# SECURITIES AND EXCHANGE COMMISSION SEC FORM 20-IS

# INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

Preliminary Information Statement

**Definitive Information Statement** 

2. Name of Registrant as specified in its charter

Monde Nissin Corporation

 ${\it 3. Province, country or other jurisdiction of incorporation or organization}\\$ 

**Philippines** 

4. SEC Identification Number

0000086335

5. BIR Tax Identification Code

000-417-352-000

6. Address of principal office

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

4026

7. Registrant's telephone number, including area code

+63277597595

8. Date, time and place of the meeting of security holders

June 27, 2025 at 10 a.m. PH Standard Time. The Annual Stockholders' Meeting ("ASM") will be conducted exclusively via remote communication through an online virtual platform (https://conveneagm.com/ph/MONDE2025ASM).

- Approximate date on which the Information Statement is first to be sent or given to security holders Jun 4, 2025
- 10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor

Not applicable.

Address and Telephone No.

Not applicable.

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding	
Common	17,968,611,496	

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

Yes No

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

The common shares are listed on the Philippine Stock Exchange.

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 17-5 - Information Statement for Annual or Special Stockholders' Meeting

\*References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules\*

Date of Stockholders' Meeting	Jun 27, 2025
Type (Annual or Special)	Annual
Time	10:00 a.m.
Venue	The ASM will be conducted exclusively via remote communication through an online virtual platform (https://conveneagm.com/ph/MONDE2025ASM).
Record Date	May 30, 2025

# **Inclusive Dates of Closing of Stock Transfer Books**

Start Date	N/A
End date	N/A

# **Other Relevant Information**

Please see attached Preliminary Information Statement (with Annexes and other materials) in connection with MONDE's 2025 ASM.

# Filed on behalf by:

Name	Katherine Lee-Bacus
Designation	Assistant Corporate Secretary

# **COVER SHEET**

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# NOTICE OF ANNUAL STOCKHOLDERS' MEETING FOR 2025

Monde Nissin Corporation's ("MONDE's") 2025 Annual Stockholders' Meeting (the "Meeting") will be held via the AGM@Convene virtual online platform accessible at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a> on June 27, 2025 (Friday) at 10:00 a.m. Philippines Standard Time (PHT).

# AGENDA1

- 1. Call to order
- 2. Certification of notice and of quorum
- 3. Instructions on rules of conduct and voting procedures for the Meeting
- 4. Approval of Minutes of Previous Stockholders' Meeting held on June 28, 2024
- 5. Management Report
  - a. Message of the Chairperson
  - b. Report of the Chief Executive Officer
  - c. Report of the Chief Financial Officer
- 6. Ratification of the 2024 Annual Audited Consolidated Financial Statements
- 7. Ratification of all acts of the Board of Directors, Board Committees, Officers, and Management for the period June 28, 2024 to June 27, 2025
- 8. Election of Directors (including 3 Independent Directors) for the ensuing year
- 9. Appointment of External Auditor and fixing its remuneration
- 10. Other business
- 11. Adjournment

Stockholders of record as of  $\underline{\text{May 30, 2025}}$  ("**Record Date**") are entitled to receive notice of and, upon registration, may vote at the Meeting.

Stockholders who wish to participate in the Meeting must register through the AGM@Convene online portal ("Portal") accessible at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. Registration begins at 9:00 a.m. PHT of June 3, 2025 and closes at 5:00 p.m. PHT of June 18, 2025 ("Registration Period").

Once registered through the Portal, stockholders may vote using any of the following methods:

- (a) by appointing MONDE's Chief Executive Officer ("CEO") as their proxy through the Portal. Duly accomplished proxies must be submitted via the Portal on or before June 18, 2025 at 5:00 p.m. PHT. Proxies will be validated upon their submission and until June 20, 2025;
- (b) by appointing MONDE's CEO as their proxy by submitting the duly accomplished proxy form (attached to MONDE's Information Statement) via email to corporate.secretary@mondenissin.com. Duly accomplished proxies must be submitted to MONDE via email to corporate.secretary@mondenissin.com on or before June 18, 2025 at 5:00 p.m. PHT. Proxies will be validated upon their submission and until June 20, 2025;

 $<sup>^{1}</sup>$  See next section for the explanation and rationale for each agenda item.

- (c) by remote communication through the Portal. The option to vote by remote communication through the Portal will be made available after a stockholder's registration application has been authenticated and approved. Stockholders voting by remote communication may cast their votes before the Meeting, or may opt to cast their votes live during the Meeting; and
- (d) by voting *in absentia* through the Portal. The option to vote *in absentia* through the Portal will be made available after a stockholder's registration application has been authenticated and approved. Stockholders are allowed to cast their votes *in absentia* until June 26, 2025 at 5:00 p.m. PHT;

For additional details on the Meeting registration and voting, stockholders may refer to MONDE's Information Statement, which will be accessible starting June 3, 2025 at: (i) <a href="www.mondenissin.com">www.mondenissin.com</a> and (ii) <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. Stockholders encountering issues using or accessing the Portal may contact AGM@Convene at support@conveneagm.com for technical support.

In compliance with the relevant issuances and regulations of the Securities and Exchange Commission ("SEC"), the Information Statement and its attachments, and other documents related to the Meeting may be accessed starting June 3, 2025 at <a href="www.mondenissin.com">www.mondenissin.com</a>, and also through <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. The Meeting proceedings will be recorded in audio and video formats.

Stockholders of record as of Record Date owning (alone or together with other stockholders) at least 5% of MONDE's total outstanding capital stock may submit proposals on items for inclusion in the Meeting's Agenda on or before June 18, 2025.<sup>2</sup>

All other communications should be sent via email to <a href="mailto:investor.relations@mondenissin.com">investor.relations@mondenissin.com</a>, copying corporate.secretary@mondenissin.com.

This notice supersedes the disclosure notice filed with the SEC and the Philippine Stock Exchange on May 16, 2025.

Makati City, May 21, 2025.

**HELEN G. TIU**Corporate Secretary

Tiu, Helen &

 $<sup>^2</sup>$  The inclusion of the proposed agenda item shall be in accordance with SEC Memorandum Circular No. 14, Series of 2020, and relevant guidelines.

# **EXPLANATION FOR AND RATIONALE OF AGENDA ITEMS**

#### 1. Call to Order

The Chairperson will call the Meeting to order at approximately 10:00 a.m. PHT.

#### 2. Certification of Notice and Quorum

The Corporate Secretary will certify that: (a) in compliance with the requirements of the Revised Corporation Code and the relevant issuances and regulations of the SEC, notice for the Meeting was distributed to MONDE's stockholders of record as of May 30, 2025 (including through the notice's publication in two newspapers of general circulation, in print and online formats, for two consecutive days pursuant to SEC Notice dated March 12, 2025), and (b) that a quorum exists for the transaction of business.

## 3. Instructions on Rules of Conduct and Voting Procedures

- Pursuant to the Revised Corporation Code's Sections 23 and 57 and MONDE's Amended By-Laws' Article IV, Section 8 which allow participation and voting *in absentia* by the stockholders, MONDE has set up the designated online web address <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a> which may be accessed by the stockholders to register for the Meeting.
- Registrants who have submitted complete requirements within the Registration Period will receive an email notice prompting them to verify their email address, and to nominate a password for their account.
- After verifying their email, the registrants' stockholder status will be authenticated. Pending authentication and approval of the registration application, registrants may already submit questions ahead of the Meeting and appoint MONDE's CEO as proxy, subject to authentication and approval of the registration application.
- Registrants whose stockholder status have been authenticated will receive an email confirming that their registration application has been approved ("Confirmation Email").
- Registrants who do not receive a Confirmation Email within three (3) business days from submission of complete requirements should email <a href="mailto:support@conveneagm.com">support@conveneagm.com</a>, copying MONDE's Corporate Secretary at <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a>.
- A stockholder who votes *in absentia* or participates through remote communication (both through the Portal) shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for voting and participation in the Meeting through remote communication:

- a. Stockholders may attend the Meeting remotely through <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. Questions and comments pertaining to any item on the agenda may be sent during the Registration Period and during the Meeting through the Portal. Questions submitted during the Registration Period will be given priority.
- b. Each of the proposed resolutions will be shown on the screen during the livestreaming as the same is taken up at the Meeting. Stockholders may also vote as each of the agenda items submitted for voting is taken up during the Meeting.
- c. Stockholders intending to participate in the Meeting by remote communication are required to register during the Registration Period at the Portal. The requirements for

- participating and voting are set forth in the Information Statement. Only successful registrants will be counted for purposes of determining the existence of a quorum.
- d. Upon receipt of the Confirmation Email, successful registrants may vote through the Portal, or through the appointment of MONDE's CEO as proxy. Those choosing to participate by remote communication may also vote live during the Meeting.
- e. A stockholder who registers by 5:00 p.m. PHT on June 18, 2025 may still vote by proxy through the Portal or submit questions even pending validation of his/her registration application. Proxies will be validated from their submission until June 20, 2025.
- f. A stockholder may also submit his/her/its proxy using the prescribed form to MONDE's Corporate Secretary at <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a> not later than 5:00 p.m. PHT on June 18, 2025 ("Proxy Deadline").
- g. Stockholders may revoke a proxy submitted through the Portal or to MONDE's Corporate Secretary via email at any time before the Proxy Deadline. Proxies will be locked in and may no longer be revoked or changed after the Proxy Deadline. Stockholders who submit proxies and do not revoke such proxies by the end of the Proxy Deadline will not be able to vote live during the Meeting but may submit questions and watch the Meeting live.
- h. Stockholders voting *in absentia* may cast their votes electronically through the Portal at any time from the receipt of the Confirmation Email until June 26, 2025 at 5:00 p.m. PHT.
- i. All the items in the agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding capital voting stock present at the Meeting. Except as provided in paragraph (j) below, each outstanding share of stock entitles the registered stockholder to one vote.
- j. Election of directors will be by plurality of votes with provision for cumulative voting. Each outstanding share of stock entitles the registered stockholder to one vote per board seat to be filled.
- k. The Corporate Secretary and her assistants will tabulate all votes received. An independent third party assurance provider will validate the voting results. The Corporate Secretary shall report the preliminary results of voting during the Meeting. The final results as certified by the independent third party assurance provider will be indicated in the minutes of the Meeting.
- I. The meeting proceedings shall be recorded in audio and video formats.

# 4. Approval of Minutes of Previous Stockholders' Meeting Held on June 28, 2024

A copy of the minutes of the Previous (2024) Annual Stockholders' Meeting held on June 28, 2024 ("Previous Minutes") is available at <a href="www.mondenissin.com">www.mondenissin.com</a> and at the Portal. The Previous Minutes' approval requires the affirmative vote of stockholders representing at least a majority of the outstanding capital stock voting through remote communication or *in absentia*, or through the appointment of the CEO as proxy. The Previous Minutes covers the following items:

- a. approval of the minutes of the annual stockholders' meeting held on June 30, 2023;
- b. management report;
- c. ratification of the 2023 audited financial statements;
- d. the ratification of acts of the Board and of MONDE officers from June 30, 2023 to June 28, 2024. They include:
  - i. election of officers, board committee chairpersons and members, and lead independent director (including interim lead independent director, and interim board committee chairperson and member) as well as appointment of their successors, if necessary;
  - ii. approval of the re-allocation or change in the use of initial public offering proceeds;

- authorizing MONDE to enter into, amend, or terminate agreements and/or iii. execute applications/forms, reports, and/or certifications needed by MONDE in the normal course of business (e.g., non-disclosure or confidentiality agreements; corporate communications, public affairs management and government relations-related agreements; investment management agreements; trust agreements; labor-related, training, and/or recruitment- related agreements; employee benefits-related agreements; employment contracts; collection servicing agreements; marketing-related agreements; talent agreements; cobranding agreements; co-promotion agreements; internal audit-related agreements; construction agreements; supply chain or logistics-related agreements; trading terms agreements; supply agreements; service agreements; integrated facilities agreements; electricity supply agreements; contracts and engagement letters; lease agreements; hauling agreements; waste treatment and/or disposal agreements; machine & calibration service agreement, security services agreements; quality assurance-related agreements; agreements; compliance-related agreements; consultancy distributorship agreements; agreements; endorsement agreements; payment arrangements; licensing agreements; subscription agreements; softwareor information technology-related agreements; sales-related agreements; memoranda of agreement; accommodation agreements; and data sharing agreements), and advisement reports, including amendments to the foregoing and/or designating MONDE representatives and signatories agreements), regarding the same;
- iv. approval of change in designation of certain key officers (*i.e.,* Chief Risk Management Officer and Chief Business Officer);
- v. declaration of cash dividends;
- vi. authorizing MONDE to buy and/or sell company vehicles;
- vii. approval of the budget for year 2024;
- viii. approval and/or removal of signatories for transactions with banks, financial intermediaries, and trust investment companies;
- ix. approval of certain amendments to MONDE's Conflict of Interest Policy;
- x. approval of the Board and Board Committee evaluation materials or forms and the results of the assessment;
- xi. designation of authorized signatories/representatives to transact business on MONDE's behalf with certain government agencies (whether local or foreign) as are required by law or regulations, in connection with applications and actions before such government agencies;
- xii. authorizing MONDE to enter into hedging transactions with certain banks and non-bank financial institutions;
- xiii. authorizing MONDE to open, re-activate, and/or close accounts with banks and non-bank financial intermediaries and to avail of their services, and/or products (including internet/ online banking facilities, derivative transactions, supply chain financing agreements) as well as agree to operational details concerning such availments and designating signatories for the same;
- xiv. noting Monde Nissin Singapore Pte. Ltd ("MNSPL")'s report on the latter's receipt of a significant risk reduction measure consisting of a financial support commitment offered by MONDE's controlling shareholders (through the controlling shareholders' family holding company, MNSG Holdings Pte. Ltd.) that shall result in a partial reduction of accumulated impairments (if any) recognizable with respect to MNSPL's Meat Alternative Business for the next ten (10) years;

- xv. authorizing MONDE to permanently discard, dispose of, and write off certain assets from its books of accounts;
- xvi. appointment of trustee to MONDE's retirement fund;
- xvii. authorizing MONDE to acquire 99,995 shares of its subsidiary KBT International Holdings, Inc. ("KBTI") from the minority shareholders thereof;
- xviii. approval for the subscription by MONDE to an additional 47,000,000 ordinary shares in its wholly owned subsidiary MNSPL at an aggregate subscription price of £47.0 Million;
- xix. authorizing MONDE to establish scholarships and research grants to certain students;
- xx. approval of MONDE's 2023 annual audited consolidated financial statements;
- xxi. approval of MONDE's interim unaudited financial statements for each quarter;
- xxii. authorizing MONDE to extend loans to or refinance (including guarantee and/or act as surety with respect to loans of) various subsidiaries and/or affiliates, as well as to appoint enforcement agents in connection therewith;
- xxiii. appointment of MONDE officer (i.e., Interim Chief Internal Audit Executive);
- xxiv. authorizing MONDE to appoint representatives in connection with court, administrative and/or other legal proceedings (including extrajudicial compromise agreements) that may involve MONDE;
- xxv. designation of proxies of MONDE to stockholders' meetings of its subsidiaries, affiliates, and investee-companies;
- xxvi. authorizing the Meeting to be held via remote communication on June 28, 2024, setting the record date for the Meeting, appointment of external auditor and fixing its remuneration, and authorizing the CEO to execute the information statement;
- xxvii. approval of the agenda for the Meeting;
- xxviii. approval of Corporate Governance, Nominations, and Remuneration ("CGNR") Committee's recommendation regarding the final list of nominees for directors for election at the Meeting:
- xxix. the acts of the officers taken by them to implement the resolutions of the Board and its Committees in the general conduct of business; and
- xxx. matters covered in the disclosures to the SEC and/or the PSE.;
- e. election of directors (including 3 independent directors) for the ensuing year; and
- f. appointment of external auditor and fixing its remuneration.

#### 5. Management Report

The Chairperson will deliver the message to the stockholders. CEO Mr. Henry Soesanto, and Chief Financial Officer Mr. Jesse C. Teo, respectively, will report on MONDE's performance in 2024. The stockholders will be requested to note the Management Report.

# 6. Ratification of the 2024 Annual Audited Consolidated Financial Statements

The Annual Audited Consolidated Financial Statements ("AFS") as of December 31, 2024 will be presented to the stockholders for their approval. The AFS will be included in the Information Statement that may be accessed by the stockholders at <a href="www.mondenissin.com">www.mondenissin.com</a> and at the Portal. This agenda item requires the affirmative vote of stockholders representing at least a majority of the outstanding capital stock voting through remote communication, in absentia, or through the appointment of the CEO as proxy, to be approved.

