b>	<b>192,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192,681</b>
	<b>10,297,691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,297,691</b>
	<b>₱34,226,609</b>	<b>₱1,218,668</b>	<b>₱205,248</b>	<b>₱10,736</b>	<b>₱17,777</b>	<b>₱233,674</b>	<b>₱35,912,712</b>

\* Excluding cash on hand amounting to ₱1.2 million.

\*\*Recorded under "other noncurrent assets".

\*\*\*UITF and other derivatives recorded under "current financial assets".

\*\*\*\*Including the discount recognized as ROU.



	2024						Total
	Days Past Due					ECL	
	Current	1–30 Days	31–60 Days	61–90 Days	More than 90 Days		
<b>Financial assets at amortized cost</b>							
Cash and cash equivalents*	₱14,157,155	₱–	₱–	₱–	₱–	₱–	₱14,157,155
Trade and other receivables	6,637,815	959,055	55,830	43,200	13,817	6,854	7,716,571
Noncurrent receivables	1,320,296	–	–	–	–	115,266	1,435,562
Advances to employees**	99,924	–	–	–	–	–	99,924
	22,215,190	959,055	55,830	43,200	13,817	122,120	23,409,212
<b>Financial asset at FVTPL</b>							
Guaranty asset	8,128,814	–	–	–	–	–	8,128,814
Others***	1,812,489	–	–	–	–	–	1,812,489
<b>Financial assets at FVOCI</b>	813,971	–	–	–	–	–	813,971
<b>Refundable security deposit****</b>	188,682	–	–	–	–	–	188,682
	10,943,956	–	–	–	–	–	10,943,956
	₱33,159,146	₱959,055	₱55,830	₱43,200	₱13,817	₱122,120	₱34,353,168

\*Excluding cash on hand amounting to ₱1.0 million.

\*\*Recorded under "other noncurrent assets".

\*\*\*UITF and other derivatives recorded under "current financial assets".

\*\*\*\*Including the discount recognized as ROU.

### Credit risk under general and simplified approach

	2025				
	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents*	₱15,397,050	₱–	₱–	₱–	₱15,397,050
Trade and other receivables	101,026	–	–	8,418,366	8,519,392
Advances to employees**	151,235	–	–	–	151,235
Noncurrent receivables	1,432,078	–	115,266	–	1,547,344
	17,081,389	–	115,266	8,418,366	25,615,021
<b>Refundable security deposit***</b>	192,681	–	–	–	192,681
	₱17,274,070	₱–	₱115,266	₱8,418,366	₱25,807,702

\* Excluding cash on hand amounting to ₱1.2 million.

\*\*Recorded under "current financial assets".

\*\*\*Including the discount recognized as ROU.

	2024				
	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents*	₱14,157,155	₱–	₱–	₱–	₱14,157,155
Trade and other receivables	68,252	–	–	7,648,319	7,716,571
Advances to employees**	99,924	–	–	–	99,924
Noncurrent receivables	1,320,296	–	115,266	–	1,435,562
	15,645,627	–	115,266	7,648,319	23,409,212
<b>Refundable security deposit***</b>	188,682	–	–	–	188,682
	₱15,834,309	₱–	₱115,266	₱7,648,319	₱23,597,894

\* Excluding cash on hand amounting to ₱1.0 million.

\*\*Recorded under "current financial assets".

\*\*\*Including the discount recognized as ROU.

*Simplified Approach.* Set out below is the information about the credit risk exposure on the Group's trade receivables using simplified approach (provision matrix):

	2025							Total
	Days Past Due							
	Current	<30 days	30–60 days	61–90 days	91–120 days	121–365 days	>365 days	
Expected credit loss rate	0.02%	0.11%	0.60%	1.46%	2.55%	3.79%	100.00%	
Estimated total gross carrying amount at default	₱6,847,529	₱1,218,668	₱201,850	₱10,736	₱17,777	₱7,928	₱113,878	₱8,418,366
<b>Expected credit loss</b>	₱1,082	₱1,318	₱1,220	₱157	₱452	₱301	₱113,878	₱118,408



	2024							Total
	Days Past Due							
	Current	<30 days	30-60 days	61-90 days	91-120 days	121-365 days	>365 days	
Expected credit loss rate	0.02%	0.09%	0.98%	2.31%	4.01%	9.40%	100.00%	
Estimated total gross carrying amount at default	₱6,569,563	₱959,055	₱41,672	₱43,200	₱12,818	₱21,181	₱830	₱7,648,319
Expected credit loss	₱1,233	₱877	₱408	₱1,000	₱515	₱1,991	₱830	₱6,854

### 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 3% and 23% of the Group's long-term debt will mature in less than one year at December 31, 2025 and 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.

*Maturity profile.* The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments are as follows:

	2025					Total
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	
<b>Financial liabilities carried at amortized cost</b>						
Accounts payable and other current liabilities*	₱1,286,305	₱10,213,100	₱108,297	₱-	₱-	₱11,607,702
Refund liabilities	-	298,116	-	-	-	298,116
Dividends payable	-	2,874,978	-	-	-	2,874,978
Loans payable**	-	62,084	55,330	1,733,175	-	1,850,589
Acceptance and trust receipts payable	-	-	1,039,990	-	-	1,039,990
Lease liabilities	-	69,390	189,970	976,809	7,175,876	8,412,045
	₱1,286,305	₱13,517,668	₱1,393,587	₱2,709,984	₱7,175,876	₱26,083,420

\* Excluding statutory payables.

\*\* Including interest payable up to maturity.



2024						
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
<b>Financial liabilities carried at amortized cost</b>						
Accounts payable and other current liabilities*	₱2,693,131	₱8,822,494	₱7,860	₱-	₱-	₱11,523,485
Refund liabilities	-	378,784	-	-	-	378,784
Loans payable**	-	45,555	2,242,433	1,164,001	-	3,451,989
Acceptance and trust receipts payable	-	-	1,608,501	-	-	1,608,501
Lease liabilities	-	62,917	182,533	979,083	7,355,763	8,580,296
	₱2,693,131	₱9,309,750	₱4,041,327	₱2,143,084	₱7,355,763	₱25,543,055

\* Excluding statutory payables.

\*\* Including interest payable up to maturity.

### Changes in Liabilities Arising from Financing Activities

	January 1, 2025	Cash Flows	Foreign Exchange Movement	Fair Value changes	Others*	December 31, 2025
Loans payable	₱3,206,635	(₱2,008,974)	₱417,044	₱-	₱23,769	₱1,638,474
Accrued interest payable	17,503	(262,351)	-	-	253,073	8,225
Derivative liability	288,604	43,396	-	(34,700)	361,369	658,669
Lease liabilities	2,599,765	(276,475)	-	-	234,032	2,557,322
Dividends payable	-	(2,695,292)	-	-	5,570,270	2,874,978
Other noncurrent liabilities	40,256	(5,420)	-	-	-	34,836
Total liabilities from financing activities	₱6,152,763	(₱5,205,116)	₱417,044	(₱34,700)	₱6,442,513	₱7,772,504

\*"Others" primarily include amortization of debt issue costs, interest expenses and additions from new leases. Others under dividends payable pertain to dividends declared during the year.

	January 1, 2024	Cash Flows	Foreign Exchange Movement	Fair Value changes	Others*	December 31, 2024
Loans payable	₱4,934,027	(₱1,932,258)	₱156,622	₱-	₱48,244	₱3,206,635
Accrued interest payable	20,747	(516,792)	-	-	513,548	17,503
Derivative liability	106,406	65,869	-	(65,869)	182,198	288,604
Lease liabilities	2,682,867	(1,325,800)	-	-	1,242,698	2,599,765
Dividends payable	2,156,233	(6,828,072)	-	-	4,671,839	-
Other noncurrent liabilities	38,557	1,699	-	-	-	40,256
Total liabilities from financing activities	₱9,938,837	(₱10,535,354)	₱156,622	(₱65,869)	₱6,658,527	₱6,152,763

\*"Others" primarily include amortization of debt issue costs, interest expenses and additions from new leases. Others under dividends payable pertain to dividends declared during the year.

	January 1, 2023	Cash Flows	Foreign Exchange Movement	Fair Value changes	Others*	December 31, 2023
Loans payable	₱7,253,014	(₱2,705,378)	₱341,147	₱-	₱45,244	₱4,934,027
Accrued interest payable	21,018	(452,509)	-	-	452,238	20,747
Derivative liability	-	20,833	-	(20,833)	106,406	106,406
Lease liabilities	2,810,167	(332,604)	-	-	205,304	2,682,867
Dividends payable	-	-	-	-	2,156,233	2,156,233
Other noncurrent liabilities	36,673	1,884	-	-	-	38,557
Total liabilities from financing activities	₱10,120,872	(₱3,467,774)	₱341,147	(₱20,833)	₱2,965,425	₱9,938,837

\*"Others" primarily include amortization of debt issue costs, interest expenses and additions from new leases.

### Derivative Financial Instruments

The Group engages in derivative transactions such as dual currency investment, structured note, binary note, crude palm oil (CPO) swaps, cross currency swaps (CCS), interest rate swap, guaranty asset and USD / PHP Call Option with European Knockout Option (EKO) to manage its foreign currency, interest rate and financial 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 (wedding cake deposit and dual currency investment) 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. Dual currency investment is nil as at December 31, 2025.

Pertinent details of the dual currency investment as at December 31, 2024 are as follows:

Notional amount	Effective Date	Maturity Date	Investment Currency	Alternative Currency	Conversion Rate	Interest Rate of Investment Currency
\$8,300	10/16/24	03/18/25	USD	GBP	1.285	7.77% p.a.
\$5,058	12/11/24	03/12/25	GBP	USD	1.285	7.77% p.a.

### *Structured Note*

The Group invested in a structured note that offers enhanced return when the underlying asset trades at or is 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	09/23/25	06/25/26	Specified Denomination + Specified Denomination 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 December 31, 2025.

The Group recognized market valuation gain of ₱75.8 million and ₱36.8 million from fair value changes of dual currency investment, structured note, and binary note in 2025 and 2024, respectively, under the “Market valuation gain on financial instruments at fair value through profit or loss (FVTPL)” account in the consolidated statement of comprehensive income.

### *CPO Swap Contract*

In 2025, the Group entered into CPO swap contracts with the view of hedging its exposure to the fair value fluctuations of its CPO inventory attributable to changes in CPO market prices. Market valuation loss from fair value changes of the CPO swap and gain on hedge item, which effectively offset each other, are recognized under "Cost of goods sold" account.

### *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 (฿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.



On July 24, 2025, the Parent Company entered into another non-deliverable CCS Agreement with a notional amount of ₱765.8 million (฿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.

As a result, the Group recognized the following in 2025 and 2024:

	2025	2024
Derivative gain	<b>₱36,545</b>	₱50,193
Cumulative translation adjustment (Note 18)	<b>(361,369)</b>	(182,198)

#### *Interest Rate Swap*

MFL entered into an interest rate swap agreement in March 2019 which commenced in March 2020 to eliminate the cash flow risk around the interest on its loan. In 2022, MFL transitioned its interest rate from LIBOR to SONIA such that the interest rate is based on Margin and SONIA. MFL pays interest at the fixed rate of 0.826% per annum. The quarterly payment started on June 25, 2020 and expired on March 25, 2024, and was replaced with a new interest rate swap which continues to partially hedge the floating debt in 2024, thereby fixing a portion of the interest expense, and resulting in an overall weighted average effective interest rate of 5.36% and 6.06% in 2025 and 2024, respectively, on the debt and swap combination. The interest rate swap matured in June 2025. As a result, the outstanding floating-rate debt as at December 31, 2025 amounting to ₱1,110.7 million (£14.0 million) is no longer hedged.

The Group recognized loss from interest rate swap netted to "Interest on loans payable", amounting to ₱59.3 million, ₱79.7 million, and ₱4.3 million in 2025, 2024, and 2023, respectively (Note 17).

The total derivative gain (loss) presented in the consolidated statement of comprehensive income consists of derivative gain (loss) from CPO swap, CCS, EKO, equity conversion and redemption options, and swaps. The derivative loss from swaps entered and settled during the same year, amounted to ₱5.4 million in 2025, ₱0.4 million in 2024, and ₱5.5 million in 2023.

#### *Guaranty Asset*

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

#### 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 years ended December 31, 2025 and 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.



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

	2025	2024
Total debt	₱22,932,979	₱22,547,846
Total equity attributable to equity holders of the Parent Company	59,875,577	55,366,514
Debt-to-Equity Ratio	<b>0.38:1.00</b>	0.41:1.00

The Group is obligated to perform certain covenants with respect to maintaining specified debt-to-equity, gross leverage and minimum debt service cover ratios, as set in the agreements with creditors (see Note 17).

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

**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 December 31, 2025 and 2024 due to the short-term nature of these financial instruments.

*Refundable security deposits.* The carrying amounts approximate fair value since it is guaranteed to be refunded at the same amount at the end of the contract term.

*Noncurrent Receivables, Advances to Employees, and Loans Payable.* As at December 31, 2025 and 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 consists of UITFs and derivatives, including separated embedded derivatives, unless designated as effective hedging instruments. As at December 31, 2025 and 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 December 31, 2025 and 2024.

The fair value of Figaro Coffee Group, Inc. 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.



As at December 31, 2025 and 2024, the following table presents the level of hierarchy of the Group's financial instruments as follows:

	2025			2024		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial instruments measured at fair value</b>						
Financial assets at FVTPL	₱-	₱1,809,793	₱-	₱-	₱1,812,489	₱-
Equity securities measured at FVOCI	475,756	-	108,540	705,431	-	108,540
Financial assets - interest rate swap	-	-	-	-	32,266	-
Guaranty asset	-	-	7,710,921	-	-	8,128,814

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at December 31, 2025 and 2024 is shown below:

*Guaranty Asset*

Valuation technique	Unobservable inputs	2025		2024	
		Increase (Decrease)	Effect on fair value of guaranty asset	Increase (Decrease)	Effect on fair value of guaranty asset
Monte Carlo Simulation	VIU	₱7,581,720	(₱117,450)	₱7,322,634	(₱796,891)
		(7,581,720)	169,307	(7,322,634)	1,254,278
	Forecasted share price	5% (5%)	297,834 (306,521)	5% (5%)	237,702 (248,355)
	Interest rates	0.5% (0.5%)	(92,566) 90,865	0.5% (0.5%)	(195,183) 194,865
	Marlow volatility	0.5% (0.5%)	58,655 (68,302)	0.5% (0.5%)	98,178 (100,315)



*Recoverable Amount of Brands and Property, Plant and Equipment*

Valuation technique	Unobservable inputs	2025		2024	
		Increase (Decrease)	Effect on VIU	Increase (Decrease)	Effect on VIU
VIU method	Discount rate	0.5%	(₱1,189,246)	0.5%	(₱805,490)
		(0.5%)	1,362,057	(0.5%)	951,942
	Long-term growth	0.5%	707,686	0.5%	659,037
		(0.5%)	(620,746)	(0.5%)	(585,811)
	EBITDA margin	0.5%	1,000,913	0.5%	878,716
		(0.5%)	(1,000,913)	(0.5%)	(805,490)

**27. 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 13). 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.

Interest income from advances to SSCC amounted to ₱21.0 million in 2025, ₱14.7 million in 2024 and ₱10.0 million in 2023 (see Notes 9 and 21).

Capital Commitments

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱2,179.1 million, ₱1,843.6 million, and ₱2,055.4 million as at 2025, 2024 and 2023, respectively (see Note 12).



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## 28. Supplemental Disclosure to Cash Flow Statements

The Group's material noncash activities are as follows:

	2025	2024	2023
Cumulative translation adjustments	(P1,716,378)	(P1,060,841)	(P581,492)
Additions to ROU assets and lease liabilities	61,164	895,054	21,427

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## 29. Subsequent Events

### Additional Subscription to MNSPL and Equity Infusion to MNUKL

On December 16, 2025, the Parent Company's BOD approved and authorized the Parent Company to subscribe in 2026 to an additional 14.0 million ordinary shares in MNSPL at £1.0 per share, or total subscription price of £14.0 million, payable in one or several tranches, on or before 31 December 2026. The proceeds will be used to fund additional investments and to infuse capital to MNUKL. MNUKL will in turn infuse said funds into MFL to partially pay down MFL's existing debt.

### Additional Subscription to KBT

On March 25, 2026, the Parent Company's BOD approved and authorized the Parent Company to subscribe to an additional 7,500 common shares of KBT, for a total subscription price of P150.0 million, payable on or before December 31, 2026, in one or several tranches.

### Impact of Middle East Conflict

Ongoing geopolitical tensions, including the conflict in the Middle East, have contributed to global economic uncertainty, fuel and commodity price volatility, and inflationary pressures, which may affect consumer purchasing power and demand. While certain product categories are more sensitive to changes in consumer income levels, the Group's core products are generally considered essential and have historically shown greater resilience during periods of economic uncertainty. The Group may also experience cost pressures from increases in raw materials, packaging, freight, and labor costs. The Group continues to manage these risks through operational efficiencies, supplier arrangements, hedging, and diversified sourcing.

Management has assessed the situation and determined that the conflict constitutes a non-adjusting event under PAS 10, *Events after the Reporting Period*, as it does not provide evidence of conditions existing at the reporting date. As of April 10, 2026, the potential future financial impact on the Group's operations cannot yet be reliably estimated.

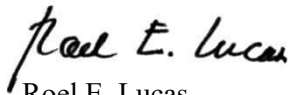


## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements Monde Nissin Corporation as at and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules for the year ended December 31, 2025 are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026

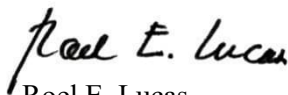


**INDEPENDENT AUDITOR'S REPORT  
ON THE SCHEDULE OF RECONCILIATION  
OF RETAINED EARNINGS AVAILABLE  
FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Monde Nissin Corporation as at and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and is not part of the basic consolidated financial statements. This has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026

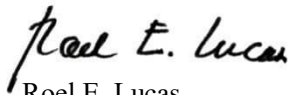


## **INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Monde Nissin Corporation as at and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas  
Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY SCHEDULES**  
**DECEMBER 31, 2025**  
**(Amounts in Thousands, Except Number of Shares, Par Value per Share**  
**and Unless Otherwise Specified)**

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**STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 and 2023**

**SUPPLEMENTARY SCHEDULES**

Report of Independent Auditor's on Supplementary Schedules

- I. Reconciliation of Retained Earnings Available for Dividend Declaration
- II. External Auditor Fee-Related Information
- III. Financial Soundness Indicators
- IV. Map of the relationships of the Companies within the Group
- V. Supplementary Schedules Required by Annex 68-J
  - A. Financial Assets
  - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
  - C. Amounts Receivable from Related Parties which are eliminated during consolidation
  - D. Long-term Debt
  - E. Indebtedness to Related Parties (Long-term Loans from Related Companies)
  - F. Guaranties of Securities of Other Issuers
  - G. Capital Stock
- VI. Schedule for Listed Companies with a Recent Offering of Securities to the Public

## ***Reconciliation of Retained Earnings Available for Dividend Declaration***

For the reporting period ended December 31, 2025

(Amounts in Thousands)

### **Monde Nissin Corporation**

Felix Reyes St. Brgy. Balibago, City of Santa Rosa, Laguna, Philippines

<b>Unappropriated Retained Earnings, beginning of reporting period</b>		<b>₱4,172,270</b>
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>		
Unrealized foreign exchange / fair value adjustments of financial instruments at FVPTL	25,358	
Equity restructuring	–	
Reversal of Retained Earnings Appropriations	–	<b>25,358</b>
<b>Less: Category B: Items that are directly debited to Unappropriated Retained Earnings</b>		
Dividend declared during the reporting period	5,570,270	<b>5,570,270</b>
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>(1,372,642)</b>
<b>Add: Net Income for the current year</b>		<b>11,258,597</b>
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the period (net of tax)</b>		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	26,585	
Unrealized fair value adjustment (mark-to-market) gains of financial instruments at FVTPL	22,140	<b>48,725</b>
<b>Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	46,921	<b>46,921</b>
<b>Adjusted Net income/Loss</b>		<b>9,884,151</b>
<b>Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(30,457)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction (right of use of asset and lease liability)	12,112	<b>(18,345)</b>
<b>Total Retained Earnings, end of the reporting period available for dividend</b>		<b>₱9,902,496</b>

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED**  
**INFORMATION**  
(Amounts in Thousands)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Total Audit Fees</b>	<b>₱57,239</b>	<b>₱48,808</b>
Non-audit service fees:		
Tax services	<b>1,363</b>	3,414
All other services	<b>281</b>	946
<b>Total Non-audit Fees</b>	<b>1,644</b>	4,360
<b>Total Audit and Non-audit Fees</b>	<b>₱58,883</b>	<b>₱53,168</b>

**Audit and non-audit fees of other related entities**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Audit Fees</b>	<b>₱890</b>	<b>₱700</b>
Non-audit service fees:		
Tax services	–	–
All other services	–	–
<b>Total Non-audit Fees</b>	–	–
<b>Total Audit and Non-audit Fees</b>	<b>₱890</b>	<b>₱700</b>

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**  
**AS AT DECEMBER 31, 2025, 2024 and 2023**

<b>Financial Ratios</b>	<b>Formula</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.11	2.18	2.03
Acid test ratio	$\frac{\text{Cash and cash equivalents} + \text{Current receivables} + \text{Current financial assets}}{\text{Current liabilities}}$	1.49	1.52	1.42
Solvency ratio	$\frac{\text{Net income attributable to Equity Holders of the Parent Company} + \text{Depreciation and Amortization} + \text{Impairment Loss-Fair Value Gain on Guaranty Asset}}{\text{Total Liabilities}}$	54.9%	55.8%	55.1%
Debt-to-equity ratio	$\frac{\text{Total liabilities (current + noncurrent)}}{\text{Equity attributable to Equity Holders of the Parent Company}}$	0.38	0.41	0.44
Asset-to-equity ratio	$\frac{\text{Total assets (current + noncurrent)}}{\text{Equity attributable to Equity Holders of the Parent Company}}$	1.39	1.41	1.44
Interest rate coverage ratio*	$\frac{\text{Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)}}{\text{Finance Costs}}$	35.20	20.93	17.84
Gross leverage	$\frac{\text{Gross Debt}}{\text{EBITDA}}$	0.10	0.21	0.37
Return on equity	$\frac{\text{Net income attributable to Equity Holders of the Parent Company}}{\text{Equity attributable to Equity Holders of the Parent Company (average)}}$	15.0%	0.8%	(1.2%)
Return on assets	$\frac{\text{Net income attributable to Equity Holders of the Parent Company}}{\text{Total assets (average)}}$	10.7%	0.5%	(0.8%)
Net Sales growth	$\frac{\text{Current Period Net Sales} - \text{Prior Period Net Sales}}{\text{Prior Period Net Sales}}$	4.0%	3.7%	8.5%
Gross margin	$\frac{\text{Gross Profit}}{\text{Net Sales}}$	33.3%	34.5%	30.8%
Net profit margin	$\frac{\text{Net income}}{\text{Net sales}}$	9.9%	0.5%	(0.8%)
Net profit after tax (NPAT) growth	$\frac{\text{Current Period NPAT} - \text{Prior Period NPAT}}{\text{Prior Period NPAT}}$	1,813.0%	(171.7%)	(95.2%)
EBITDA Growth	$\frac{\text{Current Period EBITDA} - \text{Prior Period EBITDA}}{\text{Prior Period EBITDA}}$	(0.8%)	18.1%	21.2%

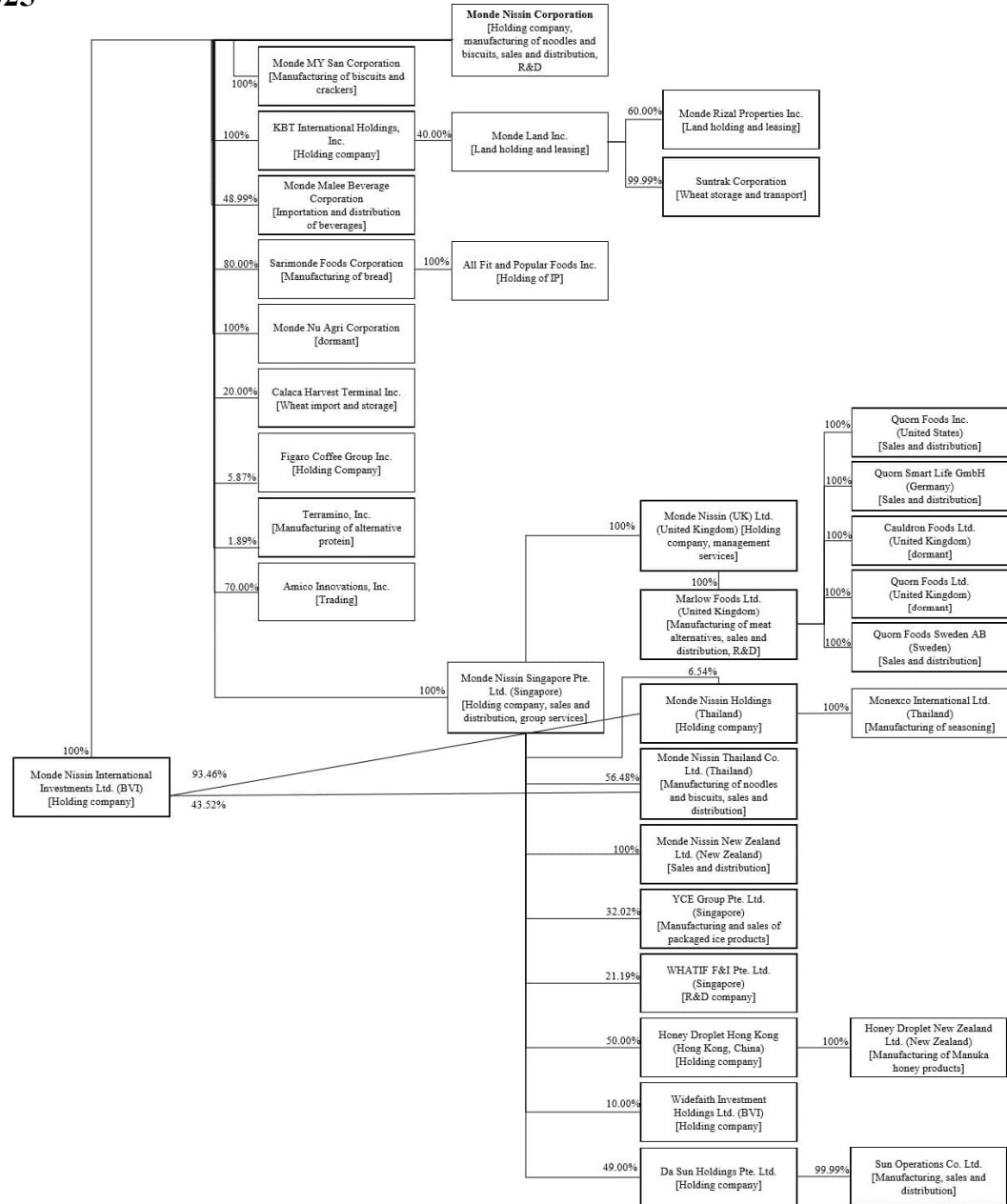
<b>Financial Ratios</b>	<b>Formula</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
EBITDA Margin	$\frac{\text{EBITDA}}{\text{Net Sales}}$	18.4%	19.3%	16.9%
Return on Invested Capital	$\frac{\text{EBIT} - \text{Income Tax Expense}}{\text{Working Capital} + \text{Property Plant and Equipment}}$	27.55%	2.18%	(36.6%)

*\*Based on loan covenant's formula applicable for the period*

# MONDE NISSIN CORPORATION

## MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP

### AS AT DECEMBER 31, 2025



**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE A – FINANCIAL ASSETS**  
**DECEMBER 31, 2025**  
**(Amounts in thousands)**

Financial Assets	Name of Issuing Entity and Description of Each Issue	Amount Shown in the Balance Sheet/Notes	Value Based on Market Quotations at Balance Sheet Date	Income Received and Accrued
<b>Financial Assets at FVTPL*</b>				
Guaranty Asset	N/A	₱7,710,921	₱7,710,921	₱–
UITF	Sun Life Investment Management	1,007,802	1,007,802	45,019
UITF	UBS AG	481,398	481,398	54,238
Derivative	Bank of America	292,982	292,982	(1,769) ***
UITF	China Banking Corporation	20,000	20,000	–
UITF	Metropolitan Bank & Trust Co.	3,204	3,204	2,471
UITF	Bank of the Philippine Islands Asset Management and Trust Corporation	3,242	3,242	119
UITF	Banco de Oro Universal Bank	1,165	1,165	51
Derivative	Rabobank	–	–	21,019
<b>Financial Assets at Amortized Cost</b>				
Cash in banks and cash equivalents**	N/A	15,397,050	15,397,050	393,096
Trade and other receivables	N/A	8,400,984	8,400,984	–
Noncurrent receivable	N/A	1,432,078	1,432,078	49,712
Advances to employees	N/A	151,235	151,235	–

<b>Financial Assets</b>	<b>Name of Issuing Entity and Description of Each Issue</b>	<b>Amount Shown in the Balance Sheet/Notes</b>	<b>Value Based on Market Quotations at Balance Sheet Date</b>	<b>Income Received and Accrued</b>
<b>Financial Assets at FVOCI</b>				
Quoted equity securities	FCG	₱475,756	₱475,756	Nil
Unquoted equity securities	Terramino, Inc.	108,540	108,540	Nil
Unquoted equity securities	Wide Faith Investment Holdings Ltd.	Nil	Nil	Nil
		<b>₱35,486,357</b>	<b>₱35,486,357</b>	<b>₱563,956</b>

*\*Presented under current financial assets*

*\*\*Excluding cash on hand amounting to ₱1.2 million*

*\*\*\*This represents net marked-to-market gains/losses from derivative assets that are still outstanding as of year-end*

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE B – AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)**  
**DECEMBER 31, 2025**  
**(Amounts in thousands)**

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Collections	Write Offs	Balance at End of Period		
					Current	Noncurrent	Total
MNSG Holdings Pte. Ltd.	₱91,493	₱–	(₱–)	₱–	₱–	₱95,915	₱95,915*
Various employees	99,924	177,555	(126,244)	–	–	151,235	151,235
	₱191,417	₱177,555	(₱126,244)	₱–	₱–	₱247,150	₱247,150

\*with cumulative translation adjustment

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE C – AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**  
**(Amounts in thousands)**

Receivable to Name of Subsidiary / Counterparty	Balance at Beginning of Period	Additions	Collections	Write-off	Balance at End of Period		
					Current	Noncurrent	Total
MNC	₱2,860,155	₱18,723,167	(₱19,916,735)	₱–	₱1,666,587	₱–	₱1,666,587
MNTH	140,203	384,638	(387,148)	–	137,693	–	137,693
MIL	22,427	152,943	(151,743)	–	23,627	–	23,627
MMYSC	217,589	1,370,850	(1,332,244)	–	256,195	–	256,195
MNSPL	28,805	108,714	(106,154)	–	31,365	–	31,365
SMFC	55,327	240,319	(248,643)	–	47,003	–	47,003
	<b>₱3,324,506</b>	<b>₱20,980,631</b>	<b>(₱22,142,667)</b>	<b>₱–</b>	<b>₱2,162,470</b>	<b>₱–</b>	<b>₱2,162,470</b>

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE D – LONG-TERM DEBT**  
**DECEMBER 31, 2025**  
**(Amounts in thousands)**

Name of Issuer and Type of Obligation	Amount Shown as Current	Amount Shown as Long-term	Total
<b>MFL</b>			
£105.0 million term loan	₱–	₱1,110,655	₱1,110,655
<b>DSHPL</b>			
₱93.5 million term loan	–	111,287	111,287
<b>SUN OP</b>			
₱200.0 million term loan	–	373,820	373,820
₱20.0 million term loan	37,382	–	37,382
₱5.0 million term loan	9,346	–	9,346
	<b>₱46,728</b>	<b>₱1,595,762</b>	<b>₱1,642,490</b>

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE E – INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)**  
**DECEMBER 31, 2025**

<b>Name of Related Party</b>	<b>Balance at beginning of the Period</b>	<b>Balance at End of the Period</b>
------------------------------	---	---

- NONE TO REPORT -

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE F – GUARANTEES OF SECURITIES OF OTHER ISSUERS**  
**DECEMBER 31, 2025**

<b>Name of Issuing Entity of Securities Guaranteed by the Company for Which This Statement is Filed</b>	<b>Title of Issue of Each Class of Securities Guaranteed</b>	<b>Total Amount Guaranteed and Outstanding</b>	<b>Amount Owned by Person for Which this Statement is Filed</b>	<b>Nature of Guarantee</b>
---	--	--	---	--------------------------------

- NONE TO REPORT -

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**  
**SCHEDULE G – CAPITAL STOCK**  
**DECEMBER 31, 2025**

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by		
				Affiliates	Directors, Officers and Employees	Others
Common Shares at ₱0.50 par value	20,400,000,000	17,968,611,496	–	–	10,754,033,300	–
Preferred "A" Shares at ₱1.00 par value	400,000,000	–	–	–	–	–
Preferred "B" Shares at ₱1.00 par value	800,000,000	–	–	–	–	–
Preferred "C" Shares at ₱0.25 par value	2,400,000,000	–	–	–	–	–

**SCHEDULE FOR LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES  
TO THE PUBLIC**

**Monde Nissin Corporation**  
**For the Period Ended December 31, 2025**  
**(Amounts in millions )**

**- NONE TO REPORT -**


# **ANNEX B**

2025 Parent Company Audited Financial  
Statements and Supplementary Schedules  
(with BIR ITR Filing Reference)

## Bless-Ian Vino

---

**From:** eafs@bir.gov.ph  
**Sent:** Monday, 13 April 2026 9:22 pm  
**To:** BIR 2307  
**Cc:** Bless-Ian Vino  
**Subject:** Your BIR AFS eSubmission uploads were received

 **WARNING.** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Hi MONDE NISSIN CORPORATIOIN,

### Valid files

- EAFS000417352TCRTY122025-07.pdf
- EAFS000417352RPTY122025.pdf
- EAFS000417352ITRTY122025.pdf
- EAFS000417352AFSTY122025.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-A6KH96AG07LCB9BA7PMMT1WVT0AG65F7L6**  
Submission Date/Time: **Apr 13, 2026 09:22 PM**  
Company TIN: **000-417-352**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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Monde Nissin

MONDE NISSIN CORPORATION  
Felix Reyes Street,  
Barangay Balibago  
City of Santa Rosa, Laguna  
4026 Philippines

Tel.: (+632) 7759.7500  
Fax: (+632) 8810.9207  
[www.mondenissin.com](http://www.mondenissin.com)

**THE SECURITIES AND EXCHANGE COMMISSION**

7907 Makati Avenue, Salcedo Village, Barangay Bel-Air  
Makati City, 1209 Philippines

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of **MONDE NISSIN CORPORATION** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.


The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

**SyCip Gorres Velayo & Co.**, the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**Henry Soesanto**  
Acting Chairman of the Board

  
**Henry Soesanto**  
Chief Executive Officer

  
**Jesse Teo**  
Chief Financial Officer

  
**Enried Peñas**  
Head of Finance Shared Services


Signed this APR 10 2026 day 10 of 2026

REPUBLIC OF THE PHILIPPINES)  
Makati City, Metro Manila ) S.S.

SUBSCRIBED AND SWORN TO before me this APR 10 2026 at Makati City,  
Metro Manila by:

Name	Competent Evidence of Identity	Place and Date of Issue
Henry Soesanto	SSS No. 33-3066285-6	N/A
Jesse Teo	Driver's License No. N04-88090860	LTO; 23 October 2033
Enrico Penas	Passport No. P7677114A	DFA NCR West; 26 June 2028

Doc. No. 133 ;  
Page No. 88 ;  
Book No. III ;  
Series of 2026.