7. Ratification of All Acts of the Board, Board Committees, Officers, and Management for the period June 28, 2024 to June 27, 2025

The acts of the Board and its Committees, the Officers, and Management were those adopted since the last annual stockholders' meeting on June 28, 2024 until June 27, 2025. They include:

- a. election of officers, board committee chairpersons and members, and lead independent director as well as the appointment of their successors, if necessary;
- authorizing MONDE to enter into, amend, or terminate agreements needed by MONDE in the normal course of business (e.g., non-disclosure or confidentiality agreements; shared functional services agreement; deeds of absolute sale; toll manufacturing agreements; investment management agreements; standby letters of credit, trust agreements; credit line agreements in connection with procurement-related transactions, labor-related, training, and/or recruitment-related agreements; employee benefits-related agreements; employment agreements, secondment agreements; internal audit-related agreements; co-existence agreements, intellectual property-related agreements, trading terms agreements; concession agreements; supply agreements; service agreements; integrated facilities agreements; electricity supply agreements; connection agreements; advisory contracts and engagement letters; lease agreements (including long term lease agreements); sub-lease agreements, hauling agreements; waste treatment and/or disposal agreements; machine & calibration service agreements; security services agreements; tax-related agreements; compliance-related agreements; risk-related agreements; insurance agreements; banking-related agreements; forex-related agreements, consultancy agreements; distributorship agreements; sub-distributorship agreements; merchandising agreements, endorsement agreements; marketing collaboration agreements, digital marketing service agreements, marketing-related agreements; licensing agreements; hotel booking agreements; subscription agreements; software- or information technology-related agreements; bakery-related agreements, sales-related agreements; memoranda of agreement with fintech companies; ecommerce related agreements, payment platform agreements, data sharing agreements; outright purchase agreements, energy supply agreements, connection agreements etc.) and designating MONDE representatives and signatories regarding the same;
- c. authorizing MONDE to execute or issue and submit applications/forms, reports and/or certifications needed in the ordinary course of business (including Advisement Report) and designating MONDE representatives and signatories regarding the same;
- d. authorizing MONDE to enter into release, waiver and quitclaims and other settlement agreements;
- e. authorizing MONDE to host the 2025 two-day World Instant Noodle Association 11<sup>th</sup> Summit and to enter into related agreements and designating MONDE representatives and signatories regarding the same;
- f. approval of change in designation of certain key officers (*i.e.*, Chief Risk Management Officer and Chief Internal Audit Executive);
- g. declaration of cash dividends;

- h. authorizing MONDE to buy and/or sell company vehicles and designating MONDE representatives and signatories regarding the same;
- i. approval of the budget for year 2025;
- j. approval and/or removal of signatories for transactions with banks, non-bank financial intermediaries, and trust investment companies;
- k. approval of revised Corporate Internal Audit Charter;
- I. approval of certain amendments/updates to MONDE's Sustainability Policy;
- m. approval of the Board and Board Committee evaluation materials or forms;
- n. authorizing MONDE to apply for registration with the Philippine Board of Investments ("BOI") (a) as a new producer of butter coconut biscuits in Davao City (new line) and (b) for MONDE's long term lease agreement/s, as well as designating MONDE representatives and signatories regarding the same;
- o. authorizing MONDE to apply with the Department of Tourism ("**DOT**") for the accreditation of its noodle factory museum and designating representatives to transact with DOT;
- p. designation of authorized signatories/representatives to transact business on MONDE's behalf with certain government agencies (whether local or foreign) as required by law or regulations, in connection with applications and actions before such government agencies including authorizing them to be signatories for related forms and/or agreements, as needed;
- q. authorizing MONDE to enter into hedging transactions with certain bank and non-bank financial institutions;
- r. authorizing MONDE to open, re-activate, and/or close accounts with banks and non-bank financial intermediaries and to avail of their services and/or products (including internet/online banking facilities, derivative transactions, and supply chain financing agreements) as well as agree to operational details concerning such availments and designating signatories for the same;
- s. authorizing MONDE to appointment new additional trustees for the management of its retirement fund as well as authorizing MONDE to secure re-certification of MONDE's tax-qualified reasonable private benefit plan from the Bureau of Internal Revenue, and designating representatives for the same;
- t. appointment of a proxy to KBTI's annual stockholders' meeting;
- u. authorizing MONDE to subscribe for an additional 31,360,000 ordinary shares of its wholly owned subsidiary MNSPL at a total subscription price of £31.36 million;
- v. authorizing MONDE to subscribe for an additional 1,270,000 shares of its wholly owned subsidiary KBTI at an aggregate subscription price of ₱1.2 Billion;

- w. authorizing MONDE to subscribe to 178,500 shares of Amico Innovations, Inc. ("Amico") at a total subscription price of ₱35.7 million representing 70.0% of Amico's outstanding capital stock;
- x. authorizing MONDE to make a P45.0 Million donation to Monde Nissin Foundation as an initial endowment;
- y. authorizing MONDE to donate for disaster relief, feeding programs, nutrition scholarships, and/or sustainability-related initiatives and to ratify year-to-date donations to said advocacies and/or causes;
- z. approval of MONDE's 2024 annual audited consolidated financial statements;
- aa. approval of MONDE's interim unaudited financial statements for each quarter;
- bb. authorizing MONDE to extend/refinance loans to, and/or guarantee or act as surety with respect to the obligations of, its various direct and indirect subsidiaries and/or affiliates as well as to designate representatives to the *Bangko Sentral ng Pilipinas* to register the same (when applicable) as well as to appoint enforcement agents in connection therewith;
- cc. authorizing MONDE to file or respond to court, administrative and/or other legal proceedings involving MONDE (including designating representatives thereto), and/or enter into compromise agreements;
- dd. authorizing the Meeting to be held via remote communication on June 27, 2025, setting the record date for the Meeting, endorsement to stockholders at the Meeting of external auditor's appointment and fixing its remuneration, and authorizing the CEO to execute the information statements;
- ee. approval of the agenda for the Meeting;
- ff. approval of CGNR Committee's recommendation regarding the final list of nominees for directors for election at the Meeting;
- gg. the acts of the officers taken by them to implement the resolutions of the Board and its Committees; and
- hh. matters covered in the disclosures to the SEC and/or the PSE.

The affirmative vote of stockholders representing at least a majority of the outstanding capital stock voting through remote communication or *in absentia*, or through the appointment of the CEO as proxy is required for this agenda item, to be approved.

# 8. <u>Election of Directors (Including 3 Independent Directors) for the Ensuing Year</u>

Pursuant to MONDE's By-Laws, Revised Manual of Corporate Governance, and applicable SEC rules, any stockholder, including a minority stockholder, may submit nominations for the election of directors. As of April 28, 2025, the Board's Corporate Governance, Nomination, and Remuneration Committee received nominations for directors and have evaluated and determined that the nine (9) nominees to the Board, including those for independent directors, have all the necessary qualifications and none of the disqualifications to serve as directors (or

independent directors), and the expertise and competence, individually and collectively, to enable the Board to fulfill its roles and responsibilities and govern MONDE to achieve its objectives.

The nominees' names and their respective profiles, including directorships in listed companies, and the certifications of the nominees for independent directorship, are duly indicated in the Information Statement. The election of directors will be done by plurality of votes. Cumulative voting is allowed.

# 9. Appointment of External Auditor and Fixing its Remuneration

The Board's Audit Committee will endorse to the stockholders the appointment of SyCip Gorres Velayo & Co. ("SGV") as the external auditor for calendar year 2025 and its proposed remuneration. The external auditor conducts an independent verification of MONDE's financial statements and provides an objective assurance on the accuracy of its financial statements.

The Information Statement contains SGV's profile.

A resolution for SGV's appointment as MONDE's external auditor for the calendar year 2025, and ratifying SGV's audit fees will be presented to the stockholders for adoption and shall require the affirmative vote of stockholders representing at least a majority of the outstanding capital stock voting through remote communication or *in absentia*, or through the appointment of the CEO as proxy, to be approved.

#### 10. Other Business

Stockholders of record as of Record Date (*i.e.*, May 30, 2025) owning (alone or together with other stockholders) at least 5% of MONDE's total outstanding capital stock may submit proposals on items for inclusion in the Meeting's Agenda.<sup>3</sup> Such additional agenda items for the Meeting must be submitted to MONDE on or before June 18, 2025 at 5:00 p.m. PHT.

The Chairperson of the Meeting will open the floor for comments and questions by the stockholders with respect to the agenda items. In this connection, and subject to the foregoing guidelines, the CEO and key management officers will address stockholders' comments and questions sent in during the Registration Period and during the Meeting in accordance with existing laws, rules, and SEC regulations.

#### 11. Adjournment

Upon confirmation by the Corporate Secretary that there are no other matters to be considered, the Chairperson of the Meeting will declare the Meeting adjourned.

<sup>&</sup>lt;sup>3</sup> The inclusion of the proposed agenda item shall be in accordance with SEC Memorandum Circular No. 14, Series of 2020, and MONDE's internal guidelines.

#### PROXY FORM

The undersigned stockholder of MONDE NISSIN CORPORATION ("MONDE") hereby appoints MONDE's Chief Executive Officer as attorney-in-fact and proxy to represent and vote all shares registered in the undersigned's name at MONDE's 2025 Annual Stockholders' Meeting on June 27, 2025 (Friday) at 10:00 a.m. Philippine Standard Time (PST) by remote communication and at any and all adjournments or postponements thereof, for the purpose of acting on the matters stated below.

(Instructions: please place an "X" in the box below how you wish your votes to be cast in respect of the matters to be taken up during the meeting.)

1.	Approval of Minutes of Previous Stockholders' Meeting held on June 28, 2024 ☐ For ☐ Against ☐ Abstain	<ol> <li>Appointment of SyCip Gorres Velayo &amp; Co. as External Auditor and fixing its remuneration</li> <li>□ For</li> <li>□ Against</li> <li>□ Abstain</li> </ol>					
2.	Noting of the Management Report ☐ Noted ☐ Abstain	<ol> <li>At his/her discretion, the proxy named above is authorized to vote upon such other matter(s) as may properly come before the meeting.</li> </ol>					
3.	Ratification of the 2024 Annual Audited Consolidated Financial Statements	☐ Yes ☐ No					
	☐ For ☐ Against ☐ Abstain	I hereby give my consent for MONDE and its authorized representatives to collect, store, disclose, transfer, and process my					
4.	personal data for the purpose of the live streaming Annual Stockholders' Meeting as well as for Third-validation in accordance with MONDE's Data Privacy Guardine Privacy Guardi						
5.	Election of Directors (Including 3 Independent Directors) for the ensuing year	as required by the Securities and Exchange Commission's relevant guidelines.					
	Vote my shares as follows ( <i>Please check one</i> ):  ☐ Equally to all nine (9) nominees for directorship;	PRINTED NAME AND SIGNATURE OF STOCKHOLDER**					
	☐ Abstain for all nine (9) nominees for directorship; ☐ Distribute or cumulate my shares to the nominee/s, as	DATE					
	follows: (Indicate the number of shares to be voted for each nominee in the table below. <b>To withhold authority to vote for</b>						
	any individual nominee(s), please place an "X" mark on the abstain column in line with the name of the nominee(s).)	No. of Shares Held: Email Address:					

NAME
YES
ABSTAIN

Hartono Kweefanus

Kataline Darmono
Hoediono Kweefanus
Betty T. Ang
Henry Soesanto
Monica Darmono
Nina Perpetua D. Aguas
(Independent Director)
Anabelle L. Chua
(Independent Director)
Ramon Felicisimo M. Lopez

**NUMBER OF VOTES\*** 

(Independent Director)

This proxy should be submitted to MONDE on or before 5:00 p.m. PST of June 18, 2025 (*i.e.*, the deadline for submission of proxies) electronically via the online portal accessible at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a> or via email to <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a>. Proxies will be validated after they are received and until June 20, 2025.

#### THERE IS NO NEED TO HAVE THIS PROXY NOTARIZED.

\*\*For Corporate stockholders, please attach to this proxy form the Secretary's Certificate on the authority of the signatory to appoint the proxy and sign this form.

Stockholders with joint accounts are required to submit an authorization letter, duly signed by all joint account holders, authorizing the signatory of this form to appoint the proxy.

A proxy form given by a broker or PCD participant in respect of shares of stock carried by such broker or PCD participant for the account of the beneficial owner must be accompanied by the written consent or conforme of the beneficial owner or account holder.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted for the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the information statement and/or as recommended by management or the Board of Directors.

A stockholder giving a proxy has the power to revoke it on or before 5:00 pm PST on June 18, 2025, after which time the proxy will be locked-in and may no longer be revoked or changed.

<sup>\*</sup>Total votes cast should not exceed the number of shares in your name multiplied by the number of board seats

# SECURITIES AND EXCHANGE COMMISSION SEC FORM 20-IS

# INFORMATION STATEMENT OF MONDE NISSIN CORPORATION ("MONDE") PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1.	Check the appropriate box:						
	[ $\checkmark$ ] Preliminary Information Statement						
	[ ] Definitive Information Statement						
2.	Name of registrant as specified in its charter: MONDE NISSIN CORPORATION						
3.	Province, country or other jurisdiction of incorporation: <b>Philippines</b>						
4.	Securities and Exchange Commission ("SEC") Identification Number: 0000086335						
5.	BIR Tax Identification Code: 000-417-352-00000						
6.	Address of principal office: Felix Reyes St., Brgy. Balibago, Santa Rosa City, Laguna						
	Postal Code: 4026						
7.	Registrant's telephone number, including area code: +632 7759 7595						
8.	Date, time and place of the meeting of security holders:						
	Date: June 27, 2025 Time: 10:00 A.M. Philippine Standard Time (PST) Place: Virtually, via <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>						
9.	Approximate date on which the Information Statement is distributed to security holders: June 4, 202						
10.	Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code ("SRC"):						
	Title of Each Class  Number of Shares of Common Stock  Outstanding						
	Common 17,968,611,496						
11.	Are any or all of registrant's securities listed in a Stock Exchange?						
	[ <b>/</b> ] Yes [ ] No						
	If yes, disclose the name of such Stock Exchange and the class of securities listed therein:						
	The Philippine Stock Eychange, Inc.						

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- Annex D. Management Report
- Annex E. Minutes of the Annual Stockholders' Meeting dated June 28, 2024
- Annex F. Certification (that none of MONDE's directors and officers are employed by or connected to the government)

# INFORMATION REQUIRED IN THE INFORMATION STATEMENT

This <u>Preliminary</u> Information Statement ("Information Statement") is dated May 21, 2025 and is being furnished to MONDE's security holders as of May 30, 2025, in connection with MONDE's 2025 annual stockholders' meeting on June 27, 2025 (the "Meeting").

# MONDE IS NOT SOLICITING PROXIES FROM ANY SECURITY HOLDER.

#### A. GENERAL INFORMATION

# Item 1. Date, Time and Place of Meeting of Security Holders

Date:	June 27, 2025
Time:	10:00 A.M. PST
Place:	Virtually via https://conveneagm.com/ph/MONDE2025ASM

MONDE's principal office is at Felix Reyes St., Brgy. Balibago, Santa Rosa City, Laguna, 4026 Philippines.

The Information Statement may be accessed beginning June 4, 2025 at: <a href="www.mondenissin.com">www.mondenissin.com</a> and <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. The Chairperson of the Meeting shall be in MONDE's principal office as he presides over the Meeting.

The table below sets out MONDE's compliance with the requirements under Section 49 of the Revised Corporation Code ("RCC"):

	Requirement	Reference
1.	A description of the voting and vote tabulation procedures used in the last meeting	Please see Annex E (Minutes of the Annual Stockholders' Meeting dated June 28, 2024) for the manner of voting and the vote tabulation procedures adopted for the approval of the matters presented to the stockholders during the last stockholders' meeting, i.e., the June 28, 2024 stockholders' meeting ("2024 ASM"), where 15,257,375,963 of the outstanding and voting shares or 84.91% of the total outstanding capital stock were present (i.e., in person, in absentia, or through remote communication) or represented by proxy issued to MONDE's Chief Executive Officer.
2.	A description of the opportunity given to stockholders to ask questions and a record of the questions asked and answers given during the last meeting	Please see <b>Annex E</b> ( <i>Minutes of the Annual Stockholders' Meeting dated June 28, 2024</i> ) for the procedure observed for stockholders' queries and the record of the questions asked and answers given during the 2024 ASM.
3.	The matters discussed and resolutions reached during the last meeting	Please see pp. 16-167, item 15 (Actions with Respect to Reports) and Annex E (Minutes of the Annual Stockholders' Meeting dated June 28, 2024) for the matters discussed and resolutions reached during the 2024 ASM.
4.	A record of the voting results for each agenda item during the last meeting	Please see <b>Annex E</b> ( <i>Minutes of the Annual Stockholders' Meeting dated June 28, 2024</i> ) for the voting results for each agenda item during 2024 ASM.