  
**ATTY. GARNY-LUISA S. ALEGRE**  
Notary Public for Makati City  
Appointment No. M-270 until December 31, 2026  
Roll of Attorneys No. 53666  
PTR No. 10768116AG/1-05-2026/Makati City  
IBP No. 480878/12-04-2024  
MCLE Compliance No. VIII-0007515 valid until April 14, 2028  
23<sup>rd</sup> Floor, One Proscenium Tower, Estrella St., Rockwell Center  
Makati City, 1210 Metro Manila, Philippines



## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors and Stockholders  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

### **Report on the Audit of the Parent Company Financial Statements**

#### **Opinion**

We have audited the parent company financial statements of Monde Nissin Corporation (the Company), which comprise the parent company statements of financial position as at December 31, 2025 and 2024, and the parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### **Basis for Opinion**

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the *Parent Company Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the parent company financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Parent Company Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Parent Company Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company financial statements, including the disclosures, and whether the parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

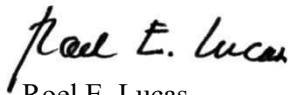
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



### **Report on the Supplementary Information Required Under Revenue Regulations 15-2010**

Our audits were conducted for the purpose of forming an opinion on the parent company financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 27 to the parent company financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the parent company financial statements. Such information is the responsibility of the management of Monde Nissin Corporation. The information has been subjected to the auditing procedures applied in our audit of the parent company financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the parent company financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026



**MONDE NISSIN CORPORATION****PARENT COMPANY STATEMENTS OF FINANCIAL POSITION**

(Amounts in Thousands)

	December 31	
	2025	2024
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4)	₱11,190,139	₱9,566,453
Trade and other receivables (Notes 5 and 20)	6,423,953	5,946,117
Inventories (Note 6)	5,411,932	4,826,953
Dividends receivable (Note 20)	3,233,732	2,500,083
Financial assets at fair value through profit or loss (FVTPL) (Note 9)	1,250,529	1,304,523
Notes receivable – current (Notes 8, 20 and 23)	–	376,864
Prepayments and other current assets (Note 7)	889,313	672,271
Total Current Assets	28,399,598	25,193,264
<b>Non-current Assets</b>		
Investments in subsidiaries, associate, and joint venture (Note 10)	27,171,473	23,853,392
Property, plant and equipment (Note 11)	16,588,139	16,627,537
Deferred tax assets – net (Note 21)	924,961	891,082
Financial assets at fair value through other comprehensive income (FVOCI) (Note 9)	584,296	813,971
Intangible assets (Note 12)	683,411	632,044
Other non-current assets	459,671	488,772
Total Non-current Assets	46,411,951	43,306,798
	₱74,811,549	₱68,500,062
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities (Notes 13 and 20)	₱9,042,346	₱10,463,010
Acceptance and trust receipts payable (Notes 6 and 14)	1,039,990	1,608,501
Refund liabilities (Note 13)	298,117	378,783
Current portion of lease liabilities (Note 22)	22,772	11,735
Dividends payable (Note 15)	2,874,978	–
Income tax payable	311,562	345,710
Total Current Liabilities	13,589,765	12,807,739
<b>Non-current Liabilities</b>		
Lease liabilities (Note 22)	1,665,494	1,640,715
Pension liability (Note 19)	754,021	1,072,413
Derivative liability (Note 24)	658,669	288,603
Total Non-current Liabilities	3,078,184	3,001,731
Total Liabilities	16,667,949	15,809,470
<b>Equity</b>		
Capital stock (Note 15)	8,984,306	8,984,306
Additional paid-in capital (Note 15)	39,361,947	39,361,947
Retained earnings (Note 15):		
Appropriated	–	–
Unappropriated	10,711,166	5,022,839
Remeasurement losses on pension liability (Note 19)	(569,307)	(563,663)
Fair value reserve of financial assets at FVOCI (Note 9)	(344,512)	(114,837)
	58,143,600	52,690,592
	₱74,811,549	₱68,500,062

*See accompanying Notes to Parent Company Financial Statements.*

**MONDE NISSIN CORPORATION****PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME****(Amounts in Thousands, Except Earnings Per Share Value)**

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>NET SALES</b> (Note 20)	<b>₱69,262,909</b>	₱65,800,710
<b>COST OF GOODS SOLD</b> (Notes 6 and 16)	<b>49,336,280</b>	45,782,002
<b>GROSS PROFIT</b>	<b>19,926,629</b>	20,018,708
<b>SALES, GENERAL AND ADMINISTRATIVE EXPENSES</b>		
Selling and distribution expenses (Note 17)	5,926,664	5,618,221
General and administrative expenses (Note 17)	4,787,116	4,413,086
Provision for (reversal of) impairment loss – net (Notes 3, 10, 11 and 17)	<b>(443,086)</b>	9,363,304
	<b>10,270,694</b>	19,394,611
	<b>9,655,935</b>	624,097
<b>OTHER INCOME</b>		
Dividend income (Notes 9 and 10)	3,505,149	4,125,352
Other income (Note 18)	594,687	473,903
	<b>4,099,836</b>	4,599,255
<b>INCOME BEFORE FINANCE INCOME (EXPENSES)</b>	<b>13,755,771</b>	5,223,352
<b>FINANCE INCOME (EXPENSES)</b>		
Finance income (Note 18)	341,703	454,604
Derivative loss (Note 24)	<b>(332,643)</b>	(117,796)
Finance costs (Note 18)	<b>(168,124)</b>	(225,720)
	<b>(159,064)</b>	111,088
<b>INCOME BEFORE INCOME TAX</b>	<b>13,596,707</b>	5,334,440
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b> (Note 21)		
Current	2,370,109	2,677,172
Deferred	<b>(31,999)</b>	(48,082)
	<b>2,338,110</b>	2,629,090
<b>NET INCOME</b>	<b>11,258,597</b>	2,705,350
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Other comprehensive loss not to be reclassified to profit and loss in subsequent periods:</b>		
Gain (Loss) on financial assets at FVOCI	<b>(229,675)</b>	213,270
Remeasurement loss on defined benefit plans (Note 19)	<b>(7,524)</b>	(81,890)
Income tax effect	<b>1,880</b>	20,473
Other comprehensive income, net of tax	<b>(235,319)</b>	151,853
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱11,023,278</b>	₱2,857,203
<b>EARNINGS PER SHARE (EPS)</b> (Note 15)		
Basic/diluted, income attributable to equity holders	<b>₱0.63</b>	₱0.15

*See accompanying Notes to Parent Company Financial Statements.*

**MONDE NISSIN CORPORATION**

**PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

**(Amounts in Thousands)**

	Capital Stock (Note 15)	Additional Paid-in Capital	Retained Earnings (Deficit)		Remeasurement Losses on Pension Liability	Fair Value Reserve of Financial Assets at FVOCI (Note 9)	Total
			Appropriated	Unappropriated			
Balance as at January 1, 2025	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱-</b>	<b>₱5,022,839</b>	<b>(₱563,663)</b>	<b>(₱114,837)</b>	<b>₱52,690,592</b>
Net income	-	-	-	11,258,597	-	-	11,258,597
Other comprehensive income, net of tax	-	-	-	-	(5,644)	(229,675)	(235,319)
Total comprehensive income (loss)	-	-	-	11,258,597	(5,644)	(229,675)	11,023,278
Dividends (Note 15)	-	-	-	(5,570,270)	-	-	(5,570,270)
Balance as at December 31, 2025	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱-</b>	<b>₱10,711,166</b>	<b>(₱569,307)</b>	<b>(₱344,512)</b>	<b>₱58,143,600</b>
Balance as at January 1, 2024	₱8,984,306	₱39,361,947	₱-	₱6,989,328	(₱502,246)	(₱328,107)	₱54,505,228
Net income	-	-	-	2,705,350	-	-	2,705,350
Other comprehensive income, net of tax	-	-	-	-	(61,417)	213,270	151,853
Total comprehensive income (loss)	-	-	-	2,705,350	(61,417)	213,270	2,857,203
Dividends (Note 15)	-	-	-	(4,671,839)	-	-	(4,671,839)
Balance as at December 31, 2024	<b>₱8,984,306</b>	<b>₱39,361,947</b>	<b>₱-</b>	<b>₱5,022,839</b>	<b>(₱563,663)</b>	<b>(₱114,837)</b>	<b>₱52,690,592</b>

See accompanying Notes to Parent Company Financial Statements.



**MONDE NISSIN CORPORATION**  
**PARENT COMPANY STATEMENTS OF CASH FLOWS**  
**(Amounts in Thousands)**

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>₱13,596,707</b>	₱5,334,440
Adjustments to reconcile income before income tax to net cash flows:		
Dividend income (Notes 9 and 10)	<b>(3,505,149)</b>	(4,125,352)
Depreciation and amortization (Notes 11, 12, 16, 17 and 18)	<b>1,416,214</b>	1,266,738
Provision for (reversal of) impairment loss (Notes 3, 10, 11 and 17)	<b>(443,086)</b>	9,363,304
Finance income (Note 18)	<b>(341,703)</b>	(454,604)
Derivative loss – net	<b>332,643</b>	117,796
Movement in pension liability (Note 19)	<b>(325,916)</b>	126,868
Finance costs (Note 18)	<b>168,124</b>	225,720
Fair value gain on financial assets at FVTPL (Notes 9 and 18)	<b>(96,651)</b>	(60,655)
Unrealized foreign exchange (gain) loss – net	<b>(38,849)</b>	36,286
Gain on sale of property and equipment – net (Note 11)	<b>(5,681)</b>	(5,751)
Working capital adjustments:		
Increase in:		
Inventories	<b>(584,979)</b>	(837,653)
Trade and other receivables	<b>(471,013)</b>	(1,171,500)
Prepayments and other current assets	<b>(212,577)</b>	(240,154)
Increase (decrease) in:		
Accounts payable and other current liabilities	<b>(1,420,200)</b>	821,945
Acceptance and trust receipts payable	<b>(578,560)</b>	(7,833)
Refund liabilities	<b>(80,666)</b>	(27,894)
Net cash generated from operations	<b>7,408,658</b>	10,361,701
Income tax paid	<b>(2,404,257)</b>	(2,712,127)
Interest received	<b>337,121</b>	497,920
Net cash flows from operating activities	<b>5,341,522</b>	8,147,494
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to:		
Investment in subsidiaries, associate, and joint venture (Note 10)	<b>(2,266,062)</b>	(3,604,298)
Property and equipment (Note 11)	<b>(1,830,305)</b>	(2,872,133)
Financial assets at FVTPL (Note 9)	<b>(747,556)</b>	(3,459,263)
Intangible assets (Note 12)	<b>(170,902)</b>	(107,757)
Proceeds from:		
Dividends (Notes 9 and 10)	<b>2,771,500</b>	1,625,269
Termination of financial assets at FVTPL (Note 9)	<b>926,478</b>	3,899,692
Non-current receivables (Note 8)	<b>376,864</b>	500,000
Sale of property and equipment (Note 11)	<b>8,257</b>	18,686
Decrease in other non-current assets	<b>29,101</b>	188,849
Decrease (increase) in non-current receivables	<b>–</b>	(16,861)
Net cash flows used in investing activities	<b>(902,625)</b>	(3,827,816)

*(Forward)*



	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from (payments of):		
Cash dividends (Note 15)	<b>(₱2,695,292)</b>	(₱6,828,072)
Lease liabilities (Note 22)	<b>(108,783)</b>	(188,422)
Finance costs	<b>(62,010)</b>	(130,624)
Derivatives	<b>37,423</b>	64,401
Net cash flows used in financing activities	<b>(2,828,662)</b>	(7,082,717)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,610,235</b>	(2,763,039)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>13,451</b>	(16,091)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>9,566,453</b>	12,345,583
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>₱11,190,139</b>	₱9,566,453

*See accompanying Notes to Parent Company Financial Statements.*



# **MONDE NISSIN CORPORATION**

## **NOTES TO PARENT COMPANY FINANCIAL STATEMENTS**

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

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### **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.

On June 1, 2021, the Parent Company completed its initial public offering (IPO) and was listed in the PSE under the stock symbol “Monde”. As a public company, it is covered by the Revised Securities Regulation Code (SRC) Rule 68.

The Parent Company’s principal place of business is at Felix Reyes St., Barangay Balibago, City of Santa Rosa, Laguna.

The parent company financial statements were reviewed and recommended for approval by the Audit Committee on April 10, 2026. On the same date, the BOD also approved and authorized the issuance of the parent company financial statements.

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### **2. Basis of Preparation and Summary of Material Accounting Policy Information**

#### Basis of Preparation

The parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

The parent company financial statements have been prepared on a historical cost basis, except 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 parent company financial statements are presented in Philippine peso, which is the Parent Company’s functional currency. All values are rounded to the nearest thousands, except when otherwise indicated.

The Parent Company prepares and issues consolidated financial statements for the same period as the parent company financial statements and are presented in accordance with PFRS Accounting Standards. The consolidated financial statements of the Parent Company are filed and may be obtained from the SEC.

#### New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Parent Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.



Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Parent Company.

- Amendments to Philippine Accounting Standards (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.
  - Only covenants with which an entity must comply on or before reporting date will affect a liability’s classification as current or non-current.
  - Classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - Only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

#### Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Parent Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Parent Company’s financial statements unless otherwise indicated.

#### *Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a ‘De Facto Agent’*
  - Amendments to PAS 7, *Cost Method*

#### *Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*– PFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure on newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to PAS Statement of Cash Flows, which include changing the starting point in determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

PFRS 18, and the amendments of other standards, is effective to reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. PFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.



- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

*Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Parent Company applied the materiality guidance in its 2025 accounting policy disclosures.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

*Initial Recognition and Measurement.* Financial assets are classified at fair value at initial recognition and subsequently measured at amortized cost, FVOCI, and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Parent Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Parent Company has applied the practical expedient, the Parent Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Parent Company has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cashflows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Parent Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured as FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Parent Company commits to purchase or sell the asset.

*Subsequent Measurement.* For purposes of subsequent measurement, financial assets are classified into three categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL



The financial assets of the Parent Company as at December 31, 2025 and 2024 consist of financial assets at amortized cost, financial assets at FVTPL and financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

*Financial assets at amortized cost (debt instruments)*

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Parent Company's financial assets at amortized cost include cash and cash equivalents, trade and other receivables, non-current receivables and advances to employees recorded under "other non-current assets" in the parent company statement of financial position.

*Financial assets at FVTPL*

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognize in the parent company statement of profit and loss.

The category includes derivative instruments and listed equity investments which the Parent Company had not irrevocably elected to classify at fair value through OCI.

*Financial assets designated at FVOCI (equity instruments)*

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right has been established, except when the Parent Company benefits from such proceeds as recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Parent Company elected to classify irrevocably its non-listed equity investments under this category.

*Impairment of Financial Assets.* The Parent Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cashflows due in accordance with the contract and all the cash flows that the Parent Company expects to receive, discounted at an approximation of the original EIR.

For trade receivables, the Parent Company applies a simplified approach in calculating ECLs. Therefore, the Parent Company does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Parent Company has established a provision matrix based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The key inputs in the model include the Parent Company's definition of default and historical data of three years for the origination, maturity date, and default date. The Parent Company considers trade receivables in default when contractual payments are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records, which are administrative in nature, which may extend the definition of default. However, in certain cases, the Parent Company may also consider a financial asset to be in default when internal or external information indicates that the Parent Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit



enhancements held by the Parent Company. Trade receivables are written off when there is no reasonable expectation of recovery.

For other financial assets such as nontrade receivable and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk (SICR) since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents, the Parent Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Parent Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been SICR since origination, the allowance will be based on the lifetime ECL. The Parent Company uses the ratings from reputable credit rating agencies to determine whether the debt instrument has SICR and to estimate ECLs.

#### *Determining the stage for impairment*

At each reporting date, the Parent Company assesses whether there has been a SICR for financial assets since initial recognition by comparing the risk of a default occurring over the expected life between the reporting date and the date of initial recognition. The Parent Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis. An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed SICR since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

#### *Staging assessment*

PFRS 9 establishes a three-stage approach for impairment of financial assets, based on whether there has been SICR of a financial asset. Three stages then determine the amount of impairment to be recognized.

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced SICR since initial recognition. Entities are required to recognize 12-month ECL for stage 1 financial instruments. In assessing whether credit risk has increased significantly, entities are required to compare the risk of default occurring on the financial instrument as at the reporting date, with the risk of default occurring on the financial instrument at the date of initial recognition.
- Stage 2 is comprised of all non-financial instruments which have experienced SICR since initial recognition. Entities are required to recognize lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer SICR since initial recognition, then entities shall revert to recognizing 12-month ECL.
- Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with negative impact on the estimated future cash flows of a financial instrument or portfolio of financial instruments. The ECL model requires that lifetime ECL be recognized for impaired financial



instruments, which is similar to the requirements under PAS 39 for impaired financial instruments.

b. Financial Liabilities

*Initial Recognition and Measurement.* Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value; and in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

*Subsequent Measurement.* The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at FVTPL*

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Parent Company that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied.

This category applies to the Parent Company's derivative liabilities.

*Financial liabilities at amortized cost (loans and borrowings)*

After initial measurement, other financial liabilities are measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on the acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognized in profit or loss when the financial liabilities are derecognized, as well as through the EIR amortization process.

This category applies to the Parent Company's accounts payable and other current liabilities (excluding statutory payables), acceptance and trust receipts payable, loans payable and lease liabilities.

Embedded derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with movements in the value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.



### Derivative Financial Instruments and Hedge Accounting

The Parent Company engages in derivative transactions such as dual currency investment, structured note, binary note, guaranty asset, crude palm oil (CPO) swaps, cross currency swaps (CCS) and USD / PHP Call Option with European Knockout Option (EKO) to manage its foreign currency, interest rate and other financial 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. Derivatives are carried as assets where their fair value is positive and as liabilities when their fair value is negative.

The Parent Company applies hedge accounting for transactions that meet specified criteria. At inception of the hedge accounting relationship, the Parent Company formally designates and documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Parent Company actually hedges and the quantity of the hedging instrument that the Parent Company actually uses to hedge that quantity hedged item.

*Hedges of a net investment.* Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as other comprehensive income (OCI), while any gains or losses relating to the ineffective portion are recognized in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to profit or loss.

*Fair value hedges.* Hedges of the exposure to changes in the fair value of a recognized asset or liability, or an unrecognized firm commitment, are accounted for as fair value hedges. Gains or losses from remeasuring the hedging instrument at fair value are recognized in profit or loss. Simultaneously, the carrying amount of the hedged item is adjusted for the gain or loss attributable to the hedged risk, with this adjustment also recognized in profit or loss.

If the hedge relationship is terminated or no longer meets the criteria for hedge accounting, any adjustment to the carrying amount of a hedged financial instrument is amortized to profit or loss over its remaining term.

### Inventories

Inventories are valued at the lower of cost and net realizable value (NRV).

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and packaging materials - purchase cost on a first-in, first-out basis;
- In-transit - purchase cost;
- Finished goods and work-in-process - cost of direct materials, labor, and a proportion of manufacturing overhead costs based on normal operating capacity on a first-in, first-out basis.



NRV for finished goods, work-in-process, and in-transit inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion, and the estimated costs necessary to make the sale. NRV for raw materials and packaging materials is the current replacement cost.

Investments in Subsidiaries, Associate, and Joint Venture

Investments in subsidiaries, associate, and joint venture are accounted for in the parent company financial statements at cost, less any impairment in value.

A subsidiary is an entity which the Parent Company controls (i.e., when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee). Generally, there is a presumption that a majority of voting rights results in control.

An associate is an entity over which the Parent Company has significant influence (i.e., when the Parent Company has the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies).

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Parent Company recognizes dividends from a subsidiary, an associate, or a joint venture in the Parent Company's financial statements when its right to receive the dividend is established. An assessment of the carrying value of the Parent Company's investment is performed when there is an indication that the investment has been impaired.

Property, Plant and Equipment

Property, plant, and equipment are stated at cost, net of accumulated depreciation and any accumulated impairment losses. The initial cost of property, plant and equipment consist of its purchase price including import duties and other costs directly attributable in bringing the asset to its working condition and location for its intended use. Cost also includes the cost of replacing the part of such property, plant and equipment when the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Parent Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant, and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings and improvements	10 - 25 years
Right-of-use (ROU) assets	20 - 25 years or term of lease, whichever is shorter
Leasehold improvements	20 years or term of the lease, whichever is shorter
Plant machinery and fixtures	5 - 20 years
Office furniture and equipment	3 - 5 years
Transportation equipment	5 years
Computer and communications equipment	3 years



The useful life of each of the Parent Company's property, plant, and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice and experience with similar assets. The property, plant, and equipment's residual values, useful lives, and depreciation method are reviewed at each reporting period, and adjusted prospectively, if appropriate.

Machineries under installation and construction in-progress represent properties under construction and are stated at cost net of accumulated impairment losses, if any. These include the cost of construction and other direct costs. Machineries under installation and construction in-progress are not depreciated until such time that the relevant assets are completed and put into operational use.

An item of property, plant, and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognized.

Fully depreciated property, plant, and equipment are retained in the accounts until these are no longer in use.

The Parent Company classifies ROU assets as part of property, plant, and equipment. The Parent Company recognizes ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received, and the estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Parent Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. ROU assets are subject to impairment.

#### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized using the straight-line method over the following useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired:

Distribution rights	20 years
Software	5 - 10 years
License	10 years
Trademark	Indefinite

The amortization period and method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the



amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

#### Impairment of Nonfinancial Assets

The Parent Company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Parent Company makes an estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal (FVLCD) and its value in use (VIU). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. The Parent Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Parent Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

In determining FVLCD, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Any impairment loss is recognized in profit or loss in the expense category consistent with the function of the impaired asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment have been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Intangible assets with indefinite useful lives are tested for impairment annually as at December 31, at the cash-generating units (CGU) level, as appropriate, and when circumstances indicate that the carrying value may be impaired.



### Leases

The Parent Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Parent Company as Lessee.* The Parent Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Parent Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

*Lease Liabilities.* At the commencement date of the lease, the Parent Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Parent Company and payments of penalties for terminating a lease, if the lease term reflects the Parent Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Parent Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, or a change in the assessment to purchase the underlying asset.

*Short-term leases and leases of low-value assets.* The Parent Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Parent Company expects to be entitled in exchange for those goods or services. The Parent Company has assessed and concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

*Sale of Goods and Scrap Items.* Revenue from the sale of goods and scrap items is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Parent Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Parent Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

*Variable Consideration.* If the consideration in a contract includes a variable amount, the Parent Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception



and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of the Parent Company's goods provide customers with a right of return within a specified period. The rights of return give rise to variable consideration.

- *Rights of Return.* The Parent Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Parent Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price).
- *Sales discount.* The Parent Company's contracts with customers generally provide customers with discounts (presented as deduction from "Sales"). The Parent Company uses most likely amount method to estimate the amount of expected future rebates for distribution discounts. A refund liability is recognized for the expected future sales discount (i.e., the amount not included in the transaction price).

*Consideration payable to customers.* Consideration payable to a customer includes cash amounts that the Parent Company pays, or expects to pay, to the customers (e.g. slotting fees, electronic data interchange subscription, dealer support). The consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for distinct goods or services that the customer transfers to the Parent Company.

*Refund liabilities.* A refund liability is recognized for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Parent Company's refund liabilities arise from its customers' right of return and sales discount. The liability is measured at the amount the Parent Company ultimately expects it will have to return to the customer. The Parent Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

#### Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in a decrease in equity, other than those relating to distributions to equity participants. Cost of goods sold, sales, general and administrative expenses, and finance costs are recognized in profit or loss in the period these are incurred.

#### Foreign Currency-Denominated Transactions

Transactions denominated in foreign currencies are recorded in Philippine peso by applying to the foreign currency amount the exchange rate between the Philippine peso and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing exchange rate prevailing at the end of the reporting period. All exchange rate differences, including those arising from the translation or settlement and restatement of monetary items at rates different from those at which they were initially recorded, are recognized in profit or loss in the year such differences arise. Nonmonetary items denominated in foreign currencies are measured on a historical cost basis and translated using the exchange rate at the date of transaction.



### Employee Benefits

*Defined Benefit Plan.* The net defined benefit liability is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs, which include current service costs, past service costs, and gains or losses on non-routine settlements, are recognized as an expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time, which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as an expense or income profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Parent Company, nor can they be paid directly to the Parent Company. The fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

The Parent Company's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

### Income Taxes

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.



Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

*Deferred Tax.* Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets (DTA) are recognized for all deductible temporary differences to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

The Parent Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

*Input Value-added Tax (VAT).* Input VAT represents VAT imposed on the Parent Company by its suppliers and contractors for the acquisition of goods, services, and capital assets required under Philippine taxation laws and regulations. Input VAT is recognized as an asset and will be used to offset against the Parent Company's current output VAT liabilities. Input VAT is stated at its recoverable amount.

Deferred input VAT represents the input VAT related to the unpaid portion of the cost of services and unamortized input VAT related to acquisitions of capital goods.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the Parent Company statement of financial position.

#### Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible note) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.



### Segment Reporting

The Parent Company's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### Provisions

Provisions are recognized when the Parent Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as interest expenses. When the Parent Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

### Events after the Reporting Period

Post year-end events that provide additional information about the Parent Company's financial position at the end of the reporting period (adjusting events), if any, are reflected in the parent company financial statements. Post-year-end events that are not adjusting events are disclosed in the notes to parent company financial statements when material.

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## 3. **Material Accounting Judgments, Estimates, and Assumptions**

The preparation of the Parent Company's 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 Parent Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the parent company financial statements:

*Determining method to estimate variable consideration and assessing the constraint.* The Parent Company's contracts with customers include a right of return and sales discounts that give rise to variable consideration. In estimating the variable consideration, the Parent Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Parent Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the revenue with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for sales discounts, the Parent Company determined that using the most likely amount method is appropriate, given that these contracts have single volume threshold.

Before including any amount of variable consideration in the transaction price, the Parent Company considers whether the amount of variable consideration is constrained. The Parent Company determined that the estimates of variable consideration are not constrained based on its historical



experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

*Determination of lease term of contracts with renewal and termination options - Company as a lessee.* The Parent Company has several lease contracts that include extension and termination options. The Parent Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Parent Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Parent Company expects to exercise its right to renew the lease of real estate properties where its facilities are located; hence, has included the renewal period as part of the lease term.

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities are discussed below. The Parent Company based its estimates and assumptions on parameters available when the parent company financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the Parent Company's control. Such changes are reflected in the assumptions when they occur.

*Fair Value of Financial Instruments.* The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the Parent statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

See Note 9 for further disclosures.

*Assessment of Impairment of Non-Financial Assets (Property, plant and equipment, Investment in subsidiaries and joint venture and other non-current assets).* The Parent Company assesses the impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Parent Company consider important, which could trigger an impairment review, include the following:

- Significant underperformance 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.



a. Investment in Subsidiaries and Joint Venture

The Parent Company assesses impairment of investments in subsidiaries, associate and joint venture whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The factors that the Parent Company considers important, which could trigger an impairment review, include the following:

- a downgrade of a subsidiary's, associate's or joint venture's credit rating or a decline in the fair value of the subsidiary, associate or joint venture in consideration of other available information
- significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the associate or joint venture operates

The Parent Company determined the recoverable amount of its investments based on adjusted net asset method.

Monde Nissin Singapore Pte Ltd (MNSPL) - The improved terminal EBITDA of £27.6 million despite the increase of weighted average cost of capital (WACC) rate from 8.97% in 2024 to 9.64% in 2025 resulted to an increase in VIU of Monde Nissin (UK) Limited (MNUKL), a subsidiary of MNSPL. This resulted to an increase in the equity value of MNSPL and Parent Company's reversal of impairment loss on investment in MNSPL amounting to ₱1,063.8 million as at December 31, 2025.

In 2024, the increase of WACC rate from 10.10% in 2023 to 8.97% in 2024 and the modest financial projection of MNUKL resulted to reduction in the equity value of MNSPL and Parent Company's recognition of impairment loss on investment in MNSPL amounting to ₱9,391.9 million.

Information on the Parent Company's impairment loss on investment in subsidiaries is presented in Notes 10 and 17.

b. Trademark

The Parent Company performed its annual impairment test on its trademark with indefinite useful life as of reporting date.

The recoverable amount of trademark was determined using the relief from royalty method. This method considers royalty savings from the ownership of trademark using cash flow projections approved by management covering a 5-year period:

- Growth rates - Growth rate used in the projected future cash flows is at a cumulative rate of 13.00% from 2026 to 2030 and 13.00% from 2025 to 2029 in 2025 and 2024, respectively.
- Discount rate - The pre-tax discount rate of 14.16% in 2025 and 10.14% in 2024 was estimated based on the industry weighted average cost of capital, which includes the cost of equity and debt after considering the gearing ratio.
- Royalty savings rate - Royalty savings rate of 0.60% in 2025 and 2024 was estimated based on publicly available information for similar industry.

Information on the Parent Company's trademark is presented in Note 12.



*Estimation of Pension and Other Benefits Costs.* The cost of defined benefit pension plans and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include determining the discount rates, future salary increases, mortality rates, and future pension increases. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Philippine government bonds with terms consistent with the expected employee benefit payout as of reporting date.

The mortality rate is based on publicly available mortality tables in the Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates in the Philippines.

Further details about the assumptions used are provided in Note 19.

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#### 4. Cash and Cash Equivalents

	2025	2024
Cash on hand and in banks	<b>₱1,173,632</b>	₱923,574
Cash equivalents	<b>10,016,507</b>	8,642,879
	<b>₱11,190,139</b>	₱9,566,453

Cash in banks earns 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. They earn interest at the respective short-term deposit rates.

Interest income from cash and cash equivalents amounted to ₱315.2 million in 2025 and ₱416.7 million in 2024 (see Note 18).

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#### 5. Trade and Other Receivables

	2025	2024
Trade receivables:		
Non-related parties	<b>₱6,048,011</b>	₱5,481,291
Related parties (Note 20)	<b>443,509</b>	410,557
Other receivables		
Non-related parties	<b>30,481</b>	42,432
Related parties (Note 20)	<b>12,432</b>	17,503
	<b>6,534,433</b>	5,951,783
Less allowance for ECL	<b>110,480</b>	5,666
	<b>₱6,423,953</b>	₱5,946,117

Trade receivables are non-interest-bearing and are generally on 30-60 days' terms.



As at December 31, 2025 and 2024, movements in the allowance for ECL follow:

	2025	2024
Balance at beginning of year	₱5,666	₱2,922
Provision for (reversal of) ECL (Note 17)	109,501	5,443
Write-off	(4,687)	(2,699)
Balance at end of year	<b>₱110,480</b>	<b>₱5,666</b>

## 6. Inventories

	2025	2024
Finished goods	₱2,308,340	₱1,873,613
Raw materials	1,470,163	1,778,527
Work in-process	736,214	574,345
Packaging and other materials	418,080	426,288
In-transit	479,135	174,180
	<b>₱5,411,932</b>	<b>₱4,826,953</b>

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

	2025	2024
Balance at beginning of year	₱30,754	₱87,444
Write-off	(30,754)	(87,444)
Provision	5,633	30,754
Balance at end of year	<b>₱5,633</b>	<b>₱30,754</b>

The cost of inventories sold that are recognized under the "Cost of goods sold" account amounted to ₱49,336.2 million in 2025 and ₱45,782.0 million in 2024 (see Note 16).

Under the terms of the agreements covering liabilities under trust receipts totaling to ₱1,040.0 million and ₱1,608.5 million as at December 31, 2025 and 2024, respectively, certain inventories which approximate the trust receipts payable, have been released to the Parent Company under trust receipt agreement with the banks. The Parent Company is accountable to these banks for the trustee merchandise or their sales proceeds (see Note 14).

## 7. Prepayments and Other Current Assets

	2025	2024
Deposits to suppliers and contractors	₱601,853	₱359,898
Prepayments	287,460	312,367
Deferred input VAT	-	6
	<b>₱889,313</b>	<b>₱672,271</b>

Prepayments mainly pertain to prepayments of insurance and advertising expenses.



Deposits to suppliers and contractors pertain to advance payments for goods and services that are expected to be delivered and rendered within the following year.

## 8. Notes Receivable

	2025	2024
Non-related parties (Note 23)	P-	P-
Related parties (Note 20)	-	492,130
Allowance for ECL (Note 20)	-	(115,266)
Related parties, net of allowance	-	376,864
	<b>P-</b>	<b>P376,864</b>
	2025	2024
Current (Notes 20 and 23)	P-	P376,864
Non-current (Notes 20 and 23)	-	115,266
Allowance for ECL (Note 20)	-	(115,266)
Non-current, net of allowance	-	-
Current (Notes 20 and 23)	<b>P-</b>	<b>P376,864</b>

Interest income from notes receivable amounted to P14.3 million in 2025 and P20.2 million in 2024 (see Notes 18, 20 and 23).

## 9. Financial Assets

### 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:

	2025	2024
Balance at January 1	<b>P1,304,523</b>	P1,674,328
Disposal	<b>(926,478)</b>	(3,899,692)
Acquisitions	<b>747,556</b>	3,459,263
Fair value change during the year (Note 18)	<b>96,651</b>	60,655
Foreign exchange gain	<b>28,277</b>	9,969
Balance at end of period	<b>P1,250,529</b>	P1,304,523

### Financial Assets at FVOCI

	2025	2024
Cost		
Figaro Coffee Group, Inc. (FCG)	<b>P820,268</b>	P820,268
Terramino, Inc.	<b>108,540</b>	108,540
	<b>928,808</b>	928,808
Fair value reserve		
FCG	<b>(344,512)</b>	(114,837)
	<b>P584,296</b>	P813,971



*FCG*

On January 25, 2023, the Parent Company's BOD authorized the Parent Company to subscribe for 820,268,295 common shares of FCG ("FCG Shares") out of FCG's unissued authorized capital stock. FCG is a diversified food conglomerate with retail restaurants and branches in the Philippines and abroad, that serve a variety of food offerings and services.

On February 2, 2023, the Parent Company paid an aggregate subscription price of ₱820.3 million for the FCG Shares. As a result, the Parent Company currently holds 15% of FCG's issued and outstanding capital stock.

The Parent Company recognized dividend income from FCG amounting to ₱15.1 million and ₱22.1 million as at December 31, 2025 and 2024, respectively.

*Terramino, Inc.*

On March 22, 2023, the Parent Company's BOD approved the Parent Company's subscription for 665,845 Series B Preferred Stock of Terramino, Inc., a Delaware, U.S.-incorporated company engaged in research, development and commercialization of food products made from koji. Said 665,845 preferred shares represent 1.89% of Terramino, Inc.'s outstanding capital stock at a subscription price of up to ₱108.5 million (\$2.0 million).

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**10. Investments in Subsidiaries, Associate, and Joint Venture**

	2025	2024
Investments in subsidiaries:		
Monde Nissin Singapore Pte Ltd (MNSPL)	<b>₱47,818,995</b>	₱45,584,740
Monde M.Y. San Corporation (MMYSC)	<b>2,264,180</b>	2,264,180
KBT International Holdings, Inc. (KBT)	<b>2,108,701</b>	2,100,628
Monde Nissin International Investments Ltd. (MNIIL)	<b>1,518,300</b>	1,518,300
Sarimonde Foods Corporation (SFC)	<b>730,254</b>	730,254
Monde Nu Agri Corporation (MNAC)	<b>191,534</b>	186,000
Amico Innovations, Inc. (Amico)	<b>35,700</b>	17,500
Investments in associate -		
Calaca Harvest Terminal, Inc. (CHTI)	<b>170,000</b>	170,000
Investment in a joint venture -		
Monde Malee Beverage Corporation (MMBC)	<b>166,600</b>	166,600
	<b>55,004,264</b>	52,738,202
Less allowance for impairment:		
Monde Nissin Singapore Pte Ltd (MNSPL)	<b>27,447,496</b>	28,511,325
Monde Nu Agri Corporation (MNAC)	<b>186,000</b>	186,000
Monde Malee Beverage Corporation (MMBC)	<b>166,600</b>	166,600
Calaca Harvest Terminal, Inc. (CHTI)	<b>32,695</b>	20,885
	<b>27,832,791</b>	28,884,810
	<b>₱27,171,473</b>	₱23,853,392



The Parent Company's percentage ownership and key information on the foregoing investments in subsidiaries, associates and joint venture are as follows:

Entities	Principal Activity	Country of Incorporation	Percentage of Ownership			
			2025		2024	
			Direct	Indirect	Direct	Indirect
<b>Subsidiaries</b>						
MNSPL	Investment/sales	Singapore	100.00	–	100.00	–
MNUKL	Investment holding	United Kingdom	–	100.00	–	100.00
Marlow Foods Limited (MFL)	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 of America	–	100.00	–	100.00
Cauldron Foods Ltd*	Sales, and Marketing	United Kingdom	–	100.00	–	100.00
Quorn Foods Sweden	Sales, and Marketing	Sweden	–	100.00	–	100.00
Monde Nissin New Zealand Limited (MNNZ)	Distribution of food related goods	New Zealand	–	100.00	–	100.00
Monde Nissin Holding (Thailand) Limited (MNH TL)**	Investment company	Thailand	–	6.54	–	6.54
Monexco International Ltd. (MIL)	Manufacture of seasonings	Thailand	–	100.00	–	100.00
Monde Nissin (Thailand) Company Limited (MNTH)**	Manufacture and distribution of bread and cookies	Thailand	–	56.48	–	56.48
Da Sun Holdings Pte. Ltd.***	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	–
MNH TL**	Investment company	Thailand	–	93.46	–	93.46
MNTH**	Manufacture and distribution of bread and cookies	Thailand	–	43.52	–	43.52
KBT	Investment company	Philippines	100.00	–	100.00	–
MNAC****	Manufacture, process, and distribution of industrial coconut and agricultural products	Philippines	100.00	–	90.91	–
SFC	Manufacture and process of bread	Philippines	80.00	–	80.00	–
All Fit & Popular Foods Inc. (AF PFI)	Manufacturing, importing, exporting, selling and distribution of breads; Purchasing or registering intellectual properties	Philippines	–	80.00	–	80.00
MMYSC	Manufacture, process, and export of biscuits	Philippines	100.00	–	100.00	–
Amico	Wholesale and retail trade of goods, wares, and merchandises	Philippines	70.00	–	70.00	–
<b>Associate and Joint Venture</b>						
CHTI	Engaged in and carry on a general and commercial business by buying, selling, storage, warehouse and transport of grain and other related commodities	Philippines	20.00	–	20.00	–
MMBC	Importation, marketing, promotion, and sale of beverage products	Philippines	48.99	–	48.99	–

\*Dormant

\*\*The Group effectively owns 100%

\*\*\*The Group has determined that it has significant control as it has the power to direct the relevant activities

\*\*\*\*Dormant. Actual transfer of stock certificate was completed in 2025.



MNSPL

In 2025, 2024, and 2023, the Parent Company's BOD approved subscribing to additional ordinary shares of MNSPL payable in several tranches.

Approval date	Payment date	No. of shares	Amount in GBP	Amount in PHP
<i>(In Thousands, Except No. of shares)</i>				
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	291,391
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	May 23, 2025	18,000,000	18,000	1,344,848
May 9, 2025	September 11, 2025	1,616,000	1,616	124,918
May 9, 2025	September 30, 2025	5,384,000	5,384	417,043
May 9, 2025	In one or several tranches, on or before November 30, 2026	1,360,000	1,360	105,357
November 04, 2025	In one or several tranches, on or before November 30, 2026	3,125,000	3,125	242,089

The Parent Company determined the recoverable amount of its investment in MNSPL based on adjusted net asset method.

Additional Subscription to MNSPL and Equity Infusion to MNUKL

On December 16, 2025, the Parent Company's BOD approved and authorized the Parent Company to subscribe in 2026 to an additional 14.0 million ordinary shares in MNSPL at 1 GBP per share, or total subscription price of £14.0 million, payable in one or several tranches on or before December 31, 2026. The proceeds will be used to fund additional investments and to infuse capital to MNUKL. MNUKL will in turn infuse said funds into MFL to partially pay down MFL's existing debt.

MMYSC

The Parent Company recognized dividend income from MMYSC amounting to ₱3,200.1 million in 2025 and ₱4,103.2 million in 2024.