	Requirement	Reference
5.	A list of the directors, officers and stockholders who attended the last meeting	Please see <b>Annex E</b> ( <i>Minutes of the Annual Stockholders' Meeting dated June 28, 2024</i> ) for the directors, officers and stockholders present during the 2024 ASM.
6.	List of material information on the current stockholders, and their voting rights	Please see pp. 4-7, item 4 ( <i>Voting Securities and Principal Holders Thereof</i> ) for the list of material information on the current stockholders and their voting rights.
7.	Other items that the SEC may require in the interest of good corporate governance and protection of minority stockholders	Please see p. 3, item 2 ( <i>Dissenters' Rights of Appraisal</i> ) for the instances when a stockholder can exercise the right to dissent and demand payment of the fair value of shares.
8.	A detailed, descriptive, balanced and comprehensible assessment of the corporation's performance, which shall include information on any material change in the corporation's business strategy, and other affairs	Please see pp. 1-48, <b>Annex D</b> ( <i>Management Report</i> ) for the management discussions and analyses of financial condition and results of operations as of December 31, 2024, and as of March 31, 2025.
9.	A financial report for the preceding year (which shall include financial statements duly signed and certified in accordance with the Revised Corporation Code and the SEC, a statement on the adequacy of MONDE's internal controls or risk management systems, and a statement of all external audit and non-audit fees)	Please see pp. 1-48, <b>Annex D</b> ( <i>Management Report</i> ) for the management discussions and analyses of financial condition and results of operations as of December 31, 2024 and as of March 31, 2025, as well as the Consolidated Audited Financial Statements as of December 31, 2024, and Unaudited Interim Consolidated Financial Statements as of March 31, 2025.
10.	An explanation of the dividend policy and the fact of payment of dividends or the reasons for nonpayment thereof	Please see p. 50, <b>Annex D</b> ( <i>Management Report</i> ) for the dividend policy adopted by the Board of Directors (" <b>Board</b> ") on March 12, 2021. Please see pp. 50-51, <b>Annex D</b> ( <i>Management Report</i> ) for information on cash dividends declared and paid by MONDE in the last two (2) years, with the note that there are no restrictions limiting the payment of dividends on MONDE's common shares other than what the RCC provides.
11.	Directors' profiles which shall include, among others, their qualifications and relevant experience, length of service in the corporation, trainings and continuing education attended, and their board representation in other corporations	Please see <b>Annex B</b> ( <i>Information on Directors and Executive Officers</i> ) setting out the profiles of MONDE's directors.
12.	A director attendance report, indicating the attendance of each of the meetings of the board and its	Please see pp. 9-9, item 5 ( <i>Directors and Executive Officers</i> ) for the directors' attendance record for board and board committee meetings in 2024.

	Requirement	Reference
	committees and in regular or special stockholder meetings	
13.	Appraisals and performance reports for the board and the criteria and procedure for assessment	Please see pp. 9-11, item 5 ( <i>Directors and Executive Officers</i> ) for a discussion on appraisals and performance reports for the Board.
14.	A director compensation report prepared in accordance with the Revised Corporation Code and the SEC rules	Please see pp. 12-133, item 6 (Compensation of Directors and of Executive Officers) for the report on directors' compensation.
15.	Director disclosures on self-dealings and related party transactions	Please see p. 9, item 5 ( <i>Directors and Executive Officers</i> ) for the discussion on related party transactions.
16.	The profiles of directors nominated or seeking election or reelection	Please see <b>Annex B</b> ( <i>Information on Directors and Executive Officers</i> ) for the profiles of nominees for election to the Board.

# Item 2. Dissenters' Right of Appraisal

Under the RCC's Section 80, stockholders shall have the right to dissent and demand payment of the fair value of their shares in the following instances:

- (a) in case of any amendment to the Articles of Incorporation that has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) in case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the RCC;
- (c) in case of merger or consolidation; and
- (d) in case of investment of corporate funds by MONDE in any other corporation or business or for any purpose other than the primary purpose for which MONDE was organized.

No matters or actions that may give rise to a stockholders' exercise of their appraisal rights will be taken up at the Meeting.

# Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) Other than election to office, none of MONDE's directors or officers (or nominees for election as director or any of their associates) have any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Meeting.
- (b) None of MONDE's directors has informed MONDE that they intend to oppose any action to be taken at the Meeting.

#### B. CONTROL AND COMPENSATION INFORMATION

# Item 4. Voting Securities and Principal Holders Thereof

(a) Number of Shares Outstanding as of April 30, 2025:

Type of Shares	Number of Shares Outstanding	Number of Votes Entitled
Common	17,968,611,496	One (1) vote per share except in
		the election of directors where
		one (1) share is entitled to as
		many votes as there are
		directors to be elected

(b) All stockholders of record as of May 30, 2025 ("Record Date") are entitled to receive notice of, and could vote at, the Meeting.

# (c) Manner of Voting

Article IV, Sections 2.1, 2.2, and 8.3 of MONDE's Amended By-Laws ("Amended By-Laws") provide:

- 2.1 Each share of stock entitles the person in whose name it is registered in the books of [MONDE] to one vote, provided the share has not been declared delinquent.
- 2.2 Stockholders may vote at all meetings either in person, through remote communication, in absentia, or be represented by proxy, subject to compliance with rules and regulations as may be issued by the [SEC] from time to time. Proxies must be in writing and signed and in accordance with the existing laws, rules and regulations of the SEC. Duly accomplished proxies shall be presented to the Corporate Secretary for inspection and record not later than seven (7) business days prior to the date of the stockholders' meeting. Validation of proxies shall be made at least five (5) business days prior to the date of the stockholders' meeting. A stockholder may also attend, participate, and vote by remote communication or in absentia as allowed under the [RCC], provided the requirements and procedures to be followed by such stockholder to indicate [their/its] chosen mode of attendance is stated in the notice of the affected stockholders' meeting.
- 8.3 For the election of [d]irectors, it is necessary that the majority of the outstanding capital stock be present or represented. Stockholders casting votes through remote communication or *in absentia*, electronically or otherwise, shall be deemed present for purposes of determining the existence of a quorum. The election of [d]irectors shall be by ballot and each stockholder entitled to vote may cast the vote in person, by proxy, through remote communication, or *in absentia*, electronically or otherwise, to which the number of shares [they] own[] entitles [them] for as many persons as are [d]irectors to be elected multiplied by the number of [their] shares shall equal, or [they] may distribute them on the same principle among as many candidates [they] may see fit, provided that the whole number of votes cast by [them] shall not exceed the number of shares owned by [them] multiplied by the whole number of directors to be elected.

Stockholders may vote on the resolutions for approval through remote communication, *in absentia*, or by proxy, subject to validation procedures. A stockholder voting by remote communication or *in absentia* shall be deemed present for purposes of quorum. Detailed instructions for voting can be found in **Annex A**.

# (d) 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 April 30, 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	Hartono Kweefanus JL Syamsurizal Kota Adm. Jakarta Pusat, Indonesia (Director)	Hartono Kweefanus (same as record owner)	Indonesian	4,214,244,600	23.4534%
Common	Hoediono Kweefanus <sup>1</sup> JL Raya Darmo 65 Surabaya, Indonesia (Director)	Hoediono Kweefanus (same as record owner)	Indonesian	948,324,600	5.2777%
Common	Betty T. Ang <sup>1</sup> 45B Park Terraces Condominium, Palm Drive, Ayala Center, Makati (Director)	Betty T. Ang (same as record owner)	Filipino	3,265,920,000	18.1757%
Common	Henry Soesanto <sup>2</sup> Unit 45A, Discovery Primea Suites, 6749 Ayala Avenue, Brgy. Urdaneta, Makati City (Director)	Henry Soesanto (same as record owner)	Indonesian	1,549,727,396 <sup>3</sup>	8.6246%
Common	My Crackers, Inc. 1763 P.M. Guanzon St. Paco, Manila	Keng Sun Mar Peter Mar	Filipino	1,228,611,496	6.8375%
Common	PCD Nominee Corporation (Filipino) <sup>4</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	Filipino	2,580,249,027	14.3598%
Common	PCD Nominee Corporation (Non-Filipino) <sup>5</sup> Philippine Depository & Trust Corp., 29 <sup>th</sup> Floor, BDO	PCD participants acting for themselves or for their customers <sup>5</sup>	Various Non- Filipino	1,499,260,373 <sup>6</sup>	8.3438%

<sup>&</sup>lt;sup>1</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.

<sup>&</sup>lt;sup>2</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>&</sup>lt;sup>3</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 8.3438%.

<sup>&</sup>lt;sup>4</sup> PCD Nominee Corporation is the registered owner of the shares it holds in the books of MONDE's Stock and Transfer Agent ("STA"). PCD Nominee Corporation is a corporation wholly owned by the Philippine Depository and Trust Corporation, Inc. ("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. Under the PDTC's current system, only PCD participants (*i.e.*, brokers and custodians) are recognized by the PDTC as the stockholders of record of the lodged shares.

<sup>&</sup>lt;sup>5</sup> 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 MONDE by the STA, out of the PCD Nominee Corporation account, none of the PCD participants hold more than 5% of MONDE's outstanding capital stock for various trust accounts as of April 30, 2025.

<sup>&</sup>lt;sup>6</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 8.3438%.

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)
	Equitable Tower 8751 Paseo de Roxas, Makati City				

(2) Security Ownership of Directors and of Management (Executive Officers) as of April 30, 2025:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership <sup>7</sup>	Citizenship	Percent (of total outstanding shares)
5,005		DIRECTORS		
Common	Hartono Kweefanus	(direct) 4,214,244,600	Indonesian	23.4534%
Common	Hoediono Kweefanus <sup>1</sup>	(direct) 948,324,600	Indonesian	5.2777%
Common	Betty T. Ang <sup>1</sup>	(direct) 3,265,920,000	Filipino	18.1757%
Common	Henry Soesanto <sup>2 and 3</sup>	(direct and indirect)	Indonesian	8.6246%
	,	1,549,727,396		
Common	Monica Darmono <sup>2</sup>	(direct) 765,897,598	Indonesian	4.2624%
Common	Kataline Darmono	(direct) 2	Indonesian	0.0000%
		Monica Darmono is the		
		beneficial owner of these 2		
		shares		
Common	Nina Perpetua D. Aguas	(direct) 2	Filipino	0.0000%
		(Henry Soesanto is the direct		
		beneficial owner of these 2		
		shares)		
Common	Anabelle L. Chua <sup>8</sup>	(direct and indirect) 20,001	Filipino	0.0001%
		(Henry Soesanto is the direct		
		beneficial owner of 1 share)		
Common	Ramon Felicisimo M.	(direct and indirect) 25,001	Filipino	0.0001%
Lopez <sup>9</sup>		Henry Soesanto is the		
		beneficial owner of 1 share		
_		Four Most Highly Compensated		
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) 370,000	Filipino	0.0021%
Common	Marivic N. Cajucom-Uy	(indirect) 827,800	Filipino	0.0046%
Common	Jesse C. Teo	(indirect) 1,682,900	Filipino	0.0094%
		utive Officers/Management Tear		
Common	Helen G. Tiu	(indirect) 4,575,000	Filipino	0.0255%
Common	Michael J. Paska	(indirect) 150,000	American	0.0008%
Common	Daniel Teichert	(indirect) 192,900	German	0.0011%
Common	Jon Edmarc R. Castillo	(indirect) 81,300	Filipino	0.0005%
Common	Katherine C. Lee-Bacus	(indirect) 55,900	Filipino	0.0003%
Common	Anne Katherine N. Santos	(indirect) 43,000	Filipino	0.0002%
Common	Wendy T. Antioquia	(indirect) 1,093,000	Filipino	0.0061%
Common	Melissa C. Pabustan	(indirect) 547,300	Filipino	0.0030%
Common	Jocelyn Jones G. So	(indirect) 60,000	Hong Kong SAR Chinese	0.0003%
Common	Luzviminda M. Mercurio	(indirect) 10,000	Filipino	0.0001%
Common	Maria Olivia Y. Misa	-	Filipino	0.0000%
All Director	rs and Officers as a group	10,753,848,300		59.8480%

 $<sup>^{\</sup>rm 7}\,{\rm Shares}$  held through PCD Nominee are deemed indirect shares.

<sup>8</sup> Ms. Anabelle L. Chua has beneficial ownership over the 20,000 shares held through PCD Nominee Corp.
9 Mr. Ramon Felicisimo M. Lopez has beneficial ownership over the 25,000 shares held through PCD Nominee Corp.

#### (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 5. Directors and Executive Officers

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

#### (1) Directors and Executive Officers

In accordance with the Amended By-Laws' Article I, Section 2.1, MONDE's directors hold office for one (1) year or until their successors' election and qualification.

The following are MONDE's incumbent directors:

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

Please see **Annex B** for additional information.

The following are MONDE's executive officers and/or members of the management team:

Betty T. Ang, President

Henry Soesanto, Executive Vice-President and Chief Executive Officer

Monica Darmono, Treasurer

Atty. Helen G. Tiu, Corporate Secretary

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

Atty. Jon Edmarc R. Castillo, Chief Compliance Officer and PSE Company Information Officer

Atty. Katherine C. Lee-Bacus, Assistant Corporate Secretary

Atty. 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 and Culture Officer

Atty. Maria Olivia Y. Misa, Head of Corporate and Government Affairs

Please see  ${\it Annex~B}$  for additional information.

In accordance with the Amended By-Laws and other charters and procedures including endorsement by MONDE's Corporate Governance, Nominations, and Remuneration Committee ("CGNRC")<sup>10</sup>, the Board unanimously approved the Final List of Qualified Candidates for membership to the Board ("Final List"), to be elected during the Meeting. The Final List of nominees is below:

Hartono Kweefanus
Kataline Darmono
Hoediono Kweefanus
Betty T. Ang
Henry Soesanto
Monica Darmono
Nina Perpetua D. Aguas (as independent director)
Anabelle L. Chua (as independent director)
Ramon Felicisimo M. Lopez (as independent director)

(collectively, the "Nominees".)

Hartono Kweefanus, Hoediono Kweefanus, Betty T. Ang, Monica Darmono, and Kataline Darmono were nominated by Henry Soesanto. Henry Soesanto was nominated by Monica Darmono. Nina Perpetua D. Aguas, Anabelle L. Chua, and Ramon Felicisimo M. Lopez were nominated as independent directors by a minority stockholder, Mr. Aaron Jeric M. Legaspi. <sup>11</sup> All Nominees are incumbent MONDE directors. A summary of the Nominees' respective qualifications is in **Annex B**.

The CGNRC has evaluated the Nominees' respective qualifications as provided in applicable laws and regulations. In accordance with SEC Memorandum Circular No. 5, series of 2017, the Certifications executed by the individuals nominated to serve as independent directors are attached here as **Annex C**.

In accordance with the Amended By-Laws, the Final List is binding upon shareholders and final, and no other nomination for election as a director shall be entertained or allowed during the Meeting.

# (2) Significant Employees

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

### (3) Family Relationships

Hartono Kweefanus, Hoediono Kweefanus, and Monica Darmono are siblings. Betty T. Ang is married to Hoediono Kweefanus. Henry Soesanto is married to Monica Darmono. Kataline Darmono is the daughter of 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 MONDE's knowledge and belief and after due inquiry, none of the directors, the Nominees, or the executive officers of MONDE and its subsidiaries (the "**Group**"), in the five-year period prior to the date of this Information Statement, had: (1) any petition filed by or against any business of

<sup>10</sup> The CGNRC comprises independent directors Ramon Felicisimo M. Lopez (Chairperson), Nina Perpetua D. Aguas, and Anabelle L. Chua.

<sup>11</sup> Mr. Legaspi beneficially owns 381,100 common shares or 0.0021% of MONDE's total voting shares. He is not related to any of the Nominees.

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 or judgment, which has not been subsequently reversed, suspended, or vacated.

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.

#### (5) 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*. For details on the Group's Related Party Transactions, please refer to Note 23 of the Annual Audited Consolidated Financial Statements and Supplementary Schedules as of December 31, 2024 and Note 20 of the Unaudited Interim Consolidated Financial Statements as of March 31, 2025, which are all part of the Management Report, attached as **Annex D**.

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.

#### (6) Appraisals and Performance Report for the Board

The directors' attendance record for Board meetings in 2024 is as follows:

Director	No. of Meetings Attended/Held	Attendance Percentage
Hartono Kweefanus	3/6	50.0%
Kataline Darmono	4/6	66.7%
Hoediono Kweefanus	6/6	100.0%
Betty T. Ang	5/6	83.3%
Henry Soesanto	6/6	100.0%
Monica Darmono	6/6	100.0%
Nina Perpetua D. Aguas	6/6	100.0%
Marie Elaine Teo <sup>(a)</sup>	2/2	100.0%
Anabelle L. Chua	6/6	100.0%
Ramon Felicisimo M. Lopez	4/4	100.0%

<sup>(</sup>a) Former independent director Ms. Marie Elaine Teo's term of office ended on June 28, 2024.

The Board has established committees to assist in exercising its authority and monitoring MONDE's performance in accordance with MONDE's 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 2024 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Anabelle L. Chua (Chairperson)	6/6	100.0%
Marie Elaine Teo <sup>(a)</sup>	3/3	100.0%
Nina Perpetua D. Aguas	6/6	100.0%
Ramon Felicisimo M. Lopez	3/3	100.0%

Former independent director Ms. Marie Elaine Teo's term of office ended on June 28, 2024.

The incumbent members of the Board's CGNR Committee and their attendance at meetings in 2024 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Ramon Felicisimo M. Lopez (Chairperson)	1/1	100.0%
Marie Elaine Teo (Former Chairperson) <sup>(a)</sup>	2/2	100.0%
Nina Perpetua D. Aguas	3/3	100.0%
Anabelle L. Chua	3/3	100.0%

<sup>(</sup>a) Former independent director Ms. Marie Elaine Teo's term of office ended on June 28, 2024.

The incumbent members of the Board's Risk and Related Party Transactions Committee and their attendance at meetings in 2024 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Nina Perpetua D. Aguas	2/2	100.0%
(Chairperson)		
Ramon Felicisimo M. Lopez	2/2	100.0%
Marie Elaine Teo <sup>(a)</sup>	N/A	N/A
Anabelle L. Chua	2/2	100.0%

Former independent director Ms. Marie Elaine Teo's term of office ended on June 28, 2024.