KBT

In 2017, the Parent Company made additional investments in KBT amounting to ₱28.0 million. As a result of this transaction, the ownership interest of the Parent Company in KBT increased from 91.66% in 2017 to 95.69% in 2018. The Parent Company recognized equity reserve from this transaction amounting to ₱33.4 million (see Note 18).

In November 2023, the Parent Company purchased from minority shareholders of KBT a total of 99,995 common shares of KBT amounting to ₱32,292.0 million. This represents 4.31% of the outstanding capital stock which increased the Parent Company's ownership interest from 95.69% in 2022 to 100.00% in 2023. In 2025, the actual transfer of stock certificate and payment to minority shareholders were completed.



On July 29, 2024 and November 6, 2024, the Parent Company's BOD approved and authorized the Parent Company to subscribe for 1,250,000 and 20,000 additional ordinary shares, respectively, in KBT at an aggregate subscription price of ₱1,100.0 million and ₱200.0 million, respectively. The shares were fully paid in August 2024 and November 2024, respectively.

The Parent Company recognized dividend income from KBT amounting to ₱290.0 million in 2025 and nil in 2024.

On March 25, 2026, the Parent Company's BOD approved and authorized the Parent Company to subscribe to an additional 7,500 common shares of KBT, for a total subscription price of ₱150.0 million, payable on or before December 31, 2026, in one or several tranches.

#### MNAC

On November 26, 2016, the BOD of MNAC approved the cessation of business operation of MNAC effective January 1, 2017. However, as of December 31, 2024, the BOD and management of MNAC are in the process of finalizing the future plans subject to the approval of the BOD within the next 12 months from the end of the reporting period.

On December 19, 2025, the BOD and stockholders of MNAC approved shortening its corporate term to January 31, 2027. The SEC approved the amendment to the Articles of Incorporation on January 20, 2026.

In 2025, the Parent Company acquired and paid for 73,422 shares representing the non-controlling interest in MNAC for a total consideration of ₱5.5 million.

The Parent Company determined the recoverable amount of its investment in MNAC based on adjusted net asset method. The Parent Company recognized an allowance for impairment loss amounting to nil and ₱186.0 million as at December 31, 2025 and 2024, respectively.

#### CHTI

The Parent Company determined the recoverable amount of its investment in CHTI based on adjusted net asset method. The Parent Company recognized an allowance for impairment loss amounting to ₱32.7 million and ₱20.9 million as at December 31, 2025 and 2024, respectively.

#### MMBC

In 2023, MMBC ceased its business operations and has no formal plans to resume commercial operations. As a result, the Parent Company's investment in MMBC is fully impaired as at December 31, 2025 and 2024.

#### AMICO

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 which was paid on October 3, 2025.



## 11. Property, Plant and Equipment

	2025											Total
	Buildings	Building Improvements	Leasehold Improvements	Plant Machinery and Fixtures	Office Furniture and Equipment	Transportation Equipment	Computer and Communications Equipment	Machineries Under Installation	Construction In-progress	ROU Land (Note 22)	ROU Building (Note 22)	
<b>Cost</b>												
Balance at beginning of year	₱7,058,758	₱1,367,586	₱73,931	₱13,660,028	₱116,530	₱73,965	₱192,160	₱2,495,643	₱1,299,952	₱2,382,110	₱-	₱28,720,663
Additions	13,195	33,356	490	190,517	1,665	4,347	12,779	373,705	1,200,251	-	38,485	1,868,790
Disposals and retirement	-	-	-	(28,004)	-	(6,704)	-	-	-	-	-	(34,708)
Reclassifications	375,810	64,793	-	848,692	2,335	-	2,601	(368,388)	(925,843)	-	-	-
Balance at end of year	7,447,763	1,465,735	74,421	14,671,233	120,530	71,608	207,540	2,500,960	1,574,360	2,382,110	38,485	30,554,745
<b>Accumulated Depreciation</b>												
Balance at beginning of year	2,431,019	439,474	55,939	7,465,735	93,919	32,059	170,612	-	-	265,183	-	10,953,940
Depreciation (Notes 16, 17 and 18)	315,404	74,056	2,047	809,132	9,533	13,323	12,756	-	-	55,297	5,131	1,296,679
Disposals and retirement	-	-	-	(28,004)	-	(4,128)	-	-	-	-	-	(32,132)
Reclassifications	393	-	-	(393)	-	-	-	-	-	-	-	-
Balance at end of year	2,746,816	513,530	57,986	8,246,470	103,452	41,254	183,368	-	-	320,480	5,131	12,218,487
<b>Accumulated Impairment</b>												
Balance at beginning of year	4,042	161,480	-	499,371	-	-	-	82,672	391,621	-	-	1,139,186
Impairment	-	-	-	-	-	-	-	608,933	-	-	-	608,933
Balance at the end of year	4,042	161,480	-	499,371	-	-	-	691,605	391,621	-	-	1,748,119
<b>Net Book Value</b>	<b>₱4,696,905</b>	<b>₱790,725</b>	<b>₱16,435</b>	<b>₱5,925,392</b>	<b>₱17,078</b>	<b>₱30,354</b>	<b>₱24,172</b>	<b>₱1,809,355</b>	<b>₱1,182,739</b>	<b>₱2,061,630</b>	<b>₱33,354</b>	<b>₱16,588,139</b>

	2024											Total
	Buildings	Building Improvements	Leasehold Improvements	Plant Machinery and Fixtures	Office Furniture and Equipment	Transportation Equipment	Computer and Communications Equipment	Machineries Under Installation	Construction In-progress	ROU Land (Note 22)	ROU Building (Note 22)	
<b>Cost</b>												
Balance at beginning of year	₱5,893,848	₱1,303,055	₱74,825	₱13,584,053	₱123,016	₱71,484	₱185,727	₱2,005,031	₱1,155,328	₱2,122,111	₱-	₱26,518,478
Additions	605,918	57,966	4,410	630,222	3,178	15,481	6,466	1,050,676	978,878	259,999	-	3,613,194
Disposals and retirement	(75,322)	(17,835)	(5,635)	(806,224)	(11,901)	(13,000)	(33)	-	-	-	-	(929,950)
Reclassifications	634,314	24,400	331	733,036	2,237	-	-	(560,064)	(834,254)	-	-	-
Adjustments	-	-	-	(481,059)	-	-	-	-	-	-	-	(481,059)
Balance at end of year	7,058,758	1,367,586	73,931	13,660,028	116,530	73,965	192,160	2,495,643	1,299,952	2,382,110	-	28,720,663
<b>Accumulated Depreciation</b>												
Balance at beginning of year	2,177,233	390,952	56,273	7,368,681	93,837	29,282	156,436	-	-	213,945	-	10,486,639
Depreciation (Notes 16, 17 and 18)	279,570	62,934	1,803	743,129	11,508	13,117	14,210	-	-	51,238	-	1,177,509
Disposals and retirement	(24,320)	(14,412)	(2,137)	(647,539)	(11,426)	(10,340)	(34)	-	-	-	-	(710,208)
Reclassifications	(1,464)	-	-	1,464	-	-	-	-	-	-	-	-
Balance at end of year	2,431,019	439,474	55,939	7,465,735	93,919	32,059	170,612	-	-	265,183	-	10,953,940
<b>Accumulated Impairment</b>												
Balance at beginning of year	4,042	137,926	-	611,537	-	-	-	486,311	155,674	-	-	1,395,490
Reversal of impairment loss (Note 17)	-	-	-	-	-	-	-	-	(49,500)	-	-	(49,500)
Disposals and retirement	-	-	-	(206,804)	-	-	-	-	-	-	-	(206,804)
Reclassification	-	-	-	206,804	-	-	-	(49,369)	(157,435)	-	-	-
Adjustments	-	23,554	-	(112,166)	-	-	-	(354,270)	442,882	-	-	-
Balance at end of year	4,042	161,480	-	499,371	-	-	-	82,672	391,621	-	-	1,139,186
<b>Net Book Value</b>	<b>₱4,623,697</b>	<b>₱766,632</b>	<b>₱17,992</b>	<b>₱5,694,922</b>	<b>₱22,611</b>	<b>₱41,906</b>	<b>₱21,548</b>	<b>₱2,412,971</b>	<b>₱908,331</b>	<b>₱2,116,927</b>	<b>₱-</b>	<b>₱16,627,537</b>



Machineries under installation pertain to plant equipment for various product lines that are still under installation which are expected to be completed in 2025. Additions to machineries under installation include costs for the construction of new production and research and development facilities.

Construction in-progress pertains to the construction of building improvements, which is expected to be completed in 2027. There were no capitalized borrowing costs as the construction-in-progress were funded by cash from operations.

The recognized impairment loss amounting to ₱608.9 million in 2025 and reversal of recognized impairment loss amounting to ₱49.5 million in 2024 is based on VIU calculation and FVLCD, respectively (see Note 17). In 2025, the VIU of these assets is zero since these assets pertain to discontinued product lines and machines that did not pass trial run. Management assessed that any scrap value (FVLCD) is not material.

The Parent Company has capital commitments for acquisition of plant machineries, equipment and building expansions amounting to ₱910.9 million and ₱486.0 million as at December 31, 2025 and 2024, respectively.

## 12. Intangible Assets

	2025				Total
	Distribution Rights (Note 23)	Software	Intellectual Property License	Trademark*	
<b>Cost</b>					
Balance at beginning of year	₱727,560	₱461,151	₱66,141	₱14,459	₱1,269,311
Additions	–	133,104	37,798	–	170,902
Disposals	–	–	–	–	–
Balance at end of year	727,560	594,255	103,939	14,459	1,440,213
<b>Accumulated Amortization</b>					
Balance at beginning of year	378,937	235,980	15,220	–	630,137
Amortization (Notes 16, 17 and 18)	36,378	74,905	8,252	–	119,535
Disposals	–	–	–	–	–
Balance at end of year	415,315	310,885	23,472	–	749,672
<b>Accumulated impairment</b>					
Balance at beginning of year	–	–	–	7,130	7,130
Balance at end of year	–	–	–	7,130	7,130
Net Book Value	₱312,245	₱283,370	₱80,467	₱7,329	₱683,411

\*Indefinite useful life



	2024				
	Distribution Rights (Note 23)	Software	Intellectual Property License	Trademark* (Note 20)	Total
<b>Cost</b>					
Balance at beginning of year	₱727,560	₱353,785	₱66,141	₱14,459	₱1,161,945
Additions	–	107,804	–	–	107,804
Disposals	–	(438)	–	–	(438)
Balance at end of year	727,560	461,151	66,141	14,459	1,269,311
<b>Accumulated amortization</b>					
Balance at beginning of year	342,559	190,913	7,827	–	541,299
Amortization (Notes 16, 17 and 18)	36,378	45,458	7,393	–	89,229
Disposals	–	(391)	–	–	(391)
Balance at end of year	378,937	235,980	15,220	–	630,137
<b>Accumulated impairment</b>					
Balance at beginning of year	–	–	–	7,130	7,130
Balance at end of year	–	–	–	7,130	7,130
Net Book Value	₱348,623	₱225,171	₱50,921	₱7,329	₱632,044

\*Indefinite useful life

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). As at December 31, 2025, the remaining amortization period is 8 years and 7 months.

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

	2025	2024
<b>Trade payables to:</b>		
Non-related parties	₱3,238,890	₱3,359,423
Related parties (Note 20)	1,706,978	2,917,875
<b>Nontrade payables to:</b>		
Non-related parties	2,454,702	2,613,247
Statutory payables	600,866	788,357
<b>Accruals for:</b>		
Trade spend	300,751	–
Advertising and promotions	253,475	74,870
Personnel costs	244,426	320,869
Selling, general and administrative expenses	124,535	252,784
Provisions	60,000	104,659
Contract liability	53,805	27,437
Others	3,918	3,489
	<b>₱9,042,346</b>	<b>₱10,463,010</b>

Accounts payable and other current liabilities are non-interest-bearing and are generally settled within 30 to 60 days.

Trade payables pertain to liabilities to suppliers for the purchase of raw materials, finished goods, and other costs directly related to the operations of the Parent Company and are generally settled within 30 to 60 days.



Non-trade payable includes liabilities related to utilities, advertising, other operating and manufacturing overhead expenses.

Statutory payables comprise mainly of the Parent Company's liabilities to the tax authority.

Provisions pertain to claims by third parties in the ordinary course of business. As allowed by PAS 37, only a general description is provided as the disclosure of additional details beyond the present disclosures may prejudice the Parent Company's position and negotiation strategies with respect to these matters.

Refund Liabilities

As at December 31, 2025 and 2024, the Parent Company's refund liabilities amounted to ₱298.1 million and ₱378.8 million, respectively.

**14. Acceptance and Trust Receipts Payable**

This account represents the Parent Company's peso and US dollar-denominated liabilities incurred in connection with the importations and acquisitions of raw materials from foreign suppliers. These raw materials are insured in compliance with the requirements of the bank. These liabilities are for a period of 1 year, with an average annual interest rate of 5.14% in 2025 and 5.60% in 2024.

The Parent Company has outstanding acceptance and trust receipts payable amounting to ₱1,040.0 million and ₱1,608.5 million as at December 31, 2025 and 2024, respectively. Interest expense recognized amounted to ₱62.0 million in 2025 and ₱112.3 million in 2024 (see Note 18).

**15. Equity**

Capital Stock and Additional Paid-in Capital (APIC)

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

Authorized number of shares		20,400,000,000
Par value per share		₱0.50
Issued and outstanding common shares		17,968,611,496

The details of the Parent Company's additional paid-in capital as at December 31, 2025, 2024 and 2023 follows:

	2025	2024	2023
Balance at January 1	₱39,361,947	₱39,361,947	₱46,515,847
Equity restructuring	—	—	(7,153,900)
Balance at end of period	<u>₱39,361,947</u>	<u>₱39,361,947</u>	<u>₱39,361,947</u>

The Parent Company's record of registration of its securities follows:

Number of shares registered	17,968,611,496
Issue/offer price	₱13.50
Date of approval	April 20, 2021



The total number of stockholders was 25 and 24 as at December 31, 2025 and 2024, respectively. With respect to the Parent Company's stockholders as at December 31, 2024, the shares were either held (a) in certificated form or (b) in scripless form held under the account of PCD Nominee Corp. (PCD Nominee) through 142 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).

Amendment of AOI

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 including the amending the authorized capital stock of the Parent Company (without increasing or decreasing the same) such that the authorized number of shares, as amended, shall be:

- a. 20,400,000,000 common shares with a par value of ₱0.50 per share, from the current par value of ₱1.00 per share; and
- b. 3,600,000,000 preferred shares classified into:

Class of Preferred Shares	No. of shares	Par value	Amount
Non-voting "A"	400,000,000	₱1.00	₱400,000
Non-voting "B"	800,000,000	1.00	800,000
Voting "C"	2,400,000,000	0.25	600,000
<b>Total</b>	<b>3,600,000,000</b>		<b>₱1,800,000</b>

Said preferred shares' issue value, dividend rate and the terms and conditions of their redemption shall be determined by the BOD at the time of their respective issuances. Furthermore, they shall be cumulative and non-participating as to dividends and non-convertible into common shares. Said preferred shares shall also enjoy preference in assets in the event of liquidation of the Parent Company and in the payment of dividends as against common shares; however, they shall not enjoy any pre-emptive rights to any issue of shares (whether common or preferred).

These amendments on the Parent Company's AOI were approved by the SEC on April 7, 2021.

There have been no issuances of preferred stock as at December 31, 2025 and 2024.

Retained Earnings

*Parent Company*

On the following dates, the BOD approved the following cash dividends, all of which have been previously appropriated except for 2023:

Dividend declaration and stockholders of record date	Dividend per share	Amount
<b>November 4, 2025</b>	<b>₱0.16</b>	<b>₱2,874,978</b>
<b>March 26, 2025</b>	<b>0.15</b>	<b>2,695,292</b>
November 6, 2024	0.14	2,515,606
April 10, 2024	0.12	2,156,233
November 29, 2023	0.12	2,156,233

On March 25, 2026, the BOD approved the declaration of regular cash dividends of ₱0.24 per common share to stockholders of record as of April 24, 2026, payable on or before May 21, 2026.

As at December 31, 2025 and 2024, dividends payable amounted to ₱2,874,978 and nil, respectively.



Equity Restructuring

On March 29, 2023, the Parent Company's BOD approved the equity restructuring of the Parent Company by offsetting the Deficit as at December 31, 2022 against available additional paid-in capital (APIC) as at December 31, 2022.

On June 9, 2023, SEC approved the Parent Company's equity restructuring to wipe-out the deficit as at December 31, 2023 in the amount of ₱7,153.9 million against the APIC of ₱46,515.8 million.

Earnings per Share

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

*Basic and Diluted EPS*

	2025	2024
	<i>(In Thousands, Except Number of Shares and Per Share Data)</i>	
Net income attributable to equity holders of the Parent:	<b>₱11,258,597</b>	₱2,705,350
Weighted average number of common shares	<b>17,968,611,496</b>	17,968,611,496
Basic/diluted EPS	<b>₱0.63</b>	₱0.15

**16. Cost of Goods Sold**

	2025	2024
Direct materials	<b>₱45,498,330</b>	₱41,256,256
Direct labor (Note 18)	<b>1,130,835</b>	1,780,643
Manufacturing overhead:		
Depreciation and amortization (Notes 11 and 18)	<b>993,629</b>	919,282
Light and water	<b>545,418</b>	486,374
Steam	<b>442,961</b>	380,504
Repairs and maintenance	<b>391,100</b>	448,550
Plant utilities and other consumption	<b>283,805</b>	381,554
Taxes and licenses	<b>194,495</b>	157,484
Indirect labor (Note 18)	<b>95,785</b>	54,486
Others	<b>356,518</b>	402,600
Total manufacturing costs	<b>49,932,876</b>	46,267,733
Inventory movements (Note 6):		
Finished goods	<b>(434,727)</b>	(529,257)
Work in-process	<b>(161,869)</b>	43,526
	<b>₱49,336,280</b>	₱45,782,002



## 17. Sales, General and Administrative Expenses

### a. Selling and distribution expenses

	2025	2024
Transportation and delivery	₱3,088,075	₱2,875,542
Advertising and promotional expense	2,043,469	2,002,100
Merchandising expense	795,120	740,579
	<b>₱5,926,664</b>	<b>₱5,618,221</b>

### b. General and administrative expenses

	2025	2024
Salaries, wages and employee benefits (Note 18)	₱2,090,349	₱1,960,733
Logistics warehouse handling costs	505,350	444,012
Outside services	456,107	409,482
Depreciation and amortization (Notes 11, 12 and 18)	422,585	347,456
Repairs and maintenance	258,919	166,062
Miscellaneous Expense	180,759	143,478
Taxes and licenses	124,792	125,623
Membership and subscription	122,165	158,107
Provision for ECL (Note 5)	109,501	5,443
Travel expense	85,776	110,327
Fringe benefit tax	78,068	85,290
Entertainment, amusement and recreation	77,159	42,860
Research and development	42,426	61,386
Telecommunication	41,805	38,261
Light and water	41,471	43,898
Rent (Notes 20 and 22)	29,833	32,466
Training expense	16,239	17,796
Office supplies	9,623	7,985
Insurance	7,262	10,106
Donations	4,404	55,053
Others	82,523	147,262
	<b>₱4,787,116</b>	<b>₱4,413,086</b>

### c. Provision for (reversal of) impairment loss

	2025	2024
Investments in subsidiaries, associate, and joint venture (Note 10)	(₱1,052,019)	₱9,412,804
Property, plant and equipment (Note 11)	608,933	(49,500)
	<b>(₱443,086)</b>	<b>₱9,363,304</b>



## 18. Finance Costs and Other Income and Expenses

### a. Finance costs

	2025	2024
Lease liabilities (Note 22)	₱106,114	₱95,096
Acceptance and trust receipts payable (Note 14)	62,010	112,316
Others	–	18,308
	<b>₱168,124</b>	<b>₱225,720</b>

### b. Finance income

	2025	2024
Cash and cash equivalents (Note 4)	₱315,202	₱416,703
Notes receivable (Notes 8, 20 and 23)	14,296	20,208
Guarantee fee (Note 20)	12,205	17,693
	<b>₱341,703</b>	<b>₱454,604</b>

### c. Other income

	2025	2024
Promotional fees	₱192,549	₱151,600
Foreign exchange gain – net	140,774	114,033
Fair value gain on financial assets at FVTPL (Note 9)	96,651	60,655
Rental income	88,656	84,826
Service fees	70,149	57,302
Miscellaneous income	5,908	5,487
	<b>₱594,687</b>	<b>₱473,903</b>

### d. Personnel costs

	2025	2024
Cost of goods sold:		
Direct labor (Note 16)	₱1,073,062	₱1,767,935
Indirect labor (Note 16)	95,785	54,486
Retirement expense (Notes 16 and 19)	57,773	12,708
Sales, general and administrative expenses:		
Salaries and wages (Note 17)	1,830,832	1,699,784
Retirement expense (Notes 17 and 19)	107,294	100,471
Other employee benefits (Note 17)	104,628	63,701
Employee benefits (Note 17)	47,595	96,777
	<b>₱3,316,969</b>	<b>₱3,795,862</b>



e. Depreciation and amortization expense

	2025	2024
Property, plant and equipment (Notes 11, 16 and 17)	<b>₱1,296,679</b>	₱1,177,509
Intangible assets (Notes 12, 16 and 17)	<b>119,535</b>	89,229
	<b>₱1,416,214</b>	₱1,266,738

	2025	2024
Cost of goods sold (Note 16)	<b>₱993,629</b>	₱919,282
Sales, general and administrative expenses (Note 17)	<b>422,585</b>	347,456
	<b>₱1,416,214</b>	₱1,266,738

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**19. Pension Liability**

The Parent Company provides retirement benefits in accordance with Republic Act 7641, the *Retirement Pay Law*. The benefit plan is noncontributory and is paid in a lump sum upon retirement or separation. These benefits are funded by the Parent Company. Contributions and costs are determined in accordance with the actuarial study made for the plan. The latest actuarial valuation report is December 31, 2025.

The Parent Company appointed a local trustee bank as the retirement plan trustee. The trustee bank is responsible for the general administration of the retirement Plan and the management of the retirement fund. As the administrator of the retirement plan, the trustee bank is responsible for the ultimate control, disposition, or management of the money received or contributed.



Changes in the net defined benefit liability in 2025 and 2024 follow:

	2025											
	Net Benefit Cost in Profit or Loss					Remeasurements in OCI						
	January 1, 2025	Current Service Cost	Net Interest Cost	Subtotal	Benefits Paid	Actuarial Changes Arising from Financial Assumptions	Actuarial Changes Arising from Demographic Assumptions	Actuarial Changes Arising from Changes in Experience Adjustments	Remeasurement Gain (Loss) on Plan Asset	Subtotal	Contributions by Employer	December 31, 2025
Present value of defined benefit obligation	(P1,405,520)	(P110,637)	(P85,596)	(P196,233)	P92,700	P51,137	P28,551	(P82,542)	P-	(P2,854)	P40,983	(P1,470,924)
Fair value of plan asset	333,107	-	31,166	31,166	(92,700)	-	-	-	(4,670)	(4,670)	450,000	716,903
Net pension liability	(P1,072,413)	(P110,637)	(P54,430)	(P165,067)	P-	P51,137	P28,551	(P82,542)	(P4,670)	(P7,524)	P490,983	(P754,021)

	2024											
	Net Benefit Cost in Profit or Loss					Remeasurements in OCI						
	January 1, 2024	Current Service Cost	Net Interest Cost	Subtotal	Benefits Paid	Actuarial Changes Arising from Financial Assumptions	Actuarial Changes Arising from Demographic Assumptions	Actuarial Changes Arising from Changes in Experience Adjustments	Remeasurement Gain (Loss) on Plan Asset	Subtotal	Contributions by Employer	December 31, 2024
Present value of defined benefit obligation	(P1,263,069)	(P98,810)	(P77,552)	(P176,362)	P88,971	(P7,060)	(P2,887)	(P72,815)	P-	(P82,762)	P27,702	(P1,405,520)
Fair value of plan asset	399,414	-	21,792	21,792	(88,971)	-	-	-	872	872	-	333,107
Net pension liability	(P863,655)	(P98,810)	(P55,760)	(P154,570)	P-	(P7,060)	(P2,887)	(P72,815)	P872	(P81,890)	P27,702	(P1,072,413)



The maximum economic benefit available is a combination of expected refunds from the plan and reductions in future contributions. The trustee has no specific matching strategy between the plan assets and the retirement obligation. The Parent Company is not required to pre-fund the defined benefit obligation before they become due. The amount and timing of contributions to the retirement fund are at the Parent Company's discretion.

The carrying value and fair value of plan assets by each class as at the end of the reporting period are as follows:

	2025	2024
Investments in UITF	<b>₱488,643</b>	₱-
Debt instruments:		
Fixed rate treasury notes and retail treasury bonds	<b>177,414</b>	₱276,833
Corporate bond and fixed-rate notes	<b>49,456</b>	51,556
Cash and cash equivalents	<b>127</b>	471
Liabilities	<b>(2,478)</b>	(446)
Others	<b>3,741</b>	4,693
	<b>₱716,903</b>	₱333,107

The plan assets have diverse investments and do not have any concentration risk.

The costs of the defined benefit pension plan and the present value of the pension obligation are actuarially determined using the projected unit credit method. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension benefit obligations for the defined benefit plans are shown below:

	2025	2024
Discount rate	<b>6.45%</b>	6.09%
Salary increase rate	<b>6.00%</b>	6.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at December 31, 2025 and 2024, assuming all other assumptions were held constant:

		2025	2024
	Increase (decrease)	<b>Effect on Defined Benefit Obligation</b>	
Discount rates	1.00%	<b>(₱127,427)</b>	(₱130,692)
	(1.00%)	<b>149,952</b>	154,632
Future salary increases	(1.00%)	<b>149,115</b>	153,200
	1.00%	<b>(129,050)</b>	(131,940)

The average duration of the defined benefit obligation at the end of the reporting period is 9.4 years in 2025 and 10.2 years in 2024.



Shown below is the expected future benefit payment:

Financial Year	2025	2024
Year 1	<b>₱199,244</b>	₱161,346
Year 2	<b>83,144</b>	87,941
Year 3	<b>100,368</b>	71,565
Year 4	<b>147,778</b>	81,871
Year 5	<b>148,880</b>	143,859
Years 6–10	<b>868,799</b>	848,740

## 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 Parent Company has Material Related Party Transaction Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

As at December 31, 2025, and 2024, the Parent Company has the following significant transactions with its related parties and the outstanding balances:

Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
<b>Subsidiaries</b>					
<b>MMYSC</b>					
(a) Trade sales	<b>2025</b>	<b>₱726,886</b>	<b>₱108,013</b>	60 days; non-interest-bearing	Unsecured; no impairment
	2024	₱650,393	₱132,604		
(b) Rent Expense	<b>2025</b>	<b>9,137</b>	<b>(815)</b>	60 days; non-interest-bearing	Unsecured
	2024	2,284	–		
(c) Charges (expenses)	<b>2025</b>	<b>475</b>	–	On-demand, non-interest-bearing	Unsecured
	2024	115	–		
(d) Trade purchases, net	<b>2025</b>	<b>13,042,228</b>	<b>(1,215,325)</b>	45 days; non-interest-bearing	Unsecured
	2024	11,653,065	(2,124,684)		
(e) Other income	<b>2025</b>	<b>117,273</b>	<b>81,942</b>	On-demand; non-interest-bearing	Unsecured; no impairment
	2024	80,743	15,713		
(f) Dividends (Note 10)	<b>2025</b>	<b>3,200,056</b>	<b>3,200,056</b>	On-demand; non-interest-bearing	Unsecured; no impairment
	2024	4,103,204	2,500,083		
<b>MIL</b>					
(a) Notes receivable – current	<b>2025</b>	<b>14,296</b>	–	Payable quarterly until June 30, 2025; interest-bearing	Unsecured
	2024	14,290	376,864		
(b) Trade sales	<b>2025</b>	<b>53,765</b>	<b>23,627</b>	60 days from Bill of lading date; non-interest-bearing	Unsecured; no impairment
	2024	44,929	22,426		
(c) Trade purchases	<b>2025</b>	<b>2,695,861</b>	<b>(380,373)</b>	45 days from Bill of lading date; non-interest-bearing	Unsecured
	2024	3,016,197	(645,601)		
(d) Other income	<b>2025</b>	<b>486</b>	<b>484</b>	30 days; non-interest-bearing	Unsecured; no impairment
	2024	462	462		

(Forward)



Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
<b>MNTH</b>					
(a) Trade purchases, net	2025	₱385,035	(₱58,866)	60 days from Bill of lading date; non-interest-bearing	Unsecured
	2024	₱268,759	(₱56,854)		
(b) Purchase of machinery and Equipment	2025	–	–	60 days from Bill of lading date; non-interest-bearing	Unsecured
	2024	23,598	–		
(c) Trade sales	2025	285,461	130,770	150 days from Bill of lading date; non-interest-bearing	Unsecured; no impairment
	2024	276,311	131,307		
(d) Other income	2025	43,265	43,334	30 days; non-interest-bearing	Unsecured; no impairment
	2024	42,906	42,919		
<b>MNUKL</b>					
(a) Charges (expense)	2025	1,466	–	30 days; non-interest-bearing	Unsecured
	2024	4,785	(4,730)		
(b) Other income	2025	7,191	7,145	30 days; non-interest-bearing	Unsecured
	2024	7,282	7,277		
(c) Guarantee fee	2025	10,747	10,828	Payable annually on or before January 31, 2023; interest-bearing	Unsecured; no impairment
	2024	17,693	17,503		
<b>MNSPL</b>					
(a) Trade sales	2025	14,002	1,353	30 days; non-interest-bearing	Unsecured; no impairment
	2024	15,944	2,054		
(b) Professional fees	2025	–	–	30 days; non-interest-bearing	Unsecured; no impairment
	2024	14,868	–		
(c) Other income	2025	1,793	(356)	30 days; non-interest-bearing	Unsecured; no impairment
	2024	1,314	216		
<b>KBT</b>					
(a) Other income	2025	154	107	60 days; non-interest-bearing	Unsecured
	2024	4	1		
(b) Guarantee fee	2025	1,458	1,604	Payable annually on or before January 31, 2023; interest-bearing	Unsecured; no impairment
	2024	–	–		
(c) Dividend Income	2025	290,000	33,676	Payable annually on or before January 31, 2023; interest-bearing	Unsecured; no impairment
	2024	–	–		
<b>SFC</b>					
(a) Trade purchases, net	2025	536,036	(13,663)	30 days; non-interest-bearing	Unsecured
	2024	569,443	(43,161)		
(b) Rent income	2025	84,826	23,751	5 days; noninterest-bearing	Unsecured; no impairment
	2024	84,826	23,751		
(c) Trade sales	2025	105,790	17,588	30 days; non-interest-bearing	Unsecured; no impairment
	2024	106,234	25,228		
(d) Other income	2025	23,560	5,664	30 days; non-interest-bearing	Unsecured; no impairment
	2024	12,405	6,595		
(e) Loans payable	2025	–	–	3 years; interest-bearing	Unsecured; no impairment
	2024	–	–		
(f) Interest expense	2025	–	–	3 years; interest-bearing	Unsecured; no impairment
	2024	–	–		
<i>Associate</i>					
<b>CHTI</b>					
(a) Transportation and delivery Expense	2025	278,923	(37,937)	15 days; non-interest-bearing	Unsecured
	2024	316,796	(42,845)		

(Forward)



Nature	Year	Volume of Transactions	Outstanding Balance	Terms	Conditions
<b>Associates and joint ventures</b>					
<b>Monde Land, Inc.*</b>					
(a) Rent expense	2025	₱66,752	(₱5,952)	15 days;	Unsecured
	2024	₱66,541	(₱5,234)	non-interest-bearing	
(b) Other Income	2025	147	86	60 days;	Unsecured
	2024	17	3	Non-interest-bearing	
<b>Honey Droplet Limited**</b>					
(a) Non-current receivables (Note 8)	2025	–	–	4-6 years;	Unsecured; gross advances amounted to ₱115.3 million in 2023 and 2022; fully impaired in 2023 and 2022
	2024	–	–	interest-bearing	
<b>YCE Group Pte Ltd.***</b>					
(a) Non-current receivables (Note 8)	2025	–	–	Interest-bearing	Unsecured; fully impaired in 2023
	2024	–	–		
<b>Common shareholders</b>					
<b>PT. Nissin Biscuit Indonesia****</b>					
(a) Trade purchases, net	2025	49,855	(1,974)	45 days;	Unsecured
	2024	47,781	(3,883)	non-interest-bearing	
<b>Totals</b>					
Trade and other receivables (Note 5)	2025		₱455,941		
	2024		428,060		
Notes receivable – Current (Note 8)	2025		–		
	2024		376,864		
Dividends Receivable	2025		3,233,732		
	2024		2,500,083		
Non-current receivables (net of impairment amounting to ₱115.3 million (Note 8))	2025		–		
	2024		–		
Trade payables (Note 13)	2025		(1,706,978)		
	2024		(2,917,875)		
Non-trade payables (Note 13)	2025		–		
	2024		–		

\* Monde Land, Inc. is 40% owned by KBT, a subsidiary.

\*\* Honey Droplet Limited is 50% owned by MNSPL, a subsidiary.

\*\*\* YCE Group Pte Ltd. is 32% owned by MNSPL, a subsidiary.

\*\*\*\*PT Nissin Biscuit Indonesia has common individual shareholder

These transactions with related parties will be settled through cash.

### MNSPL

On February 21 and July 29, 2024, the BOD approved to subscribe additional 27,000,000 and 5,000,000 ordinary shares of MNSPL at an aggregate subscription price of ₱1,916.5 million (£27.0 million) and ₱364.2 million (£5.0 million) respectively, payable in one or several tranches.

On May 9 and November 4, 2025, the BOD approved subscribing to additional 26,360,000 and 3,125,000 ordinary shares of MNSPL at an aggregate subscription price of ₱1,992.2 million (£26.4 million) and ₱242.1 million (£3.1 million) respectively, payable in one or several tranches.

As at December 31, 2025 and 2024, the Parent Company's subscription payable amounted to ₱305.9 million and ₱250.5 million, respectively (see Note 10).



### MMYSC

The Parent Company and MMYSC entered into a Distribution Agreement wherein MMYSC engaged the services of the Parent Company to handle the warehousing, selling, billing, delivery, and merchandising of all products of MMYSC in the Philippines. This agreement shall be in force and will govern all transactions and relations between both parties until cancelled or terminated.

### MIL

On July 1, 2021, the Parent Company and MIL agreed to enter short-term promissory note for the payment of advances to MIL amounting to ₱317.2 million. MIL shall pay quarterly interest on the outstanding principal at a rate of 4.16% per annum. On July 1, 2022, the Parent Company and MIL agreed to extend the maturity of the promissory note to June 30, 2025 with interest at 3.83% per annum. On June 30, 2025, the Parent Company and MIL agreed to extend the maturity of the promissory note until it was fully settled on November 30, 2025.

Interest income from notes receivable from MIL amounted to ₱14.3 million in 2025 and 2024, respectively (see Notes 8 and 18).

### MFL

On March 24, 2022, the Parent Company (Guarantor) entered into a Guarantee Agreement with Citicorp International Limited, as agent for and on behalf of certain financial institutions (Finance Parties), to guarantee the ₱7,059.4 million (£103 million) loan of Parent Company's wholly owned, UK-based indirect subsidiary Marlow Foods Ltd. (Borrower). The Guarantor undertakes with each Finance Party that whenever the Borrower does not pay any amount when due or in connection with any finance document, the Guarantor shall promptly on demand pay the amounts as if it was the principal obligor.

On December 7, 2022, the Parent Company and MFL entered into Guarantee Fee Agreement to compensate the Parent Company for providing the Guarantee. MFL shall pay yearly guarantee fee for the outstanding commitment at a rate of 4% per annum.

Interest income recognized by the Parent Company from Guarantee Fee Agreement amounted to ₱10.7 million in 2025 and ₱17.7 million in 2024 (see Notes 18 and 20).

### KBT

On April 28, 2025, KBT entered into a Continuing Guarantee Agreement with Citibank, N.A., Bangkok Branch, to provide a corporate guarantee for a credit facility granted to Sun Operation Company Limited in the amount of THB 200.0 million. Under the terms of the agreement, KBT acts as a primary obligor and undertakes to pay on demand any amount due that the borrower fails to pay in connection with the finance documents.

As part of the Parent Company's risk management and internal financing arrangements, KBT subsequently entered into a back-to-back Guarantee Fee Agreement with the Parent Company. Under this agreement, the Parent Company acts as the ultimate guarantor for the aforementioned THB 200.0 million loan. KBT shall pay yearly guarantee fee for the outstanding commitment at a rate of 0.65% per annum.

Interest income recognized by the Parent Company from Guarantee Fee Agreement amounted to ₱1.46 million in 2025 (see Notes 18 and 20).



### SFC

On October 1, 2020, the Parent Company entered into a Supply Agreement with SFC for an initial term effective up to December 31, 2025, wherein SFC will manufacture and deliver fresh breads, similar fresh confectionery products, other bread-related products and by-products to the Parent Company. The Supply Agreement will automatically renew unless either of the parties gives a written notice of its intention not to renew it within 3 months prior to its effective termination date.

On January 26, 2023, the Parent Company entered into a 3-year Promissory Note agreement with SFC amounting to ₱267.7 million (\$4.9 million) with maturity date at January 26, 2026. The Parent Company shall pay interest on the outstanding principal amount at a rate per annum equal to 1 month Secured Overnight Financing Rate (SOFR) plus 1.70%. Interest and principal payment shall be made in United States Dollar (USD). The loans payable was paid in full on October 16, 2023.

On February 9, 2023, the Parent Company entered into a 3-year Promissory Note agreement with SFC amounting to ₱54.8 million (\$1.0 million) with maturity date at February 9, 2026. The Parent Company shall pay interest on the outstanding principal amount at a rate per annum equal to 1M Secured Overnight Financing Rate (SOFR) plus 1.70%. Interest and principal payment shall be made in United States Dollar (USD). The loans payable was paid in full on October 16, 2023.

### Other Income

Other income mainly comprises of service fees charged by the Parent Company primarily for reimbursement of investees' share in common expenses, rental income, reversal of ECL (see Notes 5 and 8), market valuation gain on financial instruments at FVTPL, gain on sale of property and equipment - net, and other miscellaneous items which are recorded under the "Other income (expenses)" account in the Parent Company statements of comprehensive income.

### Compensation of Key Management Personnel

	2025	2024
Short-term employee benefits	<b>₱1,154,600</b>	₱1,074,463
Post-employment benefits	<b>55,908</b>	71,983
	<b>₱1,210,508</b>	₱1,146,446

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## 21. Income Tax

### Current income tax

In 2024, the Parent Company was registered with the Board of Investments (BOI) as a Domestic Market Enterprise for the production of Butter Coconut Biscuits in its Davao manufacturing plant. The Parent Company was granted fiscal incentives which include Income Tax Holiday (ITH) period five (5) years subject to the provisions of the National Internal Revenue Code of 1997, as amended by Republic Act No. 11534, or the Corporate Recovery and Tax Incentives for Enterprise (CREATE) Act, and the terms and conditions of the Registration Agreement. The ITH period shall be reckoned from September 17, 2024, as the project's actual date of start of commercial operations.



The Parent Company's provision for income tax in 2025 and 2024 consists of the following:

	2025	2024
Current:		
RCIT	₱2,370,109	₱2,677,172
Deferred:		
Deferred tax expense	(31,999)	(48,082)
	<b>₱2,338,110</b>	<b>₱2,629,090</b>

A reconciliation of provision for income tax computed at the applicable statutory tax rates of 25% in 2025 and in 2024 to provision for income tax as shown in the statements of comprehensive income as follows:

	2025	2024
Provision for income tax at statutory tax rate	₱3,399,177	₱1,333,610
Income tax effects of:		
Nontaxable dividend income	(876,287)	(1,031,338)
Movement in unrecognized DTA	(90,182)	2,347,234
Interest income already subjected to final tax	(77,337)	(104,174)
Nontaxable income	(26,579)	(3,351)
Nondeductible interest expense	15,502	25,572
Nondeductible expenses	(7,426)	31,519
Others	1,242	30,018
	<b>₱2,338,110</b>	<b>₱2,629,090</b>

#### Deferred income tax

The components of the Parent Company's net deferred tax assets (liabilities) are as follows:

	2025	2024
Deferred tax assets:		
Lease liabilities	₱583,994	₱577,064
Pension liability	265,450	268,103
Allowance for impairment of property, plant and equipment	244,265	259,153
Accrued expenses	155,381	157,813
Refund liabilities	74,529	94,696
Unrealized foreign exchange loss	2,512	16,503
Allowance for ECL	749	1,416
Others	162,493	72,151
	<b>1,489,373</b>	<b>1,449,825</b>
Deferred tax liabilities:		
Right-of-use asset	(522,573)	(527,755)
Unrealized foreign exchange gain	(19,191)	(21,147)
Unrealized mark to market – UITF gain	(17,221)	(9,841)
Unamortized past service cost	(5,427)	2,926
Recognized deferred tax assets – net	<b>₱924,961</b>	<b>₱891,082</b>



The following deferred tax assets were not recognized in the parent company financial statements since management believes that it will not be utilized in the future:

	2025	2024
Allowance for impairment loss on investments	<b>₱6,958,198</b>	₱7,221,203
Allowance for impairment loss on property, plant and equipment	<b>152,234</b>	1
Advances from customers	<b>55,687</b>	28,817
Allowance for impairment loss on trademark	<b>1,783</b>	1,783
Allowance for inventory obsolescence	<b>1,408</b>	7,688
	<b>₱7,169,310</b>	₱7,259,492

## 22. Leases

The Parent Company leases various real estate properties for its plant sites, warehouses, and office spaces. The most significant of these lease agreements is the lease agreement with Monde Land, Inc., a related party, for its plant sites in Sta. Rosa Laguna, Cebu, and Davao. The agreements are for periods of 25 to 50 years, renewable for another 25 years. Under the terms of the leases, in the event that the lessor decides to sell the leased property, the Parent Company shall have the first option to buy the said property subject to the constitutional limitations on the ownership of land.

On June 24, 2020, the Parent Company entered into agreements with Science Park of the Philippines for the lease of certain parcels of land in San Fernando, Malvar, Batangas to be used for various operational activities. The lease agreements are valid for 50 years up to 2095 and are automatically renewable for another 25 years.

On November 15, 2024, the Parent Company entered into an agreement with Atlantic Grains Inc. (AGI) for the lease of certain parcels of land in Calaca City, Batangas to be used for various operational activities. The lease agreement is valid for 50 years up to 2074 subject to automatic renewal for another 25 years.

On May 1, 2025, the Parent Company entered into an agreement with Rockwell Land Corporation for the lease of office building in Rockwell Center, Makati City to be used for various operational activities. The lease agreement is valid for 5 years up to 2030 but may be renewed upon mutual agreement of the parties in writing or initiated by the Parent Company by providing a written notice of intent to renew at least one hundred eighty (180) calendar days prior to the expiration of the contract.

The Parent Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Parent Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 3).

The undiscounted potential future rental payments relating to periods following the exercise date of extension options not within the control of lessee that are not included in the lease term amounted to ₱94.5 million as at December 31, 2025 and 2024. The extension options not included are exercisable in 2030.



The following are the amounts recognized in the Parent Company's statement of comprehensive income:

	2025	2024
Interest expense on lease liabilities (Note 18)	<b>₱106,114</b>	₱95,096
Depreciation expense of right-of-use assets included in property, plant and equipment (Note 11)	<b>60,428</b>	51,238
Expenses relating to leases of low-value assets (Note 17)	<b>29,833</b>	32,466
	<b>₱196,375</b>	₱178,800

The movements in the Parent Company's lease liabilities are as follows:

	2025	2024
Balance at beginning of year	<b>₱1,652,450</b>	₱1,485,777
Payment of principal portion of lease liabilities	<b>(108,783)</b>	(188,422)
Accretion of interest (Note 18)	<b>106,114</b>	95,096
Additions	<b>38,485</b>	259,999
	<b>₱1,688,266</b>	₱1,652,450
Current	<b>₱22,772</b>	₱11,735
Non-current	<b>1,665,494</b>	1,640,715
	<b>₱1,688,266</b>	₱1,652,450

The maturity analysis of lease liabilities is disclosed in Note 24.

### 23. Commitments

#### Sandpiper Spices and Condiments Corporation (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. 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 (see Note 12).

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.

Interest income from advances to SSCC amounted to nil in 2025 and ₱5.9 million in 2024 (see Note 8).

#### Guarantees

*Wide Faith Foods Co. Ltd.* On November 17, 2015, the Parent Company entered into a Guarantee Agreement with The Hongkong and Shanghai Banking Corporation Limited, Bangkok Branch, to guarantee the ₱141.4 million (\$3.0 million) loan of Wide Faith Foods Co. Ltd. As at December 31, 2025, the loan had been fully settled and is no longer outstanding.



*Marlow Foods Ltd.* On March 24, 2022, the Parent Company (Guarantor) entered into a Guarantee Agreement with Citicorp International Limited, as agent for and on behalf of certain financial institutions (Finance Parties), to guarantee the ₱7,059.4 million (£103.0 million) loan of Parent Company's wholly owned, UK-based indirect subsidiary Marlow Foods Ltd. (Borrower). The Guarantor undertakes with each Finance Party that whenever the Borrower does not pay any amount when due or in connection with any finance document, the Guarantor shall promptly on demand the amounts as if it was the principal obligor.

*KBT International Holdings, Inc.* On April 28, 2025, KBT entered into a Continuing Guarantee Agreement with Citibank, N.A., Bangkok Branch, to provide a corporate guarantee for a credit facility granted to Sun Operation Company Limited in the amount of THB 200.0 million. Under the terms of the agreement, KBT acts as a primary obligor and undertakes to pay on demand any amount due that the borrower fails to pay in connection with the finance documents.

As part of the Parent Company's risk management and internal financing arrangements, KBT subsequently entered into a back-to-back Guarantee Fee Agreement with the Parent Company. Under this agreement, the Parent Company acts as the ultimate guarantor for the aforementioned THB 200.0 million loan.

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## 24. Financial Risk Management Objectives and Policies

The Parent Company's principal financial instruments comprise cash and cash equivalents, trade and other receivables, non-current receivables and advances to employees. The primary purpose of these financial instruments is to fund the Parent Company's operations. The Parent Company has various other financial instruments such as accounts payable and other current liabilities, acceptance and trust receipts payable, and loan payable, which arise directly from its operations.

The main risks arising from the Parent Company's financial instruments are market risk, credit risk, and liquidity risk. The BOD reviews and agrees on 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.

The sensitivity analyses in the following sections relate to the position as at December 31, 2025 and 2024. The sensitivity of the relevant statement of other comprehensive income items is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at December 31, 2025 and 2024.

### Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Parent Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Parent Company's operating activities (when revenue or expense is denominated in foreign currency).



The Parent Company's significant foreign currency-denominated financial assets and liabilities are as follows (impact of other currencies is not material):

	2025				
	Original Currency				
	USD	EUR	JPY	SGD	Peso Equivalent
<b>Financial Assets</b>					
Cash and cash equivalents	\$58,235	€-	¥-	\$-	₱3,432,953
Trade and other receivables	3,591	-	-	-	211,689
Financial assets at FVTPL	20,227	-	-	-	1,192,382
Notes receivable	-	-	-	-	-
	<b>82,053</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,837,024</b>
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities	25,224	588	1,331	786	1,564,177
<b>Net Financial Assets (Liabilities)</b>	<b>\$56,829</b>	<b>(€588)</b>	<b>(¥1,331)</b>	<b>(\$786)</b>	<b>₱3,272,847</b>

	2024				
	Original Currency				
	USD	EUR	JPY	SGD	Peso Equivalent
<b>Financial Assets</b>					
Cash and cash equivalents	\$51,050	€-	¥-	\$-	₱2,959,828
Trade and other receivables	3,790	-	-	-	219,740
Financial assets at FVTPL	15,158	-	-	-	1,248,839
Notes receivable	6,500	-	-	-	376,864
	<b>76,498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,805,271</b>
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities	26,254	638	798	867	1,597,997
<b>Net Financial Assets (Liabilities)</b>	<b>\$50,244</b>	<b>(€638)</b>	<b>(¥798)</b>	<b>(\$867)</b>	<b>₱3,207,274</b>

The Parent Company's exposure to foreign currency risk arises primarily from its USD denominated payables and operational requirements. To mitigate this risk and optimize the cost of funding, the Parent Company employs a systematic foreign currency stockpiling strategy. The Parent Company maintains a foreign currency stockpile at a maximum of 60% of its USD Net Short Position. This position is reviewed and updated quarterly to reflect current market exposures.

In translating the foreign-currency-denominated financial instruments into Philippine peso amounts, the exchange rates used are as follows:

Year	USD (\$)	JPY (¥)	EUR (€)	SGD (\$)
<b>2025</b>	<b>₱58.95</b>	<b>₱0.38</b>	<b>₱69.21</b>	<b>₱45.84</b>
2024	₱57.98	₱0.37	₱60.39	₱42.67

The following table demonstrates the sensitivity to a reasonably possible change in the Philippine peso exchange rate for the next period, with all other variables held constant, of the Parent Company's income before tax. The reasonably possible change in the exchange rate was based on forecasted exchange rate changes within the next two months after the reporting period. The methods and assumptions used remained unchanged over the reporting periods being presented.

	2025		2024	
	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax
U.S. dollar	1.67% (1.67%)	55,946 (55,946)	4.68% (4.68%)	136,333 (136,333)
SGD	7.41% (7.41%)	(2,670) 2,670	1.59% (1.59%)	(588) 588



	2025		2024	
	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax	Movement in Foreign Exchange Rate Increase (Decrease)	Effect on Income Before Tax
JPY	(2.00%) 2.00%	10 (10)	(6.04%) 6.04%	18 (18)
EUR	(14.61%) 14.61%	5,946 (5,946)	(1.51%) 1.51%	582 (582)

The Company's exposure to foreign currency changes for all other currencies is not material.

### 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 Parent Company 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. To mitigate default risk, the Parent Company implements a systematic onboarding and vetting process for all counterparties. A key requirement of this framework is that all banking and financial institution counterparties must maintain an investment-grade credit rating. Counterparty credit limits are reviewed periodically to ensure exposure remains within the Parent Company's defined risk appetite. Since the Parent Company trades only with recognized third parties, there is no requirement for collateral.

*Maximum exposure to credit risk.* The table below shows the maximum exposure to credit risk for the Parent Company's financial assets, without taking into account any collateral and other credit enhancements:

	2025	2024
Financial assets at amortized cost		
Cash and cash equivalents*	<b>₱11,189,364</b>	₱9,565,813
Trade and other receivables	<b>6,423,953</b>	5,946,117
Notes receivable – current	–	376,864
Advances to employees**	<b>151,235</b>	99,924
<b>Total credit risk exposure</b>	<b>₱17,764,552</b>	₱15,988,718

\*Excluding cash on hand amounting to ₱775 in 2025 and ₱640 in 2024.

\*\*Recorded under "Other non-current assets" account.

*Aging analysis.* The aging analysis of financial assets is as follows:

	2025					ECL	Total
	Current	Days Past Due					
		1–30 Days	31–60 Days	61–90 Days	More than 90 Days		
<b>Financial assets at amortized cost</b>							
Cash and cash equivalents*	₱11,189,364	₱–	₱–	₱–	₱–	₱–	₱11,189,364
Trade and other receivables	5,379,196	983,800	58,878	349	1,730	110,480	6,534,433
Notes receivable – current	–	–	–	–	–	–	–
Advances to employees**	151,235	–	–	–	–	–	151,235
	16,719,776	983,800	58,878	349	1,730	110,480	17,875,032
<b>Financial assets at FVTPL</b>	1,250,529	–	–	–	–	–	1,250,529
	<b>₱17,970,305</b>	<b>₱983,800</b>	<b>₱58,878</b>	<b>₱349</b>	<b>₱1,730</b>	<b>₱110,480</b>	<b>₱19,125,561</b>

\* Excluding cash on hand amounting to ₱775.

\*\* Recorded under "Other non-current assets" account.



	2024						ECL	Total
	Days Past Due							
	Current	1-30 Days	31-60 Days	61-90 Days	More than 90 Days			
<b>Financial assets at amortized cost</b>								
Cash and cash equivalents*	₱9,565,813	₱-	₱-	₱-	₱-	₱-	₱9,565,813	
Trade and other receivables	5,464,768	469,035	2,174	7,020	3,118	5,666	5,951,783	
Notes receivable – current	376,864	-	-	-	-	-	376,864	
Advances to employees**	99,924	-	-	-	-	-	99,924	
	15,507,369	469,035	2,174	7,020	3,118	5,666	15,994,384	
<b>Financial assets at FVTPL</b>	1,304,523	-	-	-	-	-	1,304,523	
	₱16,811,892	₱469,035	₱2,174	₱7,020	₱3,118	₱5,666	₱17,298,907	

\* Excluding cash on hand amounting to ₱640.

\*\* Recorded under "Other non-current assets" account.

### Credit risk under general and simplified approach

	2025				Total
	General Approach			Simplified Approach	
	Stage 1	Stage 2	Stage 3		
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents*	₱11,189,364	₱-	₱-	₱-	₱11,189,364
Trade and other receivables	42,913	-	-	6,491,520	6,534,433
Notes receivable – current	-	-	-	-	-
Advances to employees**	151,235	-	-	-	151,235
	11,383,512	-	-	6,491,520	17,875,032
	₱11,383,512	₱-	₱-	₱6,491,520	₱17,875,032

\* Excluding cash on hand amounting to ₱775.

\*\* Recorded under "Other non-current assets" account.

	2024				Total
	General Approach			Simplified Approach	
	Stage 1	Stage 2	Stage 3		
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents*	₱9,565,813	₱-	₱-	₱-	₱9,565,813
Trade and other receivables	59,935	-	-	5,891,846	5,951,783
Notes receivable – current	376,864	-	-	-	376,864
Advances to employees**	99,924	-	-	-	99,924
	10,102,536	-	-	5,891,846	15,994,384
	₱10,102,536	₱-	₱	₱5,891,846	₱15,994,384

\* Excluding cash on hand amounting to ₱640.

\*\* Recorded under "Other non-current assets" account.

**Simplified Approach.** Set out below is the information about the credit risk exposure on the Parent Company's trade receivables using simplified approach (provision matrix):

	2025							Total
	Days Past Due							
	Current	<30 days	30-60 days	61-90 days	91-120 days	121-365 days	>365 days	
ECL rate	0.02%	0.11%	0.59%	1.46%	2.55%	3.79%	100%	
Estimated total gross carrying amount at default	₱5,338,700	₱984,805	₱59,384	₱386	₱-	₱-	₱108,245	₱6,491,520
ECL	₱819	₱1,057	₱353	₱6	₱-	₱-	₱108,245	₱110,480

	2024							Total
	Days Past Due							
	Current	<30 days	30-60 days	61-90 days	91-120 days	121-365 days	>365 days	
ECL rate	0.04%	0.29%	1.53%	3.62%	6.28%	9.40%	100%	
Estimated total gross carrying amount at default	₱5,419,925	₱470,022	₱-	₱-	₱-	₱-	₱1,899	₱5,891,846
ECL	₱2,395	₱1,372	₱-	₱-	₱-	₱-	₱1,899	₱5,666



### Liquidity Risk

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

The Parent Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and lease contracts. The Parent Company's policy is that not more than 50% of borrowings should mature in the next 12-month period. Approximately 1% of the Parent Company's debt will mature in less than one year at December 31, 2025 (1% in 2024) based on the carrying value of debt reflected in the financial statements. The Parent Company assessed the concentration risk with respect to refinancing its debt and concluded it to be low. The Parent Company 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 Parent Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Parent Company'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.

*Maturity profile.* The table below summarizes the maturity profile of the Parent Company's financial assets and liabilities based on undiscounted payments are as follows:

	2025					Total
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	
<b>Financial liabilities carried at amortized cost</b>						
Accounts payable and other current liabilities*	₱520,866	₱7,917,624	₱2,990	₱-	₱-	₱8,441,480
Acceptance and trust receipts payable	-	-	1,039,990	-	-	1,039,990
Lease liabilities	-	34,061	80,581	483,676	5,690,711	6,289,029
	₱520,866	₱7,951,685	₱1,123,561	₱483,676	₱5,690,711	₱15,770,499

\* Excluding statutory payables and subscription payable under "Nontrade payables" account.

	2024					Total
	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	
<b>Financial liabilities carried at amortized cost</b>						
Accounts payable and other current liabilities*	₱2,730,732	₱6,936,225	₱7,696	₱-	₱-	₱9,674,653
Acceptance and trust receipts payable	-	-	1,608,501	-	-	1,608,501
Lease liabilities	-	31,169	69,871	447,838	5,804,075	6,352,953
	₱2,730,732	₱6,967,394	₱1,686,068	₱447,838	₱5,804,075	₱17,636,107

\* Excluding statutory payables under "Nontrade payables" account.

### Changes in Liabilities Arising from Financing Activities

	January 1, 2025	Cash Flows	Foreign Exchange Movement	Fair value changes	Others	December 31, 2025
Accrued interest payable	₱-	(₱62,010)	₱-	₱-	₱62,010	₱-
Derivative liability	288,603	37,423	-	(37,423)	370,066	658,669
Lease liabilities	1,652,450	(108,783)	-	-	144,599	1,688,266
Dividends payable	-	(2,695,292)	-	-	5,570,270	2,874,978
<b>Total liabilities from financing activities</b>	<b>₱1,941,053</b>	<b>(₱2,828,662)</b>	<b>₱-</b>	<b>(₱37,423)</b>	<b>₱6,146,945</b>	<b>₱5,221,913</b>



	January 1, 2024	Cash Flows	Foreign Exchange Movement	Fair value changes	Others	December 31, 2024
Accrued interest payable	P-	(P130,624)	P-	P-	P130,624	P-
Derivative liability	106,406	64,401	-	(64,401)	182,197	288,603
Lease liabilities	1,485,777	(188,422)	-	-	355,095	1,652,450
Dividends payable	2,156,233	(6,828,073)	-	-	4,671,840	-
	<b>P3,748,416</b>	<b>(P7,082,718)</b>	<b>P-</b>	<b>(P64,401)</b>	<b>P5,339,756</b>	<b>P1,941,053</b>

### Derivative Financial Instruments

The Parent Company engages in derivative transactions such as dual currency investment, structured note, binary note, crude palm oil (CPO) swaps, cross currency swaps (CCS), and European Knockout Option (EKO) to manage its foreign currency 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 statement of comprehensive income.

#### *Dual Currency Investment*

The Parent Company 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. Dual currency investment is nil as at December 31, 2025.

#### *Structured Note*

The Parent Company invested in a structured note that offers enhanced return when the underlying asset trades at or is 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
			Specified Denomination + Specified Denomination x Participation Ratio x Max [0%, (Indexf/Index0 – 100%)]	
\$5,000	09/23/25	06/25/26		1.00% p.a

#### *Binary Note*

The Parent Company 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 December 31, 2025.

The Parent Company recognized market valuation gain of P75.8 million and P36.8 million from fair value changes of dual currency investment and structured note in 2025 and 2024, respectively, under the "Market valuation gain on financial instruments at fair value through profit or loss (FVTPL)" account.

#### *CPO Swap Contract*

In 2025, the Parent Company entered into CPO swap contracts with the view of hedging its exposure to the fair value fluctuations of its CPO inventory attributable to changes in CPO market prices. Market valuation loss from fair value changes of the CPO swap of and gain on hedge item, which effectively offset each other, are recognized under "Cost of goods sold" account.



*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.

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.

*Embedded Derivatives*

The total derivative gain (loss) presented in the Parent Company statement of comprehensive income consists of derivative gain from CCS, EKO, equity conversion and redemption options, and swaps. The derivative loss from swaps entered and settled during the same year, amounted to ₱5.4 million in 2025 and ₱0.48 million in 2024.

Capital Management

For the purpose of the Parent's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Parent Company's capital management is to maximize the shareholder value. The Parent Company 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 Parent Company 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 years ended December 31, 2025, and 2024. The Parent Company was able to raise funds through an IPO last June 1, 2021.

The Parent Company monitors capital based on 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 Parent Company. Equity comprises all components of equity.

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

	2025	2024
Total debt	<b>₱16,667,949</b>	₱15,809,470
Equity	<b>58,143,600</b>	52,690,592
Debt-to-Equity Ratio	<b>0.29:1.00</b>	0.30:1.00

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 December 31, 2025, and 2024 due to the short-term nature of these financial instruments.



*Non-current receivables and loans payable.* As at December 31, 2025 and 2024, the fair value of non-current 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.

*Financial assets at FVTPL.* The financial assets at FVTPL account consists of UITFs and derivatives, including separated embedded derivatives, unless designated as effective hedging instruments. As at December 31, 2025 and 2024, the fair values of these financial assets are based on their published net asset value per share.

As at December 31, the following table presents the level of hierarchy of the Parent Company's financial instruments as follows:

	2025			2024		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial instruments measured at fair value</b>						
Financial assets at FVTPL	₱-	₱-	₱1,250,529	₱-	₱-	₱1,304,523

*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 December 31, 2025 and 2024.

The fair value of Figaro Coffee Group, Inc. is based on quoted prices. The fair value of Terramino, Inc. approximates its last transaction price.

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## 25. Supplemental Disclosure to Cash Flow Statements

The Parent Company's material non-cash activities are as follows:

	2025	2024
Subscription payable	(₱305,947)	(₱250,487)

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## 26. Segment Information

For management purposes, the Parent Company 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 manufacturers and distributes a variety of meat alternative brands and products to the retail trade and food service customers in the UK, US, Europe and Asia-Pacific.



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

The Chief Executive Officer 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 parent company financial statements.

Financial information about the business segments is as follows:

2025				
	APAC BFB	Meat Alternative	Reconciliation	Parent Company Financial Statements
Net sales - third parties	₱72,823,760	₱13,668,092	(₱17,228,943)	₱69,262,909
Costs and expenses	(57,805,187)	(13,538,059)	13,595,572	(57,747,674)
Depreciation and amortization	(2,170,596)	(656,132)	1,410,514	(1,416,214)
Finance income	417,702	42,753	(118,752)	341,703
Finance expense	(239,887)	(218,047)	289,810	(168,124)
Derivative gain (loss)	28,725	5,975	(367,343)	(332,643)
Loss on change in FV of guaranty asset	-	(1,090,928)	1,090,928	-
Foreign exchange gain (loss) – net	29,298	(632)	112,108	140,774
Impairment (reversal of) loss	(678,269)	618,772	(383,589)	(443,086)
Share in profit of associates and joint venture	30,692	-	(30,692)	-
Other income	356,717	42,250	3,560,095	3,959,062
Income before income tax	12,792,955	(1,125,956)	1,929,708	13,596,707
Provision for (benefit from) income tax	3,053,960	13,794	(729,644)	2,338,110
Net income	₱9,738,995	(₱1,139,750)	₱2,659,352	₱11,258,597
<b>Other information</b>				
Total assets	₱79,581,524	₱14,671,046	(₱19,441,021)	₱74,811,549
Total liabilities	₱19,256,535	₱3,857,836	(₱6,446,422)	₱16,667,949
Investment in subsidiaries, associate and joint venture	₱1,116,711	₱-	₱26,054,762	₱27,171,473
Capital expenditures	₱3,838,101	₱880,973	(₱2,888,679)	₱1,830,305
2024				
	APAC BFB	Meat Alternative	Reconciliation	Parent Company Financial Statements
Net sales - third parties	₱69,528,484	₱13,605,426	(₱17,333,200)	₱65,800,710
Costs and expenses	(53,806,417)	(13,960,136)	(5,506,626)	(73,273,179)
Depreciation and amortization	(1,983,524)	(704,397)	1,421,183	(1,266,738)
Finance income	524,846	72,124	(142,366)	454,604
Finance expense	64,403	1,466	(183,665)	(225,720)
Derivative gain (loss)	(385,222)	(371,070)	530,572	(117,796)
Loss on change in FV of guaranty asset	-	(2,648,829)	2,648,829	-
Foreign exchange gain (loss) – net	33,727	(8,723)	89,029	114,033
Impairment loss	28,614	(6,824,544)	16,159,234	9,363,304
Share in profit of associates and joint venture	55,504	-	(55,504)	-
Other income	268,979	20,742	4,195,501	4,485,222
Income before income tax	14,329,394	(10,817,941)	1,822,987	5,334,440
Provision for (benefit from) income tax	3,422,356	(360,421)	(432,845)	2,629,090
Net income	₱10,907,038	(₱10,457,520)	₱2,255,832	₱2,705,350
<b>Other information</b>				
Total assets	₱72,749,449	₱13,785,796	(₱18,035,183)	₱68,500,062
Total liabilities	₱16,971,494	₱5,646,906	(₱6,808,930)	₱15,809,470
Investment in subsidiaries, associate and joint venture	₱1,133,847	₱-	₱22,719,545	₱23,853,392
Capital expenditures	₱4,120,566	₱702,577	(₱1,951,010)	₱2,872,133



## 27. Supplementary Information Required under RR 15-2010

The Parent Company reported and/or paid the following types of taxes in 2025:

a. VAT

*Output VAT.* Sales and output VAT declared in the Parent Company's VAT returns follow:

	Net Sales/ Receipts	Output VAT
<b>Taxable sales and others:</b>		
Local sales, net of sales returns	₱73,109,084	₱8,773,090
Scrap sales	106,836	12,820
Miscellaneous income	316,657	37,999
	<u>73,532,577</u>	<u>8,823,909</u>
Zero-rated sales	485,317	-
Exempt sales	493,979	-
	<u>₱74,511,873</u>	<u>₱8,823,909</u>

Zero-rated sales of goods consist of actual export sales and sales to entities under Subic Bay Metropolitan Authority (SBMA) whose exemptions are provided under special laws or international agreements to which the Philippines is a signatory.

VAT-exempt sales pertain to sales of swine and poultry feeds whose exemptions are provided under Section 109(1)(B) of the National Internal Revenue Code, as amended.

*Input VAT.* The details of the Parent Company's input VAT follow:

	Purchases	Input VAT
Balance at beginning of year		₱-
Input tax carryover from previous period subject to amortization		78,453
<b>Current year's purchases/payments for:</b>		
Importation of goods other than capital goods	₱11,015,706	1,594,931
Domestic purchases of goods other than capital goods	30,130,797	3,615,696
Domestic purchase of services	11,951,403	1,434,168
VAT on Local Sales	2,049	246
Capital goods subject to amortization		
Domestic purchase of capital goods	76,015	9,121
Importation of capital goods	448,420	53,826
Services rendered by nonresidents	458,358	55,003
Purchases not qualified for input tax	1,833,888	-
<b>Total</b>	<u>55,916,636</u>	<u>6,841,444</u>
Input VAT on the purchase of capital goods deferred for the next succeeding period:		
Domestic purchase of capital goods		(6,960)
Importation of capital goods		(10,192)
Application against output VAT		(6,824,292)
Unapplied tax credits		-
<b>Balance at end of year</b>		<u>₱-</u>



b. Information on the Parent Company's importations

	Import of Goods	Import of Capital Goods
Cost of importation, at net	₱13,148,843	₱445,503
Custom duties	7,474	1,532
Import processing fee	3,853	142
	₱13,160,170	₱447,177

c. Taxes and licenses

Municipal licenses/business permit	₱183,793
Real property taxes	125,132
Documentary stamp taxes	6,953
Others	3,409
	₱319,287

d. Documentary stamp taxes (DST)

	Amount	DST thereon
Leases and other hiring agreement	₱285,862	₱572
Original issue of all debt instruments	374,121	1,165
Original issue of shares of stocks	18,200	182
Sales, agreements to sell, memoranda of sales, deliveries or transfer of shares or certificates of stock with par value	5,534	42
	683,717	1,961
DST remitted by other party, charged to MNC	–	4,993
	₱683,717	₱6,954

e. Withholding taxes

Final withholding taxes	₱369,305
Expanded withholding taxes	613,690
Taxes on compensation and benefits	535,620
Fringe benefits	83,035
	₱1,601,650

f. Tax assessment and cases

The Company does not have any notice of final assessment and does not have any tax cases under litigation and/or prosecution in courts or bodies outside of Bureau of Internal Revenue as at December 31, 2025.



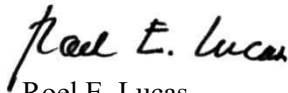
## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited the accompanying parent company financial statements of Monde Nissin Corporation (the Company), as at December 31, 2025 and for the year then ended, on which we have rendered the attached report dated April 10, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the above Company has twenty-one (21) stockholders owning one hundred (100) or more shares each.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026

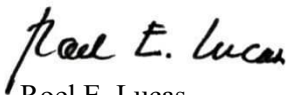


**INDEPENDENT AUDITOR'S REPORT  
ON THE SCHEDULE OF RECONCILIATION  
OF RETAINED EARNINGS AVAILABLE  
FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Monde Nissin Corporation as at and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the parent company financial statements taken as a whole. The accompanying Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and is not part of the parent company financial statements. This has been subjected to the auditing procedures applied in the audit of the parent company financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the parent company financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026

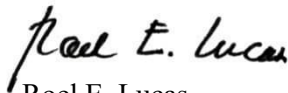


## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Monde Nissin Corporation  
Felix Reyes St., Barangay Balibago  
City of Santa Rosa, Laguna

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Monde Nissin Corporation as at and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic parent company financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules for the year ended December 31, 2025 are the responsibility of the Company's management. These schedules are presented for purposes of submission to the Board of Investments and are not part of the parent company financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the parent company financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the parent company financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Roel E. Lucas

Partner

CPA Certificate No. 98200

Tax Identification No. 191-180-015

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 98200-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-095-2025, October 1, 2025, valid until September 30, 2028

PTR No. 10765069, January 2, 2026, Makati City

April 10, 2026



## *Reconciliation of Retained Earnings Available for Dividend Declaration*

For the reporting period ended December 31, 2025

(Amounts in Thousands)

### **Monde Nissin Corporation**

Felix Reyes St. Brgy. Balibago, City of Santa Rosa, Laguna, Philippines

<b>Unappropriated Retained Earnings, beginning of reporting period</b>		<b>₱4,172,270</b>
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>		
Equity restructuring	–	
Unrealized foreign exchange / fair value adjustments of financial instruments at FVTPL	25,358	
Reversal of retained earnings appropriations	–	<b>25,358</b>
<b>Less: Category B: Items that are directly debited to Unappropriated Retained Earnings</b>		
Dividend declared during the reporting period	5,570,270	<b>5,570,270</b>
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>(1,372,642)</b>
<b>Add: Net Income for the current year</b>		<b>11,258,597</b>
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the period (net of tax)</b>		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	26,585	
Unrealized fair value adjustment (mark-to-market) gains of financial instruments at FVTPL	22,140	<b>48,725</b>
<b>Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	46,921	<b>46,921</b>
<b>Adjusted Net income/Loss</b>		<b>9,884,151</b>
<b>Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(30,457)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction (right of use of asset and lease liability)	12,112	<b>(18,345)</b>
<b>Total Retained Earnings, end of the reporting period available for dividend</b>		<b>₱9,902,496</b>

**Monde Nissin Corporation**  
**Index to the Supplementary Schedules**  
**For the Year Ended December 31, 2025**

<b>Schedules</b>	<b>Title</b>	<b>Page</b>
<b>I</b>	<b>Statement of Income on Registered and Nonregistered Activities with the Board of Investments</b>	<b>1</b>
<b>II</b>	<b>Schedule of Reconciliation of Income before Tax to Net Taxable Income on Registered and Nonregistered Activities with the Board of Investments</b>	<b>2</b>

**MONDE NISSIN CORPORATION****SCHEDULE I: STATEMENT OF INCOME ON REGISTERED AND  
NONREGISTERED ACTIVITIES WITH THE BOARD OF INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025****(Amounts in Thousands)**

	<b>Registered Activity</b>	<b>Non-registered Activity</b>	<b>Total</b>
<b>REVENUES</b>			
Gross sales	₱705,931	₱73,485,257	₱74,191,188
Less: Sales commission, returns, allowances, discounts	48,043	4,880,236	4,928,279
<b>NET SALES</b>	657,888	68,605,021	69,262,909
<b>COST OF SALES</b>	451,423	48,884,857	49,336,280
<b>GROSS PROFIT</b>	206,465	19,720,164	19,926,629
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Transportation and delivery	29,360	3,058,715	3,088,075
Salaries, wages and other benefits	19,874	2,070,475	2,090,349
Advertising and promotional expenses	19,428	2,024,041	2,043,469
Merchandising expense	7,560	787,560	795,120
Logistics warehouse handling costs	4,805	500,545	505,350
Other outside services	4,336	451,771	456,107
Impairment loss	–	(443,086)	(443,086)
Depreciation expense	2,922	304,372	307,294
Repairs and maintenance	2,462	256,457	258,919
Miscellaneous expenses	2,595	252,251	254,846
Taxes and licenses	1,186	123,606	124,792
Membership and subscription	1,161	121,004	122,165
Amortization expense	750	114,541	115,291
Bad debts	–	109,501	109,501
Travel expense	816	84,960	85,776
Fringe benefit tax	742	77,326	78,068
Representation expenses	734	76,425	77,159
Research and development	403	42,023	42,426
Communication expense	397	41,408	41,805
Light and water	394	41,077	41,471
Rental expenses	–	29,833	29,833
Training expense	154	16,085	16,239
Office supplies expense	–	9,623	9,623
Bank charges	–	8,426	8,426
Insurance expense	69	7,193	7,262
Donations	–	4,404	4,404
Deficiency tax	–	10	10
	100,148	10,170,546	10,270,694
<b>OTHER (INCOME) CHARGES - net</b>			
Dividend income	–	3,505,149	3,505,149
Other income	–	594,687	594,687
Finance income	–	341,703	341,703
Derivative loss	–	(332,643)	(332,643)
Finance costs	–	(168,124)	(168,124)
	–	3,940,772	3,940,772
<b>INCOME BEFORE INCOME TAX</b>	106,317	13,490,390	13,596,707

*(Forward)*

	<b>Registered Activity</b>	<b>Non-registered Activity</b>	<b>Total</b>
<b>PROVISION FOR INCOME TAX</b>	₱-	₱2,338,110	₱2,338,110
<b>NET INCOME</b>	106,317	11,152,280	11,258,597
<b>OTHER COMPREHENSIVE INCOME</b>			
Fair value reserve of financial assets at FVOCI, net of tax	-	(7,524)	(7,524)
Remeasurement gain on defined benefit plans	-	(229,675)	(229,675)
Income tax effect	-	1,880	1,880
	-	(235,319)	(235,319)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱106,317</b>	<b>₱10,916,961</b>	<b>₱11,023,278</b>

**MONDE NISSIN CORPORATION****SCHEDULE II: RECONCILIATION OF INCOME BEFORE TAX TO NET TAXABLE INCOME ON REGISTERED AND NONREGISTERED ACTIVITIES WITH THE BOARD OF INVESTMENTS****FOR THE YEAR ENDED DECEMBER 31, 2025****(Amounts in Thousands)**

	Registered Activity	Non-registered Activity	Total
<b>REVENUES</b>			
Gross sales	₱705,931	₱73,485,257	₱74,191,188
Less: Sales commission, returns, allowances, discounts	48,043	4,880,236	4,928,279
<b>NET SALES</b>	657,888	68,605,021	69,262,909
<b>COST OF SALES</b>	451,423	48,884,857	49,336,280
<b>GROSS PROFIT (LOSS)</b>	206,465	19,720,164	19,926,629
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Transportation and delivery	29,360	3,058,715	3,088,075
Salaries, wages and other benefits	19,874	2,070,475	2,090,349
Advertising and promotional expenses	19,428	2,024,041	2,043,469
Merchandising expense	7,560	787,560	795,120
Logistics warehouse handling costs	4,805	500,545	505,350
Other outside services	4,336	451,771	456,107
Impairment loss	–	(443,086)	(443,086)
Depreciation expense	2,922	304,372	307,294
Repairs and maintenance	2,462	256,457	258,919
Miscellaneous expenses	2,595	252,251	254,846
Taxes and licenses	1,186	123,606	124,792
Membership and subscription	1,161	121,004	122,165
Amortization expense	750	114,541	115,291
Bad debts	–	109,501	109,501
Travel expense	816	84,960	85,776
Fringe benefit tax	742	77,326	78,068
Representation expenses	734	76,425	77,159
Research and development	403	42,023	42,426
Communication expense	397	41,408	41,805
Light and water	394	41,077	41,471
Rental expenses	–	29,833	29,833
Training expense	154	16,085	16,239
Office supplies expense	–	9,623	9,623
Bank charges	–	8,426	8,426
Insurance expense	69	7,193	7,262
Donations	–	4,404	4,404
Deficiency tax	–	10	10
	100,148	10,170,546	10,270,694
<b>OTHER (INCOME) CHARGES - net</b>			
Dividend income	–	3,505,149	3,505,149
Other income	–	594,687	594,687
Finance income	–	341,703	341,703
Derivative loss	–	(332,643)	(332,643)
Finance costs	–	(168,124)	(168,124)
	–	3,940,772	3,940,772

*(Forward)*

	<b>Registered Activity</b>	<b>Non-registered Activity</b>	<b>Total</b>
<b>INCOME BEFORE INCOME TAX</b>	₱106,317	₱13,490,390	₱13,596,707
Permanent Differences:			
Dividend income from domestic corporation	–	(3,505,149)	(3,505,149)
Reversal of prior year's provision	–	(1,052,019)	(1,052,019)
Nondeductible expenses	–	661,585	661,585
Interest income subjected to final tax	–	(247,338)	(247,338)
Income tax incentive	(106,317)	–	(106,317)
Temporary Differences:			
Gain on Financial Assets, Net	–	331,850	331,850
PFRS 15	–	(80,667)	(80,667)
Depreciation on assets with full provision	–	(59,266)	(59,266)
Retirement expense	–	(51,546)	(51,546)
Interest expense – PFRS 16	–	48,446	48,446
Unrealized foreign exchange gain, net	–	(48,141)	(48,141)
Provisions, net	–	(9,725)	(9,725)
PFRS 9	–	2,018	2,018
<b>NET TAXABLE INCOME</b>	–	9,480,436	9,480,436
<b>NOLCO</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>

# ANNEX C

2025 Sustainability Report

# Making Better Possible



**2025**

Sustainability Report



Monde Nissin

## About the Cover

GRI 2-1

We at Monde Nissin Corporation (Monde Nissin or the Company) continue our sustainability journey guided by our commitment to Making Better Possible®—a commitment that has shaped the Company’s actions since the launch of our North Star Targets in 2021. As the 2025 Sustainability Report (SR) marks the closing year of this roadmap, the report’s cover reflects both the progress achieved over the past five years and the foundation built for the next phase of our sustainability journey.