The incumbent members of the Board's Executive Committee and their attendance at meetings in 2024 are as follows:

Committee Members	No. of Meetings Attended/Held	Attendance Percentage
Henry Soesanto (Chairperson)	4/4	100.0%
Betty T. Ang	4/4	100.0%
Nina Perpetua D. Aguas	4/4	100.0%
Monica Darmono	4/4	100.0%
Kataline Darmono	3/4	75.0%

#### 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, as well as 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.

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.*, Conflict of Interest, Data Privacy, Prevention of Insider Trading, Whistleblowing, Material Related Party Transactions, Guidelines and Limitations re Engaging External Auditors for Non-Audit Services, Policy Promulgation Guidelines, and Sustainability).

The Board comprises nine (9) individuals with diverse professional and personal backgrounds. The Board has five (5) non-executive directors. Five (5) directors are female out its nine (9)-member Board.

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 to safeguard minority shareholder interest; 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 CG Code's recommendation.

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 2024, the Board had six meetings, its Executive Committee had four meetings, its Audit Committee had six meetings, its Risk and Related Party Transactions Committee had two 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 2024. The Board and MONDE's key executive officers attend compliance and governance trainings by leading service providers (primarily, by the Institute of Corporate Directors and, for the first time, for 2024, the Good Governance Advocates of the Philippines) 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.

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. Pursuant to the CG Code's recommendation and the CG Manual, this annual performance assessment is supported by an independent third party every three years. MONDE was assisted by the Institute of Corporate Directors ("ICD") in 2024 for the 2023 performance assessment.

# (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 due to any disagreement with MONDE on any matter relating to MONDE's operations, policies, or practices. Director Marie Elaine Teo did not stand for re-election upon the expiration of her term on June 28, 2024.

# (c) Parent Company

MONDE has no parent company.

# Item 6. Compensation of Directors and of Executive Officers

#### (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 senior executive officers are as follows:

Name and Principal Position	Year	Salary (in ₱)	Other Variable Benefits (in ₱)	Total (in ₱)
Betty Ang President	2023-2025			
Henry Soesanto Chief Executive Officer	2023-2025			
Rico A. Gonzales Chief Business Officer	2023-2025			
Marivic N. Cajucom-Uy Chief Sustainability Officer	2023-2025			
Samuel C. Sih Chief Commercial Officer (Retired February 2025)	2023-2025			
Jesse C. Teo Chief Financial Officer	2025			
Total compensation of the	2023	61,221,686.65	133,966,245.58	195,187,932.23
CEO and 4 most highly	2024	63,433,591.00	145,619,000.00	209,052,591.00
compensated officers 12	2025 (est.)	66,609,160.00	146,482,600.00	213,091,760.00
All other officers and	2023	90,615,168.00	65,229,767.00	155,844,935.00
Directors as a group	2024	83,371,730.00	59,382,903.00	142,754,633.00
unnamed <sup>13</sup>	2025 (est.)	81,839,000.00	58,477,893.00	140,316,893.00
Total	2023	151,836,854.65	199,196,012.58	351,032,867.23
	2024	146,805,321.00	205,001,903.00	351,807,224.00
	2025 (est.)	148,448,160.00	204,960,493.00	353,408,653.00

# (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 directors exceed three percent (3.0%) of the net income before income tax of MONDE during the preceding year. The Board's Corporate Governance, Nominations,

<sup>12</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 are expected to comprise the "CEO and four most highly compensated officers" for 2025.

<sup>13</sup> The salary of "All Other Officers and Directors as a Group Unnamed" decreased in 2024 (compared to 2023) as a result of the secondment of one executive to a foreign subsidiary, and the retirement of another executive. For 2025 (est.), with Mr. Sih's retirement in February 2025, Chief Financial Officer Mr. Jesse C. Teo is now included in "Total Compensation of the CEO and 4 most highly compensated officers".

& Remuneration (i.e., CGNR) Committee shall have the responsibility of recommending such fees and other compensation of directors. In discharging this duty, the CGNR Committee shall be guided by the principle that directors 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.

In accordance with the requirement of the RCC's Sections 29 and 49 relating to an annual report of the total compensation of each director, below is a table showing the gross compensation received by the directors in 2023 and 2024, as well as those estimated to be payable in 2025.

	2023 (in ₱)			2024 (in ₱)		2	025 – estimate (ir	n ₱)	
	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	0.00
Independent Directors									
Romeo L. Bernardo	1,200,000.00	840,000.00	2,040,000.00	-	=	-	-	=	=
Nina Perpetua D. Aguas	2,160,000.00	1,440,000.00	3,600,000.00	1,440,000.00	1,800,000.00	3,240,000.00	1,680,000.00	1,560,000.00	3,240,000.00
Marie Elaine Teo	2,160,000.00	1,440,000.00	3,600,000.00	480,000.00	600,000.00	1,080,000.00	-	=	=
Anabelle L. Chua	960,000.00	600,000.00	1,560,000.00	1,440,000.00	1,320,000.00	2,760,000.00	1,680,000.00	1,440,000.00	3,120,000.00
Ramon Felicisimo M. Lopez	-	-	-	960,000.00	720,000.00	1,680,000.00	1,680,000.00	1,440,000.00	3,120,000.00
Total	6,480,000.00	4,320,000.00	10,800,000.00	4,320,000.00	4,440,000.00	8,760,000.00	5,040,000.00	4,400,000.00	9,480,000.00

# (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 officers 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 2023 and 2024.

# (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 of MONDE, or a change in an executive officer's responsibilities following a change in control of MONDE.

#### (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 7. Independent Public Accountants

#### (a) Appointment of External Auditor

The Board's Audit Committee is responsible for recommending the appointment, reappointment, and/or removal of MONDE's external auditor. It is likewise in charge of evaluating non-assurance work, if any, of the external auditor, and determining whether any non-assurance work would conflict with the external auditor's duties or would pose a threat to the external auditor's independence.

The Audit Committee has recommended the re-election of SyCip Gorres Velayo & Co. ("SGV") as MONDE's principal accountant and external auditor.

## (b) External Auditor for the Recently Completed Calendar Year

SGV served as MONDE's principal accountant and external auditor in the most recently completed calendar year.

### (c) Participation of the External Auditor in the Meeting

SGV Representatives for the current year and for the most recently completed calendar year are expected to participate at the Meeting. They will have the opportunity to make a statement if they so desire and are expected to be available to respond to appropriate questions.

# (d) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

MONDE has engaged SGV for the six most recent calendar years. There were no disagreements with SGV on any matter of accounting and financial disclosure.

#### (e) Audit and Audit-Related Fees

Fees billed for SGV's professional services for the last three completed calendar years are as follows:

Year	Audit and Audit-Related Fees (in ₱)
2024	23,559,516.78
2023	23,766,791.00
2022	20,870,000.00

SGV 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 2024 is \$23,559,516.78.00, broken down as follows: (a) audit fees of \$15,625,000.00 for the audit of MONDE's and its subsidiaries' year-end financial statements for the period ended December 31, 2024; and (b) audit-related fees of \$7,934,516.78 for tax consulting services relating to the Bureau of Internal Revenue's National Investigation Division audit, guidance for future accounting handling of guarantee asset, and agreed-upon procedure related to the use of initial public offering ("IPO") proceeds.

The Board's Audit Committee has existing policies to review the audit, audit-related, and non-audit services rendered by the independent external auditor. MONDE is proscribed from engaging the independent auditor for certain non-assurance 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 external auditor remains independent/maintains the highest level of independence from MONDE, both in fact and appearance.

MONDE will comply with the requirement under paragraph (3)(B)(ix) of the SEC's Revised Securities Regulation Code (SRC) Rule 68 ("SRC Rule 68") as amended, on the rotation of the external auditor.

#### Item 8. Compensation Plans

No matters or actions with respect to any compensation plan pursuant to which cash or non-cash compensation may be paid or distributed will be taken up during the Meeting.

#### C. ISSUANCE AND EXCHANGE OF SECURITIES

#### Item 9. Authorization or Issuance of Securities Other than for Exchange

No matters or actions concerning authorization or issuance of securities will be taken up during the Meeting.

#### Item 10. Modification or Exchange of Securities

No matters pertaining to the modification or exchange of MONDE's securities will be taken up during the Meeting.

#### Item 11. Financial and Other Information

The audited financial statements of MONDE (also referred to in said financial statements as the "Parent Company") and its subsidiaries (collectively referred to in said financial statements as the "Group") as of and for the year ended December 31, 2024; the additional components of the audited financial statements required by the SEC under SRC Rule 68, as amended, the Group's unaudited interim\_consolidated financial statements for the period ended March 31, 2025; the Group's Management's Discussion and Analysis or Plan of Operation as of and for the year ended December 31, 2024; and the Group's Management Discussion and Analysis of the results of operations and financial condition as of March 31, 2025, are all part of the Management Report, attached as **Annex D**.

# Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There is no proposed merger, consolidation, acquisition by sale, or liquidation of MONDE that will be presented during the Meeting.

#### Item 13. Acquisition or Disposition of Property

There are no matters or actions to be taken up in the Meeting with respect to the acquisition or disposition of any property by MONDE requiring stockholders' approval under the RCC.

#### Item 14. Restatement of Accounts

As used herein and in other sections of this Information Statement, unless the context otherwise requires, the Group refers to MONDE and its subsidiaries where MONDE has control [as defined under SRC IRR Rule 3, 3.1.8 (Definition of Terms) and in the Philippine Financial Reporting Standards ("PFRSs")]. PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards ("PAS"), and Interpretations issued by the Philippine Interpretations Committee.

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

Please refer to Note 2 of the attached MONDE's audited financial statements on the Summary of Significant Accounting Policies for the accounting of the new PFRS and PAS which became effective in 2024.

#### D. OTHER MATTERS

#### Item 15. Action with Respect to Reports

- (a) Approval of minutes of the previous stockholders' meeting held on June 28, 2024 (Annex E) covering the following matters:
  - i. approval of the minutes of the annual stockholders' meeting held on June 30, 2023;
  - ii. management report;
  - iii. ratification of the 2023 audited financial statements;
  - iv. the ratification of acts of the Board and of MONDE officers from June 30, 2023 to June 28, 2024. They include:
    - a. election of officers, board committee chairpersons and members, and lead independent director (including interim lead independent director, and interim board committee chairperson and member) as well as appointment of their successors, if necessary;
    - b. approval of the re-allocation or change in the use of IPO proceeds;
    - authorizing MONDE to enter into, amend, or terminate agreements and/or execute applications/forms, reports, and/or certifications needed by MONDE in the normal course of business (e.g., non-disclosure or confidentiality agreements; corporate communications, public affairs management and government relations-related agreements; investment management agreements; trust agreements; labor-related, training, and/or recruitment- related agreements; employee benefits-related agreements; employment contracts; collection servicing agreements; marketing-related agreements; talent agreements; co-branding agreements; copromotion agreements; internal audit-related agreements; construction agreements; supply chain or logistics-related agreements; trading terms agreements; supply agreements; service agreements; integrated facilities agreements; electricity supply agreements; advisory contracts and engagement letters; lease agreements; hauling agreements; waste treatment and/or disposal agreements; machine & calibration service agreement, security services agreements; quality assurance-related agreements; credit line agreements; compliancerelated agreements; consultancy agreements; distributorship agreements; endorsement agreements; payment arrangements; licensing agreements; subscription agreements; softwareor information technology-related agreements; sales-related agreements; memoranda of agreement; accommodation agreements; and data sharing agreements), and advisement reports, including amendments to the foregoing agreements), and/or designating MONDE representatives and signatories regarding the same;
    - d. approval of change in designation of certain key officers (*i.e.*, Chief Risk Management Officer and Chief Business Officer);
    - e. declaration of cash dividends;
    - f. authorizing MONDE to buy and/or sell company vehicles;
    - g. approval of the budget for year 2024;
    - h. approval and/or removal of signatories for transactions with banks, financial intermediaries, and trust investment companies;
    - i. approval of certain amendments to MONDE's Conflict of Interest Policy;
    - j. approval of the Board and Board Committee evaluation materials or forms and the results of the assessment;
    - k. designation of authorized signatories/representatives to transact business on MONDE's behalf with certain government agencies (whether local or foreign) as are required by law or regulations, in connection with applications and actions before such government agencies;
    - I. authorizing MONDE to enter into hedging transactions with certain banks and non-bank financial institutions;

- m. authorizing MONDE to open, re-activate, and/or close accounts with banks and non-bank financial intermediaries and to avail of their services, and/or products (including internet/ online banking facilities, derivative transactions, supply chain financing agreements) as well as agree to operational details concerning such availments and designating signatories for the same;
- n. noting Monde Nissin Singapore Pte. Ltd ("MNSPL")'s report on the latter's receipt of a significant risk reduction measure consisting of a financial support commitment offered by MONDE's controlling shareholders (through the controlling shareholders' family holding company, MNSG Holdings Pte. Ltd.) that shall result in a partial reduction of accumulated impairments (if any) recognizable with respect to MNSPL's Meat Alternative Business for the next ten (10) years;
- o. authorizing MONDE to permanently discard, dispose of, and write off certain assets from its books of accounts;
- p. appointment of trustee to MONDE's retirement fund;
- q. authorizing MONDE to acquire 99,995 shares of its subsidiary KBT International Holdings, Inc. ("KBTI") from the minority shareholders thereof;
- r. approval for the subscription by MONDE to an additional 47,000,000 ordinary shares in its wholly owned subsidiary MNSPL at an aggregate subscription price of £47.0 Million;
- s. authorizing MONDE to establish scholarships and research grants to certain students;
- t. approval of MONDE's 2023 annual audited consolidated financial statements;
- u. approval of MONDE's interim unaudited financial statements for each quarter;
- v. authorizing MONDE to borrow from or extend loans (including refinance and guarantee and/or act as surety with respect to existing loans) to various subsidiaries and/or affiliates, as well as to appoint enforcement agents in connection therewith;
- w. appointment of MONDE officer (i.e., Interim Chief Internal Audit Executive);
- x. authorizing MONDE to appoint representatives in connection with court, administrative and/or other legal proceedings (including extrajudicial compromise agreements) that may involve MONDE;
- y. designation of proxies of MONDE to stockholders' meetings of its subsidiaries, affiliates, and investee-companies;
- z. authorizing the Meeting to be held via remote communication on June 28, 2024, setting the record date for the Meeting, appointment of external auditor and fixing its remuneration, and authorizing the CEO to execute the information statement;
- aa. approval of the agenda for the Meeting;
- bb. approval of Corporate Governance, Nominations, and Remuneration Committee's recommendation regarding the final list of nominees for directors for election at the Meeting;
- cc. the acts of the officers taken by them to implement the resolutions of the Board and its Committees in the general conduct of business; and
- dd. matters covered in the disclosures to the SEC and/or the PSE.
- v. election of directors (including 3 independent directors) for the ensuing year; and
- vi. appointment of external auditor and fixing its remuneration.
- (b) Ratification of the 2024 Annual Audited Consolidated Financial Statements

# Item 16. Matters Not Required to be Submitted

MONDE will request the stockholders to note the management report comprising the message of the Chairperson, and the respective reports of the CEO and the CFO.

#### Item 17. Amendment of Charter, By-Laws, or Other Documents

No action is to be taken during the Meeting with respect to amending any of MONDE's Charter, By-Laws, or other documents.

#### Item 18. Other Proposed Actions

(a) Election of the members of the Board, including the independent directors, for the ensuing year.