The cover brings together images representing Monde Nissin’s four sustainability pillars: Product, People, Planet, and Partnership—showing how progress is built through everyday actions across products and operations, our people, communities, and the environment. The star-inspired form at the center represents the North Star Targets that have guided decisions, priorities, and performance throughout the roadmap period, symbolizing our progress and continued efforts to advance our sustainability goals beyond 2025.

## About the Report

GRI 2-1, 2-2, 2-3

This 2025 SR covers Monde Nissin’s sustainability performance for the year ended 2025 and marks the culmination of our first five-year Sustainability Roadmap (2021–2025). Over this period, we translated our North Star Targets into structured actions across the business, strengthening governance mechanisms, data systems, and cross-functional coordination. Progress has not always been linear. Some initiatives gained traction quickly, while others required time to mature as teams built the necessary systems, data, and ways of working. In many areas, improvement came through steady incremental changes shaped by day-to-day operational realities and evolving stakeholder expectations.

This report brings together our progress and key learnings across priority areas, including nutrition and food accessibility, environmental stewardship, employee wellbeing, and governance. It reflects how sustainability considerations have been applied in decision-making and operations over the five-year period. The experiences documented here provide context for the next phase of sustainability management, as expectations continue to rise, and the importance of clarity, focus, and accountability become more pronounced.

## Reporting Frameworks

This report is prepared with reference to globally and locally recognized sustainability reporting frameworks to facilitate transparency, consistency, and comparability. This includes the following:

- Global Reporting Initiative (GRI) Standards
- Sustainability Accounting Standards Board (SASB) Standards for Processed Foods under the Food & Beverage sector

- Alignment with United Nations Sustainable Development Goals (UN SDGs)
- Philippine Securities and Exchange Commission (SEC) Sustainability Reporting Guidelines for Publicly-Listed Companies (SEC M.C. No. 4, S. 2019)

These frameworks guide how we identify, manage, and communicate our most significant impacts, risks, and opportunities, while aligning our priorities with broader global and national sustainability agendas.

## Scope and Boundary

For clarity and consistency throughout this report, the following definitions apply:

- Monde Nissin Corporation: the “Parent Company,” the “Company,” or “Monde Nissin”
- Monde Nissin and its subsidiaries: the “Group”

Unless otherwise stated, references to “Monde Nissin” in this report relate to its Philippine operations.

This report covers Monde Nissin’s operations in the Philippines for the period January 1 to December 31, 2025. Unless otherwise stated, the information presented reflects the scope and boundaries listed below:

- The Chairperson of the Board’s, and the Chief Executive Officer’s (CEO), Letter to Stakeholders, and general disclosures on business segments, cover the Group.
- Economic disclosures, governance disclosures on anti-corruption data, activity metrics, and membership associations, and the stakeholder engagement matrix are reported at the Company level.
- Environmental disclosures cover Monde Nissin’s manufacturing facilities in Santa Rosa (Laguna), Mandaue (Cebu), Porac (Pampanga), Malvar (Batangas), and Davao, all located in the Philippines.
- Social disclosures, including workforce data and occupational health and safety (OHS) information, cover Monde Nissin.
- Monetary values in this report are presented in Monde Nissin’s functional currency, the Philippine Peso (Php).

Data included in this report were consolidated and internally validated prior to finalization, as further described under Monde Nissin’s [ESG Data Governance Framework](#), on pages 13–14.

Monde Nissin’s operations in the Philippines accounted for 93.4%, 93.0%, and 93.6% of the Company’s Asia-Pacific Branded Food & Beverage (APAC BFB) Business’s total net sales for the years ended December 31, 2023, 2024, and 2025, respectively. Furthermore, the APAC BFB business contributed 82.3%, 83.6%, and 84.2% to the Group’s net sales for the years ended December 31, 2023, 2024, and 2025, respectively.

As such, the scope of this Sustainability Report captures the majority of the Group’s sustainability impacts and priorities.

## Disclosures

The disclosures in this report are guided by the selected reporting frameworks and focus on topics that reflect Monde Nissin's most significant impacts on the economy, the environment, and society. We aim to present balanced, decision-useful information, highlighting both our achievements and the areas where we continue to improve.

Where applicable, disclosures include qualitative narratives, quantitative data, and contextual explanations to help stakeholders better understand our performance, priorities, and strategic direction.

## Restatements of Information

GRI 2-4

Where prior period data has been updated due to improvements in data collection processes, refinement of emission factors, or methodological clarification, the affected figures have been restated and clearly identified in the relevant tables and footnotes. Restatements are limited to changes necessary to improve accuracy and comparability and do not reflect changes in reporting scope unless otherwise specified.

## Report Disclaimer

The information in this SR is provided for transparency regarding Monde Nissin's sustainability approach, initiatives, and reported performance. It should not be interpreted as investment advice, nor as an offer, recommendation, or solicitation to invest in Monde Nissin.

Any forward-looking statements that may be contained herein are based on current expectations, assumptions, and available information regarding anticipated developments and other factors affecting the Group. Such statements are not guarantees of future performance and involve risks and uncertainties that may cause actual results to differ materially from those expressed or implied. Sustainability targets disclosed in this report are aspirational in nature and remain subject to operational, regulatory, and economic constraints. Unless otherwise stated, environmental targets are intensity-based.

While the Group has endeavored to take reasonable steps to present information that is accurate, relevant, and prepared in good faith, actual results and outcomes may differ from those described. The Group disclaims any liability for losses that may arise from reliance, whether in whole or in part, on the contents of this SR.

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# Executive Messages

GRI 2-22

## Message from the Chairperson and from the CEO

As we conclude Monde Nissin's first five-year Sustainability Roadmap (2021–2025), we reflect on a period that required translating aspiration into governance discipline and measurable accountability. The roadmap, formally adopted by the Board, was designed to integrate sustainability considerations within the Company's oversight structures and long-term strategic direction.

The Board strengthened its oversight of sustainability through periodic discussions, including an annual review of the Company's progress, priorities, and emerging risks. These engagements help maintain that sustainability considerations remain closely aligned with the Company's governance and strategy and enforce their relevance to enterprise resilience and long-term value creation.

Over the roadmap period, sustainability considerations were progressively integrated into operational and reporting processes, with clearer accountabilities established across business and support functions. These efforts have enhanced transparency into performance and strengthened the Company's ability to monitor progress against defined commitments.

While progress was achieved, not all targets set at the outset of the roadmap period were fully met within the intended timeframe. Variations in site maturity, evolving market conditions, and data readiness affected outcomes. These gaps provided valuable insights into the level of governance integration, capability development, and execution discipline required to deliver sustained impact.

As we look ahead, Monde Nissin is undertaking a structured priority-setting process to define the next five-year sustainability roadmap. This process includes reassessing material priorities, reviewing performance against prior commitments, and aligning future targets with operational realities and emerging regulatory expectations. The focus remains on setting achievable, measurable objectives supported by strengthened systems and clearly defined accountabilities.

This report documents the outcomes of the Board-adopted roadmap and the lessons that will guide the next phase of our sustainability journey. We remain committed to disciplined oversight, transparent reporting, and responsible stewardship as we continue our journey of Making Better Possible, grounded in accountability and long-term value creation.

### **Kataline Darmono**

Chairperson of the Board

### **Henry Soesanto**

Director, Chief Executive Officer, & Executive VP  
*Monde Nissin Corporation*

## Message from the Chief Sustainability Officer

This Sustainability Report documents how Monde Nissin applied its first five-year Sustainability Roadmap (2021–2025) across the organization and the lessons that emerged from implementation. The roadmap provided a structured framework for translating material sustainability topics into operational practices across the Product, Planet, People, and Partnership Pillars.

Over the roadmap period, a key focus was strengthening the systems needed to support consistent execution and credible reporting. This included improving ESG data governance through clearer ownership, documentation standards, and validation processes to support audit readiness and internal decision-making.

Within the People Pillar, the Company moved from largely site-based programs toward more standardized governance frameworks covering capability development, employee engagement, occupational health and safety, and social safeguards. Structured learning systems were strengthened through centralized platforms and defined competency architectures, enabling improved tracking of training participation among both regular and probationary employees. Leadership development, early-career programs such as MondeXplore, and sustainability learning modules were integrated into workforce capability planning.

Workforce practices continued to emphasize fair employment, statutory compliance, and structured dialogue. Occupational health and safety management remained aligned with regulatory requirements and site-level risk controls, supported by defined reporting mechanisms and accountability at supervisory and management levels. Employee engagement and wellbeing initiatives were implemented through structured surveys, dialogue mechanisms, enabling systematic monitoring of employee experience, and informed program refinement.

Implementation experience varied across topics and locations. In product development, nutrition-related initiatives progressed through iterative reformulation and fortification work, supported by internal reference points such as sodium criteria to guide decision-making. These efforts required balancing technical feasibility, consumer preferences, regulatory requirements, and affordability.

In operations, renewable electricity sourcing expanded across manufacturing sites, alongside continued efforts to improve energy, water, and waste management. Differences in site maturity and data availability reinforced the importance of sequencing initiatives and strengthening site-level capabilities.

The roadmap also underscored the importance of coordination across functions and partners. Advancing sustainability outcomes depended on collaboration among Product Supply, Research & Development, and Customer & Consumer Development; supported by Corporate Sustainability, Finance & Accounting, People & Culture, and Information Technology and Digitalization; with oversight from Risk Management and Legal and Compliance; and in coordination with Corporate & Government Affairs, alongside engagement with suppliers, regulators, communities, and industry partners. As the Company concludes its first Sustainability Roadmap, the outcomes and lessons presented in this report provide a clearer understanding of what is required to meaningfully manage sustainability practices systematically and at scale. The emphasis going forward remains on strengthening systems, improving data quality, and reinforcing governance and accountability so that sustainability considerations continue to be applied consistently across the organization.

**Marivic N. Cajucom-Uy**

Chief Sustainability Officer

*Monde Nissin Corporation*

## Our Corporate Framework for Responsible and Sustainable Value Creation

Monde Nissin's corporate framework for responsible and sustainable value creation provides the structure through which sustainability considerations are incorporated into enterprise processes and decision-making. It brings together strategy, prioritization, and performance monitoring to support consistent evaluation of sustainability-related risks and opportunities across the business.

The framework aligns sustainability priorities with overall business objectives, recognizing that long-term value creation requires balancing nutrition and food accessibility, environmental stewardship, people and communities, and sound governance. Rather than operating as a standalone program, it guides how material topics are identified, assessed, and managed within existing organizational processes.

Core elements of the framework include materiality assessment and prioritization, clearly defined responsibilities across business and support functions, and mechanisms for monitoring and reporting sustainability performance. These elements support the translation of strategic direction into operational actions and enable periodic review as conditions and expectations evolve.

This framework provides the foundation for the pillar discussions that follow, which describe topic-specific direction, 2025 execution, and implementation insights.

**Making Better Possible<sup>®</sup>**  
summarizes Monde Nissin's aspiration  
and translates it as a practical  
framework for implementation across  
our operations and value chain.



## Our Corporate Aspiration

**“We aspire to improve the wellbeing of people and the planet, and create sustainable solutions for food security.”**

This aspiration reflects Monde Nissin’s commitment to embed sustainability into how we operate and grow our business. It guides our focus on reducing our environmental footprint, and increasing our handprint by supporting communities, and improving access to better food choices.

## Our Core Values

Monde Nissin’s core values—Care with Action, Collaboration with Empathy, and Continuous Learning with a Growth Mindset—guide how the organization approaches decisions, execution, and engagement across the business. In the context of sustainability, these values shape how priorities are assessed, how cross-functional coordination is carried out, and how experience informs ongoing improvement.

*Care with Action* reinforces the importance of translating intent into responsible and practical steps, taking into account impacts on consumers, employees, communities, and the environment within operational and regulatory boundaries.

*Collaboration with Empathy* supports constructive engagement across teams and stakeholders, recognizing that sustainability topics often require shared understanding and coordinated responses rather than isolated efforts.

*Continuous Learning with a Growth Mindset* reflects the Company’s recognition that sustainability management evolves over time. It encourages reflection on implementation experience and supports incremental strengthening of systems, processes, and capabilities as expectations and requirements change.

Together, these values provide a consistent reference point for how sustainability priorities are managed within the governance and management structures described in this SR.

## Our Sustainability Framework

GRI 3-2

Monde Nissin’s Sustainability Framework outlines how we identify and manage sustainability priorities across the business. It is informed by stakeholder engagement and materiality assessment results, helping keep our focus areas aligned with stakeholder expectations and the sustainability topics most relevant to our business.

The framework supports the development of our sustainability pillars, commitments, and action plans, which are discussed throughout this report.

## MONDE NISSIN'S SUSTAINABILITY FRAMEWORK

### Purpose

Improve the wellbeing of the people and the planet + create sustainable solutions for food security

### Value to Society

Contributing to Food Security

Pivoting to a Healthier and Better Portfolio

### Key Impacts



#### Consumer & Product Responsibility

- Product Accessibility
- Better and Healthier Products for Holistic Wellbeing
- Product Quality and Safety
- Responsible Marketing
- Complaint Management
- Customer Satisfaction and Engagement



#### Environmental Stewardship

##### Resource Efficiency

- Water Usage
- Materials Efficiency

##### Waste and Circularity

- Solid and Hazardous Waste
- Wastewater and Effluents
- Food Loss

##### Climate Impacts

- Energy Usage
- Greenhouse Gas (GHG) Emissions

##### Plastic Footprint

- Avoidance and Reduction
- Recyclability
- Post-Consumer Waste



#### People and Human Capital

- Employee Management
- Employee Engagement
- Employee Wellbeing
- Diversity and Inclusion
- Employee Benefits
- Labor-Management Relations
- Training and Development
- Occupational Health and Safety



#### Community Impact and Local Development

- Inclusive Distribution
- Local Employment
- Jobs Created and Supported
- Corporate Social Responsibility (CSR) Programs
- Calamity Response



#### Responsible Sourcing and Supply Chain

- Raw Material Traceability
- Supplier Environmental and Social Assessment
- Supplier Engagement
- Local Sourcing



#### Enterprise Governance and Resilience

- Economic Performance
- Good Governance
- Cybersecurity

### Corporate Governance Oversight

The Board of Directors of Monde Nissin, supported by executive management, the Corporate Sustainability Center, Corporate Secretary, Legal and Compliance, Risk Management, and Corporate Internal Audit functions, provides oversight of sustainability strategy, risk management, and performance.

## Stakeholder Engagement

GRI 2-29

Engaging with stakeholders forms part of Monde Nissin's approach to responsible business conduct and regulatory compliance. It is essential to how we understand evolving expectations, manage risks, and inform decisions affecting the business and the communities where we operate. The Company engages key stakeholder groups to support sustainability priorities and responsible corporate conduct.

Monde Nissin maintains structured channels for dialogue with government institutions, industry bodies, local communities, civil society organizations, academic institutions, and employee representatives. Engagement activities focus on understanding stakeholder perspectives, communicating relevant business information, and supporting compliance with applicable laws, policies, and regulatory requirements. These interactions also provide opportunities to exchange technical inputs, clarify regulatory expectations, and identify areas for collaboration on shared social or industry priorities.

Engagement with government agencies and legislative bodies primarily relates to regulatory developments, policy implementation, and compliance matters affecting the food industry. The Company participates in formal consultations, public fora, and meetings. In parallel, participation in business chambers, trade associations, and technical working groups enables the Company to monitor industry developments and contribute to discussions on sector-wide issues. These engagements are conducted in accordance with applicable governance policies and aim to provide informed inputs while maintaining compliance with regulatory obligations.

Monde Nissin also engages with local communities, civil society organizations, and academic and professional institutions through consultations, research collaborations, and social development initiatives. These engagements provide avenues to discuss community priorities, food safety and nutrition topics, and broader social and environmental considerations. Within the workplace, dialogues with employee representatives, including labor unions, is conducted through established consultation mechanisms that support communication on employee welfare, workplace practices, and joint initiatives. Insights from these engagements are documented and considered, where appropriate, in relevant operational and governance processes where appropriate.

Monde Nissin uses a Stakeholder Matrix to assess the relative influence and interest of each stakeholder group, supporting the prioritization of engagement efforts and the tailoring of engagement approaches.

The Stakeholder Engagement Matrix was reviewed and updated in 2025 to reflect changes in stakeholder dynamics and the Company's sustainability focus.

## Materiality Assessment

GRI 3-1

In line with the GRI Standards, material topics refer to the economic, environmental, and social impacts that are most significant to Monde Nissin and that influence stakeholder assessments and decisions. These topics guide our sustainability strategy, target-setting, and reporting.

In 2025, Monde Nissin refined its materiality focus through ongoing engagement with internal stakeholders and regular dialogue with external collaborators. This refinement was iterative and confirmatory in nature, rather than a full reset of the materiality assessment, and was intended to validate the continued relevance of previously identified priority topics in light of evolving expectations, regulatory developments, and operational experience.

Key areas reaffirmed during the year included:

- Strengthening sustainability governance, transparency, and capability-building across the Company;
- Advancing supply chain responsibility, including the rollout of the Supplier Code of Conduct and preparations for supply chain decarbonization in anticipation of future Philippine Financial Reporting Standards (PFRS) adoption; and
- Addressing plastic packaging impacts through reduction, redesign, and recovery initiatives.

The material topics covered in this report are integrated within our [Sustainability Framework](#) on pages 8–9 and are reflected across the sustainability pillars, commitments, and key initiatives.

## Our Sustainability Governance Framework and Oversight

GRI 2-12, 2-13, 2-23, 2-24, 2-25, 103-1

Our governance framework integrates sustainability into decision-making, from Board level oversight to implementation across the Company. In 2025, this framework was updated and aligned with Monde Nissin's [Sustainability Policy Version 2.0](#) (outlined in [Board Oversight and Leadership Accountability](#) on pages 60–61) to strengthen governance structures, roles, and reinforce accountability. This framework supports the consistent execution of sustainability commitments and monitoring of related risks and performance.

## Sustainability Principles

Monde Nissin's sustainability principles provide a consistent basis for responsible business practices across our operations. They support the integration of sustainability into strategy, policy development, and operational decision-making, and reinforce our commitment to ethical conduct and transparency.

These principles are grounded in our corporate aspiration and values, aligned with Making Better Possible, and support our contribution to the UN SDGs.

Our sustainability principles focus on seven core areas:

#### Governance & Foundation

- Future Readiness
- Good Governance and Accountability

#### People & Society

- Holistic and Inclusive Wellbeing
- Local Community Engagement
- National Economic Contribution

#### Environment & Product

- Environmental Sustainability
- Better and Healthier Food Products

## Sustainability Governance Structure and Environmental, Social, and Governance (ESG) Roles and Responsibilities

Monde Nissin’s sustainability governance structure, as defined under [Sustainability Policy Version 2.0](#), establishes clear roles and accountability for managing sustainability priorities across the Company. Overall oversight rests with the Board of Directors, with sustainability matters discussed within appropriate Board forums as needed. The CSO coordinates sustainability programs across functions, fostering alignment with approved policies, targets, and reporting requirements. Progress on sustainability initiatives is periodically reviewed by Executive Management.

Implementation is carried out through cross-functional teams and business units responsible for initiatives across the value chain, including food safety and nutrition, resource efficiency, people development, and responsible sourcing. Corporate Internal Audit, Risk Management, and Legal and Compliance functions provide independent review and advisory support to strengthen internal controls and manage ESG-related risks.

### Policy Implementation and Compliance

Policy implementation and compliance are supported through internal controls, periodic internal audits, and supplier sustainability survey, where applicable. Key performance indicators (KPIs) are monitored to track progress in priority areas such as food safety, employee engagement, emissions, water stewardship, and packaging waste.

### Other Sustainability-related Policies

Monde Nissin maintains other ESG-related policies that support good corporate governance, ethical conduct, transparency, workforce wellbeing, data protection, and integrity reporting. These policies apply to employees, suppliers, and other external stakeholders, and reinforce the Company’s sustainability commitments.

For the list of sustainability- and ESG-related policies, please refer to the following website links or sections of this report:

- [Sustainability Policy Version 2.0](#) (page 61)
- [Manual on Corporate Governance](#) (page 60)
- [Code of Business Conduct and Ethics](#) (page 60)

- [Anti-Bribery and Corruption Policy](#) (page 60)
- [Conflicts of Interest Policy](#) (page 60)
- [Board Diversity Policy](#)
- [General Data Privacy Policy](#) (page 63)
- [Policy and Data relating to Health, Safety, and Welfare of Employees](#)
- [Procurement Policy](#) (pages 64–65)
- [Supplier Code of Conduct](#) (pages 64–65)
- [Whistleblowing Policy](#) (page 62)
- [Insider Trading Policy](#) (page 60)

SUSTAINABILITY GOVERNANCE STRUCTURE	
	ROLE
<b>BOARD OF DIRECTORS</b>	Provides strategic oversight and approves long-term sustainability objectives.
<b>EXECUTIVE LEADERSHIP</b>	Integrates sustainability into business planning and performance management.
<b>SUSTAINABILITY STEERING COMMITTEE</b>	Guides ESG strategy, operational alignment, and drives progress vs targets.
<b>CORPORATE SUSTAINABILITY CENTER</b>	Coordinates the implementation of initiatives, tracks performance, and supports reporting.
<b>BUSINESS UNITS AND DEPARTMENTS</b>	Responsible for sustainability practices within department functions and daily activities.
<b>EMPLOYEES</b>	Empowered to contribute to sustainability goals through behavior and training.

## Our ESG Data Governance (Collection, Validation, and Reporting)

Monde Nissin’s ESG data governance framework defines how sustainability data is collected, validated, reviewed, and reported across the Company. This framework supports consistency, accuracy, accountability, and alignment with applicable regulatory requirements. ESG data included in this report reflects information available as of reporting cut-off date, also described in the [Scope and Boundary](#) section, pages 2–3. Internal review processes were conducted prior to report finalization.

We continue to enhance our digital data collection and reporting systems, building on the improvements introduced in the previous reporting cycle. ESG data is gathered through a centralized online platform that serves as an internal database for regular data submission across departments and manufacturing sites. The platform supports standardized data capture, consolidation, validation, and version control. Standardized data templates embedded in the system integrate requirements from multiple frameworks such as GRI topic standards, SASB industry metrics, and selected SEC reporting indicators, enabling consistent qualitative and quantitative reporting.

Capability-building remains a critical part of our data governance approach. Onboarding sessions and refresher seminars for designated data handlers are conducted early in the reporting cycle, following the issuance of the annual data request and ahead of formal data collection.

The Corporate Sustainability Center oversees the ESG data governance process, including the issuance of data requests, coordination of data collection, consolidation of submissions, and preparation of sustainability disclosures.

Designated data handlers within departments and sites are responsible for preparing and submitting ESG data within their respective scopes. Department heads serve as data approvers and are accountable for reviewing and confirming the accuracy, completeness, and validity of submissions prior to consolidation.

The Sustainability Reporting Technical Working Group, comprised of representatives from the Corporate Sustainability Center, Legal and Compliance, Investor Relations and Risk Management, and Corporate and Government Affairs, supports alignment on reporting scope, definitions, assumptions, and disclosure requirements, particularly where metrics span multiple frameworks or functions.

Following submission, ESG data undergoes structured validation and review by the Corporate Sustainability Center in coordination with relevant functional representatives. During the manuscript development phase, data handlers and data approvers participate in a formal vetting process to confirm consistency, completeness, and alignment with approved definitions and methodologies prior to finalization.

ESG data disclosed in this report is subject to internal review processes, including the use of defined methodologies and reporting templates. Where applicable, cross-functional checks are conducted to support alignment with operational and financial records. Supporting documentation is maintained in line with existing record-keeping practices.

Internal Audit may periodically review selected sustainability data processes as part of its risk-based audit planning.

## Building Sustainable Value Through Our Brands

Monde Nissin's brands serve as the primary channel through which the Company delivers food products to consumers and applies sustainability-related standards in practice. The Company aims to provide food that is safe, compliant, and accessible, while supporting livelihoods and responsible use of shared resources. Offered in formats and price points aligned with local needs, tastes, and household budgets, our products are distributed widely across Philippine communities.

Lucky Me!, the Most Chosen Brand on [Worldpanel by Numerator's 2025 Brand Footprint Report](#), represents a significant portion of this scale. Its strong consumer reach reflects the Company's consistent application of quality, safety, and regulatory standards across high-volume product categories. Its broad consumer base enables the integration of initiatives such as nutrition-related improvements and resource-efficiency measures across its product portfolio at scale.

Other brands, including Skyflakes, Fita, and Monde baked goods, contribute to portfolio reach across categories and consumer segments. While tailored to local preferences and operating contexts, these

brands follow consistent internal standards for product quality, safety, and regulatory compliance. Across our portfolio, sustainability-related practices are integrated into product development, manufacturing, and distribution processes, including responsible sourcing, waste management, and post-consumer plastic recovery under the Extended Producer Responsibility (EPR) Act of 2022.

The Company's distribution systems also support inclusive economic participation. Through the Community Distribution Network (CDN), products are distributed to hard-to-reach communities while providing livelihood opportunities for local partners. In 2025, the CDN supported income generation for more than 1,300 Independent Brand Experts (IBEs) nationwide. This links distribution reach with local entrepreneurship and access to affordable food.

With brands, operations, and communities primarily rooted in the Philippines, sustainability management remains closely connected to local operating realities. This proximity supports oversight, responsiveness, and continued integration of sustainability considerations into business processes.

## Our Value Chain

GRI 2-6

From ideation to post-consumer responsibility, each part of our value chain plays a role in delivering quality food that consumers trust, improving operational efficiency, and fostering collaborations across the industry. These interconnected stages shape where our most significant ESG impacts and dependencies arise.

### Value Chain Overview

Monde Nissin's value chain spans from raw material sourcing and product development to manufacturing, distribution, consumer engagement, and post-consumer waste management. Across each stage, activities influence product accessibility, operational performance, and environmental and social impacts.

Sustainability considerations across the value chain are managed within the Company's established governance and management processes, with cross-functional coordination among procurement, operations, quality assurance, and sustainability functions to monitor relevant risks and controls.

The value chain provides a high-level view of where material topics arise and how related risks and opportunities are addressed across operations. Detailed initiatives and performance information for each stage are discussed in the relevant sections of this report. Additional information on our business segments and activities can be found under [Business Segments](#) and [Activity Metrics](#) in the Annex, on pages 66 and 68, respectively.

## Upstream

Our upstream activities include research and development (R&D), raw material sourcing, and supplier engagement. Decisions made at this stage influence product quality, nutrition, cost, and environmental footprint.

We work with suppliers to reinforce responsible sourcing practices and compliance with quality and safety requirements, supported by supplier due diligence and accreditation processes. R&D activities include the application of nutrition criteria in product development, and efforts to reduce packaging impacts, particularly in high-volume categories.



### Research and Development (R&D)

Research and Development (R&D) is a key upstream stage where decisions on product design, formulation, and packaging are made. These decisions influence nutrition profiles, product quality and safety, affordability, and packaging impacts across the portfolio.

R&D activities include product fortification, formulation review, ingredient selection, and packaging design considerations, including efforts to improve recyclability through mono-material solutions. Nutrition-related considerations, such as sodium, sugar, and fat levels, are evaluated within established development processes, taking into account consumer preferences, regulatory requirements, and manufacturing feasibility.

Details on product-related initiatives and outcomes are discussed in [Making Better Food Accessibility Possible](#) on pages 26–31.



### Sourcing

Sourcing and supplier engagement form a critical part of Monde Nissin's value chain, reflecting the Company's reliance on agricultural and commodity-based inputs. Key raw materials include wheat/flour, palm oil, shortening, coconut oil, and sugar, which influence product cost, quality, and supply continuity.

Supplier due diligence, accreditation, and monitoring processes are applied to support quality, safety, and responsible sourcing expectations. Sustainability considerations at this stage include supply risk management, ethical conduct, and environmental and social impacts associated with raw material production.

Related governance frameworks and supply chain initiatives are discussed in [Governance and Ethical Conduct](#) and [Making Better Food Accessibility Possible](#) on pages 60–65 and 26–31, respectively.

## Own Operations

Own operations include manufacturing and processing across our production sites. These activities require materials, energy, and water and therefore involve environmental and operational considerations that require ongoing management.

These are managed through operational controls that support resource efficiency, food safety, quality systems, and the monitoring of water, waste, and emissions. Certifications and monitoring systems support regulatory compliance and worker health and safety. Workforce practices include measures related to fair labor, safe working conditions, and skills development.



### Manufacturing

Manufacturing is the stage where products are produced at scale across Monde Nissin's production facilities. This stage involves the use of materials, energy, and water, and is therefore associated with environmental, quality, safety, and workforce considerations that require ongoing management.

Manufacturing operations are governed by food safety, quality assurance, and operational control systems designed to support consistent product quality, regulatory compliance, and worker health and safety. These systems guide production processes through standardized procedures, quality monitoring, and traceability mechanisms designed to maintain product integrity from raw materials to finished goods. Environmental considerations at this stage include efficient use of energy and water resources, responsible management of waste and by-products, and monitoring and control of operational emissions.

Related initiatives and performance are discussed in [Making Better Food Accessibility Possible](#) and [Making Eco-Efficiency Possible](#) on pages 26–31 and 32–43.

## Downstream

Downstream activities include distribution, marketing, consumer engagement, and post-consumer waste management. Through a nationwide distribution network, products reach consumers across urban areas, and communities with limited access to formal retail channels. Marketing and consumer communications are subject to internal review processes, with an emphasis on clear product labeling and accurate information. Consumer feedback mechanisms support transparency and product improvement. Post-consumer responsibilities include packaging design considerations and compliance with EPR requirements, as well as collaboration on waste recovery initiatives.



## Distribution

Distribution covers the movement of products from manufacturing sites to distributors and retailers nationwide. This stage is associated with considerations related to logistics efficiency, product availability, emissions from transportation, and the livelihoods supported within the distribution ecosystem.

Distribution activities are managed through a network of distributors and resellers, with an emphasis on operational efficiency, reach, and reliability. Sustainability considerations at this stage include delivery efficiency, spoilage management, and environmental impacts associated with transportation.

Related initiatives and performance are discussed in [Making Better Food Accessibility Possible](#) and [Making Eco-Efficiency Possible](#) on pages 26–31 and 32–43.



## Marketing

Marketing and consumer communications are conducted through established internal processes and review mechanisms. These activities focus on providing accurate product information, appropriate labeling, and clear communication across relevant channels.

Consumer feedback mechanisms are in place to capture inquiries and concerns, which are reviewed to support transparency and inform product communication and service improvements. Related initiatives are discussed in [Making Better Food Accessibility Possible](#) on pages 26–31.



## Product Use and End-of-Life

Product Use and End-of-Life considerations relate to the management of packaging impacts beyond the point of sale. In line with EPR regulations, this stage includes collaboration with recovery and recycling partners and participation in programs that support packaging collection, recycling, and responsible disposal.

Sustainability efforts at this stage focus on reducing packaging impacts across the product lifecycle, supporting waste recovery and diversion initiatives, and aligning practices with applicable regulatory requirements. Related initiatives and performance are discussed in [Making Better Food Accessibility Possible](#) and [Making Eco-Efficiency Possible](#) on pages 26–31 and 32–43, respectively.

# Sustainability at Monde Nissin




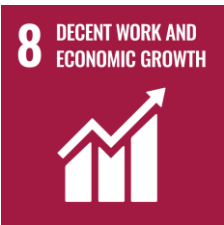

GRI 2-25


Over the years, sustainability has evolved from a set of commitments into more structured and coordinated practices. These practices provide a reference for setting priorities and guiding actions across key business areas.

## From Commitments to Practice (2021–2025)

In 2021, we established our first five-year Sustainability Roadmap to bring structure and focus to Monde Nissin’s sustainability efforts. Informed by identified material topics, the roadmap outlined priority areas and reference points for tracking progress across four strategic pillars aligned with Making Better Possible.

### Our 2021–2025 Sustainability Roadmap

	Product	Planet	People	Partnership
<b>Strategic Pillars</b>	<b>Making Better Food Accessibility Possible</b>	<b>Making Eco-Efficiency Possible</b>	<b>Making Inclusivity Possible</b>	<b>Making Collective Action Possible</b>
<b>Priority UN SDGs</b>	 <p>2 ZERO HUNGER</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  <p>13 CLIMATE ACTION</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>
<b>North Star Targets</b>	Majority revenue share of better and healthier products by 2030.	<p>50% reduction in the Scope 1 and Scope 2 GHG intensity of manufacturing operations by 2025.</p> <p>50% reduction in</p>	Diverse workforce all enjoying access to social safeguards and dialogue, and competency development by 2025.	<p>100% of employees observing that sustainability is embraced in the way people act and decide in the Company by 2030.</p> <p>5,000</p>

		<p>the water intensity of manufacturing operations by 2025.</p> <p>Zero Waste-to-Landfill from manufacturing operations by 2025.</p> <p>95% mono-material packaging by 2025.</p>		<p>Independent Brand Experts and 25,000 sari-sari stores provided with livelihood opportunities, and financial credit (for sari-sari stores) by 2030.<sup>a</sup></p>
<p><b>Other UN SDGs Supported</b></p>				

<sup>a</sup>The North Star Target and KPIs surrounding IBEs and CDN have been realigned under Making Collective Action Possible, as these initiatives are more appropriately tracked within the Partnership Pillar. These were previously classified under Making Inclusivity Possible.

### Five-Year Highlights

The year 2025 marks the conclusion of Monde Nissin’s first structured Sustainability Roadmap. It offers an opportunity to reflect on what was achieved, where progress was uneven, and what we learned over the five-year period. During this period, we introduced new systems, collaborations, and operational practices to address priority risks and opportunities, while navigating constraints related to data availability, site maturity, and operational complexity.

Over the roadmap period, we implemented initiatives across our Product, Planet, People, and Partnership Pillars. Measurable progress was recorded across several focus areas although the pace and extent of progress varied depending on operational readiness, data systems, and implementation capacity.

The roadmap also highlighted areas where initial assumptions required adjustment. In some cases, targets took longer to operationalize than anticipated, underscoring the need to sequence initiatives, invest in data systems and capabilities, and align sustainability objectives with business processes and data maturity.

As the Company progressed through the roadmap, sustainability oversight and management coordination were further formalized within existing governance structures. Sustainability considerations became more systematically integrated into established decision-making and monitoring processes. (Detailed governance arrangements are discussed in the [Governance and Ethical Conduct](#) section of this report, page 60–65.)

The completion of the first Sustainability Roadmap marks the conclusion of the initial roadmap period. The outcomes and lessons documented in this report inform ongoing internal review processes.

	<b>Making Better Food Accessibility Possible</b>	<b>Making Eco-Efficiency Possible</b>	<b>Making Inclusivity Possible</b>	<b>Making Collective Action Possible</b>
<b>Milestones Achieved</b>	<ul style="list-style-type: none"> <li>Advanced reformulation and fortification initiatives aligned with defined nutrition criteria</li> <li>Implemented production and packaging labeling initiatives aligned with defined nutrition objectives</li> <li>Conducted digital campaigns supporting informed food choices</li> </ul>	<ul style="list-style-type: none"> <li>Expanded renewable energy sourcing across select manufacturing sites</li> <li>Implemented packaging optimization initiatives to reduce material intensity</li> <li>Strengthened focus on resource efficiency across operations</li> </ul>	<ul style="list-style-type: none"> <li>Expanded structured learning, leadership, and coaching programs</li> <li>Continued strengthening labor-management collaboration mechanisms</li> <li>Implemented initiatives supporting inclusive workplace practices and employee wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>Implemented structured employee engagement initiatives aligned with Company values</li> <li>Strengthened leadership engagement and visibility across sites</li> <li>Supported cross-site collaboration through structured programs</li> </ul>
<b>Lessons Learned</b>	<ul style="list-style-type: none"> <li>Product enhancements must remain supported by substantiated claims and quality</li> </ul>	<ul style="list-style-type: none"> <li>Greater cross-functional integration is required to scale eco-efficiency initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Leadership accountability influences learning culture outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Visible leadership alignment with stated values supports employee</li> </ul>

**Making Better Food Accessibility Possible**

**Making Eco-Efficiency Possible**

**Making Inclusivity Possible**

**Making Collective Action Possible**

	Making Better Food Accessibility Possible	Making Eco-Efficiency Possible	Making Inclusivity Possible	Making Collective Action Possible
	<ul style="list-style-type: none"> <li>standards</li> <li>Procurement standards require ongoing strengthening and consistent execution</li> <li>Defined performance indicators strengthen progress tracking and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Consistent monitoring supports environmental performance management</li> </ul>	<ul style="list-style-type: none"> <li>Structured follow-through supports sustained development outcomes</li> <li>Inclusive approaches support engagement and workplace performance indicators</li> </ul>	<ul style="list-style-type: none"> <li>engagement</li> <li>Inclusive programs support cross-team collaboration</li> </ul>
<b>Measures Taken for Continuous Improvement</b>	<ul style="list-style-type: none"> <li>Continue product development initiatives incorporating technology-enabled reformulation</li> <li>Continue strengthening quality assurance systems, supplier standards, and accountability measures</li> <li>Strengthen cross-functional coordination on nutrition initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Continue implementing energy and resource efficiency initiatives</li> <li>Continue structured evaluation of environmental performance</li> </ul>	<ul style="list-style-type: none"> <li>Continue strengthening training systems and learning pathways</li> <li>Maintain structured dialogue with labor and service collaborators</li> </ul>	<ul style="list-style-type: none"> <li>Maintain structured engagement activities throughout the year</li> <li>Reinforce regular and structured leader-employee dialogue</li> </ul>

## Sustainability Review and Priority Setting for 2026–2030

The conclusion of Monde Nissin’s first five-year Sustainability Roadmap period prompted a review of how sustainability practices have been applied across the Company. Experience from implementing the roadmap has informed internal discussions on governance arrangements, capability needs, data readiness, and operational feasibility.

In this context, the Company continually assesses how sustainability priorities are organized and applied, taking into account lessons from implementation across sites and functions. This assessment focuses on alignment with operating realities and management capacity. At the management level, structured learning and facilitated discussions under the L.E.A.D in Making Better Possible Program support leadership understanding of sustainability concepts and emerging ESG expectations, and their relevance to strategy and operations.

Insights from these structured engagement sessions contribute to ongoing internal discussions on sustainability direction and governance integration.

## 2025 Awards and Recognitions

### International

- **Asia Corporate Excellence & Sustainability (ACES) Awards**  
Asia’s Most Influential Companies 2025  
*MORS Group*

### National

- **#1 Most Chosen FMCG Brand – Lucky Me!**  
*Worldpanel by Numerator*
- **#9 Most Chosen Food Brand – SkyFlakes**  
*Worldpanel by Numerator*
- **#15 Most Chosen Food Brand – Fita**  
*Worldpanel by Numerator*
- **Best Employers in the Philippines 2025**  
*Philippine Daily Inquirer and Statista*
- **Breakthrough Innovation Award – Lucky Me! Seafood Shrimp Tonkotsu**  
*NielsenIQ*
- **Excellence in Ecology and Economy (E3) Award – Large Enterprise**  
*Philippine Chamber of Commerce and Industry*
- **Most Meaningfully Different Brand – Lucky Me!**  
*Worldpanel by Numerator*


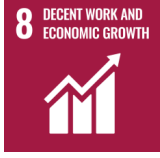



- **Philippines' Best Employers 2026**  
*Prosple*
- **Quill Excellence Award for Communication Skills**  
Publications: 2023 Sustainability Report  
Communication Skills (Audio/Video): Mural Project in Santa Rosa  
Communication Skills (Audio/Video): KaSulong Anthem Music Video  
*21st Philippine Quill Awards, International Association of Business Communicators Philippines*
- **SEC Gender and Development Award**  
Most Women Directors  
*Securities and Exchange Commission*
- **Three Golden Arrows**  
*Institute of Corporate Directors – ASEAN Corporate Governance Scorecard*

## Local

- **2025 Lion Awards**  
Top 3 Manufacturers  
Top 5 Business Taxpayers  
Top 8 Real Property Taxpayers – for Company Category  
*City of Santa Rosa, Laguna*
- **Energy Champions, Leaders, Achievers, and Pioneers (E-CLAP) Awards**  
*Department of Energy (DOE)*
- **Green Awards 2025 – Sustainable Development Partner**  
*City of Santa Rosa, Laguna*
- **Top 10 Taxpayer for Business Tax 2025**  
*Municipality of Malvar, Batangas*
- **Top 10 Taxpayer for Real Property Tax 2025**  
*Municipality of Malvar, Batangas*
- **Tugas Award Nominee 2025**  
*Department of Environment and Natural Resources (DENR) – Region VII*

## Contributions to the UN Sustainable Development Goals

Monde Nissin's material sustainability topics intersect with selected UN SDGs. The table below provides a reference mapping between priority SDGs and the relevant sections of this report where related initiatives, controls, and performance are discussed. This mapping is intended as a transparency reference and does not represent a comprehensive assessment of SDG contribution.

SDG	Relevant Sustainability Topics	Primary Report Sections	Key Indicators/ Disclosures Referenced
 2 ZERO HUNGER	Food accessibility; Nutrition; Product fortification	Product Pillar – Strategy and Targets; Progress and Actions	Revenue share of fortified products; sodium reformulation disclosures
 8 DECENT WORK AND ECONOMIC GROWTH	Employment practices; workforce benefits; distribution livelihoods	People Pillar; Value Chain – Distribution	Employee benefits coverage; CDN participation data; training disclosures
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Resource efficiency; packaging management; waste diversion	Planet Pillar – Energy and Emissions; Waste and Circularity; Post-Consumer	GHG intensity; waste diversion rate; mono-material packaging; EPR disclosures
 13 CLIMATE ACTION	Renewable electricity sourcing; energy efficiency; emissions management	Planet Pillar – Energy and Emissions	Renewable electricity percentage; geothermal sourcing; Scope 1 and 2 GHG intensity
 17 PARTNERSHIPS FOR THE GOALS	Supplier engagement; industry collaborations; community initiatives	Partnership Pillar	Collaboration initiatives and governance disclosures


## Making Better Food Accessibility Possible

GRI 3-3  
SASB FB-PF-260a.2

Under Making Better Food Accessibility Possible, Monde Nissin focuses on managing nutrition, food safety, product quality, and accessibility across its portfolio. In 2025, the final year of the 2021–2025 Sustainability Roadmap, product-related activities reflected a shift in emphasis from individual product initiatives toward more structured, system-led management practices informed by operational experience.

Across the roadmap period, the Company concentrated on incremental improvements in high-volume product categories. Experience from these efforts indicated that nutrition improvements in everyday food formats require balancing multiple consumer, regulatory, and operational considerations. These considerations informed refinements to internal guidance and cross-functional coordination applied during the year.

### North Star Target Overview

MAKING BETTER FOOD ACCESSIBILITY POSSIBLE			
North Star Target	Progress		Priority SDG
	2024	2025	
Majority revenue share of better and healthier products by 2030	<b>77%</b> revenue share of fortified products  <b>39%</b> revenue share of sodium-reduced noodle products	<b>73%</b> revenue share of fortified products <sup>a</sup>  <b>32%</b> revenue share of sodium-reduced noodle products	

<sup>a</sup>Data covers products fortified with essential nutrients based on the Philippine Food and Drug Administration (FDA) standards for Lucky Me! noodles, and Monde Nissin's biscuits and packaged cake products.

### Strategy and Targets

The Product Pillar is guided by Monde Nissin's enterprise ambition to achieve a majority revenue share from better and healthier products by 2030. This target informs portfolio planning, renovation priorities, and innovation pipelines across core categories.

Product-related sustainability topics are managed through defined internal criteria embedded within product development, regulatory review, procurement, and manufacturing processes. These include nutritional benchmarks, reformulation protocols, ingredient evaluation standards, and structured review of Product Information Sheets (PIS) prior to commercialization. Food safety management systems, supplier accreditation processes, and raw material traceability further reinforce product integrity across manufacturing sites.

In 2025, the Company began developing an internal Nutrition Criteria—co-created with external nutrition experts—to strengthen and standardize nutrition-related decision-making across the product lifecycle. The criteria define category-specific benchmarks for product nutrition assessments and are embedded into internal review processes to support consistent evaluation. During the year, cross-functional governance was established, with Corporate and Government Affairs, Research & Development, Marketing, and Sustainability completing alignment and sign-off of the Nutrition Criteria for the Instant Noodles category, with thresholds focusing on sodium reduction using the sales-weighted average methodology.

#### Feature Story:

## Implementation Overview: Nutrition Reformulation and Fortification

During the 2021–2025 Sustainability Roadmap period, Monde Nissin implemented product-level initiatives including nutrient fortification, reformulation trials, and manufacturing process adjustments. Over time, implementation experience highlighted that nutrition improvements in everyday food formats required repeated evaluation of trade-offs across taste profiles, price points, food safety controls, regulatory requirements, and manufacturing parameters to improve nutrition across everyday food formats.

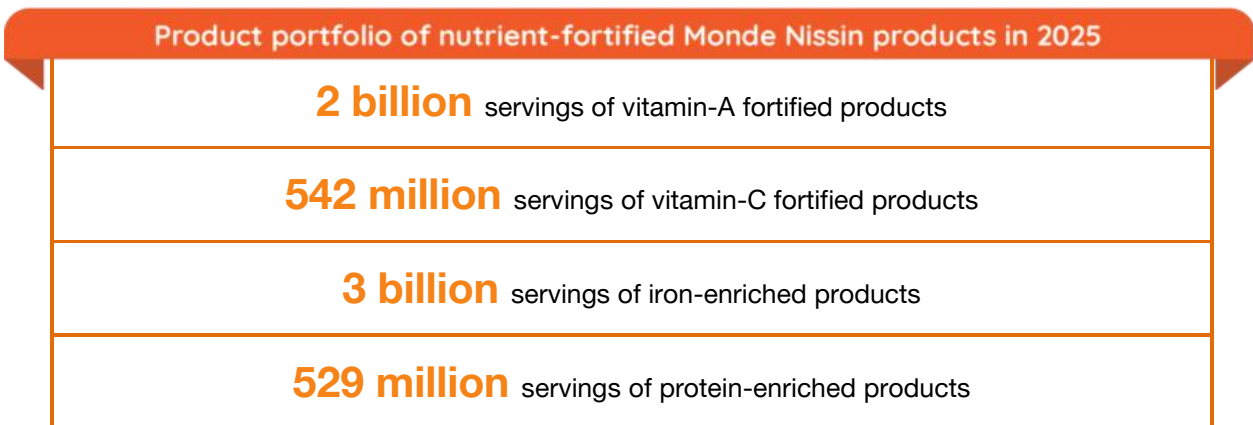
Across the roadmap period, these initiatives informed a more structured approach to product development and renovation decisions. Activities included prototype development for fortified and reformulated variants and the continued application of high-speed airflow processing technology in instant noodle production. In 2025, emphasis shifted toward strengthening internal decision frameworks for nutrition-related product development, including the initiation of internal nutrition criteria for instant noodles and the use of sodium thresholds as reference points for innovation and renovation work completed during the year. Prototype development for selected fortified and sodium-reduced products supported assessment of technical feasibility and operational impacts within existing production systems.

Experience across the five-year roadmap period indicated that nutrition improvements in high-volume everyday food formats were more consistently evaluated when supported by clearer internal benchmarks and coordinated cross-functional review. Operational experience also reinforced the importance of reformulation and fortification activities, particularly where product changes affected formulation stability, manufacturing parameters, or raw material specifications.

## Progress and Actions

### Better and Healthier Products

In 2025, we delivered fortified products at scale across our portfolio through familiar food formats. Fortified servings distributed during the year included billions of servings of vitamin A–fortified, iron-enriched, vitamin C–fortified, and protein-enriched products. Compared with 2024, servings of vitamin A–fortified and iron-enriched products increased, reflecting continued emphasis on fortification in high-volume products.



Product launches completed during the year included Bingo Milkee cookie sandwich in the Visayas and in Mindanao, fortified with vitamin A for the Vanilla Milk variant and vitamin C for the Strawberry variant. The regional rollout enabled the Company to respond to local consumption patterns while generating insights to inform future scaling decisions.

Nutrition improvements were also supported by continued application of high-speed airflow technology in instant noodle production. This process replaces traditional oil-frying with high velocity air that dries instant noodles, supporting reductions by up to 20% and 70% in fat content and palm oil consumption, respectively, while maintaining product quality and consistency.

### Where Quality Meets Safety

In 2025, food safety and quality management systems continued to operate across manufacturing sites, supported by supplier accreditation, raw material traceability, and regulatory review processes. These systems are designed to manage food safety risks across product development, production, and distribution.

As part of routine controls, the regulatory team continued to verify PIS issued by the New Product Development (NPD) Team to comply with applicable FDA requirements. Traceability software adopted in earlier phases of the roadmap remained in use during the year, supporting item tracking, supplier coordination, and document management across product development and procurement activities.

Implementation of the Food Safety Management System at Monde Nissin is supported by GFSI-recognized certification, specifically FSSC 22000. Additional certifications and standards applied across our operations include FSMS, HACCP, and GHP/GMP. Certain products are also Halal-certified, with sites implementing a Halal Assurance Management System to maintain compliance. The main biological laboratory is accredited according to the ISO 17025 standard, signifying competence in testing microbiological parameters in food. These

certifications and accreditations serve as evidence that system requirements and controls are embedded into our operations and are not just standalone compliance objectives. The certification status of our manufacturing sites as of 2025 may be viewed under [Food Safety System and Product Certifications](#) in the Annex, page 79.

During the year, no significant consumer complaints resulted in lawsuits or regulatory non-compliance citations. This outcome underscores the effectiveness of our robust consumer feedback management system, which systematically captures, monitors, and tracks actions taken to address consumer concerns. The process is supported by regular cross-functional discussions and periodic management reviews to sustain timely resolution, accountability, and continuous improvement. See our customer satisfaction score and rank under [Customer Satisfaction](#) in the Annex, page 80.

Mock recalls and traceability audits were conducted in 2025 to test response readiness across the supply chain. These exercises reinforced role clarity and coordination, and highlighted areas for improvement, including the need to enhance the speed of the traceability system in selected locations. Actions identified during these exercises informed system upgrades initiated during the year. More information regarding food safety compliance can be found under [Product Quality and Safety](#) in the Annex, page 78, and in the [SASB Content Index](#) as direct answers under food safety-related disclosures, pages 88–89.

Efforts also focused on improving how product information is communicated, aligning marketing practices with regulatory and ethical standards, and enhancing packaging to better support safety, clarity, and trust. Product labels complied with FDA labeling guidelines and provided nutritional information, packaging details, and disposal guidance. In 2025, an enhanced label artwork review process was implemented to reinforce accuracy, consistency, and regulatory compliance. Call-outs of added nutrients have also been updated in packaging labels for our fortified products, including Bingo Milkee cookie sandwich. Details of our compliance with product labeling regulations can be found under [Marketing and Labeling](#) in the Annex, pages 79–80.

### Prototype Development Highlights

During the year, prototype development was completed for selected fortified and reformulated products, including vitamin A-fortified Lucky Me! Spicy Labuyo Chicken and Chicken Chilimansi, iron-fortified Pancit Canton Sweet and Spicy, and selected Regular Go Cup variants achieved notable sodium reductions across multiple flavors, ranging from 6% to 24%. The fortified Lucky Me! and Regular Go Cup products are planned for launch in 2026.

## Promoting Access to Sustainable Products

In 2025, Monde Nissin maintained scale, distribution reach, and affordability across core product categories. Flagship products such as Lucky Me! Pancit Canton Kalamansi and Lucky Me! Instant Mami Beef na Beef reached 89% and 92% store coverage nationwide, respectively—supporting availability through modern trade, groceries, convenience stores, and sari-sari stores.

Affordability remained a key consideration in product portfolio management. Core noodle products are available across multiple price tiers: below Php 10, below Php 15, and below Php 20.

We also continue to adapt products to everyday consumption. In 2025, we successfully launched two-slice, portion-controlled packs for our Monde Bread line, providing an option for consumers who may not have access to or prefer full-sized bread packs. Portion-controlled formats were also offered for selected bread products. Complementing this, further details on the Monde Fresh Express initiative can be found in the [Climate, Emissions, and Energy Management](#) section on pages 33–38.

Consumer reach data during the year continued to reflect the scale of the Company's core brands. According to [Worldpanel by Numerator's 2025 Brand Footprint Report](#), Lucky Me! recorded the highest consumer reach points within the Philippine Fast-Moving Consumer Goods (FMCG) sector during the reporting period. This disclosure is included for contextual understanding of product scale and reach, which influences the potential impact of nutrition and packaging initiatives described in this report.

Beyond labels, we also actively engage consumers through campaigns that encourage balanced eating habits and advocate for mindful food choices to promote nutrition and overall wellbeing. 2025 efforts included the Instant Mami Mamidiskarte campaign, where Lucky Me! presented Tinolang Mami and Mami Sopas as accessible and affordable meal options. These products were identified as practical, everyday food choices for consumers, focusing on their utility in routine meal preparation.

### Back-to-School Green Products (School-Friendly Icon on Pack)

In 2025, we continued the use of our School-Friendly Icon on select products to help parents and caregivers identify school-appropriate options aligned with national nutrition guidelines, including the Department of Education Green classification. Displayed on pack, the icon provided a clear visual cue at point of purchase to support informed choices.

Visibility of the School-Friendly Icon was reinforced during the Back-to-School period through coordinated digital and in-store activities featuring labelled products. Products carrying the icon recorded 17% growth for Breadstix and Egnog and 3% percent growth for Nissin Wafer, with a 35% category spike for Breadstix and Egnog during the school break period. These results demonstrate the importance of clear, consistent product labeling in supporting informed nutrition choices for school-age children—aligned with Monde Nissin's broader approach to Making Better Food Accessibility Possible.

## Lessons and Insights from the 2021–2025 Roadmap Period

Implementation experience across the Sustainability Roadmap period highlighted that progress on nutrition in everyday food formats depends on disciplined execution across product design, manufacturing feasibility, pricing considerations, and distribution reach. Incremental changes applied consistently across high-volume products were observed to have broader consumer reach than isolated product interventions.

Experience during the period also reinforced the importance of maintaining product quality and food safety controls alongside nutrition-related initiatives. Monitoring mechanisms, traceability systems, and response readiness supported the identification and management of quality issues and informed continual improvement across product and supply chain activities.

## Making Eco-Efficiency Possible



GRI 3-3

We manage our environmental impacts by focusing on eco-efficiency across energy, emissions, water, waste, and resource use. Over the first Sustainability Roadmap’s period, Monde Nissin shifted from site-level initiatives toward more consistent systems for monitoring, compliance, and performance improvement. By 2025, these systems were operating across manufacturing sites, allowing environmental risks and opportunities to be addressed with greater consistency and accountability.

As the culmination year of the 2021–2025 Sustainability Roadmap, 2025 reflects a period of operational execution, validation of systems, and learning from implementation. Actions during the year focused on improving efficiency within existing processes, strengthening monitoring and controls, and addressing challenges encountered during execution.

## North Star Target Overview

GRI 102-4

MAKING ECO-EFFICIENCY POSSIBLE			
North Star Target	Progress		Priority SDG
	2024	2025 <sup>a</sup>	
50% reduction in the Scope 1 and Scope 2 GHG intensity of manufacturing operations by 2025	32% reduction in Scope 1 and Scope 2 GHG intensity versus 2021 baseline	23% reduction in Scope 1 and Scope 2 GHG intensity versus 2021 baseline	 
50% reduction in the water intensity of manufacturing operations by 2025	25% reduction in water intensity versus 2021 baseline	22% reduction in water intensity versus 2021 baseline	
Zero Waste-to-Landfill from manufacturing operations by 2025	1% of waste generated from Monde Nissin’s manufacturing operations was disposed of in landfills	2% waste generated from Monde Nissin’s manufacturing operations was disposed of in landfills	
95% mono-material packaging by 2025	94% mono-material packaging material (in terms of volume)	92% mono-material packaging material (in terms of volume)	

<sup>a</sup>Variations in year-on-year performance reflect changes in production volumes, operational activity, and site-level conditions during the reporting period. See [Lessons and Insights from the 2021–2025 Roadmap Period](#) under this section for additional context.

## Driving Operational Excellence

Operational excellence is reflected in the disciplined management of climate, energy, emissions, water, and materials across Monde Nissin's manufacturing sites. Environmental performance is embedded into day-to-day plant operations through structured controls, performance monitoring, and clearly defined accountability that enables efficiency, compliance, and sustainability targets supported by consistent execution on the ground.

## Climate, Emissions, and Energy Management

GRI 102-4, 103-1

### Strategy and Targets

Monde Nissin's long-term environmental ambition under the Planet Pillar includes reducing the GHG intensity of our manufacturing operations. This is reflected in our target to achieve a 50% reduction in Scope 1 and Scope 2 GHG intensity by 2025, using 2021 as the baseline. Scope 3 emissions are not yet disclosed.

Energy use and fuel consumption are managed through operational controls applied across manufacturing sites. Energy considerations are integrated into production planning and capacity decisions to manage the impact of operational growth on emissions performance and maintain efficiency. This operational discipline is guided by the Company's Environmental, Energy, Health and Safety (EEHS) Policy, which provides the comprehensive framework for compliance, monitoring, and operational controls across manufacturing sites.

To monitor performance in meeting standards, each site designates a Pollution Control Officer (PCO) responsible for emissions monitoring, permit management, and regulatory reporting. This role is closely integrated into engineering and operations teams, enabling compliance requirements to directly inform day-to-day decision-making.

Emissions management is treated as an operational discipline rather than a standalone initiative. Site teams apply standardized reviews of combustion efficiency, steam system performance, compressed air use, chiller demand, and energy consumption patterns to support more consistent decision-making across plants.

The Company continues to monitor evolving regulatory and reporting developments, including anticipated requirements under ISSB standards.

During the transition period leading to FY 2028, Monde Nissin intends to progressively strengthen its Scope 3 measurement capabilities, subject to the availability of reliable data, appropriate methodologies, and established reporting boundaries.

**Feature Story:**

## Improving Energy Efficiency Through Operational Controls

During the 2021–2025 Sustainability Roadmap period, Monde Nissin strengthened energy efficiency across manufacturing facilities by standardizing utilities management practices. Rather than relying primarily on one-time equipment upgrades, the Company focused on improving consistency in energy performance while maintaining production reliability and product quality.

Air compression, chiller, and boiler systems were reviewed and optimized to improve pressure stability, load management, cooling alignment, and combustion efficiency. Preventive maintenance protocols and standardized operating parameters reduced avoidable fuel losses. Structured daily monitoring through Daily Directional Setting (DDS) enabled teams to track consumption trends, respond promptly to deviations, reduce variability in utility management, and reinforce accountability for energy performance.

To address thermal efficiency, Monde Nissin provided a standardized roadmap to facilitate the systematic power down of all equipment, minimizing idle energy loss. Meanwhile, optimized steam operations and boiler pressure management helped stabilize energy demand despite higher production volumes.

Experience during the roadmap period reinforced that energy efficiency outcomes depend on coordination across engineering, operations, and production planning. Utility optimization contributed to lower energy intensity in specific operating periods, though overall performance remained influenced by production scale and product mix. By 2025, this underscored the need to integrate energy considerations more fully into routine production planning.

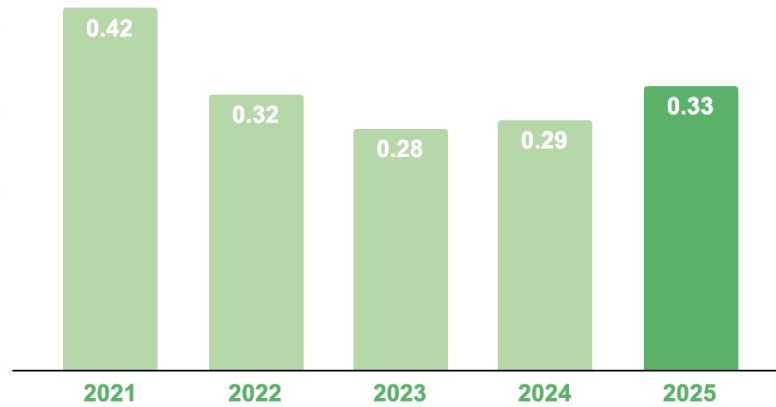
### Progress and Actions

In 2025, emphasis was placed on strengthening fuel flexibility, improving recovery of high-emission fuels such as LPG, and refining daily monitoring practices to stabilize energy performance across varying production conditions. Energy efficiency initiatives were implemented across selected manufacturing sites, including equipment optimization and enhanced monitoring of consumption patterns. While site-level efficiency gains were realized, overall emissions performance continued to reflect production volumes and distribution activity during the year, with logistics-related considerations discussed separately below.

### Scope 1 and Scope 2 GHG Intensity Across Monde Nissin's Manufacturing Sites

(in tonnes CO<sub>2</sub>e/tonne of product produced)<sup>a</sup>

GRI 102-8



<sup>a</sup>Market-based Scope 2 emissions was used for calculating Scope 1 and Scope 2 GHG intensity

A key priority in 2025 was reducing dependence on high-emission fuels, particularly coal, while strengthening the reliability of our energy supply. At the Porac plant, the full utilization of a newly installed boiler improved combustion efficiency and reduced coal consumption by 25% during specific operating periods. The Company shifted from cost-based to performance-based supplier evaluations, assessing coal quality through indicators such as consumption rates and ash generation.

At the Santa Rosa plant, Monde Nissin introduced building management systems at key sites to automate Heating, Ventilation, and Air Conditioning (HVAC) controls for biscuit, cake, and wafer lines. This transition to computer-based operations for chillers, cooling towers, and pumps allowed for real-time optimization of cooling alignment, enhancing both energy efficiency and operational safety. Boiler operations were further optimized through the implementation of Rule-Based Control (RBC) and standardized operational strategies. A significant outcome of this effort was the ability to reduce active boiler requirements from three units to two while maintaining full capacity for six noodle production lines. This was implemented at the plant in December 2025.

At the Malvar plant, emissions were further reduced through enhanced power supply stability, which lowered reliance on generators by 80% compared to previous cycles. Beyond manufacturing, the newly launched Monde Fresh Express pilot electric vehicles for baked goods distribution on high-frequency urban routes, replacing conventional fuel-powered vans to reduce tailpipe emissions and noise. These initiatives reflect a broader focus on managing emissions across both production and distribution, where operational choices have a direct and measurable impact on environmental performance.

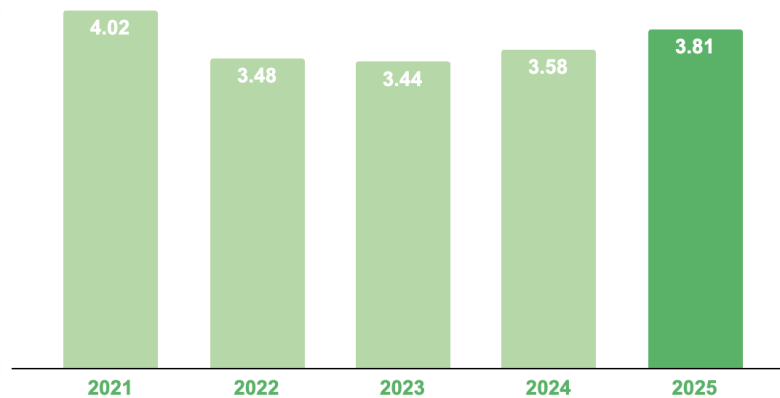
Additional information regarding emissions and compliance can be found under [Emissions Management](#) and [Environmental Compliance](#) in the Annex, on pages 70–71 and 74, respectively.

## Logistics Emissions and Operational Considerations

Logistics-related emissions form part of Monde Nissin’s overall GHG profile and are influenced by production volumes, distribution reach, and transport requirements. Unlike manufacturing emissions, logistics emissions are affected by routing decisions, load utilization, and external service providers.

In 2025, logistics planning measures such as route optimization and load reviews were applied to improve delivery efficiency where operationally feasible. However, increased distribution activity during the year influenced overall logistics emissions, reflecting the interaction between efficiency efforts and volume-driven demand. These observations informed refinements to logistics planning and emissions monitoring practices during the reporting period.

**Energy Intensity Across Monde Nissin’s Manufacturing Sites**  
(in GJ/tonne of product produced)  
GRI 103-4



The Company integrated biomass fuel mixing at the Porac plant, utilizing the hybrid boiler’s capability to process alternative fuels such as oil and noodle rejects. At the Mandaue plant, similar biomass utilization practices were applied, with product scraps temporarily used as alternative fuel during periods of cocoshell scarcity to sustain boiler operations. At the Santa Rosa plant, testing and evaluation of agricultural waste and other renewable biomass materials continued to assess technical feasibility for potential longer-term integration. As part of these evaluations, poultry-derived biomass pellets were trial-tested in November 2025 to assess combustion performance and operational compatibility. Any future use remains subject to technical validation, applicable regulatory requirements, and the availability of suitable fuel sources. In parallel, the Malvar plant advanced LPG recovery and optimization initiatives, including boiler recalibration and improved steam system management to reduce fuel losses and improve combustion efficiency. A significant milestone was the reduction in steam usage per kilogram of finished goods, achieved through the standardization of

steam operations and optimization of boiler pressure. Across selected plants, fuel strategies were further refined in response to supply conditions, supported by strengthened boiler and steam system controls and enhanced daily monitoring of power consumption at line and utility levels. Adjustments to operating parameters, combined with closer coordination between engineering and production teams, helped stabilize energy performance under varying production demands.

Additional targeted investments included the installation of variable frequency drives (VFDs) for chiller operations and the enclosure of production areas to reduce energy demand. Together, these site-level refinements demonstrate how disciplined operational controls—applied consistently and adjusted as conditions evolve—contribute to improved fuel efficiency and more predictable power consumption trends across manufacturing operations.

Implementation planning for these recommended actions was initiated in 2025. In parallel with efficiency and emissions reduction efforts, renewable energy sourcing formed part of the Company’s broader decarbonization approach. Energy procurement and site-level renewable integration were managed alongside operational efficiency initiatives to support lower-emission manufacturing. A detailed breakdown of our energy consumption and compliance can be found under [Energy Management](#) and [Environmental Compliance](#) in the Annex, on pages 69–70 and 74, respectively.

Monde Nissin adheres to applicable environmental and energy regulations, including the Philippine Clean Air Act (RA 8749) and its Implementing Rules and Regulations (DAO 2000-81), the National Emission Standards for Source Specific Air Pollutants (NESSAP), and the Energy Efficiency and Conservation Act (RA 11285).

To support these standards, procedures and documentation for fuel quality monitoring, operating conditions of Air Pollution Source Equipment (APSE), and maintenance of Air Pollution Control Facilities (APCF) were further strengthened. These refinements support more consistent emissions management and align regulatory compliance with day-to-day operational performance objectives. Beyond compliance, these standards support day-to-day operational discipline as we work to manage air emissions, improve energy efficiency, and reduce our environmental footprint through practical site-level actions.

### Expanding Renewable Energy Across Manufacturing Sites

Early adoption efforts integrated renewable technologies into existing energy systems across manufacturing sites. As implementation progressed, improved monitoring provided clearer visibility into the contribution of renewable sources to overall electricity consumption.

In 2025, electricity consumption across manufacturing sites was sourced from 86% geothermal energy, 1% solar energy, and 13% non-renewable energy.

Solar installations provide on-site renewable generation and help offset grid electricity demand. As of 2025, solar energy systems are installed at the Santa Rosa site, with a combined installed capacity of 1.3 MW.

Through collaboration with the Energy Development Corporation (EDC), selected sites source geothermal electricity to support lower-emission manufacturing. Sites powered by geothermal energy include manufacturing sites in Malvar, Mandaue, Porac, and Santa Rosa, accounting for 86% of total electricity consumption.

## Water Stewardship

GRI 303-1, 303-2  
SASB FB-PF-140a.3

### Strategy and Targets

Water is an important input to Monde Nissin's manufacturing operations and is managed with attention to operational efficiency, wastewater treatment, and site-specific water risk conditions. The Company's priority is to reduce water intensity while maintaining responsible withdrawal, use, and discharge across all manufacturing locations.

Water stewardship is implemented through plant-level efficiency controls, recovery and reuse systems, wastewater treatment processes, and structured monitoring of consumption and discharge. Management practices are adapted to local infrastructure conditions, regulatory requirements, and production profiles to support consistent performance across sites.

Monde Nissin set a 2025 target to reduce water intensity in manufacturing operations by 50%, using 2021 as the baseline, in line with its broader Planet ambition to improve eco-efficiency across resource use guiding capital investments, operational controls, and site-level process improvements.

In 2025, emphasis was placed on strengthening water recovery systems, enhancing visibility into plant-level water flows through mapping initiatives, and reinforcing preventive leak detection and line audits to support sustained efficiency gains.

#### Feature Story:

### Managing Water Use Through Site-Specific Controls

Over the 2021–2025 Sustainability Roadmap period, we implemented our approach to water stewardship across manufacturing operations. Early efforts focused on improving efficiency through targeted initiatives, while later years emphasized embedding water management practices into routine plant operations supported by clearer monitoring and operational controls.

At the same time, water consumption and discharge were monitored in accordance with regulatory requirements, while wastewater treatment systems continued to operate across sites, supported by routine inspections and maintenance activities. Where monitoring identified performance gaps or inefficiencies, corrective actions were implemented during the year.

By 2025, water stewardship efforts continued across manufacturing sites, focusing on process improvements, strengthened leak detection, and expanded water reuse where technically feasible. These measures were integrated into daily plant activities rather than implemented as isolated projects. Wastewater treatment systems operated across sites in

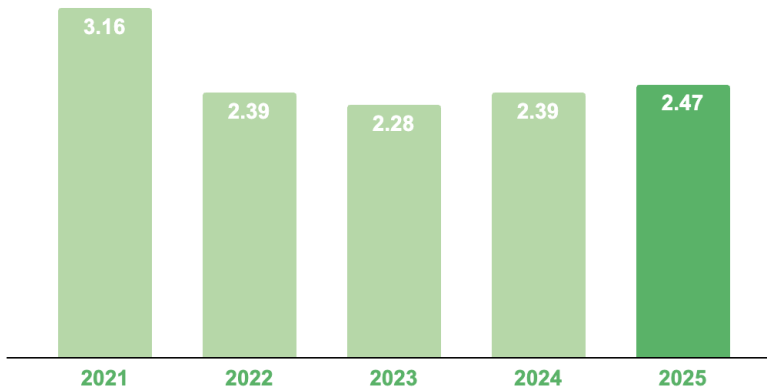
accordance with regulatory requirements, supported by routine inspections, preventive maintenance, and regular review of discharge parameters. Monitoring data were used to identify opportunities for system optimization and guide timely corrective actions.

Experience during the roadmap period reinforced that effective water stewardship outcomes depend on site-specific conditions and operational discipline. Monitoring improvements enabled earlier identification of inefficiencies and more timely corrective action. These insights informed refinements to plant-level management practices during 2025.

### Progress and Actions

In 2025, water efficiency measures continued across manufacturing sites, with emphasis on optimization and recovery initiatives that delivered measurable reductions in water consumption. Actions included process improvements, strengthened leak detection, and expanded water reuse practices adapted to site conditions and operational requirements.

**Water Intensity Across Manufacturing Sites**  
(in m<sup>3</sup>/tonne of product)



At the Mandaue plant, initiatives included repairing water line defects, implementing a condensate recovery system to reduce boiler freshwater use, and reusing treated wastewater for boiler scrubbers. At the Malvar plant, detailed water mapping and related initiatives enhanced visibility into plant water flows and supported efforts to reduce withdrawal from other water supplies by 20–30%. Filtration systems were also introduced in water handling areas to eliminate the need for weekly chlorination.

Across sites, teams conducted regular walkthroughs during planned downtimes to identify leaks and losses. Additional recovery initiatives, including backwash recovery at water treatment facilities, further reduced raw water consumption. At the Porac plant, reuse of reverse osmosis (RO) concentrate and

the commissioning of a new boiler improved water efficiency and generated operational cost savings. Similar RO reject recovery practices were implemented at the Santa Rosa plant, reinforcing reuse as a routine operating practice.

Water consumption and discharge continued to be monitored in accordance with regulatory requirements, and wastewater treatment systems operated across sites to support compliance with effluent standards. In 2025, water line audits were conducted more frequently to detect inefficiencies and potential losses, supported by improved water flow mapping. Where monitoring identified performance gaps, maintenance activities and operational adjustments were implemented during the year. For more information on our water consumption and compliance, see [Water Management](#) and [Environmental Compliance](#) in the Annex, on pages 72–73 and 74, respectively.

Experience from implementing these measures reinforced the importance of site-specific approaches, particularly in locations with varying water availability, infrastructure capacity, and production requirements.