- (b) Ratification of all acts of the Board, Board Committees, Officers, and Management for the period June 28, 2024 to June 27, 2025, including:
  - (i) election of officers, board committee chairpersons and members, and lead independent director as well as the appointment of their successors, if necessary;
  - (ii) authorizing MONDE to enter into, amend, or terminate agreements needed by MONDE in the normal course of business (e.q., non-disclosure or confidentiality agreements; shared functional services agreement; deeds of absolute sale; toll manufacturing agreements; investment management agreements; standby letters of credit, trust agreements; credit line agreements in connection with procurement-related transactions, labor-related, training, and/or recruitment-related agreements; employee benefits-related agreements; employment agreements, marketing-related agreements; secondment agreements; internal audit-related agreements; co-existence agreements, intellectual property-related agreements, trading terms agreements; concession agreements; supply agreements; service agreements; integrated facilities agreements; electricity supply agreements; connection agreements; advisory contracts and engagement letters; lease agreements (including long term lease agreements); sub-lease agreements, hauling agreements; waste treatment and/or disposal agreements; machine & calibration service agreements; security services agreements; taxrelated agreements; compliance-related agreements; risk-related agreements; insurance agreements; banking-related agreements; forex-related agreements, consultancy agreements; distributorship agreements; sub-distributorship agreements; merchandising agreements, endorsement agreements; marketing collaboration agreements, digital marketing service agreements, licensing agreements; hotel booking agreements; subscription agreements; software- or information technology-related agreements; bakery-related agreements, sales-related agreements; memoranda of agreement with fintech companies; e-commerce related agreements, payment platform agreements, data sharing agreements; outright purchase agreements, energy supply agreements, connection agreements), including amendments to the foregoing agreements, and designating MONDE representatives and signatories regarding the same;
  - (iii) authorizing MONDE to execute or issue and submit applications/forms, reports and/or certifications needed in the ordinary course of business (including Advisement Report) and designating MONDE representatives and signatories regarding the same;
  - (iv) authorizing MONDE to enter into release, waiver and quitclaims and other settlement agreements;
  - (v) authorizing MONDE to host the 2025 two-day World Instant Noodle Association 11<sup>th</sup> Summit and to enter into related agreements and designating MONDE representatives and signatories regarding the same;
  - (vi) approval of change in designation of certain key officers (*i.e.*, Chief Risk Management Officer and Chief Internal Audit Executive);
  - (vii) declaration of cash dividends;
  - (viii) authorizing MONDE to buy and/or sell company vehicles and designating MONDE representatives and signatories regarding the same;
  - (ix) approval of the budget for year 2025;
  - (x) approval and/or removal of signatories for transactions with banks, non-bank financial intermediaries, and trust investment companies;
  - (xi) approval of revised Corporate Internal Audit Charter;
  - (xii) approval of certain amendments/updates to MONDE's Sustainability Policy;

- (xiii) approval of the Board and Board Committee evaluation materials or forms;
- (xiv) authorizing MONDE to apply for registration with the Philippine Board of Investments ("BOI") (a) as a new producer of butter coconut biscuits in Davao City (new line) and (b) for MONDE's long term lease agreement/s, as well as designating MONDE representatives and signatories regarding the same;
- (xv) authorizing MONDE to apply with the Department of Tourism ("DOT") for the accreditation of its Noodle Factory museum and designating representatives to transact with DOT;
- (xvi) designation of authorized signatories/representatives to transact business on MONDE's behalf with certain government agencies (whether local or foreign) as required by law or regulations, in connection with applications and actions before such government agencies including authorizing them to be signatories for related forms and/or agreements, as needed;
- (xvii) authorizing MONDE to enter into hedging transactions with certain bank and non-bank financial institutions;
- (xviii) authorizing MONDE to open, re-activate, and/or close accounts with banks and non-bank financial intermediaries and to avail of their services and/or products (including internet/online banking facilities, derivative transactions, and supply chain financing agreements) as well as agree to operational details concerning such availments and designating signatories for the same;
- (xix) authorizing MONDE to appointment new additional trustees for the management of its retirement fund as well as authorizing MONDE to secure re-certification of MONDE's tax-qualified reasonable private benefit plan from the Bureau of Internal Revenue, and designating representatives for the same;
- (xx) appointment of a proxy to KBTI's annual stockholders' meeting;
- (xxi) authorizing MONDE to subscribe for an additional 31,360,000 ordinary shares of its wholly owned subsidiary MNSPL at a total subscription price of £31.36 million;
- (xxii) authorizing MONDE to subscribe for an additional 1,270,000 shares of its wholly owned subsidiary KBTI at an aggregate subscription price of ₱1.2 Billion;
- (xxiii) authorizing MONDE to subscribe to 178,500 shares of Amico Innovations, Inc. ("Amico") at a total subscription price of ₱35.7 million representing 70.0% of Amico's outstanding capital stock;
- (xxiv) authorizing MONDE to make a P45.0 Million donation to Monde Nissin Foundation as an initial endowment;
- (xxv) authorizing MONDE to donate for disaster relief, feeding programs, nutrition scholarships, and/or sustainability-related initiatives and to ratify year-to-date donations to said advocacies and/or causes;
- (xxvi) approval of MONDE's 2024 annual audited consolidated financial statements;
- (xxvii) approval of MONDE's interim unaudited financial statements for each quarter;
- (xxviii) authorizing MONDE to extend/refinance loans to, and/or guarantee the obligations of, its various direct and indirect subsidiaries and/or affiliates as well as to designate representatives to the Bangko Sentral ng Pilipinas to register the same (when applicable) as well as to appoint enforcement agents in connection therewith;
- (xxix) authorizing MONDE to file or respond to court, administrative and/or other legal proceedings involving MONDE (including designating representatives thereto), and/or enter into compromise agreements;

- (xxx) authorizing the Meeting to be held via remote communication on June 27, 2025, setting the record date for the Meeting, endorsement to stockholders at the Meeting of external auditor's appointment and fixing its remuneration, and authorizing the CEO to execute the information statements;
- (xxxi) approval of the agenda for the Meeting;
- (xxxii) approval of CGNR Committee's recommendation regarding the final list of nominees for directors for election at the Meeting;
- (xxxiii) the acts of the officers taken by them to implement the resolutions of the Board and its Committees;

(xxxiv) matters covered in the disclosures to the SEC and/or the PSE.

(c) Appointment of external auditor and fixing its remuneration.

# Item 19. Voting Procedures

#### (a) Vote Required

The affirmative vote of at least a majority of the issued and outstanding capital stock entitled to vote and represented at the Meeting is required for the approval of the matters presented to the stockholders for decision. Cumulative voting applies to the election of directors.

# (b) Manner of Voting

Except in the election of directors where one (1) share is entitled to as many votes as there are directors to be elected, in all other items for approval, each share of stock entitles its registered stockholder as of Record Date to one vote, provided the share has not been declared delinquent. Given that the holding of the Meeting is done virtually via an online platform, stockholders will be allowed to vote only either through remote communication, electronically *in absentia*, or by appointing the CEO as proxy, in accordance with the instructions set out in **Annex A**.

For the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected, multiplied by the number of such stockholder's shares shall equal, or the stockholder may distribute them on the same principle among as many candidates they/it may see fit, provided the whole number of votes cast by the stockholder shall not exceed the number of shares owned by them/it multiplied by the total number of directors to be elected.

Proxies shall be executed digitally by the stockholder through the secure online portal (see Annex A) or submitted via email to the Corporate Secretary at <u>corporate.secretary@mondenissin.com</u>, for inspection and recording not later than seven (7) business days prior to the date of the Meeting, or on or before 5:00 P.M. PST of June 18, 2025. Validation of proxies shall be done on or before June 20, 2025.

A stockholder may vote through remote communication by using the digital ballot available at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a> before the Meeting or live during the Meeting.

A stockholder may also vote electronically *in absentia* using the digital ballot available at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. A stockholder voting electronically *in absentia* shall be deemed present for purposes of quorum.

All votes will be counted and tabulated by MONDE's Corporate Secretary and her assistants and the results will be independently validated by a third party.

#### Item 20. Participation of Stockholders by Remote Communication

Pursuant to the Amended By-Laws, the Board at its meeting on May 9, 2025, approved the holding of the Meeting in a fully virtual format. The stockholders may attend the Meeting only by remote communication, and by voting *in absentia*, as provided in item 4(c) and item 19 above, or voting by appointing the CEO as their proxy.

The Meeting's live webcast shall be accessible through the following online web address: <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>. To enable MONDE to identify the stockholders participating via remote communication and record their presence for purposes of quorum, stockholders intending to participate in the Meeting by remote communication must register no later than 5 P.M. PST on June 18, 2025 at the following webpage: <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>.

Stockholders may send questions or comments pertaining to any item on the Meeting's agenda through the secure online portal until 5:00 P.M. PST of June 18, 2025, and during the Meeting. All other communications should be sent by email to <a href="mailto:investor.relations@mondenissin.com">investor.relations@mondenissin.com</a>, copying <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a>. The detailed instructions for participating through remote communication are in **Annex A**.

# Item 21. Acceptance of Stockholder Proposals on Agenda Items

Stockholders of record as of Record Date owning (alone or together with other stockholders) at least 5% of MONDE's total outstanding capital stock may submit proposals on items for inclusion in the Meeting's agenda on or before 5:00 P.M. PST of June 18, 2025.

#### **UNDERTAKING**

MONDE will post the full version of this SEC Form 20-IS (Information Statement), together with all its annexes including MONDE's Consolidated Audited Financial Statements as of December 31, 2024, as well as its Interim Consolidated Unaudited Financial Statements as of March 31, 2025, on MONDE's website at the link: <a href="https://www.mondenissin.com">www.mondenissin.com</a> upon its approval by the SEC. MONDE will also have the Information Statements disclosed and posted at the Philippine Stock Exchange's EDGE Portal under disclosure forms PSE Form 17-5 (Information Statement for Annual Stockholders' Meeting/SEC Form 20-IS) pursuant to applicable disclosure rules.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City, Metro Manila, Philippines on May 21, 2025.

MONDE NISSIN CORPORATION

By.

HENRY SOESANTO

Executive Vice President and Chief Executive Officer

# **ANNEX A**

Requirements and Procedure for Voting and Participating in the Meeting

# REQUIREMENTS AND PROCEDURE FOR VOTING AND PARTICIPATING IN THE 2025 ANNUAL STOCKHOLDERS' MEETING OF MONDE NISSIN CORPORATION

**A. CONDUCT OF THE VIRTUAL MEETING.** — Monde Nissin Corporation's ("**MONDE's**") 2025 Annual Stockholders' Meeting (the "**Meeting**") is on June 27, 2025, Friday, at 10 a.m. Philippine Standard Time (PST), entirely on an online basis through the AGM@Convene virtual platform accessible at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a>.

Pursuant to the Revised Corporation Code's Sections 23 and 57, stockholders who participate in the Meeting by remote communication or *in absentia* shall be deemed present for quorum purposes.

- **B.** RECORD DATE. Only stockholders of record at the close of business on May 30, 2025 ("Record Date") are entitled to participate in and vote at the Meeting.
- C. NOTICE OF MEETING AND OTHER DOCUMENTS. The Information Statement (SEC Form IS-20) and its attachments, minutes of the previous meetings of stockholders, and other documents related to the Meeting, are available at www.mondenissin.com and https://conveneagm.com/ph/MONDE2025ASM.<sup>1</sup>
- D. REGISTRATION. Stockholders intending to participate in the Meeting by remote communication must register at <a href="https://conveneagm.com/ph/MONDE2025ASM">https://conveneagm.com/ph/MONDE2025ASM</a> starting June 3, 2025 at 9 a.m. PST until June 18, 2025 at 5 p.m. PST ("Registration Period"). Stockholders encountering issues using or accessing the AGM@Convene online portal may contact AGM@Convene at <a href="mailto:support@conveneagm.com">support@conveneagm.com</a> for technical support.

The registration requirements are as follows:

- 1. FOR INDIVIDUAL STOCKHOLDERS WITH CERTIFICATED SHARES:
  - a. A clear scanned copy of the stockholder's valid government-issued ID showing the stockholder's photograph, signature, and other personal details, in JPG, PNG, or PDF format, and with a file size no larger than 12MB. Acceptable IDs include Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, Social Security System ID, Pag-IBIG ID, Senior Citizen ID, Voter's ID, Philippine Identification System ID ("PhilSys ID"), National ID, and Alien Certificate of Registration/Immigration Certificate of Registration; and
  - b. The stockholder's valid and active email address.
- 2. FOR CORPORATE STOCKHOLDERS WITH CERTIFICATED SHARES:
  - a. A clear scanned copy of the stockholder's Secretary's Certificate stating the full name of the stockholder's representative and authorizing such representative to represent, and vote or execute the proxy on behalf of, the stockholder in the Meeting, in JPG, PNG, or PDF format and with a file size no larger than 12MB;
  - b. A clear scanned copy of the valid government-issued ID of the stockholder's representative showing the representative's photograph, signature, and other personal details, in JPG, PNG, or PDF format, and with a file size no larger than 12MB. Acceptable IDs include Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, Social Security System ID, Pag-IBIG ID, Senior Citizen ID, Voter's ID, PhilSys ID, Philippine Identification Card, and Alien Certificate of Registration/Immigration Certificate of Registration; and
  - c. The authorized representative's valid and active email address.

<sup>&</sup>lt;sup>1</sup> Pursuant to the Securities and Exchange Commission's Notice dated March 12, 2025, publicly-listed companies holding their Meeting are allowed to post Meeting-related materials on their website as an alternative mode of distribution of such materials to their stockholders.

- 3. FOR INDIVIDUAL STOCKHOLDERS WHO ARE BENEFICIAL OWNERS UNDER A PCD PARTICIPANT/BROKER'S ACCOUNT, OR INDIVIDUAL STOCKHOLDERS WITH SCRIPLESS SHARES
  - a. A clear scanned copy (in JPG, PNG, or PDF format and with a file size no larger than 12MB) of either a: (i) certification issued by the broker or PCD participant indicating the beneficial owner-stockholder's name and his/her shareholdings in MONDE as of Record Date (May 30, 2025), or (ii) sub-proxy issued by the broker or PCD participant to the beneficial owner-stockholder;
  - b. A clear scanned copy of the beneficial owner-stockholder's valid government-issued ID showing the photograph, signature, and other personal details of the individual stockholder, in JPG, PNG, or PDF format, and file size no larger than 12MB. Acceptable IDs include Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, Social Security System ID, Pag-IBIG ID, Senior Citizen ID, Voter's ID, PhilSys ID, Philippine Identification Card, and Alien Certificate of Registration/Immigration Certificate of Registration; and
  - c. The beneficial owner-stockholder's valid and active email address.
- 4. FOR CORPORATE STOCKHOLDERS UNDER A PCD PARTICIPANT/BROKER'S ACCOUNT, OR CORPORATE STOCKHOLDERS WITH SCRIPLESS SHARES
  - a. A clear scanned copy (in JPG, PNG, or PDF format and with a file size no larger than 12MB) of either a: (i) certification issued by the broker or PCD participant indicating the corporate stockholder's name and its shareholdings in MONDE as of Record Date (May 30, 2025), or (ii) sub-proxy issued by the broker or PCD participant to the corporate stockholder;
  - b. A clear scanned copy of the corporate stockholder's Secretary's Certificate (or its equivalent for corporates registered or incorporated in jurisdictions other than the Philippines) stating the full name of the corporate stockholder's individual representative authorized and authorizing such representative to represent, and vote or execute the proxy on behalf of, the corporate stockholder in the Meeting, in JPG, PNG, or PDF format, and with a file size no larger than 12MB;
  - c. A clear scanned copy of the valid government-issued ID of the corporate stockholder's representative showing the individual representative's photograph, signature, and other personal details, in JPG, PNG, or PDF format, and with a file size no larger than 12MB. Acceptable IDs include Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, Social Security System ID, Pag-IBIG ID, Senior Citizen ID, Voter's ID, PhilSys ID, Philippine Identification Card, and Alien Certificate of Registration/Immigration Certificate of Registration; and
  - d. The authorized representative's valid and active email address.
- 5. FOR STOCKHOLDERS WITH JOINT ACCOUNTS UNDER A PCD PARTICIPANT/BROKER'S ACCOUNT OR JOINT ACCOUNT HOLDERS UNDER A BROKER'S ACCOUNT WITH SCRIPLESS SHARES
  - a. A clear scanned copy (in JPG, PNG, or PDF format and with a file size no larger than 12MB) of either a: (i) certification issued by the broker indicating all the joint account holders'/stockholders' names/identities and their shareholdings in MONDE as of Record Date (May 30, 2025) or (ii) subproxy executed by the broker or PCD participant in favor of the representative designated by all the joint account holders;
  - b. An authorization letter duly signed by all joint account holders/stockholders (or their duly-authorized representatives through Secretary's Certificates for corporate stockholders) indicating their designated representative who shall be authorized to participate in the Meeting, in JPG, PNG, or PDF format, and with a file size no larger than 12MB. The designated representative maybe one of the joint account holders/stockholders;

- c. Clear scanned copies of the joint stockholders' and authorized representative's valid government-issued ID with the photographs, signatures, and other personal details, in JPG, PNG, or PDF format and with a file size no larger than 12MB. Acceptable IDs include Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, Social Security System ID, Pag-IBIG ID, Senior Citizen ID, Voter's ID, PhilSys ID, Philippine Identification Card, and Alien Certificate of Registration/Immigration Certificate of Registration; and
- d. The authorized representative's valid and active email address.

Deficiencies or inconsistencies in the information provided to MONDE will result in a failed attempt to register with the AGM@Convene virtual platform and will render the account holder ineligible to participate in the Meeting.

E. REGISTRATION PROPER – Registrants who have submitted complete requirements within the Registration Period will receive an email notice from AGM@Convene (agmaccounts@conveneagm.com) requesting them to (a) verify their email and (b) nominate a password ("Verification Email"). Registrants who do not receive a Verification Email within three (3) business days from submission of complete requirements should send an email to <a href="mailto:support@conveneagm.com">support@conveneagm.com</a>, <a href="mailto:copying">copying</a> MONDE's Corporate Secretary at corporate.secretary@mondenissin.com.