## Waste Management and Circularity

GRI 306-1, 306-2  
SASB FB-PF-410a.2

### Strategy and Targets

Waste management and circularity are priorities under the Planet Pillar, reflecting the Company's focus on resource efficiency, landfill diversion, and responsible materials use across manufacturing operations.

Monde Nissin manages waste by prioritizing reduction at source, standardized segregation, recovery and recycling solutions, and responsible disposal of residual waste. These practices are embedded in plant operations and supported by coordination across production, quality, engineering, and environmental teams to minimize material losses and improve diversion outcomes. The Waste Management Guide remains integrated into annual Good Manufacturing Practices orientations, reinforcing shared responsibility and accountability across the organization so that standards are maintained. This approach extends to packaging and materials optimization, aligning waste management with broader circularity objectives focused on material efficiency and improved end-of-life recovery.

The Company set two key targets for 2025: achieving Zero Waste-to-Landfill across manufacturing sites and reaching 95% mono-material packaging to support recyclability. During the reporting period, efforts focused on strengthening segregation discipline across sites, reinforcing source reduction practices within production processes, and advancing the transition to mono-material packaging to support circularity objectives.

**Feature Story:**

## Strengthening Waste Diversion Through Operational Discipline

During the 2021–2025 Sustainability Roadmap period, Monde Nissin implemented site-level operational initiatives to address waste generation and food loss, influenced by production volumes, material handling, packaging formats, and the availability of local recovery infrastructure.

Across the roadmap period, manufacturing sites continued refining segregation practices to improve recovery rates and reduce landfill disposal. Standardization of Materials Recovery Facilities (MRFs) was implemented across plants to strengthen sorting accuracy, improve material classification at source, and reinforce segregation discipline within production areas. Zero Waste-to-Landfill initiatives were supported by closer coordination with accredited recovery partners, improving material classification at source, and reinforcing segregation discipline within production areas.

Food loss reduction efforts were implemented alongside these measures. Sites tightened production planning controls, improved handling during processing, and adjusted quality checks to reduce avoidable rejects. Where feasible, food waste was redirected for recovery for use as biomass fuel to minimize disposal.

Packaging specifications were also integrated into waste management considerations in 2025. Selected product lines underwent material optimization to reduce packaging thickness and improve recyclability without compromising product integrity. Implementation was carried out within existing operational constraints, recognizing differences in waste composition, recovery capacity, and infrastructure across sites.

Most manufacturing waste continued to be diverted from landfill through recycling and recovery channels. Waste diversion performance varied by site, reflecting local recovery capacity and operational conditions. Food loss reduction measures contributed to lower volumes of avoidable waste in selected processes, though results were influenced by production volumes and changes in product mix during the year.

Experience in 2025 reinforced that landfill diversion outcomes depend on consistent segregation discipline and the reliability of external recovery partners. Food loss reduction proved most effective when addressed at source through production planning and quality controls rather than relying solely on downstream recovery.

The year also highlighted the importance of integrating packaging design decisions with waste management considerations to support material efficiency and circularity objectives. These insights inform refinements to waste monitoring, production review practices, and packaging evaluation processes.

## Progress and Actions

In 2025, waste reduction and segregation practices continued across manufacturing facilities, with recovery and recycling initiatives implemented or strengthened depending on local infrastructure and accredited partner availability. Waste diversion performance varied across sites, reflecting differences in waste composition, operational scale, and local recovery capacity.

Packaging optimization initiatives continued, resulting in 92% mono-material packaging material in 2025, compared to 94% achieved in 2024. Packaging downsizing efforts focused on reducing material use without compromising product quality, shelf life, or food safety. In 2025, initiatives centered on optimizing packaging thickness and material composition across selected product lines, while improving the recyclability of components such as seasoning packets. These redesign efforts resulted in mono-material, recycle-ready formats that reduce plastic use while enhancing end-of-life recyclability.

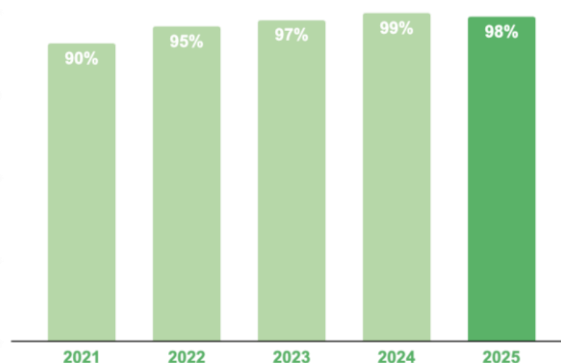
In parallel, certain product lines underwent planning and technical evaluation in 2025 for further packaging redesign and material optimization aimed at further reducing plastic use, improving structural efficiency, and enhancing recyclability.

Additionally, certain product lines underwent planning and technical evaluation in 2025 for packaging redesign and material optimization initiatives aimed at further reducing plastic use, improving structural efficiency, and enhancing recyclability. Data on materials, packaging, and compliance can be found under [Materials](#) and [Environmental Compliance](#) in the Annex, pages 69 and 74, respectively.

The No Single-Use Plastic Policy continues to be implemented at selected manufacturing sites, including Porac, Malvar, and Davao. Covering items such as plastic grocery bags, bottles, and cutlery, the policy is supported by material substitution and reuse practices within operations, contributing to reduced plastic use in daily activities. Investments continued to support recovery and diversion of our plastic packaging footprint beyond regulatory compliance, reinforcing post-consumer waste accountability across the recycling value chain. In 2025, Monde Nissin sustained 100% plastic footprint offsetting for the third consecutive year, exceeding applicable EPR regulatory requirements and reflecting continued action on plastic waste as a material sustainability priority. Additional information on waste and compliance can be found under [Waste Management](#) and [Environmental Compliance](#) in the Annex, pages 73 and 74, respectively.

### Percentage of Waste Diverted from Landfills Across Monde Nissin’s Manufacturing Sites

GRI 306-4



### Upcycling Scrap Materials from a Roof Replacement Project

During a roof replacement project at the Davao plant in 2025, opportunities were identified to reduce construction waste through material recovery and reuse. Scrap PVC roofing sheets and metal beams were recovered and diverted from disposal. The recovered materials were then donated to employees and nearby communities for use in their home and community projects—ultimately benefiting social development.

The activity demonstrates how applying waste segregation and recovery practices to routine site projects can help reduce landfill disposal. It also highlights the role of operational awareness in identifying reuse opportunities beyond day-to-day production processes.

## Lessons and Insights from the 2021-2025 Roadmap Period

Implementation experience in 2025 reinforced the growing understanding that environmental performance is shaped by both operational discipline and external conditions. Across energy, emissions, water, waste, and compliance indicators, performance reflected the interaction between site-level efficiency initiatives and operational factors such as production volumes, distribution activity, facility expansion, infrastructure constraints, and resource availability. These dynamics contributed to slower efficiency gains in several indicators during the year, highlighting the importance of further integrating eco-efficiency considerations into routine manufacturing and operational decision-making.

Efficiency measures delivered the most consistent results when embedded into daily operations rather than treated as standalone initiatives. Equipment upgrades, process controls, and monitoring systems were most effective where responsibilities were clearly defined and integrated into production planning and execution. However, the limits of site-level efficiency gain when production volumes, distribution reach, or infrastructure constraints increase. These observations highlight that periods of expansion and increased operational activity can influence resource consumption trends. They reinforce the importance of reviewing planned expansions and capacity changes alongside environmental considerations to prevent unintended increases in resource consumption and landfill-bound waste, and to identify necessary optimization measures early in the planning stage.

Experience across sites also reinforced that consistent monitoring strengthens environmental performance. Improved data visibility enabled earlier identification of inefficiencies and more timely corrective action, reducing the risk of escalation and supporting more stable performance outcomes. Tailoring environmental controls to local risk exposure and infrastructure capacity proved more effective than uniform approaches.

Overall, 2025 affirmed that credible environmental performance requires integrated eco-efficiency, consistent monitoring, realistic assessment of constraints, and continuous refinement based on implementation experience.

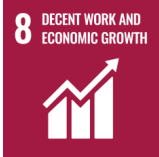
## Making Inclusivity Possible

GRI 3-3

Over the past five years, Monde Nissin has taken practical steps to strengthen how we support our people across learning, wellbeing, safety, and engagement. Many early initiatives were largely program-based and varied by site, which presented challenges in data consistency, engagement visibility, and comparability. These experiences highlighted the need for clearer structures and systems that can be applied consistently across a diverse, multi-site organization.

As part of our Making Better Possible journey, we focused on system-level improvements that support day-to-day execution. These included more structured approaches to capability building and leadership development, the use of pulse and sustainability engagement surveys to better understand employee feedback, and enhancements to occupational health and safety systems, inclusive people practices, employee wellbeing programs, and labor relations processes. Together, these efforts contributed to improved consistency, data visibility, and accountability in how people-related initiatives are managed across Monde Nissin.

### North Star Target Overview

MAKING INCLUSIVITY POSSIBLE			
North Star Target	Progress		Priority SDG
	2024	2025	
<b>Diverse workforce</b> all enjoying access to social safeguards and dialogue, and competency development by 2025	100% of employees with above minimum wage	100% of employees with above minimum wage	
	100% of employees with medical benefits	100% of employees with medical benefits	
	35% women in the workforce	36% women in the workforce	
	55% women in management positions	56% women in management positions	
	12 average training hours per regular employee	Average of 9 training hours per regular and probationary employees <sup>a</sup>	

<sup>a</sup>The implementation of a web-based learning platform enabled Monde Nissin to track learning progress for both regular and probationary employees from senior management, middle management, and staff levels compared to previous years wherein training data covered regular employees only.

## Strategy and Targets

GRI 403-1, 403-2, 403-3, 403-7

Under Making Inclusivity Possible, Monde Nissin's people strategy focuses on workforce capability development, fair and consistent employment practices, occupational health and safety, and structured employee engagement across sites.

Since 2021, the approach has shifted from site-based program implementation toward standardized governance frameworks that integrate learning, diversity, safety, and dialogue into operational processes. Learning and development are both managed through a defined capability architecture covering core, functional, technical, and leadership competencies. Delivery is centralized through the Monde Nissin Learning Campus, enabling consistent tracking and reporting. Diversity and inclusion are guided by the Equal Employment Opportunity Policy and strengthened Human Resource Information System (HRIS) reporting to monitor workforce demographics across sites.

Occupational health and safety management aligns with the Occupational Safety and Health Standards Act (RA 11058) and Department of Labor and Employment Department Order No. 198-18, supported by structured risk assessment tools, performance monitoring, and standardized preventive controls. Monde Nissin maintains an Occupational Health and Safety Management System (OHSMS) with defined roles, responsibilities, and reporting protocols across its sites. All employees are required to comply with safety policies, exercise due care for their own safety and that of others, and promptly report unsafe conditions, behaviors, incidents, and near misses. Employees, including union members, meet monthly with Safety Officers to raise and discuss safety concerns. Department Heads are accountable for alignment with safety requirements within their areas and for the timely reporting of incidents and near misses. Health and Safety Officers monitor incidents, oversee corrective and preventive actions, and track progress to mitigate risks and improve workplace safety performance.

Monde Nissin also maintains structured employment practices that support fair compensation and statutory compliance across sites. The Company complies with applicable labor regulations, including the Anti-Age Discrimination in Employment Act (RA 10911) and the Expanded Maternity Leave Law (RA 11210), and provides statutory benefits consistent with Philippine labor standards.

These commitments define measurable workforce objectives aligned with the Company's broader social safeguards and inclusion goals.

## Progress and Actions

### Empowering Our People

Monde Nissin continues to strengthen employees' learning and development through competency-based programs, leadership development, and digital learning platforms. These initiatives support role-based capability development across functions and sites.

## Learning and Development

GRI 404-2

In 2025, learning delivery was aligned with defined functional and leadership capability requirements. Programs were coordinated across sites through collaboration among the People Development team, functional leaders, and HR Business Partners. Building on this, Monde Nissin institutionalized the Individual Competency Development Plan (ICDP) to better align individual growth with business needs and strengthen long-term workforce capability. The ICDP establishes a structured framework for employees and managers to identify development priorities, set competency-based goals, and track progress through coaching conversations and periodic reviews. The ICDP also contributes to retention efforts—addressing turnover risks identified through workforce reviews and enabling more targeted development actions.

Structured programs addressing technical, commercial, and operational capabilities were implemented across business units, including Consumer Sense, Process Engineering School, and Commercial Excellence modules.

In terms of skills-focused engagement initiatives, the Company collaborated with TESDA in 2025 to enable employees—such as warehouse operators—to obtain or renew National Certificates (NCII), supporting skills recognition and strengthening inclusion and career mobility.

Leadership programs focused on coaching capability, managerial effectiveness, and communication skills. Participation data and completion tracking were monitored through centralized learning systems to support review and refinement.

Early-career development continued through the MondeXplore internship program. In 2025, 39 interns were onboarded across key functions. Structured project-based assignments and mentorship supported exposure to business operations. Participant feedback averaged 4.8 out of 5.

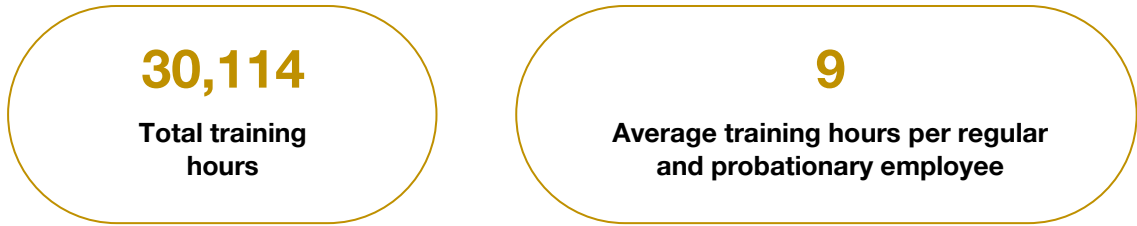
Sustainability learning was integrated into the learning portfolio through the L.E.A.D. in Making Better Possible Program for leaders and the A.L.I.V.E. modules for employees, strengthening awareness of sustainability principles within operational roles.

### MondeXplore: Early Career Development Initiative

MondeXplore is Monde Nissin's structured early talent development initiative designed to support long-term workforce capability. The program provides selected students and young professionals with defined learning exposures across functions, combining technical immersion, mentorship, and project-based assignments.

The initiative supports succession planning and workforce sustainability by strengthening the talent pipeline in critical capability areas. Participation, progression, and placement outcomes are monitored to inform program refinement and alignment with evolving business requirements.

### Competency Development in 2025<sup>a</sup> GRI 404-1



<sup>a</sup>Workforce and training data reflect full-year 2025 information, consistent with the [Scope and Boundary](#) section, and were subject to internal validation prior to finalization. Data covers regular and probationary employees from senior management, middle management, and staff levels.

Additional data may be found under [Employee Training](#) in the Annex, page 77.

### Diversity, Equity, and Inclusion (DEI) GRI 2-7, 405-1

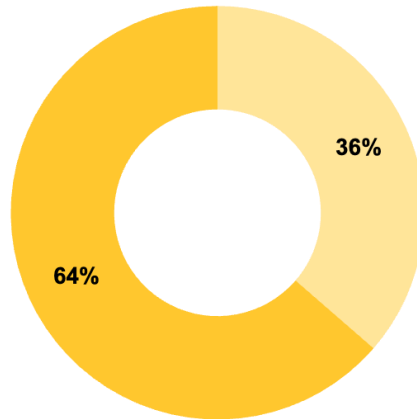
#### Gender Inclusion Initiatives

In 2025, Women’s Circle mentoring sessions and International Women’s Month forums were conducted to support structured dialogue and professional development across sites.

As of 2025:

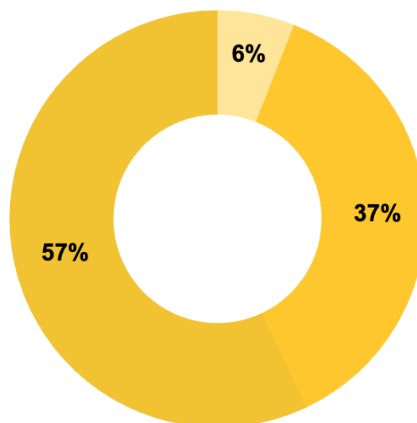


### Employees by Gender



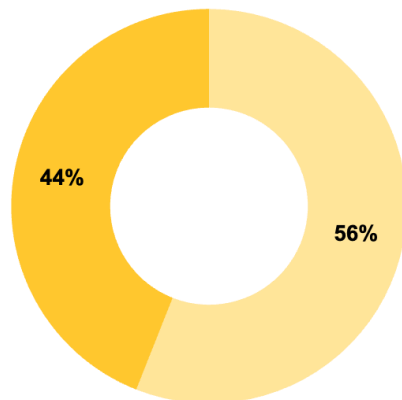
● Female workers in the workforce ● Male workers in the workforce

### Employees by Age Group



● >50 years old ● 30-50 years old ● <30 years old

### Employees in Management Positions



● Female workers in management positions ● Male workers in management positions

Talent acquisition and mobility processes follow standardized workflows supported by competency-based assessments and structured onboarding. Internal mobility is facilitated through the LEAP program to support career development across sites.

A more detailed breakdown of employee composition may be viewed under [Employees](#) in the Annex, pages 74–75.

### Occupational Health and Safety (OHS)

GRI 403-3, 403-4, 403-5, 403-6

Safety programs included regular trainings, refresher courses, role-specific training and routine safety communications across sites and site-level drills. The Transcend Work System (TWS) is implemented across sites to reinforce preventive controls within Product Supply operations.

In 2025:



At the Porac site, first-aid cases decreased compared to 2024. Ten emergency drills were conducted across sites.

OHS performance is monitored through structured indicators and periodic review mechanisms. For more information on our OHS performance, see [Occupational Health and Safety](#) in the Annex, page 78.

Occupational health services continue to be supported by on-site medical personnel, HMO coverage, and access to health services, complementing structured safety systems described earlier in this pillar.

### Employee Wellbeing and Engagement

Employee wellbeing and engagement are supported through structured dialogue mechanisms, defined labor relations processes, and monitored participation systems across sites. These frameworks provide employees with formal avenues for representation, feedback, and participation in workplace and sustainability initiatives.

Engagement efforts also included structured culture-building programs such as Journey to Our Aspiration, designed to help employees understand Monde Nissin’s Aspiration and how it translates into day-to-day decision-making. The program was strengthened and rolled out across Mandaue, Davao, and Porac, reaching more than 200 employees. Sessions combined discussions on company history, sustainability priorities, and operational milestones, with pioneer leaders sharing experiences that provided context on how business decisions and values have evolved over time.

## Employment Practices

In 2025, we strengthened initiatives to align individual growth with business needs. Updates to credit leave policies encouraged employees to take planned leave and step away from work responsibilities to rest and recharge, reinforcing the importance of balance and sustained performance.

Employees receive wages that meet or exceed statutory minimum requirements, supported by standardized salary structures and periodic compensation reviews to maintain market competitiveness.

Work arrangements are structured according to operational requirements, with flexible work arrangements including teleworking set-ups. Parental and special leave benefits include expanded maternity and paternity leave, solo parent leave, and special leave benefits for women (SLBW), consistent with regulatory requirements.

Additional information on our employment practices and benefits can be found under [Employee Benefits](#) and [Parental Leaves](#) in the Annex, pages 75–76 and 76, respectively, and in the [GRI Content Index](#), pages 86–87.

### Social Safeguards in 2025

**100%**

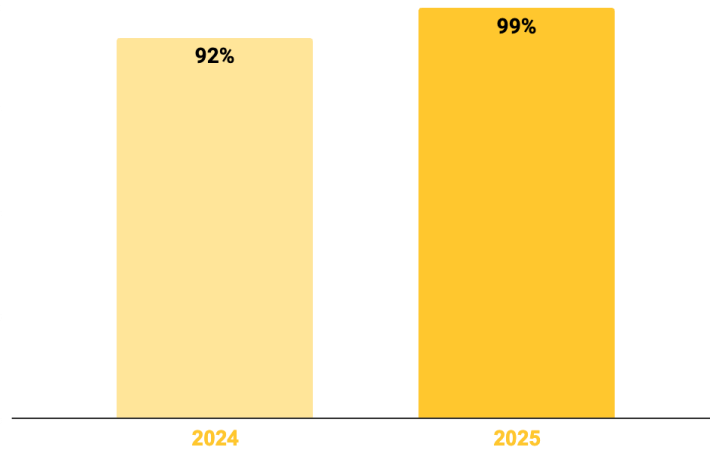
**Employees with above minimum wage and medical benefits**

## Workplace Dialogue and Labor Relations

GRI 406-1

In 2025, Monde Nissin continued to strengthen its employee listening practices through Pulse Survey follow-ups and focused discussions across sites. Beyond measuring engagement levels, the survey assessed broader aspects of employee experience, including wellbeing, workload sustainability, psychological safety, and perceptions of fairness. This approach reflects the Company's intent to better understand how employees experience their work environment and day-to-day responsibilities. Results were reviewed across roles, tenure, functions, and work arrangements to identify differences in employee experience and areas requiring attention. The 2025 Pulse Survey achieved a 99% response rate (2024: 92%), providing a strong base of participation to inform discussions and program refinements.

**Pulse Survey Result (versus 75% industry benchmark)**



Improved pulse survey results reflect positive movement in engagement and retention indicators.

Insights gathered were translated into structured engagement mechanisms, including employee engagement committees, AGAPE forums (dialogues with management), focus group discussions, leadership catch-ups, and one-on-one coaching sessions. These channels provide employees with defined avenues to raise concerns, share feedback, and participate in workplace improvements. Regular coaching conversations also support career development and alignment of individual goals with team and organizational priorities.

Employee experience indicators and participation trends are monitored periodically to support continuous refinement of engagement practices and to strengthen a workplace culture grounded in dialogue, accountability, and mutual respect. The Company maintains clear and accessible grievance mechanisms that allow employees to raise concerns safely and without fear of retaliation.

Through the Speak Up Awareness Program, employees are encouraged to report any form of misconduct, including discrimination, harassment, bullying, theft, fraud, or other violations of Company policy and applicable laws. This program is saliently reinforced by Monde Nissin’s continued support for its NAVEX (EthicsPoint) Whistleblowing Facility, allowing employees and stakeholders a secure and discreet avenue to report integrity-related concerns and observations.

Concerns may be raised confidentially through one-on-one sessions with HR or supervisors, or anonymously through the EthicsPoint online portal and QR code reporting channels. All reports are handled confidentially, investigated thoroughly, and resolved in accordance with established procedures to support fair and timely resolution. No reported incidents of discrimination were recorded in 2025.

Apart from providing avenues for dialogue, Monde Nissin respects employees’ rights to freedom of association and collective bargaining. Labor relations are supported through the “Siglakas” Joint Partnership, which facilitates regular dialogue between management and employee representatives.

In 2025, union representatives participated in a labor education seminar covering international labor standards and Philippine labor laws to support informed representation.

For more information on labor relations, see [Collective Bargaining Agreements](#) and [Labor-Management Relations](#) in the Annex, on page 77, and in the [GRI Content Index](#), page 86.

## Wellbeing Framework

Employee wellbeing initiatives are guided by the Better Me, Better Monde framework, which integrates physical, mental, social, family, spiritual, and financial wellbeing dimensions into site-level engagement calendars. Implementation allows sites to align activities with local needs while maintaining consistency in participation tracking.

## Engagement and Sustainability Participation

Employee engagement initiatives are implemented through coordinated site-level programs aligned with wellbeing and sustainability priorities. Participation is structured and monitored across sites to promote consistency while allowing flexibility to address local needs. In 2025, activities were expanded to subsidiaries to support broader inclusion across the organization.

Employee engagement activities are implemented through coordinated site-level initiatives aligned with wellbeing and sustainability priorities. In 2025, participation was expanded to subsidiaries to promote broader inclusion.

As part of site-level engagement efforts, selected plants implemented structured wellbeing activities aligned with Company advocacies. In Porac, the Kainang Pamilya Mahalaga (KPM) Fun Run and Salo-Salo translated the KPM Day observance into a wellness-focused initiative that encouraged physical activity, family participation, and shared experiences beyond operational roles. Organized by the site Leadership Team in partnership with AGAPE Porac, the activity demonstrated how leadership-supported engagement programs can strengthen morale, reinforce belonging, and align employee wellbeing with broader organizational objectives.

Sustainability engagement initiatives included Sustainability Week programs, internal awareness initiatives such as Chika for Change, and recurring activities like Luntiang Lunes (Meatless Monday). As part of Sustainability Week 2025, Monde Nissin launched the No Impact Challenge, a structured, team-based, and time-bound internal initiative designed to translate sustainability commitments into daily habits. The initiative encouraged practical, behavior-based actions aligned with health, resource efficiency, and waste reduction priorities, reinforcing sustainability awareness both within and beyond the workplace.

Engagement effectiveness across these initiatives is monitored through attendance records, participation tracking, and internal reporting mechanisms.

Office-based employees are also provided opportunities to spend time with their families through adjusted work arrangements, while site-led initiatives support employee participation through simple, shared activities, such as coming together for meals. At the Porac site, the KPM Fun Run brought employees together, with active leadership participation, and contributed to positive feedback on morale, teamwork, and sense of belonging.

In 2025, Monde Nissin conducted its first Sustainability Engagement Survey, establishing a baseline for awareness and participation levels. Findings from dialogue channels and surveys are integrated into program refinements and workplace adjustments, supporting a more structured and data-informed engagement approach.

## Lessons and Insights from the 2021–2025 Roadmap Period

Experience during the roadmap period highlighted the importance of standardized systems in sustaining inclusive workplace practices across a multi-site organization. Centralized policies, structured monitoring, and leadership accountability strengthened consistency and transparency.

Digital learning platforms and engagement surveys improved data visibility and supported more informed decision-making. Monitoring participation and integrating feedback into program refinement strengthened follow-through. Overall, the period underscored that resilient organizational culture depends on leadership ownership, structured governance, and consistent integration of wellbeing and capability development into operational processes.

# Making Collective Action Possible


GRI 3-3

Monde Nissin engages with external organizations, local government units (LGUs), civil society groups, and industry platforms to support social development, environmental stewardship, and community resilience. These engagements involve coordinated planning and defined implementation roles across sites, aligned with established governance processes and sustainability priorities.

In 2025, the final year of our current North Star Targets, emphasis was placed on strengthening execution of ongoing programs and improving coordination across functions and participating organizations.

This pillar functions as an enabler across Monde Nissin’s sustainability agenda by enhancing collaboration, strengthening coordination mechanisms and reinforcing governance processes that drive implementation across Product, Planet, and People priorities.

## North Star Target Overview

MAKING COLLECTIVE ACTION POSSIBLE			
North Star Target	Progress		Priority SDG
	2024	2025	
<p><b>100%</b> of employees observing that sustainability is embraced in the way people act and decide in the Company by 2030</p> <p>5,000 Independent Brand Experts and 25,000 sari-sari stores provided with livelihood opportunities and financial credit (for sari-sari stores) by 2030<sup>a</sup></p>	<p><b>100%</b> of the Monde Nissin sites are actively contributing to the wellbeing of their local communities through environmental and social initiatives</p> <p><b>More than 1,400</b> Independent Brand Experts are part of Monde Nissin’s CDN<sup>a</sup></p> <p><b>Sustained collaborative efforts with 15 organizations</b>, demonstrating our commitment to long-term engagement and shared goals in our communities and environment</p>	<p><b>All</b> sites contribute to the wellbeing of their communities through environmental and social initiatives</p> <p><b>More than 1,300<sup>b</sup></b> Independent Brand Experts are part of Monde Nissin’s CDN<sup>a</sup></p> <p><b>Sustained collaboration with 16 organizations</b></p>	

<sup>a</sup>The North Star Target and KPIs surrounding IBEs and CDN are now incorporated under Making Collective Action Possible as these initiatives are more related to partnerships. These were previously under Making Inclusivity Possible.

<sup>b</sup>Variation reflects program recalibration and participation adjustments described under Making Collective Possible.

## Strategy and Targets

Under Making Collective Action Possible, Monde Nissin applies a structured collaboration model that integrates inclusive economic participation, community development, and industry engagement. Activities are designed to align operational realities with community relevance while maintaining financial and governance discipline.

Since 2021, engagement has transitioned from episodic outreach toward program-based implementation anchored in defined objectives, documented roles, and measurable contribution. Interventions are aligned with education, nutrition, environmental stewardship, and inclusive economic participation, with emphasis on sustained implementation rather than one-time activities.

A key component of our strategy is the CDN, an alternative market distribution platform that expands product reach while enabling income-generating opportunities for IBEs within their local communities. The model is designed to balance accessibility with partner capability, resulting in financial sustainability for both the Company and our community collaborators.

## Progress and Actions

GRI 413-2

### Inclusive Economic Participation and Livelihood Development

The CDN operates as an alternative distribution channel supporting product reach in selected areas. In 2025, participation levels were influenced by dealer availability and operational conditions within certain distribution areas. As part of routine performance review and risk management processes, adjustments were implemented to incentive structures and participation standards to reinforce financial sustainability and execution discipline.

### Environmental Stewardship at the Community Level

Environmental initiatives were implemented through coordinated activities between plant sites, LGUs, and relevant organizations. Projects were carried out through defined roles and site-level planning aligned with local environmental programs.

**Feature Story:**

## **Forests for Life - Collaborative Restoration Efforts**

In 2025, Monde Nissin collaborated with Haribon Foundation under its Forests for Life Movement to support reforestation initiatives in areas connected to the Sierra Madre mountain range, including sites in Tanay, Rizal; Subic, Zambales; and Carranglan, Nueva Ecija. The Sierra Madre plays a critical role in biodiversity conservation, watershed protection, and climate resilience in Luzon, underscoring the relevance of these activities to broader environmental stewardship efforts. Project activities included site preparation, native tree planting, and engagement with LGUs and community stakeholders.

The initiative brought together participants from Monde Nissin and Monde Nissin's subsidiaries, including Monde M.Y. San Corporation and Sarimonde Foods Corporation, reflecting a coordinated approach to environmental action. Implementation was carried out by the technical guidance of Haribon Foundation, while local community stewards were engaged to support ongoing site maintenance and monitoring. Employee participation was coordinated in alignment with site-level planning, reinforcing collective action across business units and supporting continuity beyond initial planting activities.

## **Sustainability and Climate Collaboration**

Monde Nissin continues to engage with organizations that support climate, environmental, and community priorities through sustained collaboration, shared learning, and sector-wide coordination. These collaborations support capability-building, regulatory alignment, and third-party mechanisms that help extend the reach and credibility of related initiatives.

Understanding the shared sustainability goals of leaders across industries, Monde Nissin's collaborations extended beyond project implementation; Monde Nissin now also focuses on building the capacity of individuals to lead their own sustainability initiatives and strategies. We hosted #SustainPinas: SustainabilityPH Fellowship 2025, where members of various sectors shared their knowledge to a greater audience, reflecting the importance and intersection of capacity, community, and conversation.

In 2025, the Company participated in industry and cross-sector knowledge-sharing forums focused on sustainability governance, emissions management, and capacity-building. These engagements supported internal learning and alignment with emerging disclosure standards.

## Building Capacity for Net Zero Transition

Monde Nissin continues to advance its decarbonization journey by strengthening internal capability in GHG management and aligning operational practices with long-term low-carbon objectives. The Company prioritizes building technical knowledge, structured emissions monitoring, and coordinated action across manufacturing operations to support measurable progress toward climate targets.

Participation in industry platforms such as the Net Zero Carbon Alliance (NZCA) supports this effort by providing access to technical exchange, peer learning, and evolving best practices in emissions reduction. These engagements support Monde Nissin's broader climate strategy, reinforcing internal systems and governance mechanisms that guide decarbonization planning and implementation.

Monde Nissin also participated in plastic exchange platforms and recycling alliances to scale plastic recovery initiatives. Building on initial compliance work, the collaboration supports efforts to recover and divert post-consumer plastic waste through third-party mechanisms. Recovery efforts also enhance a circular economy, contributing to community-based recovery systems.

## Plastic Recovery Beyond Compliance

Monde Nissin reinforces its responsibility under EPR regulations while advancing recovery efforts beyond minimum compliance requirements.

The Company implements structured recovery programs supported by accredited verification and crediting mechanisms for traceable and measurable outcomes. These systems enable the recovery of plastic packaging equivalent to the volume placed on the market, strengthening accountability in packaging management.

To enable verified and traceable recovery outcomes, Monde Nissin works with accredited industry mechanisms that facilitate engagement with community-based collection systems and local waste management networks. Through platforms such as the Philippine Alliance for Recycling and Materials Sustainability and Plastic Credit Exchange, recovery volumes are independently validated, strengthening transparency and accountability within the Company's broader plastic stewardship framework.

## Social Impact, Relief, and Community Development

Monde Nissin implements place-based community programs in coordination with LGUs, schools, and civil society organizations. Activities are designed to support education, nutrition, and disaster response through structured implementation mechanisms.

Through the Adopt-a-School Program, Monde Nissin supported schools serving indigenous and host communities, including Mawacat Integrated School (Aetas) in Porac, and Balibago Elementary School in Santa Rosa, by providing learning materials and other school needs. The Company has also collaborated with organizations such as PUSO Foundation to extend support to Diaz Elementary School (Aetas) in Porac, combining product donation with employee participation. Through this collaboration, Monde Nissin provided school supplies, hygiene kits, and food products. Complementing these efforts, feeding activities implemented with LGUs and community partners supported families and children in locations including Malvar.

In selected locations, programs also addressed basic services and community wellbeing. Under Monde Nissin's Tulong Sulong program, we worked alongside foundations to leverage local community knowledge and augment social action. Coordination with these organizations provides essential support, such as supplying school materials, hygiene kits, and nutrition products to host communities, bringing together corporate resources, implementation, and volunteer capacity.

In 2025, Monde Nissin participated in coordinated disaster relief efforts in collaboration with the World Instant Noodles Association (WINA), Rise Against Hunger Philippines, Caritas Manila, and Philippine Business for Social Progress (PBSP). Support included cash assistance and in-kind product donations, including more than 4,000 cases of food products and 1,600 loaves of bread, distributed through direct and partner-led channels aligned with local conditions. Relief activities responded to multiple events during the year, including typhoons, monsoon-related flooding, and seismic activity in selected areas.

Working with organizations that have established systems for disaster response and community engagement, enabled timely and coordinated assistance. Insights from these engagements reinforced the importance of active communication with community stakeholders, participation in local coordination meetings, and adapting activities based on community feedback. Site-level experience also highlighted the value of focusing on selected programs to sustain implementation over time.

In 2025, Monde Nissin also continued the Kainang Pamilya Mahalaga (KPM) initiative, a Company-initiated advocacy launched in 2007 that promotes shared family mealtimes as part of balanced eating practices. Observed annually every fourth Monday of September and recognized under Presidential Proclamation No. 326 (s. 2012), KPM Day encourages employee and community participation in strengthening family connections through regular shared meals. During the year, activities focused on encouraging informed food choices within the context of shared mealtimes.

## Lessons and Insights from the 2021–2025 Roadmap Period

Experience under the roadmap period reinforced that collective actions yield more sustained outcomes when roles are clearly defined and implementation is supported by governance discipline. Implementation showed that engagement grows when programs move beyond symbolic activities and are embedded within structured collaboration mechanisms. Clearly defined objectives, transparent expectations, and regular dialogue strengthened trust with community collaborators and improved continuity across initiatives.

In livelihood initiatives, balancing social inclusion with operational viability proved essential. Adjustments to participation standards demonstrated that sustainable impact requires financial sustainability, realistic scaling, and alignment with existing local systems.

Participation in industry platforms and cross-sector collaborations further highlighted the value of shared learning and coordinated action. These engagements strengthened internal capability while encouraging cross-team collaboration within the Company.

Overall, the roadmap period affirmed that effective collective action requires visible leadership commitment, structured follow-through, and collaborative execution. When collaborations are grounded in shared values and supported by disciplined implementation, they generate sustained engagement and meaningful contributions for both communities and the business.

# Governance and Ethical Conduct

GRI 3-3

Monde Nissin upholds integrity in corporate governance and ethical conduct across our operations. Governance oversight, accountability, and decision-making processes support the integration of sustainability considerations into business practices through Board oversight and management execution.

In 2025, Monde Nissin once again was awarded 3 Golden Arrows from the ICD, SEC, and the PSE, at the September 2025 Institute of Corporate Directors – ASEAN Corporate Governance Scorecard (ICD-ACGS) Golden Arrow Awards. Monde Nissin has consistently garnered 3 Golden Arrows for all its previous Annual Corporate Governance Reports (I-ACGR) beginning the 2021 I-ACGR. Monde Nissin also received a meritorious citation during the 2025 SEC Gender and Development (GAD) Awards in continuing recognition of Monde Nissin promoting gender diversity in its Board of Directors.

## Corporate Governance

The Company's corporate governance practices are set out in our Articles of Incorporation, Amended By-Laws, [Revised Manual on Corporate Governance](#), [Code of Conduct and Ethics](#), and related policies. These documents align with the requirements of the Revised Corporation Code of the Philippines and governance-related regulations and recommendations issued by the SEC and the Philippine Stock Exchange (PSE). Individually and collectively, these governance foundations provide clarity on roles and responsibilities across the Company and support compliance obligations as a publicly listed company.

## Board Oversight and Leadership Accountability

GRI 2-9, 2-12, 2-13, 2-14, 2-15, 2-16

Being the corporation's primary governing body exercising all corporate powers, the Board of Directors approves key governance policies and charters, and provides oversight on corporate governance matters.

## Governance Structure

The Board has approved and adopted charters for the Board itself and its committees, which include the Audit Committee, Risk and Related Party Transactions Committee, Corporate Governance, Nominations, and Remuneration Committee, and Executive Committee. The Board also approves and oversees the implementation of governance policies covering [conflict of interest](#), [insider trading](#), [material related party transactions](#), [ethical conduct](#), [whistleblowing](#), [data privacy](#), [anti-bribery and corruption](#), and [sustainability](#).

## Delegation, Independence, and Board Composition

Matters reserved for the Board are elevated directly to it or through the relevant Board committee. Where authority is delegated to management, management provides updates to the Board and/or the relevant Board committee on material developments in line with reporting requirements.

Monde Nissin Corporation's Board comprises nine members from diverse professional and personal backgrounds. Six directors are non-executive, providing independent oversight of Management. The Board comprises a majority of female directors, with five women out of nine members, and includes three Independent Directors. The roles of the Chairperson, and the President and the CEO remain separate. Monde Nissin has a Lead Independent Director appointed from among the Independent Directors.

The Board's Corporate Governance, Nominations and Remuneration Committee, Risk and Related Party Transactions Committee, and Audit Committee, are comprised entirely of Independent Directors, reinforcing independent judgment, minority stakeholder protection, and accountability.

## Integration of Sustainability within Board and Committee Oversight

Board-level sustainability oversight is described in the [Our Sustainability Governance Framework and Oversight](#) section on pages 11–14. From a governance perspective, sustainability matters are reviewed through established Board and Board committee processes, including policy and initiative presentations, seeking endorsement and approval of projects and policies (including updates and revisions), monitoring of implementation updates, and review of relevant disclosures, consistent with Board and Board committee functions.

## Key Governance Recognitions and Milestones

In 2025, the Board approved the [Sustainability Policy Version 2.0](#), which aligns the policy framework with Monde Nissin's Corporate Aspiration and sustainability principles. Version 2.0 defines the Strategic Pillars, corresponding focus areas and commitments aligned with the Corporate Aspiration and North Star targets. It also updates the sustainability governance structure by clarifying roles and responsibilities across teams, business units, and functions, and formalizing policy implementation mechanisms.

The policy reflects Board-level leadership and oversight in the implementation of sustainability priorities. It also incorporates visual references to the Corporate Aspiration, Strategic Pillars, North Star Targets, Sustainability Governance Structure, and the Sustainability Reporting Process.

## Ethics, Integrity, and Compliance Control

GRI 2-15, 2-26

Independent Directors receive reasonable per diems for attendance at Board and Board Committee meetings. Directors do not receive other compensation for services rendered as directors.

The Company maintains a zero-tolerance policy toward bribery, corruption (including facilitation payments), and fraudulent activities, in line with applicable laws and regulations. These standards are reinforced through policies, training, awareness initiatives, and formal reporting mechanisms.

For more details on our anti-corruption efforts, see [Anti-corruption Practices](#) in the Annex, pages 80–81.

Monde Nissin continues to support its Whistleblowing and Integrity Reporting-related policies through its NAVEX (EthicsPoint) Whistleblowing Facility, maintained by integrity managers who receive, process, and act on integrity-related concerns. In 2025, the Hotline Awareness Campaign reinforced awareness of the [Whistleblowing Policy](#) and formal reporting channels. An increase in reports following the campaign may reflect greater awareness and confidence in escalation processes. All employees completed the annual Anti-Bribery and Anti-Corruption (ABC) Refresher Course either through the Company’s learning platform or via in-person training sessions. So that language won’t be a barrier to integration, an ABC Refresher course module in Filipino was developed for employees to improve accessibility. Completion of the ABC Refresher Course reached 100% in 2025. The Amended COI Policy, approved in 2023, establishes mechanisms for identifying and addressing actual, perceived and potential conflict of interest cases. Employees disclose potential conflicts through an annual declaration process, supporting transparency and timely review. In 2025, all covered persons completed the Annual COI Statement. The ability to voluntarily disclose any actual, perceived, or potential conflict of interest remains available through online declaration forms accessible by all employees.

For additional information on governance, see direct answers for governance-related disclosures in the [GRI Content Index](#), on pages 82–83.

### Board-Level Sustainability Oversight

The Board conducted a review and approval of the 2025 Sustainability Report prior to submission. The review covered key disclosures, material topics, and performance information in accordance with governance processes and applicable reporting requirements.

## Risk Management, Digital Enablement, and Data Protection

### Enterprise Risk Management (ERM) Framework and Oversight

In 2025, Monde Nissin began reviewing and refining its Enterprise Risk Management documentation and reporting processes. The initiative, led by the Risk Management Department, aims to standardize risk recording and enhance internal reporting and information sharing.

### Digital Innovation and Transformation

Digital systems support operational efficiency, transparency, and decision-making across the Company. In 2025, digital tools were used for sustainability monitoring, quality and safety systems, learning platforms, and operational reporting, reducing manual processes and improving data accessibility. Building on earlier digital initiatives, traceability and workflow platforms enhanced documentation and visibility across product development, procurement, and supply chain processes. Initially deployed for new product development and procurement, these systems are now used more broadly to support structured data sharing and supply chain coordination.

### Cybersecurity and Data Privacy Governances

Since 2021, the Company has maintained a [General Data Privacy Policy](#) supported by privacy notices, consent forms, and contractual data privacy clauses. Where applicable, data sharing agreements are executed with counterparties.

In 2025, cybersecurity and data privacy controls were further strengthened through security performance monitoring, regular vulnerability assessments and penetration testing, and continued enhancements to network segmentation and perimeter controls. These measures support the confidentiality, integrity, and availability of information assets. More information on data privacy can be found under [Customer Privacy and Data Security](#) in the Annex, page 81.

In compliance with National Privacy Commission (NPC) Circular No. 2022-04, Monde Nissin renewed the registration of our critical data processing systems and registered new personal data processing systems launched during the year. The NPC issued a certificate of renewal confirming the Company's continued registration. The Data Breach Response Team remained operational, and privacy impact assessments were conducted for identified systems.

Capability-building continued through targeted data privacy sessions, onboarding orientations, and external training and certification for designated personnel.

## Artificial Intelligence (AI) Governance

In 2025, Monde Nissin issued an updated AI Governance and Acceptable Use Policy outlining principles and operational controls for responsible AI use. Approved AI tools are provisioned through official IT channels, with restrictions on the upload of confidential or personal data and requirements for human review prior to business use.

AI governance and acceptable use training was deployed to employees within designated roles via the Company's learning platform. The Company continues to enhance awareness and refine controls as AI adoption evolves.

## Responsible and Resilient Supply Chain Governance

GRI 308-1, 308-2, 414-1, 414-2

Monde Nissin manages supply chain governance to manage risks, support compliance, and reinforce operational resilience. The Procurement Policy and Supplier Code of Conduct (SCOC) form the foundation of supplier governance. Both are approved at the CEO level and subject to Board oversight, with relevant findings reported through established governance channels.

### Supplier Engagement and Governance Approach

In 2025, the Procurement Policy was reviewed and updated to reflect operational requirements, including standardized payment terms and approval limits. Updated versions were cascaded internally, with feedback under review to support clarity and implementation consistency. Operational practices also continued to evolve. Suppliers are no longer required to submit hard copy company profiles, reducing paper use and improving processing efficiency.

To support suppliers amid extended payment terms, the Supply Chain Financing (SCF) program was expanded in 2025 with the support of a participating financial institution. With minimum payment terms increasing from 30 to 45 days, participating suppliers may receive payment as early as 10 days from invoice receipt, supporting liquidity management and transaction efficiency. Supplier governance in 2025 emphasized structured accreditation, due diligence, and regular assessment processes. Third-party screening covers financial viability, legal compliance, and potential labor, corruption, or sanctions-related risks where identifiable. Identified concerns are managed through escalation and corrective action processes consistent with established controls. Additional data on procurement can be found under [Procurement Practices](#) in the Annex, page 68.

SCOC requirements continued to be cascaded through formal communication channels, including vendor portals and procurement communications. Supplier acknowledgements are tracked, and requirements are integrated into accreditation and reassessment processes. An updated version of the SCOC is being evaluated, informed by regulatory developments and operational experience.

## Responsible Sourcing Practices

GRI 201-2

Responsible sourcing considerations are embedded into procurement decisions. During periods of supply variability, locally available agricultural inputs were utilized to support continuity while managing cost and quality requirements. To strengthen supply continuity and packaging resilience, selected packaging materials and raw inputs were sourced from suppliers within Asia or nearby regions. These adjustments shortened transport distances and lead times while maintaining material quality and supply reliability. Broader adoption of these alternatives is being evaluated, taking into account reliability and operational feasibility. Supply chain risk management measures include diversification of supply sources, insurance coverage for inventory exposure, and alignment with eco-efficiency initiatives across operations to support business continuity and manage climate-related risks. For more information, see direct answers for disclosures related to environmental and social impacts of supply chain in the [SASB Content Index](#), page 90.

## Economic Value Creation

Within the Enterprise Governance and Resilience framework, economic performance reflects the Company's approach to fiscal discipline, risk management, and operational execution. Monde Nissin contributes to local economic activity through employment, supplier engagement, distribution networks, and tax contributions within its Philippine operations.

During the reporting period, financial and market risks were managed through pricing adjustments, cost optimization initiatives, and process improvements aimed at maintaining product quality and competitiveness amid input cost pressures. Business performance in 2025 reflected volume growth in biscuits and selected domestic categories

The Company continued to prioritize operational stability, disciplined capital management, and prudent allocation of resources. Regular dividend declarations during the year were made in accordance with Board-approved policies and the Company's capital management framework.

Additional data may be found under [Economic Performance](#) located in the Annex, page 68.

# Annex

## General Disclosures

### Business Segments

GRI 2-6

Monde Nissin and all subsidiaries are collectively referred to as the Group. The Group's two core businesses are the APAC BFB business and the Meat Alternative business.

#### *APAC BFB Business*

The Group operates the APAC BFB business through Monde Nissin and wholly-owned or majority-owned subsidiaries, as well as joint ventures and established collaborations with other renowned FMCG players. The APAC BFB business' three product groups have the following key brands:

- Instant Noodles: Lucky Me!
- Biscuits: SkyFlakes, Fita, M.Y. San Grahams, Bingo, and Nissin
- Other Products: Mama Sita's, Dutch Mill, Monde, and Walter Bread

#### *Meat Alternative Business*

Quorn is Quorn Foods's flagship brand where we market and sell mycoprotein-based products, an alternative to beef, pork, poultry, and fish, in all key shop aisles, namely frozen, chilled, and food cupboards. Plant-based products, on the other hand, are marketed and sold under the Cauldron brand.

Quorn products are available in the UK, the Republic of Ireland, US, Europe (including Belgium, France, Spain, Luxembourg, The Netherlands, Germany, Switzerland, Italy, and Austria), Nordics (Norway, Sweden, Denmark, and Finland), Southeast Asia, and Australasia, while Cauldron products are sold in the UK and the Republic of Ireland.

To view Quorn's latest Net Positive Report, visit this [link](#).

## Membership Associations

GRI 2-28

Membership
American Chamber of Commerce (AmCham)
Davao Chamber of Commerce (DCC)
Department of Labor and Employment (DOLE) Tripartite Industrial Peace Council
Financial Executives Institute of the Philippines (FINEX)
Good Governance Advocates and Practitioners of the Philippines (GGAPP)
Institute of Internal Auditors-Philippines (IIAP)
International Life Sciences Institute (ILSI)
Makati Business Club (MBC)
Mandaue Chamber of Commerce (MCC)
National Codex Organization (NCO)
Net Zero Carbon Alliance (NZCA)
Organization Development Practitioners Network (ODPN)
People Management Association of the Philippines (PMAP)
Philippine Alliance for Recycling and Materials Sustainability (PARMS)
Philippine Association of Food Technologists, Inc. (PAFTI)
Philippine Business for Social Progress (PBSP)
Philippine Chamber of Commerce and Industry (PCCI)
Philippine Chamber of Food Manufacturers, Inc. (PCFMI)
Philippine Institute for Supply Management (PISM)
Philippine Association of Nutrition, Inc. (PAN)
Philippine Society for Microbiology (PSM)
Philippines Society for Talent Development (PSTD)
Region IV - DOLE Labor Management Council (LMC)
Save Silang-Sta. Rosa River (S3R2) Foundation
Scaling Up Nutrition Business Network (SBN)
World Instant Noodles Association (WINA)

## Activity Metrics

SASB FB-PF-000.B

Disclosure	UOM	2025
Number of production facilities	#	5

## Economic Disclosures

### Economic Performance

GRI 201-1

Disclosure	UOM	2025
<b>Direct economic value generated and distributed</b>		
<b>Economic value generated (revenue)</b>	Million Php	<b>69,263</b>
<b>Economic value distributed</b>		<b>68,501</b>
Operating costs		56,823
Employee wages and benefits		3,317
Payments to providers of capital		5,632
Payments to the government		2,724
Community investments		5

### Procurement Practices

GRI 204-1

Disclosure	UOM	2025
Procurement budget used for significant locations of operations that is spent on local suppliers <sup>a</sup>	%	35

<sup>a</sup>Items procured through a transaction with a vendor based in the Philippines, including key raw materials that come from a foreign source.

## Environmental Disclosures

### Materials

GRI 301-1

SASB FB-PF-410a.1, 440a.1, 440a.2

Disclosure	UOM	2025
<b>Raw Materials</b>		
Renewable materials	kg	387,124,969
Non-renewable materials	kg	49,159,671
Food ingredients sourced from regions with High or Extremely High Baseline Water Stress	kg	0
Priority food ingredients (excluding water)	List	Wheat, Flour, Flavors, Sugar, Fats and Oils
<b>Packaging Materials</b>		
Recyclable / Mono-material packaging	%	92

### Energy Management

GRI 2-4, 103-2, 103-4, 103-5

SASB FB-PF-130a.1

Disclosure	UOM	2021	2022	2023	2024	2025
<b>Energy consumption within the organization</b>	GJ	1,806,720	1,556,714	1,592,496	1,680,778 <sup>a</sup>	1,669,929
<b>Non-renewable energy</b>	GJ	1,690,127	1,313,193	1,233,305	1,278,586 <sup>a</sup>	1,342,276
Coal	GJ	1,008,691	832,880	980,773	1,016,307	1,051,877
Bunker fuel oil	GJ	243,354	81,963	8,542	3,417	8,697
Diesel	GJ	5,213	7,790	7,838	9,975	5,067
LPG	GJ	95,947	188,847	222,230	217,535 <sup>a</sup>	234,844
Gasoline	GJ	137	0	93	95	45

Purchased electricity	GJ	336,784	201,714	13,828	31,257	41,745
<b>Renewable energy</b>	GJ	116,593	243,521	359,191	402,192	327,652
Biomass	GJ	111,618	127,387	48,736	95,416	46,354
Other primary solid biomass fuel <sup>b</sup>	GJ	0	0	0	0	636 <sup>b</sup>
Solar panel	GJ	4,975	4,679	3,171	3,112	2,944
Purchased electricity (Geothermal)	GJ	0	111,454	307,284	303,664	277,719
<b>Renewable energy consumption</b>	%	6	16	23	24	20
<b>Grid electricity consumption</b>	%	19	20	20	20	19
<b>Energy reduction (vs. FY 2021 baseline)</b>	GJ	-	250,006	214,224	126,941 <sup>a</sup>	136,791
<b>Energy intensity</b>	GJ/tonne of product produced	4.02	3.48	3.44	3.58	3.81

<sup>a</sup>LPG data for 2024 has been restated to reflect refinements in site-level data capture processes implemented during the 2025 reporting cycle. The restatement improves comparability and accuracy but does not affect reporting scope.

<sup>b</sup>This refers to energy consumption from other primary solid biomass, particularly oily noodle rejects and wet noodle rejects used in the boiler of the Porac plant.

## Emissions Management

GRI 2-4, 102-5, 102-6, 102-8

Disclosure	UOM	2021	2022	2023	2024	2025
<b>Scope 1 GHG emissions</b>	tonnes CO <sub>2</sub> e	123,185	99,718	110,299	113,291	117,776
<b>Scope 2 GHG emissions<sup>a</sup></b>						
Location-based <sup>b</sup>	tonnes	65,616	60,952	62,469	65,897	63,382

	CO <sub>2</sub> e					
Market-based <sup>c</sup>	tonnes CO <sub>2</sub> e	65,616	44,668 <sup>d</sup>	20,089	21,435 <sup>d</sup>	24,722
<b>Biogenic emissions<sup>e</sup></b>	tonnes CO <sub>2</sub> e	12,501	14,267	5,458	10,687	5,255
<b>GHG intensity<sup>f</sup></b>	tonnes CO <sub>2</sub> e/tonne of product produced	0.42	0.32	0.28	0.29	0.33
<b>Reduction of Scope 1 and 2 emissions (vs. FY 2021 baseline year)<sup>f</sup></b>	tonnes CO <sub>2</sub> e	-	44,415 <sup>d</sup>	58,413	54,074 <sup>d</sup>	46,302
Reduction of Scope 1 emissions (vs. FY 2021 baseline year)	tonnes CO <sub>2</sub> e	-	23,467	12,886	9,894	5,409
Reduction of Scope 2 emissions (vs. FY 2021) <sup>f</sup>	tonnes CO <sub>2</sub> e	-	20,948 <sup>d</sup>	45,527	44,180 <sup>d</sup>	40,894

<sup>a</sup>Enhanced disclosure of Scope 2 emissions in line with the GHG Protocol by reporting emissions using both the location-based and market-based methods.

<sup>b</sup>Location-based emissions were calculated using the Department of Energy's National Grid Emission Factors (DOE NGEF) for 2019-2021.

<sup>c</sup>For market-based emissions, particularly emissions from geothermal energy, the supplier-specific annual emission factor was applied. For electricity without supplier-specific factors (i.e., non-geothermal energy sources), the updated DOE NGEF location-based emission factor was applied in line with the GHG Protocol hierarchy.

<sup>d</sup>Market-based Scope 2 emissions, reduction of Scope 2 emissions, and reduction of Scope 1 and 2 emissions for 2022 and 2024 have been restated to reflect updated supplier-specific emission factors consistent with the GHG Protocol hierarchy. The restatements improve methodological accuracy and comparability across reporting periods.

<sup>e</sup>Biogenic emissions refers to carbon emissions from the combustion of biomass.

<sup>f</sup>Market-based Scope 2 emissions were used for calculating the overall GHG intensity, and the reduction of Scope 2 and overall emissions.

## Water Management

GRI 303-3, 303-4, 303-5

SASB FB-PF-140a.1, 140a.2

Disclosure	UOM	2021	2022	2023	2024	2025
<b>Water withdrawal</b>	m <sup>3</sup>	1,420,123	1,068,369	1,057,692	1,122,409	1,084,683
<b>By source:</b>						
Groundwater	m <sup>3</sup>	1,310,073	925,098	880,134	929,453	886,139
Third-party water	m <sup>3</sup>	110,050	143,271	177,558	192,956	198,544
Regions with High or Extremely High Baseline Water Stress	%	0	0	0	0	0
Water discharge	m <sup>3</sup>	207,184	283,758	278,666	339,357	316,609
<b>By destination:</b>						
Seawater	m <sup>3</sup>	11,339	9,747	10,435	8,402	9,698
Surface water	m <sup>3</sup>	185,969	251,648	213,620	271,217	247,698
Third-party water	m <sup>3</sup>	9,876	22,363	54,611	59,738	59,213
<b>Water consumption</b>	m <sup>3</sup>	1,212,939	784,611	779,026	783,052	768,074
Water consumed in regions with High or Extremely High Baseline Water Stress	%	0	0	0	0	0
<b>Water intensity</b>	m <sup>3</sup> /tonne of product produced	3.16	2.39	2.28	2.39	2.47
<b>Water recycled</b>	m <sup>3</sup>	599	19,360	22,933	36,589	65,109

	%	0.04	1.81	2.17	3.36	6.00
<b>Incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations</b>	#	0	0	0	0	0

## Waste Management

GRI 306-3, 306-4, 306-5

Disclosure	UOM	2021	2022	2023	2024	2025
<b>Waste generated</b>	tonnes	34,054	31,320	30,663	29,078	31,449
<b>Hazardous</b>	tonnes	1,564	2,240	1,995	1,475	1,377
Recovery, including energy recovery	tonnes	No data	No data	1,988	1,470	1,371
Recycling	tonnes	No data	No data	7	4	6
<b>Non-hazardous</b>	tonnes	32,490	29,080	28,669	27,604	30,071
Landfill	tonnes	3,479	1,476	1,050	403	559
Recovery, including energy recovery	tonnes	No data	No data	3,111	4,705	5,253
Recycling	tonnes	No data	No data	24,508	22,496	24,260
<b>Waste to Landfill</b>	%	10	5	3	1	2
<b>Waste Diverted from Landfill</b>	%	90	95	97	99	98

## Environmental Compliance

GRI 2-27

Disclosure	UOM	2025
<b>Non-compliance with Environmental Laws and Regulations</b>		
Instances for which fines were incurred	#	0
Instances for which non-monetary sanctions were incurred	#	0
Cases resolved	#	0
<b>Monetary Fines for Non-compliance to Environmental Laws and Regulations</b>		
Fines for instances of non-compliance occurred for the current year	Php	0

## Social Disclosures

### Employees

GRI 2-7, 401-1, 405-1

Disclosure	UOM	2025		
		Male	Female	Total
<b>Employees by gender</b>				
Board of directors	#	4	5	9
	%	44	56	100
Employees	#	2,280	1,304	3,584
Senior management	%	50	50	100
Middle management	%	43	57	100
Staff	%	56	44	100
Rank and file	%	70	30	100
Regular	#	1,394	890	2,284

employees				
Probationary employees	#	868	390	1,258
Project-based, OJT, consultants	#	18	24	42
New hires	#	2,362	986	3,348
Employee turnover	#	2,145	855	3,000
Attrition rate <sup>a</sup>	%	-	-	8
		<30 y/o	30-50 y/o	>50 y/o
<b>Employees by age</b>				
Board of directors	%	0	11	89
Senior management	%	0	35	65
Middle management	%	12	77	11
Staff	%	66	31	3
Rank and file	%	61	34	5
New hires	%	83	17	0
Employee turnover	%	80	19	1

<sup>a</sup>Includes only employees with regular employment status.

## Employee Benefits

GRI 401-2

Disclosure	Offered to Regular Employees?
SSS	Yes
PhilHealth	Yes
Pag-IBIG	Yes
Parental leaves (maternity & paternity leave)	Yes
Paid vacation leaves	Yes
Paid sick leaves	Yes

SSS sickness benefit	Yes
Medical benefits (aside from PhilHealth)	Yes
Life insurance	Yes
Disability and invalidity coverage	Yes
Housing (staff house)	Yes
Housing assistance (aside from Pag-IBIG)	Yes
Retirement fund (aside from SSS)	Yes
Further education support	Yes
Company stock options/ Stock ownership	No
Telecommuting	Yes
Flexible-working hours	Yes
Others: Above minimum wages	Yes
Others: Equitable severance pay	Yes
Others: Flexible benefit	Yes
Others: Access to health & wellness programs	Yes

## Parental Leaves (Maternity & Paternity Leaves)

GRI 401-3

Disclosure	UOM	2025		
		Male	Female	Total
Entitled to parental leaves	#	749	897	1,646
Employees who took parental leave	#	65	50	115
Employees who returned to work after parental leave	#	65	50	115
Return to work rate	%	100	100	100
Employees that were still employed 12 months after their return to work <sup>a</sup>	#	59	43	102

Retention rate <sup>a</sup>	%	100	100	100
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<sup>a</sup>Calculations were based on employees who, after taking parental leave, returned to work in 2024 and remained employed by Monde Nissin in 2025.

## Collective Bargaining Agreements

GRI 2-30

Disclosure	UOM	2025		
		Male	Female	Total
Regular employees covered with Collective Bargaining Agreements	%	23	10	33

## Labor-Management Relations

GRI 402-1

Disclosure	UOM	2025
Minimum number of weeks typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	#	2
For your collective bargaining agreements, are the notice period and provisions for consultation and negotiation specified in the agreement?	Y/N	Y

## Employee Training

GRI 404-1

Disclosure	UOM	2025	
		Male	Female
Training hours provided to regular and probationary employees <sup>a</sup>	hrs	14,637	15,477
	hrs/employee	6	12
Senior management	hrs/employee	59	55
Middle management	hrs/employee	37	30
Staff	hrs/employee	14	20
Rank and file	hrs/employee	0.29	0.08

<sup>a</sup>The implementation of a learning platform enabled Monde Nissin to track learning progress for both regular (from senior management, middle management, and staff levels) and probationary employees, compared to previous years where training

data covered regular employees only.

## Occupational Health and Safety<sup>a</sup>

GRI 403-8, 403-9, 403-10

Disclosure	UOM	2025
Safe manhours	#	8,238,929
Drills	#	10
Recordable work-related injuries	#	23
Work-related fatalities	#	0
Recordable work-related ill health	#	0
TRIR <sup>b</sup>	rate	0.56
Workers covered by an occupational health and safety management system	#	3,359

<sup>a</sup>The OHS data presented pertains exclusively to Monde Nissin employees. However, Monde Nissin's OHS policies and programs are implemented across all levels of the organization and extend to external service providers operating within the Company's facilities, plants, and offices.

<sup>b</sup>TRIR is based on 200,000 work hours

## Product Quality and Safety

GRI 416-1, 416-2

SASB FB-PF-260a.1

Disclosure	UOM	2025
<b>Product Assessment for Health and Safety Impacts</b>		
Significant product and service categories which have been assessed for health and safety impacts	%	100
<b>Incidents of Non-compliance</b>		
Incidents of non-compliance resulting in fine or penalty	#	0
Incidents of non-compliance resulting in a warning	#	0
Incidents of non-compliance with voluntary codes	#	42
<b>Promotion of Health and Nutrition Attributes</b>		
Revenue from the sales from products labeled and/or marketed to promote health and nutrition attributes	Billion Php	32.9

## Food Safety System and Product Certifications

	FSSC 22000 (ver. 6) / ISO 22000:2018	HACCP	GMP/GHP	Halal
Santa Rosa	√ <sup>a</sup>	√	√	√
Porac	-	-	- <sup>b</sup>	-
Malvar	-	-	- <sup>b</sup>	-
Mandaue	√ <sup>a</sup>	√	√	√
Davao	- <sup>c</sup>	√	√	√

<sup>a</sup>Certified to FSSC 22000 (ver. 6), which includes compliance with the ISO 22000:2018 requirements

<sup>b</sup>All sites, including Porac and Malvar, operate in compliance with GMP/GHP requirements, as verified through inspections by the Philippine Food and Drug Administration, rather than through third-party certification.

<sup>c</sup>Certified to ISO 22000:2018

## Marketing and Labeling

GRI 417-1, 417-2, 417-3

SASB FB-PF-270a.1, 270a.3, 270a.4

Disclosure	UOM	2025
<b>Are the following types of information required by the organization's procedures for product and service information and labeling?</b>		
Sourcing of components of the product or service	Y/N	N (Source of components are not required to be declared on the label nor on the registration dossier)
Content, particularly with regard to substances that might produce an environmental or social impact	Y/N	Y
Safe use of the product or service	Y/N	Y
Disposal of the product and environmental or social impacts	Y/N	Y
Significant product or service categories covered by and assessed for compliance with such procedures	%	100
<b>Incidents of Non-compliance</b>		
Incidents of non-compliance resulting in fine or penalty	#	0
Incidents of non-compliance resulting in a warning	#	0

Incidents of non-compliance with voluntary codes	#	0
Monetary losses as a result of legal proceedings associated with labeling and/ or marketing practices	Php	N/A
<b>Advertising Impressions</b>		
Advertising impressions made on children	%	TV: 19 <sup>a</sup> Digital: 12 <sup>b</sup>
Advertising impressions made on children promoting products that meet dietary guidelines	%	TV: 6 <sup>a</sup> Digital: 12 <sup>b</sup>

<sup>a</sup>Source is Nielsen's Arianna tool. There were two runs: (1) Total GRPs of all programs where spots were placed from Jan. to Nov. 2025 (current available data), (2) Total GRPs of programs by age segment. The Adhesion rate was then manually calculated by dividing the program GRPs achieved by age segment to the total GRPs of the program.

<sup>b</sup>The formula used was (number of advertising impressions made on children) / (total number of advertising impressions made). The number of advertising impressions made on children is calculated as the expected share of children in the audience (viewers, listeners, readers, or visitors) at the time of the media buy multiplied by the expected total number of advertising impressions made, regardless whether the advertising is primarily directed to children. Children are defined as age 12 and under. The expected share of children in the audience is based on Nielsen's CMV tool, but the limitation is only from 10-14 years old as no data is available for below 10 years old.

## Customer Satisfaction

Disclosure	UOM	2025 <sup>a</sup>
<b>Customer satisfaction score/rank</b>	Rank/Score	Rank: 3 <sup>rd</sup> Score: 58
<b>Did a third party conduct the customer satisfaction study (Y/N)?</b>	Y/N	Y

<sup>a</sup>The survey conducted by Advantage Group International Inc. from May to June 2025 represents the voices of retailers and suppliers, in which the highest rank and score that can be attained is 1<sup>st</sup> place and +100, respectively. Ranking 3<sup>rd</sup> place means that Monde Nissin is part of the top tier in terms of partnership, execution, reputation, and vision.

## Corporate Governance

### Anti-corruption Practices

GRI 205-2, 205-3

Disclosure	UOM	2025
<b>Communication and Training on Anti-corruption Policies and Procedures</b>		
Employees to whom the organization's anti-corruption policies and procedures have been communicated to	%	100

Senior leaders that have received anti-corruption training	%	100
Employees that have received anti-corruption training	%	100
Governance body members <sup>a</sup> that the organization's anti-corruption policies and procedures have been communicated to	%	100
Governance body members that have received training on anti-corruption	%	100
<b>Incidents of Corruption</b>		
Confirmed incidents of corruption	#	0
Incidents in which directors were removed or disciplined for corruption	#	0
Incidents in which employees were dismissed or disciplined for corruption	#	0
Incidents when contracts with business partners were terminated due to incidents of corruption	#	0
Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcome of such cases	#	0

<sup>a</sup>Governance body members refer to the members of Monde Nissin's Board.

## Customer Privacy and Data Security

GRI 418-1

Disclosure	UOM	2025
Substantiated complaints on customer privacy	#	0
Complaints addressed	#	0
Data breaches, including leaks, thefts and losses of data	#	1 <sup>a</sup>

<sup>a</sup>Non-notifiable internal HR-related security incident

# Appendices

## GRI Content Index

Monde Nissin Corporation has reported the information cited in this GRI content index for the period January 1, 2025 to December 31, 2025 with reference to the GRI Standards.

GRI Standard	Disclosure		Page Number/s	Direct Answer
<b>GRI 2: General Disclosures 2021</b>	2-1	Organizational details	1-3	
	2-2	Entities included in the organization's sustainability reporting	1-3	
	2-3	Reporting period, frequency and contact point	1-3, 91	
	2-4	Restatements of information	3, 69-71	
	2-5	External assurance		This report did not undergo external assurance.
	2-6	Activities, value chain and other business relationships	15-18, 66	
	2-7	Employees	47-49, 74-75	
	2-9	Governance structure and composition	60-61	See also Amended Articles of Incorporation, <a href="#">Amended By-Laws ("By-Laws")</a> and <a href="#">Manual on Corporate Governance ("CG Manual")</a>
	2-10	Nomination and selection of the highest governance body		See <a href="#">By-Laws</a> , <a href="#">CG Manual</a> , <a href="#">CGNRC Charter</a> , and <a href="#">Board Diversity Policy</a>
	2-11	Chair of the highest governance body		The Chairperson of the Board, Ms. Kataline Darmono, is a non-executive director who

				is not involved in Monde Nissin's day-to-day operations.
2-12	Role of the highest governance body in overseeing the management of impacts	11-14, 60-61		
2-13	Delegation of responsibility for managing impacts	11-14, 60-61		
2-14	Role of the highest governance body in sustainability reporting	60-61		
2-15	Conflicts of interest	60-62		See also <a href="#">By-Laws</a> , <a href="#">Conflicts of Interest Policy ("COI Policy")</a> , <a href="#">CG Manual</a> , and <a href="#">Charter of the Board of Directors ("Board Charter")</a>
2-16	Communication of critical concerns	60-61		
2-17	Collective knowledge of the highest governance body			See <a href="#">CG Manual</a> , <a href="#">CGNRC Charter</a> , and <a href="#">Board Charter</a>
2-18	Evaluation of the performance of the highest governance body			See <a href="#">CG Manual</a> , <a href="#">CGNRC Charter</a> , and <a href="#">Board Charter</a>
2-22	Statement on sustainable development strategy	5-6		
2-23	Policy commitments	11-14		
2-24	Embedding policy commitments	11-14		
2-25	Processes to remediate negative impacts	11-14, 19-24		
2-26	Mechanisms for seeking advice and raising concerns	62		See also <a href="#">Code of Conduct and Ethics</a> , <a href="#">Anti-Bribery and Corruption Policy</a> and <a href="#">Whistleblowing Policy</a>

	2-27	Compliance with laws and regulations	74	
	2-28	Membership associations	67	
	2-29	Approach to stakeholder engagement	10	
	2-30	Collective bargaining agreements	77	
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	11	
	3-2	List of material topics	8–9	
	3-3	Management of material topics	26–65	
<b>GRI 102: Climate Change 2025</b>	102-4	Climate targets	32, 33–38	
	102-5	Scope 1 GHG emissions	70–71	
	102-6	Scope 2 GHG emissions	70–71	
	102-8	GHG emissions intensity	35, 70–71	
<b>GRI 103: Energy 2025</b>	103-1	Energy policies and commitments	11–14, 33–37	
	103-2	Energy consumption and self-generation within the organization	69–70	
	103-4	Energy intensity	36, 69–70	
	103-5	Reduction in energy consumption	69–70	
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	68	
	201-2	Financial implications and other risks and opportunities due to climate change	65	
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers	68	
<b>GRI 205: Anti-corruption 2016</b>	205-2	Communication and training about anti-corruption policies and procedures	80–81	
	205-3	Confirmed incidents of corruption and actions taken	80–81	

<b>GRI 301: Materials 2016</b>	301-1	Materials used by weight or volume	69	
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	38–40	
	303-2	Management of water discharge-related impacts	38–40	
	303-3	Water withdrawal	72–73	
	303-4	Water discharge	72–73	
	303-5	Water consumption	72–73	
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	40–43	
	306-2	Management of significant waste-related impacts	40–43	
	306-3	Waste generated	73	
	306-4	Waste diverted from disposal	42, 73	
	306-5	Waste directed to disposal	73	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	64–65	
	308-2	Negative environmental impacts in the supply chain and actions taken	64–65	
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	74–75	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	75–76	
	401-3	Parental leave	76–77	
<b>GRI 402: Labor/Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	77	
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	45	
	403-2	Hazard identification, risk assessment, and incident investigation	45	
	403-3	Occupational health services	45, 49	

	403-4	Worker participation, consultation, and communication on occupational health and safety	49	
	403-5	Worker training on occupational health and safety	49	
	403-6	Promotion of worker health	49	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45	
	403-8	Workers covered by an occupational health and safety management system	78	
	403-9	Work-related injuries	78	
	403-10	Work-related ill health	78	
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	47, 77	
	404-2	Programs for upgrading employee skills and transition assistance programs	46	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	47–49, 74–75	
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	50–52	
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		In 2025, no operations were found to pose a risk to workers' rights to exercise freedom of association or collective bargaining.
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labor		In 2025, no operations were identified as having significant risks for incidents of child labor or

				young workers being exposed to hazardous work.
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		In 2025, no operations were identified as having significant risks for incidents of forced labor.
<b>GRI 413: Local Communities 2016</b>	413-2	Operations with significant actual and potential negative impacts on local communities	55–58	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	64–65	
	414-2	Negative social impacts in the supply chain and actions taken	64–65	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	78	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	78	
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling	79–80	
	417-2	Incidents of non-compliance concerning product and service information and labeling	79–80	
	417-3	Incidents of non-compliance concerning marketing communications	79–80	
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	81	

## SASB Content Index

Sustainability Accounting Standards: Processed Foods

Code	Sustainability Metric	Page Number/s	Direct Answer
<b>Energy Management</b>			
FB-PF-130a.1	Total energy consumed, percentage grid electricity, percentage renewable	69–70	
<b>Water Management</b>			
FB-PF-140a.1	Total water withdrawn, total water consumed	72–73	
	Percentage of each in regions with High or Extremely High Baseline Water Stress	72–73	
FB-PF-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	72–73	
FB-PF-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	38–40	
<b>Food Safety</b>			
FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances		No major non-conformances were identified in audited certified facilities. The Company maintains food safety assurance through facilities certified to Global Food Safety Initiative (GFSI)-recognized standards and continues to strengthen supplier food safety requirements and monitoring systems.
FB-PF-250a.2	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program		In 2025, sourcing efforts focused on enhancing audit processes, strengthening corrective action management, and improving supplier

			alignment with recognized certification programs.
FB-PF-250a.3	Total number of notices of food safety violation received, percentage corrected		No notices of food safety violations received in 2025.
FB-PF-250a.4	Number of recalls issued and total amount of food product recalled		No recalls of food products in 2025.
<b>Health and Nutrition</b>			
FB-PF-260a.1	Revenue from products labelled and/or marketed to promote health and nutrition attributes	78	
FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	26–31	
<b>Product Labeling and Marketing</b>			
FB-PF-270a.1	Percentage of advertising impressions made on children and made on children promoting products that meet dietary guidelines	79–80	
FB-PF-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	79–80	
FB-PF-270a.4	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	79–80	
<b>Packaging Lifecycle Management</b>			
FB-PF-410a.1	Total weight of packaging, percentage made from recycled and/or renewable materials, and percentage that is recyclable, reusable, and/or compostable	69	
FB-PF-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	40–43	

### Environmental & Social Impacts of Ingredient Supply Chain

FB-PF-430a.1	Percentage of food ingredients sourced that are certified to third-party environmental or social standards, and percentages by standard		Food ingredients are currently not assessed for certification against third-party environmental or social standards
FB-PF-430a.2	Suppliers' social and environmental responsibility audit non-conformance rate and associated corrective action rate for major and minor non-conformances		Suppliers are currently not audited using environmental standards.

### Ingredient Sourcing

FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	69	
FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks related to environmental and social considerations	69	

Code	Activity Metric	Page Number/s	Direct Answer
FB-PF-000.B	Number of production facilities	68	

## Contact Information

GRI 2-3

### Monde Nissin Corporation

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