# F. VOTING

- 1. Successful registrants may vote on **agenda item numbers 4 to 9** using any of the following methods:
  - a. by appointing MONDE's Chief Executive Officer ("CEO") as their proxy through the AGM@Convene virtual platform. Duly accomplished proxies must be submitted via the AGM@Convene virtual platform on or before June 18, 2025 at 5:00 p.m. PST. The appointment of MONDE's CEO as proxy may be revoked through the secure online portal at any time *prior to* 5:00 p.m. PST on June 18, 2025. Proxies may no longer be revoked after 5 p.m. on June 18, 2025. Proxies will be validated upon their submission and until June 20, 2025;
  - by appointing MONDE's CEO as their proxy by submitting the duly accomplished proxy form b. MONDE's Information Statement) to corporate.seccretary@mondenissin.com. Duly accomplished proxies must be submitted to MONDE on or before June 18, 2025 at 5:00 p.m. PST. The appointment of MONDE's CEO as proxy may be sending an email to MONDE's Corporate corporate.secretary@mondenissin.com prior to 5:00 p.m. PST on June 18, 2025. Proxies may no longer be revoked after 5 p.m. on June 18, 2025. Proxies will be validated upon their submission and until June 20, 2025;
  - c. by remote communication using the digital ballot accessible on the AGM@Convene virtual platform. The option to vote by remote communication through the AGM@Convene virtual platform will be made available after a stockholder's registration application has been authenticated and approved. A stockholder voting by remote communication may cast their vote from the time they complete the registration process until 5:00 p.m. PST of June 26, 2025, or may opt to cast their votes live at any time during the entire duration of the Meeting until its adjournment; and
  - d. by voting *in absentia* using the digital ballot accessible on the AGM@Convene virtual platform. The option to vote in absentia through the AGM@Convene virtual platform will be made available after a stockholder's registration application has been authenticated and approved. Stockholders are allowed to cast their votes *in absentia* until June 26, 2025 at 5:00 p.m. PST.
- 2. MONDE's Corporate Secretary and her designated assistants will tabulate votes received. An independent third party assurance provider will validate the voting results.

3. The Corporate Secretary will report the preliminary results of the voting during the Meeting. The final results, as validated by an independent third party assurance provider, will be indicated in the minutes of the Meeting.

# G. MEETING PROPER

- 1. The Meeting's live webcast will be broadcasted at https://conveneagm.com/ph/MONDE2025ASM.
- 2. During the Meeting, each of the proposed resolutions will be shown on the screen as the relevant agenda item is taken up. Stockholders may send questions or comments pertaining to any item on the Meeting's agenda through the secure online portal until 5 p.m. PST of June 18, 2025, and during the Meeting.
- 3. The Corporate Secretary shall report the preliminary tally of votes received and inform the stockholders if a particular resolution has been carried or disapproved. The total number of votes cast for all items for approval, as of 5 p.m. PST of June 26, 2025, shall be flashed on the screen. The final voting results, as validated by an independent third party assurance provider, will be reflected in the minutes of the Meeting.
- 4. The Meeting proceedings will be recorded in audio and video format. The Meeting's video recording will be accessible at <a href="https://www.mondenissin.com">www.mondenissin.com</a>.

# H. OTHER MATTERS

- 1. A stockholder who has successfully registered may submit a question or comment pertaining to any item on the agenda until 5 p.m. PST on June 18, 2025, and during the Meeting, through the secure online portal.
- 2. For any questions on these guidelines, please contact the following:
  - a. <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a>
  - b. <a href="mailto:support@conveneagm.com">support@conveneagm.com</a>
  - c. <a href="mailto:investor.relations@mondenissin.com">investor.relations@mondenissin.com</a>

# **ANNEX B**

Information on Directors and Executive
Officers of
Monde Nissin Corporation

#### INFORMATION ON DIRECTORS AND EXECUTIVE OFFICERS

# Members of the Board of Directors

Mr. Hartono Kweefanus, Indonesian, 75 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 45 years.

Ms. Kataline Darmono, Indonesian, 46 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, 73 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 12 years.

Ms. Betty T. Ang, Filipino, 70 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 45 years, being with the Company since its incorporation on May 23, 1979.

Mr. Henry Soesanto, Indonesian, 73 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., and 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 43 years.

Ms. Monica Darmono, Indonesian, 70 y.o., Treasurer. Also: treasurer and director of KBT International 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 19 years.

Ms. Nina Perpetua D. Aguas, Filipino, age, 72 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; and director of Unionbank of the Philippines, and Shell Pilipinas Corporation; independent director of Megawide Construction Corporation (as of March 2025); and senior advisor and co-founder of Ascort Asia Group – Indonesia. Formerly, 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, age 64 y.o., Independent Director. Also independent director of BDO Network Bank, Inc. (elected December 2024) and BDO Securities Corporation (elected April 2025). 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., Digitel 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, in 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, age 64 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, and member of the board of Asian Consulting Group; 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.; and member of the advisory board of the Bayan Family of Foundations. 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, all from July, 2016 to June, 2022; 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, 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 Lifetime Contributor of the Year by The Asia CEO Awards 2022. Joined MONDE as an Independent Director on June 28, 2024.

# **Executive Officers**

Atty. Helen G. Tiu, Filipino, 64 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.; director, Monde Rizal Properties, Inc., and corporate secretary of Monde M. Y. San Corporation and KBT International Holdings, Inc. (elected April, 2025); trustee, Harvard Law School Alumni Association of the Philippines; corporate secretary of Philstar Daily, Inc., Pilipino Star Ngayon, Inc., Pilipino Star Printing Co., Inc., Philstar Global Corporation, and JS

Publications (The Freeman) Co., Inc. Previously: independent director at NiHAO Mineral Resources International, Inc., Asiabest Group International, Inc., and Dizon Copper Silver Mines, Inc.; director at 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, 60 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. Received her Bachelor of Arts in Economics (cum laude) from the University of the Philippines. She has been with MONDE for 36 years.

Mr. Rico A. Gonzales, Filipino. 60 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 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, 53 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., and Monde Nu-Agri Corporation; 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., and Monde Nu-Agri Corporation. Received his degree in BS Management – Honours Program from Ateneo de Manila University. Has been with MONDE for 10 years.

Mr. Michael J. Paska, American, 55 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). 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, 46 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; CFO, ATOS Philippines; Vice President Corporate — Head of Finance, Atlantic, Gulf and Pacific. Member, Good Governance Advocates and Practitioners of the Philippines. 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 eight years.

Atty. Jon Edmarc R. Castillo, Filipino, 38 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, 35 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. 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, 36 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, 58 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 32 years.

Ms. Melissa Chua-Pabustan, Filipino, 53 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 28 years.

Ms. Jocelyn Jones G. So, Hong Kong SAR Chinese, 60 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, 60 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, 55 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.

# **ANNEX C**

Certifications of the Nominees for Independent Directors

# CERTIFICATION OF INDEPENDENT DIRECTOR

- I, ANABELLE L. CHUA, Filipino, of legal age and with address at 200 Swallow Drive, Greenmeadows Village 1, Quezon City, and a stockholder of Monde Nissin Corporation ("MNC"), certify that:
- 1. I am a nominee for independent director of MNC.
- 2. I am affiliated with the following companies or organizations (including government-owned and controlled corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
BDO Network Bank, Inc. <sup>1</sup>	Independent Director	December 2024 – Present
BDO Securities Corporation	Independent Director	April 2025 – Present

- 3. I possess all the qualifications and none of the disqualifications to serve as an independent director of MNC, as provided for in the Revised Corporation Code, the Securities Regulation Code [and its implementing rules and regulations ("SRC IRR")], and circulars and other issuances of the Securities and Exchange Commission.
- 4. I am not related to any director/officer/substantial shareholder of MNC or its subsidiaries and affiliates including the relationship provided under Rule 38.2.3 of the SRC IRR.
- 5. I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Revised Corporation Code, the Securities Regulation Code and the SRC IRR, the Code of Corporate Governance and circulars and other issuances of the Securities and Exchange Commission.
- 7. I shall inform the Corporate Secretary of MNC of any changes in the abovementioned information within five days from its occurrence.

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<sup>&</sup>lt;sup>1</sup> Pending confirmation from the Bangko Sentral ng Pilipinas.

Done, this \_\_\_\_ day of \_\_\_\_APR ? 8 2025 \_\_ 2025, at Makati City.

Carallelle Cara-Chan

ANABELLE L. CHUA

Affiant's Signature over Printed Name

REPUBLIC OF THE PHILIPPINES}

MAKATI CITY } ss.

SUBSCRIBED AND SWORN to before me on the date and at the place stated above, affiant personally appeared before me and exhibited to me her Passport No. PP7458770A issued at DFA Manila on 6 June 2018, and expiring on 5 June 2028.

Doc. No. 4;

Book No. 🔨

Series of 2025.

MARION NERISSE D. KHO

Notary Public for Makati City Appointment No. M-242 until Dec. 31, 2026 Roll of Attorneys No. 72076

PTR No. 10466478MN ● 01/03/25 ● Makati City IBP No. 480881 ● 12/04/24 ● Makati Chapter \*MCLE Compliance No. VII-0012542 ● 03/08/2022 21st Floor, 6750 Office Tower, Ayala Avenue

Makati City, Metro Manila, Philippines

# CERTIFICATION OF INDEPENDENT DIRECTOR

- I, NINA PERPETUA D. AGUAS, a national of the Philippines, of legal age and a resident of 322 Mango Drive, Ayala Alabang Village, Muntinlupa City, after having been duly sworn to in accordance with law, hereby declare that:
- 1. I am a nominee for independent director of Monde Nissin Corporation ("MNC") and have been its independent director since April 15, 2021.
- 2. I am affiliated with the following companies or organizations (including government-owned and controlled corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Megawide Construction Corporation	Independent Director	Mar 2025 - Present
Shell Pilipinas Corporation	Non-Executive Director	Aug 2021 – Present
Monde Nissin Corporation	Independent Director	Apr 2021 - Present
Insular Life Assurance Co. Ltd.	Executive Chairman	Jan 2018 – Present
Union Bank of the Philippines	Director	Jan 2016 – Present
Insular Health Care, Inc.	Chairman	Jan 2016 – Present
Insular Foundation, Inc.	Chairman and Trustee	Jan 2016 – Present
Ascort Asia Group - Indonesia	Senior Advisor & Co-Founder	Jan 2016 – Present

- 3. I possess all the qualifications and none of the disqualifications to serve as an independent director of MNC, as provided for in the Revised Corporation Code, the Securities Regulation Code [and its implementing rules and regulations ("SRC IRR")], and circulars and other issuances of the Securities and Exchange Commission.
- 4. I am not related to any director/officer/substantial shareholder of MNC or its subsidiaries and affiliates including the relationship provided under Rule 38.2.3 of the SRC IRR.
- 5. I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Revised Corporation Code, the Securities Regulation Code and the SRC IRR, the Code of Corporate Governance and circulars and other issuances of the Securities and Exchange Commission.
- 7. I shall inform the Corporate Secretary of MNC of any changes in the abovementioned information within five days from its occurrence.

Done, this _	APR 2 2 2025	

NINA PERPETUA D. AGUAS Affiant's Signature over Printed Name

REPUBLIC OF THE PHILIPPINES	}	
MAKATI CITY	}	SS.

SUBSCRIBED AND SWORN to before me on the date and at the place stated above, affiant personally appeared before me and exhibited to me her Passport No. P7293536B issued at DFA Manila on 29 Jul 2021.

Doc. No. 13 Page No. 15;
Book No. 16;
Series of 2025.

ATTY PARAY-LUISA S. ALEGRE
Hotary Public for Makati City
Appointment No. M-270 until December 31, 2026
Poll of Attorneys No. 53666
PTR No. 104664794NV 1-03-2025/Makati City
IBP No. 480877/12-04-2024
MCLE Compliance No. VIII-0007515 valid until April 14, 2028
21st Floor, 6750 Office Tower, Ayala Avenue
Mickati City, 1226 Meuro Manila, Philippines

# CERTIFICATION OF INDEPENDENT DIRECTOR

- I, RAMON FELICISIMO M. LOPEZ, Filipino, of legal age and a resident of 3306 Pioneer Highlands Tower 1, Pioneer corner Madison Sts., Mandaluyong City, Metro Manila 1554, after having been duly sworn to in accordance with law, hereby declare that:
- 1. I am a nominee for independent director of Monde Nissin Corporation ("MNC").
- 2. I am affiliated with the following companies or organizations (including government-owned and controlled corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
SM Investments Corporation (PSE-listed)	Independent Director	Aug 2022 – Present
AIC Group of Companies Holding Corporation	Independent Director	Aug 2022 – Present
New Marketlink Pharmaceutical Corporation	Independent Director	Jul 2022 – Present
Valenzuela City Technological College	Trustee and Vice Chairman	Aug 2022 – Present
Economic Research Institute for ASEAN and	Philippine Governor and Chairman	Feb 2024 – Present
East Asia	of the Governing Board	
Seedbox Securities, Inc.	Independent Director	July 2023 – Present
Packworks Venture Pte. Ltd.	Member of the Board of Advisors	Jan 2023 – Present
Asian Consulting Group	Vice Chairman	Apr 2024 – Present
Bayan Family of Foundations	Advisory Board Member	Apr 2023 – Present
Pilmico Foods Corporation	Independent Director	May 2024 – Present

- 3. I possess all the qualifications and none of the disqualifications to serve as an independent director of MNC, as provided for in the Revised Corporation Code, the Securities Regulation Code [and its implementing rules and regulations ("SRC IRR")], and circulars and other issuances of the Securities and Exchange Commission.
- 4. I am not related to any director/officer/substantial shareholder of MNC or its subsidiaries and affiliates including the relationship provided under Rule 38.2.3 of the SRC IRR.
- 5. I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Revised Corporation Code, the Securities Regulation Code and the SRC IRR, the Code of Corporate Governance and circulars and other issuances of the Securities and Exchange Commission.
- 7. I shall inform the Corporate Secretary of MNC of any changes in the abovementioned information within five days from its occurrence.

Done, this	_ day of _	APR 2 1 2025	_ 2025, at Makat	ti City.
				RAMON FELICISIMON. LOPEZ
				Affiant's Signature over Printed Name

REPUBLIC OF THE PHILIPPINES}

MAKATI CITY

Ss.

SUBSCRIBED AND SWORN to before me on the date and at the place stated above, affiant personally appeared before me and exhibited to me his Passport No. P8288238A issued by DFA Manila on 10 August 2018.

Doc. No. 4; Page No. 14; Book No. 15; Series of 2025.

ATTY. CARNYLUSA S. ALEGRE
Notary Purise for Makati City
Appointment No. M-170 until December 31, 2026
POII of Atlomeys No. 53666
PTR No. 10466479MN/ 1-03-2025/Makati City
IBP No. 480677/12-04-2024
MCLE Compliance No. VIII-0007515 valid until April 14, 2028
21st Floor, 6750 Office Tower, Ayala Avenue
Mskati City, 1226 Metro Manila, Philippines

# **ANNEX D**

Management Report

# MANAGEMENT REPORT

# A. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS OF DECEMBER 31, 2024

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

The Group's 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 Group's business's results of operations and financial condition in the future.

#### Demand and Pricing

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

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

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

#### Changes in Consumer Tastes and Preferences

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

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

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

# Effectiveness of Sales and Marketing Activities

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

Advertising affects consumer awareness of the Group's products and brands, which, in turn, affects purchase decisions and, consequently, sales volumes. The Group believes that product differentiation and brand loyalty are achieved through its marketing and image-building efforts; and consumer brand preferences are the cumulative

result of exposure to the brands over an extended period. However, the effects of these sales and marketing activities may be delayed, resulting in delayed revenue growth which may not be fully reflected during the period in which the sales and marketing activities took place.

# Prices of Raw Materials and Packaging Materials

Direct materials are major components of the Group's cost of goods sold. Direct materials comprise raw materials and packaging materials. Raw materials primarily consist of wheat/flour, palm oil, sugar, and coconut oil. The Group sources raw materials and all 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, and currency exchange rate fluctuations. In addition, the Group's ability to obtain raw materials and packaging materials is affected by factors beyond its control, including armed conflict, natural disasters, governmental laws and policies, interruptions in production by suppliers, and the availability of transportation.

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

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

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

# Product Mix

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

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

#### Competition

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

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

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

The majority of the Group's assets and revenues are in or derived from its operations in the Philippines. Therefore, the Group's business, financial condition, results of operations, and prospects are substantially influenced by the economic, social, and political conditions in the Philippines, while the Group is also significantly exposed to global commodity markets, mainly those for agricultural goods and energy. The Philippine economy has experienced good Gross Domestic Product ("GDP") growth exceeding that of some of its emerging market peers. The Philippine economy has experienced periods of slow or negative growth, high inflation, high interest rates, high fuel prices, high power rates, high other costs of doing business, and significant depreciation of the Peso. It has been significantly affected by weak economic conditions and volatilities in the global economy and the Asia-Pacific region. In addition, global conflicts such as the Russia-Ukraine war and the various conflicts in the Middle East and their impacts on the global markets will continue to influence the Group materially in areas such as softcommodity and energy/fuel costs. While commodity costs were generally favorable for the Group in 2024, a high degree of volatility remains in the market reflected for example in significant swings in palm oil towards the end of 2024. While the Group notes that the world market prices have gone down from their peak prices in 2023, a significant downside risk remains in case of escalations around various geo-political conflicts and weather events impacting growing regions. As consumers grapple with uncertainty, their buying behavior and preferences may become more erratic as well.

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

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

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

# Seasonality

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

# Innovation

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

# Capacity and Utilization of the Group's Facilities

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

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

# FINANCIAL HIGHLIGHTS AND KEY INDICATORS

The summary financial information presented as at December 31, 2024, 2023, 2022 and for the three years ended December 31, 2024, 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 Gross Profit, Core Gross Margin, 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 Gross Profit is measured as Net sales excluding recall provision as sales deduction less Cost of Goods Sold (COGS) excluding non-recurring expenses (NRE). 2024 and 2023 NRE were nil on net sales and COGS. In 2022, COGS NRE pertains to expenses related to global strategic alignment initiatives to ensure products adhere to all

food quality compliance standards in relevant jurisdictions. Core Gross Margin pertains to Core Gross Profit divided by segment net sales.

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 2024 and 2023, NRE refers to SG&A NRE related to restructuring costs in Meat Alternative business. In 2022, NRE refers to sales deductions, COGS NRE, and SG&A NRE. SG&A NRE pertains to restructuring costs in Meat Alternative. 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 the Group as at and for the twelve months ended December 31, 2024.

#### I - SUMMARY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

# I.A CORE INCOME AFTER TAX RECONCILIATION

	in millions, except percentages									
		% to Net % to Net								% to Net
	FY2024	Sales	Inc	Inc (Dec)	FY2023	Sales	Inc	Inc (Dec)	FY2022	Sales
	(Audited)	(in %)	(Dec)	(in %)	(Audited)	(in %)	(Dec)	(in %)	(Audited)	(in %)
Core Net Sales <sup>1</sup>	83,120	100.0	2,950	3.7	80,170	100.0	6,230	8.4	73,940	100.0
Less: Core Cost of Goods Sold <sup>2</sup>	54,430	65.5	(1,012)	(1.8)	55,442	69.2	4,650	9.2	50,792	68.7
Gross Profit	28,690	34.5	3,962	16.0	24,728	30.8	1,580	6.8	23,148	31.3
Less: Core Sales, General &					-	-			•	
Administrative (SGA) <sup>3</sup>	15,683	18.9	1,385	9.7	14,298	17.8	(529)	(3.6)	14,827	20.1
Other Income (Expense)										
Miscellaneous Income <sup>4</sup>	20	-	(10)	(33.3)	30	0.1	30	n/m	-	-
Interest expense 5	(487)	(0.6)	36	(6.9)	(523)	(0.7)	(285)	119.7	(238)	(0.3)
Foreign exchange gain/(loss) - net <sup>6</sup>	199	0.2	248	n/m	(49)	(0.1)	(620)	n/m)	571	0.8
	(268)	(0.3)	274	(50.6)	(542)	(0.7)	(875)	n/m)	333	0.5
Core Income Before Tax	12,739	15.3	2,851	28.8	9,888	12.3	1,234	14.3	8,654	11.7
Less: Provision for income tax 7	2,943	3.5	681	30.1	2,262	2.8	199	9.6	2,063	2.8
Core Income (After Tax)	9,796	11.8	2,170	28.5	7,626	9.5	1,035	15.7	6,591	8.9
Less: Non-Controlling Interest	4	-	(6)	(60.0)	10	-	4	66.7	6	_
Core Income (After Tax) at					<u> </u>	-	·			
Ownership	9,792	11.8	2,176	28.6	7,616	9.5	1,031	15.7	6,585	8.9

# I.B REPORTED INCOME AFTER TAX RECONCILIATION

				in	millions, exce	ept percentag	es			
	FY2024 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY2023 (Audited)	% to Net Sales (in %)	Inc (Dec)	Inc (Dec) (in %)	FY 2022 (Audited)	% to Net Sales (in %)
Core Income (After Tax)	9,796	11.8	2,170	28.5	7,626	9.5	1,035	15.7	6,591	8.9
Other income (expenses) Fair Value gain on:					•	•	<del>-</del>	•	•	•
Guaranty asset	(2,649)	(3.2)	(3,951)	n/m	1,302	1.6	1,302	n/m	-	-
Financial assets (FVTPL)	82	0.1	(11)	(11.8)	93	0.1	71	322.7	22	_
Foreign exchange gain (loss) 8	(174)	(0.2)	(303)	n/m	129	0.2	278	n/m	(149)	(0.2)
Impairment (loss)/reversal	(6,796)	(8.1)	6,476	(48.8)	(13,272)	(16.6)	8,102	(37.9)	(21,374)	(28.9)
Miscellaneous income	244	0.3	8	3.4	236	0.3	105	80.2	131	0.2
	(9,293)	(11.2)	2,219	(19.3)	(11,512)	(14.4)	9,858	(46.1)	(21,370)	(28.9)
Finance income (expense)										
Finance Costs 9	(251)	(0.3)	(93)	58.9	(158)	(0.2)	21	(11.7)	(179)	(0.3)
Finance Income	579	0.7	151	35.3	428	0.6	279	187.2	149	0.2
Derivative gain – net	65	0.1	44	n/m	21	-	(1,285)	n/m	1,306	1.8
	393	0.5	102	35.1	291	0.4	(985)	n/m	1,276	1.7
Other non-recurring expenses (NREs)										
Restructuring Costs in Meat Alternative	(227)	(0.4)	188	(2C E)	(515)	(0.6)	(263)	n /nn	(252)	(0.2)
Others 10	(327)	(0.4)	100	(36.5)	(515)	(0.6)	194	n/m n/m	(252) (194)	(0.3) (0.3)
Ouicis	(327)	(0.4)	188	(36.5)	/E1F\		(69)	15.5	(446)	(0.5)
Income Tax Provision 11	(119)	. ,			(515)	(0.6) 4.3	. ,	15.5 273	(446) 934	1.3
	, ,	(0.1) <b>0.5</b>	(3,602)	n/m	3,483 ( <b>627</b> )		2,549			
Reported net income (after tax)	450	0.5	1,077	n/m	(627)	(0.8)	12,388	(95.2)	(13,015)	(17.6)

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

# 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 2024	% to Total	FY 2023	% to Total	FY 2022	% to Total				
	(Audited)	(in %)	(Audited)	(in %)	(Audited)	(in %)				
Core Net Sales										
APAC BFB	69,528	83.6	65,942	82.3	58,550	79.2				
Growth vs. prior year	5.4%		12.6%		8.4%					
Meat Alternative	13,592	16.4	14,228	17.7	15,390	20.8				
Growth vs. prior year	-4.5%		-7.6%		1.0%					
Total	83,120	100.0	80,170	100.0	73,940	100.0				
Growth vs. prior year	3.7%		8.4%		6.7%					
-	<del>-</del>	% of Segment		% of Segment	-	% of Segment				
		Net Sales		Net Sales		Net Sales				
Core Gross Profit		(in %)		(in %)		(in %)				
APAC BFB	25,773	37.1	21,715	32.9	18,152	31.0				
Meat Alternative	2,917	21.5	3,013	21.2	4,996	32.5				
Total	28,690	34.5	24,728	30.8	23,148	31.3				
Core Income (after tax) at Ownership										
APAC BFB	10,596	15.2	8,582	13.0	6,857	11.7				

n/m = not meaningful %

<sup>12022</sup> excludes P59 million recall provisions in Thailand due to selective EU recall.

 $<sup>^22022</sup>$  excludes P129 million related to global strategic alignment initiatives.

<sup>&</sup>lt;sup>3</sup> 2022 to 2024 excludes Others SG&A NREs and impairment loss

Incentives grant by Singapore Government related to Monde Nissin Singapore Pte. Ltd.'s meat alternative manufacturing operation.

Incentives grant by Singapore Government related to Monde Nis

Recurring interest expense on Loans and Trust Receipts Payable

<sup>&</sup>lt;sup>6</sup>Foreign exchange gain on U.S dollars balances for the Group's natural hedge.

<sup>&</sup>lt;sup>7</sup>Based on recurring income tax rate per entity.

<sup>&</sup>lt;sup>8</sup>Excluding foreign exchange gain on USD reserves for the Group's natural hedge (included in the Core Income calculation above)

<sup>&</sup>lt;sup>9</sup>Excluding recurring interest expense on Loans and Trust Receipts Payable (included in the Core Income calculation above)

<sup>10 &</sup>quot;Others" in other NREs 2022 pertains to P129 million related to global strategic alignment initiatives and P64 million related to recall provision in Thailand;

<sup>\*\*2023</sup> mainly due to reduction in deferred tax liabilities (DTL) related to PPE and brand impairment in Meat Alternative; 2022 mainly due to reduction in DTL due to brand impairment in Meat Alternative; From 2022 to 2024 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

	in millions, except percentages									
	FY 2024	% to Total	FY 2023	% to Total	FY 2022	% to Total				
	(Audited)	(in %)	(Audited)	(in %)	(Audited)	(in %)				
Meat Alternative	(804)	(5.9)	(966)	(6.8)	(272)	(1.8)				
Total	9,792	11.8	7,616	9.5	6,585	8.9				
Core EBITDA (1)										
APAC BFB	16,007	23.0	13,544	20.5	10,568	18.0				
Meat Alternative	12	0.1	(4)	(0.0)	618	4.0				
Total	16,019	19.3	13,540	16.9	11,186	15.1				

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

#### **RESULTS OF OPERATIONS**

For the twelve months ended December 31, 2024, compared to the twelve months ended December 31, 2023.

#### Core Net Sales

Consolidated net sales up by 3.7% to P83,120 million in full year (FY) 2024 due to broad-based growth in different product categories and geographic markets in 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 P69,528 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, decreased by 9.3% on a constant currency basis to \$\mathbb{P}\$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, with net sales up by 7.0% in FY 2024.

# Core 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 accross 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 reduce level of inventories.

# Core Gross Profit

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

# 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%, ₱3,638 million in FY 2024. This is mainly driven by disciplined approach on various costs and organizational restructuring in view of continued topline challenges. Moreover, FY 2024 Core SG&A as 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 P199 million compared with a forex loss of P49 million in FY 2023. FY 2024 gains were due to effective hedge program and strengthening of U.S dollar against the Philippine peso. USD to PhP closing exchange was P55.385 in December 31, 2023 and P57.979 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 were mainly on accounts payable, trust receipts and acceptance payable.

#### Finance Income

Finance income increased by 35.3% to ₱579 million in FY 2024 mainly from 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 loss on fair value on guaranty asset amounting to \$\frac{1}{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 Monde Nissin Singapore Pte. Ltd.'s ("MNSPL's") recognition of a guaranty asset under the top-up deed between MNSPL and MNSG Holdings Pte. Ltd. ("MNSG") as at December 31, 2023.

# Impairment Loss (before tax)

The Group recorded an impairment loss (before tax) amounting to \$\mathbb{P}6,796\$ million in FY 2024 compared to \$\mathbb{P}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 MNUK. 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) (\$\mathbb{P}2,953\$) and brand (\$\mathbb{P}3,872\$ million). Meanwhile, in 2023 the additional impairment loss in Meat Alternative was allocated to the value of PPE (\$\mathbb{P}7,188\$ million) and brand (\$\mathbb{P}6,173\$ million). The goodwill and brand were acquired through business combinations. The brand intangible is under Quorn Foods, 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 Meat Alternative segment in view of continued category challenges.

# Income/Loss Before Income Tax

In 2024, income before income tax was at  $$\mathbb{P}3,512$$  million, from  $$\mathbb{P}1,847$$  million loss in 2023. In 2024, this is mainly due to results of operation for the year partly offset mainly by non-cash, non-operational impairment in Meat Alternative business and fair value loss on guaranty asset. Meanwhile, in 2023 loss before income tax were mainly due to non-cash, non-operational impairment in 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 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 Quorn Foods and MNUK.

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

As a result of the foregoing, the Group reported net income of \$\text{P}450\$ million in FY 2024 as compared to \$\text{P}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 full year (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 \$\in\$65,942 million in FY 2023 driven by solid performance in all geographic markets and categories. The domestic business grew 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 strong growth in biscuits and noodles.

#### Meat Alternative

Net sales in the Meat Alternative segment decreased by 7.6% on a reported basis, decreased by 7.0% on a comparable and constant currency basis to P14,228 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 \$\mathbb{P}\$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 \$\text{P44,227}\$ 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 in 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 P11,215 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 accross 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 \$\text{P3},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 Meat Alternative.

#### 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 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 P 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 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 has offset from 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 effective hedge program amidst unprecedented strengthening of U.S dollar against the Philippine peso. USD to PhP closing exchange was ₱51.00 on December 31, 2021, ₱55.755 on December 31, 2022, and ₱55.385 on December 31, 2023.

# Core Income (After Tax)

Core income (after tax) significantly increased by 15.7% to \$\text{P7,626}\$ 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 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 gain on fair value on guaranty asset amounting to ₱1,302 million in FY2023. This was related to the Top-Up Deed between MNSPL and MNSG. Under the Top-Up Deed, MNSG agreed to provide a guarantee equal to the aggregate collateral value of up to a maximum of 2.156 billion shares of MONDE or 12.0% of the current outstanding capital stock of MONDE for as long as MONDE is still the ultimate controlling shareholder of MNSPL's wholly owned subsidiary, MNUK. Said aggregate collateral value shall be reduced by related transaction costs and said net amount shall cover the net cumulative impairment incurred by MNUK 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 MNUK. In 2023, the additional impairment loss in Meat Alternative was allocated to the value of property, plant and equipment (PPE) (P7,188 million) and brand (£6,173 million). Meanwhile, in 2022, the impairment loss on 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 is under Quorn Foods, which owns the Quorn and Cauldron brand. Post acquisition, from 2015 to 2019, MNUK achieved Net Sales CAGR growth of around 9.8% (in GBP), a significant improvement from previous owners. Moreover, 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 Meat Alternative segment. MNUK'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 \$\mathbb{P}\$515 million FY 2023. The NRE in FY 2023 pertains to restructuring costs in Meat Alternative segment. Meanwhile, FY 2022 NREs pertain to first tranche of restructuring costs (\$\mathbb{P}\$252 million) in the Meat Alternative, expenses related to global strategic alignment initiatives (\$\mathbb{P}\$129 million), and provision in Thailand due to selective EU recall (\$\mathbb{P}\$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 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 Quorn Foods 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.

# For the year ended December 31, 2022, compared to the year ended December 31, 2021

#### Core Net Sales

Net sales grew by 6.7%, to ₱73,940 million in 2022 driven by price increases in all categories to mitigate higher commodity prices. 2022 overall volume sales were resilient despite temporary decline of noodles in Q3 due to strong growth of biscuits and other categories.

#### APAC BFB

Net sales in the APAC BFB segment increased by 8.4%, to ₱58,550 million in 2022. The increase was driven by 9.3% growth in the domestic business due to responsible price increases in all categories, robust volume growth in biscuits, beverages, packaged cakes, and culinary that surpassed pre-pandemic levels. Overall volume growth was softened by noodles' temporary decline in Q3 due to selective EU recall, which attracted media attention in the Philippines. However, noodles' full-year volume decline was tapered by the strong recovery in Q4 as sales volumes were up by 26.8% versus Q3 2022 and 10% versus Q4 2019. Biscuits, beverages, and packaged cakes volume growth was driven by increased mobility and resumption of face-to-face classes leading to more consumption occasions for these categories. Culinary growth was driven by the solid growth of *Mama Sita's* Oyster Sauce. Meanwhile, international business was down by 4.1% due to noodles decline as measures were implemented to strengthen regulatory compliance in all relevant jurisdictions.

# Meat Alternative

Net sales in the Meat Alternative segment increased by 1.0%, to ₱15,390 million in 2022. Excluding the forex effect, overall net sales grew by 0.8% in 2022 due to price increases supported by solid volume growth in food service. While retail sales remained a challenge in 2022, *Quorn* has performed well against a competitor in the UK retail market, as evidenced by continued market share gain throughout 2022. Meanwhile, the food service business continued strong momentum across geographic markets, posting an overall growth of 51.5% for the year.

# Core Cost of Goods Sold (COGS)

Cost of goods sold increased by 16.2%, to ₱50,792 million in 2022, primarily due to elevated commodity and energy prices.

# APAC BFB

The cost of goods sold in the APAC BFB segment increased by 17.2%, to P40,398 million in 2022, primarily due to record commodity prices and partly due to delayed depletion of wheat and palm-oil that were secured earlier in the year to mitigate price and supply volatility risks. The effect on cost of tapered prices for wheat and palm-oil was delayed to 2023 due to temporary decline of noodles in Q3. Morever, the full year average actual prices of other key ingredients such as coconut oil, shortening liquid, and sugar have increased significantly in 2022 as compared last year.

# Meat Alternative

The cost of goods sold in the Meat Alternative segment increased by 12.8%, to ₱10,394 million in 2022 despite volume decline, primarily due to higher commodity, energy prices and overhead costs.

# Core Gross Profit

Gross profit decreased by 9.5%, to ₱23,148 million in 2022, primarily due to the effect of inflation partially mitigated by price increases.

#### APAC BFB

Gross profit for the APAC BFB segment decreased by 7.2%, to ₱18,152 million in 2022 due to commodity cost inflation, partially mitigated by price increases.

#### Meat Alternative

Gross profit for the Meat Alternative segment decreased by 17.1%, to ₱4,996 million in 2022 due to sales volume decline and cost inflation partly mitigated by price increases.

# Core Sales, General and Administrative Expenses

Sales, general and administrative expenses (excluding non-recurring expenses and impairment loss) decreased by 1.8%, to £14,827 million in 2022 due to lower advertising and promotional expenses partly offset by higher logistic costs and investment in organization resources.

# APAC BFB

Sales, general and administrative expenses in the APAC BFB segment decreased by 2.0%, to ₱9,694 million in 2022 due to lower advertising and promo partly offset by increased logistic costs due to volume increases and inflation.

#### Meat Alternative

Sales, general, and administrative (SG&A) expenses in the Meat Alternative segment decreased by 1.2% to \$\mathbb{P}\$5,133 million in 2022. The decrease was due to the rationalization of R&D, advertising, and promotional activities, partly offset by strengthening R&D and administrative capabilities and one-time cost of living payments to all staff due to inflation.

# Core Foreign Exchange Gains

Foreign exchange gains increased by 117.9%, to ₱571 million in 2022 due to the effective U.S dollar hedge program and the strengthening of U.S dollar against the Philippine peso.

# Core Income (Before Tax)

Core income (after tax) declined by 19.0%, to ₽8,654 million in 2022, for the reasons discussed above.

# Core Income (After Tax) at Ownership

Core Income (after tax) at Ownership declined by 19.5%, to ₱6,585 million in 2022. Core Income attributable to non-controlling interest was significantly down by 95.4%, from ₱130 million to ₱6 million, due to acquisition by the Parent Company on January 29, 2021, of the minority shares of MMYSC owned by MY Cracker Inc. (MCI).

# Miscellaneous Income

Miscellaneous income decreased by \$\text{P49.6%}\$, to \$\text{P143}\$ million in 2022 as last year includes reversal of allowance for expected credit loss and impairment on advances due to effective collection efforts.

# Non-Core Finance Costs

Interest expense significantly decreased from ₱1,488 million in 2021 to ₱178 million in 2022 mainly due to redemption of Arran's convertible notes and settlement of bank loans. 2021 includes ₱747 million related to interest accretion on Arran's convertible notes and interest on bank loans of MONDE.

#### Derivative Gain (Loss)

The Group recorded derivative gains of ₱1,307 million in 2022 compared to a derivative loss of ₱2,258 million in 2021. 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 million (£85.0 million). Under the CCS agreement, the Group will receive Philippine Peso interest at 9% p.a. and will pay fixed Pound Sterling interest at 6% p.a. The Group will also pay the notional Pound Sterling amount in exchange for the Philippines Peso amount at the end of the swap period. 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. On September 28, 2022, the Board of Directores approved to fully unwind the CCS agreement to take advantage of the weakening of Pound Sterling. Meanwhile, the derivative loss in 2021 was primarily due to the full settlement of Arran's convertible note last June 3, 2021. For more information, please see Note 26 to the Audited Consolidated Financial Statements.

# Loss on Convertible Note Redemption

The Group recognized additional ₱1,579 million losses in 2021 on top of the derivative loss due to the full settlement of Arran's convertible note last June 3, 2021.

The derivative loss and loss on convertible note redemption are due to the difference between the face value of the note before redemption and the Group paid upon redemption.

# Impairment Loss (before tax)

The Group recorded an impairment loss amounting to \$\text{P21,374}\$ million in 2022 as a result of the annual impairment assessment. The impairment loss in 2022 was primarily on intangible assets (\$\text{P20,547}\$ million) and property, plant and equipment (\$\text{PPE}\$) (\$\text{P826}\$ million). The intangibles impairment was a non-cash and non-operating and was caused by the application of a higher discount rate due to the prevailing higher interest rates and risks premiums, some margin compression, and rationalization of the demand trends in the meat alternative category. The impairment loss was applied on the value of goodwill (\$\text{P16,501}\$ million) and brand (\$\text{P4,043}\$ million) under Quorn Foods, which owns the *Quorn* and *Cauldron* brand. The goodwill and brand were acquired through business combinations. Meanwhile, the PPE impairments of \$\text{P620}\$ million and \$\text{P206}\$ million were recognized in the Meat Alternative and APAC BFB segment, respectively. The impairment on Meat Alternative segment was largely on Quorn fermenter assets due to production cost rationalization in UK, while in APAC BFB, the PPE impairment was primarily due to discontinued product line in MONDE. For more information, please see Note 3 the Audited Consolidated Financial Statements.

# Income Before Income Tax

In 2022 losses before income tax was at £11,886 million, from £4,825 million income in 2021. As discussed in the foregoing, 2022 losses was mainly due to non-cash, non-operational impairment in Meat Alternative business. Meanwhile, 2021 income was tapered by non-recurring losses related to redemption of Arran's convertible notes and IPO-related expenses.

# Total Income Tax Expense

Total Income tax expense decreased by 28.5%, to ₱1,129 million in 2022. 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 2022. 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 ₱4,043 million (£60.0 million) impairment on *Quorn* and *Cauldron* brand. Meanwhile in 2021, the Group recognized a deferred tax expense of

P1,187 million as the UK government announced the increase in the tax rate from 19% to 25% in April 2023. In accordance with PAS 12.46, *Income Taxes*, current tax liabilities are measured at the amount expected to be paid to taxation authorities, using the rates/laws that have been enacted or substantially enacted as of balance sheet date. The adjustment on deferred tax liabilities pertain to items such as the brand value of Quorn and Cauldron.

#### Reported Net Income or Loss (after tax)

As a result of the foregoing, the Group recognized a net loss of ₱13,015 million in 2022 from net income of ₱3,245 million in 2021.

#### STATEMENT OF FINANCIAL POSITION

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

#### 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
		% to Total		% to Total		
	Audited	(In %)	Audited	(In %)	Amount	In %
		in	millions, excep	t percentage	s	
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)
Total Current Assets	33,927	100	36,090	100	(2,163)	(6.0)

**Cash and cash equivalents** decreased by 15.1%, from to ₱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 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 financials 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 additional impairment losses in meat alternative segment and lower guaranty asset.

	December 31, 2024		December 31, 2023		Increase/	Decrease
		% to Total		% to Total		
	Audited	(In %)	Audited	(In %)	Amount	In %
	•	in r	nillions, excep	t 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

	December 31, 3	December 31, 2024		December 31, 2023		Decrease				
	% to	% to Total		o Total % to Total		% to Total % to		% to Total	•	
	Audited (	In %)	Audited	(In %)	Amount	In %				
Other noncurrent assets	791	2	942	2	(151)	(16.0)				
Total Noncurrent Assets	44,159	100	48,005	100	(3,846)	(8.0)				

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 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 million
Guaranty asset:	
Beginning Balance	₽10,432
Fair value loss on guaranty asset	(2,649)
Cumulative translation adjustment	346
	₽8,129

Financial assets at FVOCI pertains to 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. Figaro is a quoted securities, 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 Meat Alternative 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 Quorn Foods, 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 the Parent Company.

# Current Liabilities

The Group's current liabilities deccreased 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.

	Decembe	er 31, 2024	December 3:	1, 2023	Increase/[	Decrease)	
	<del>.</del>	% to Total	·	% to Total	•		
	Audited	(In %)	Audited	(In %)	Amount	In %	
	<del>-</del>	in n	nillions, except p	ercentages	•	•	
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)	
Total	15,537	100	17,735	100	(2,198)	(12.4)	

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 Quorn Foods'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 reclassification of portion of MNUK'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 cash dividends of ₱0.12 per share for stockholders of record date of November 29, 2023, which was paid last January 11, 2024.

**Income tax payable** deccreased by 5.6%, from ₱591 million as at December 31, 2023 to ₱558 million as at December 31, 2024 mainly due to decrease income tax payable of MONDE 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/De	crease					
		% to Total	<del>-</del>	% to Total	<del>-</del>						
	Audited	(In %)	Audited	(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					
Total	7,011	100	7,862	100	(851)	(10.8)					

**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 partial settlement of Quorn Foods's sterling term loan.

**Pension liabilites** 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 recognition of the results of operations for FY 2024 net of higher dividends declared during the year.

Financial condition as at December 31, 2022, compared to as at December 31, 2023.

# Current Assets

The Group's current assets increased by 11.6%, from ₱32,333 million as at December 31, 2022 to ₱36,090 million as at December 31, 2023.

	December 31, 2023		December 31, 2022		Increase/Decrease	
		% to Total		% to Total		
	Audited	(In %)	Audited	(In %)	Amount	In %
	•	in m	illions, except p	ercentages	•	
Cash and cash equivalents	16,679	46	11,629	36	5,050	43.4
Trade and other receivables	6,410	18	6,800	21	(390)	(5.7)
Inventories	9,187	25	10,879	34	(1,692)	(15.6)
Current financial assets	2,714	8	1,756	5	958	54.5
Prepayments and other current assets	1,100	3	1,269	4	(169)	(13.3)
Total Current Assets	36,090	100	32,333	100	3,757	11.6

Cash and cash equivalents increased by 43.4%, from to P11,629 million as at December 31, 2022 to P16,679 million as at December 31, 2023 due to higher cash inflow from operating activities of APAC BFB, decreased working capital requirements primarily due to declining commodity prices and lower stocks level. Total cash inflow partly reduced by outflow related to CapEX, investment related to Financial Assets at FVOCI, and partial payment of Quorn Foods's sterling term loan.

**Inventories** decreased by 15.6%, from to ₱10,879 million as at December 31, 2022 to ₱9,187 million as at December 31, 2023 due to declining commodity prices and lower stocks level in both business segments.

Current financials assets increased by 54.5%, from to ₱1,756 million as at December 31, 2022 to ₱2,714 million as at December 31,2023 due to reclassification of loans receivables that has maturity date of less than twelve months. Loans receivable that will mature are MNSPL's receivable to MNSG amounting to ₱162.3 million which has maturity date of July 3, 2024 and Parent Company's receivable to SSCC, amounting to ₱500.0 million that has date of August 4, 2024 as of December 31, 2023.

**Prepayments and other current assets** decreased by 13.3%, from ₱1,269 million as at December 31, 2022 to ₱1,100 million as at December 31, 2023 mainly due to usage of prepaid taxes and input VAT in MNUK.

#### Noncurrent Assets

The Group's noncurrent assets decreased by 2.0%, from ₱48,960 million as at December 31, 2022 to ₱48,005 million as at December 31, 2023 due additional impairment losses in meat alternative segment offset by the recognition of guaranty asset.

	December 31, 2023		December 31, 2022		Increase	/Decrease
		% to Total		% to Total		
	Audited	(In %)	Audited	(In %)	Amount	In %
	•	in r	nillions, excep	t percentages	•	
Property, plant and equipment	25,155	52	30,864	63	(5,709)	(18.5)
Guaranty asset	10,432	22	-	_	10,432	n/m
Intangible assets	8,813	19	14,483	30	(5,670)	(39.1)
Investments in associates and joint ventures	1,125	2	1,104	2	21	1.9
Deferred tax assets – net	937	2	868	2	69	7.9
Financial assets at FVOCI – Noncurrent	601	1	-	-	601	n/m
Noncurrent receivables	-	_	662	1	(662)	(100.0)
Other noncurrent assets	942	2	979	2	(37)	(3.8)
Total Noncurrent Assets	48,005	100	48,960	100	(955)	(2.0)

Property, plant and equipment decreased by 18.5% from ₱30,864 million as at December 31,2022 to ₱25,155 million as at December 31, 2023 mainly due impairment in Meat Alternative amounting to ₱7,188 million which offset additional capital expenditure in 2023 amounting to ₱3,641 million. For more information on the PPE impairment, please refer to the foregoing discussion of impairment loss for the period ended December 31, 2023.

**Guaranty asset** increased to P10,432 million as at December 31, 2023, from nil as at December 31, 2022. During the financial year ended December 31, 2023, MNSPL entered into the Top-Up Deed with MNSG, a Singaporean Company owned by a majority of the ultimate beneficial owners of MNSPL. 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 MONDE or 12.0% of the current outstanding capital stock of MONDE for as long as MONDE is still the ultimate controlling shareholder of MNSPL's wholly owned subsidiary, MNUK. Said aggregate collateral value shall be reduced by related transaction costs and said net amount shall cover the net cumulative impairment incurred by MNUK starting from the calendar year ended December 31, 2023 and every year thereafter up to December 31, 2032. MNSPL has recognized a guaranty asset under the Top-Up Deed and engaged an independent valuation expert to determine the fair value of the guaranty asset at inception and as at December 31, 2023. Subsequent changes in fair value of the guaranty asset recognized in profit or loss.

	As at December 31, 2023, in million:
Guaranty asset:	
Initial recognition	₽9,104
Fair value gain on guaranty asset	1,302
Cumulative translation adjustment	26
	₽10,432

Intangible assets decreased by 39.1% from ₱14,483 million as at December 31,2022 to ₱8,813 million as at December 31, 2023 mainly due to the additional impairment on brand value under Quorn Foods, which owns *Quorn* and *Cauldron*. For more information, please refer to the foregoing discussion of impairment loss for the period ended December 31, 2023.

**Deferred tax assets** increased by 7.9% from ₽868 million as at December 31,2022 to ₽937 million as at December 31, 2023 mainly due to higher pension and refund liabilities.

The noncurrent financial assets at FVOCI pertain to 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. As at December 31, 2023, the fair value of FCG was based on quoted prices. The fair value of Terramino Inc. approximates its last transaction price.

The noncurrent receivables decreased by 100% from ₱662 million as at December 31, 2022 to nil as at December 31, 2023 due to reclassification to current receivables, as discussed in the foregoing.

#### Current Liabilities

The Group's current liabilities increased by 20.2%, from ₱14,752 million as at December 31, 2022 to ₱17,735 million as at December 31, 2023.

	December 31, 2023		December 31, 2022		Increase/D	ecrease)
	-	% to Total		% to Total		
	Audited	(In %)	Audited	(In %)	Amount	In %
		in n	nillions, except p	percentages	·	
Accounts payable and other current liabilities	11,684	66	11,323	77	361	3.2
Dividends Payable	2,156	12	-	_	2,156	n/m
Acceptances and trust receipts payable	1,608	9	2,362	16	(754)	(31.9)
Current portion of loans payable	1,200	7	270	2	930	344.4
Refund liabilities	407	2	201	1	206	102.5
Current portion of lease liabilities	89	1	386	3	(297)	(76.9)
Income tax payable	591	3	210	1	381	181.4
Total	17,735	100	14,752	100	2,983	20.2

**Dividends Payable** as at December 31, 2023, at ₱2,156 million from nil as at December 31, 2022. The BOD approved the declaration cash dividends of ₱0.12 per share for stockholders of record date of November 29, 2023, which was paid last January 11, 2024.

Acceptances and trust receipts payable decreased by 31.9%, from ₱2,362 million as at December 31, 2022 to ₱1,608 million as at December 31, 2023 due to retirement of some trust receipts payable to save on interest expenses and in consideration of higher cash availability.

**Current portion of loans payable** increased by 344.4%, from ₱270 million as at December 31, 2022 to ₱1,200 million as at December 31, 2023 mainly due to Quorn Foods's availment of revolving /short-term credit loans.

**Refund liabilities** increased by 102.5%, from ₱201 million as at December 31, 2022 to ₱407 million as at December 31, 2023. The provision was consistent with PFRS 15.

Current portion of lease liabilities decreased by 76.9%, from ₱386 million as at December 31, 2022 to ₱89 million as at December 31, 2023 due to reclassification of portion of MNUKL's lease liabilities from current to noncurrent.

**Income tax payable** increased by 181.4%, from ₱210 million as at December 31, 2022 to ₱591 million as at December 31, 2023 mainly due to income tax payable of MONDE and MMYSC.

#### Noncurrent Liabilities

The Group's noncurrent liabilities decreased by 44.9%, from ₱14,270 million as at December 31, 2022 to ₱7,862 million as at December 31, 2023.

	December 31, 2023		December	r 31, 2022	Increase/De	crease					
	<u></u> _	% to Total	<u>.</u>	% to Total	<u>.</u>						
	Audited	(In %)	Audited	(In %)	Amount	In %					
	in millions, except percentages										
Loans payable	3,734	47	6,983	49	(3,249)	(46.5)					
Deferred tax liabilities – net	382	5	4,320	30	(3,938)	(91.2)					
Derivative liability	106	1	_	_	106	n/m					
Lease liabilities	2,594	33	2,423	17	171	7.1					
Pension liability	1,007	13	507	4	500	98.6					
Other noncurrent liabilities	39	1	37	_	2	5.4					
Total	7,862	100	14,270	100	(6,408)	(44.9)					

**Loans payable** decreased by 46.5%, from ₱6,983 million as at December 31, 2022 to ₱3,734 million as at December 31, 2023 due to partial settlement of Quorn Foods's sterling term loan.

**Deferred tax liabilities** decreased by 91.2%, from ₱4,320 million as at December 31, 2022 to ₱382 million as at December 31, 2023 due to the recognition of impairment loss on PPE and brand under Meat Alternative segment.

**Lease liabilities** increased by 7.1%, from ₱2,423 million as at December 31, 2022 to ₱2,594 million as at December 31, 2023 due to reclassification of portion of MNUK's lease liabilities from current to noncurrent.

**Pension liabilites** increased by 98.6%, from ₱507 million as at December 31, 2022 to ₱1,007 million as at December 31, 2023 due to changes in the discount and salary increase rate assumptions.

# **Equity**

The Group's total equity increased by 11.9% from ₱52,271 million as at December 31, 2022 to ₱58,498 million as at December 31, 2023 due to recognition of the results of operations for FY 2023.

#### 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, 2022 and 2023, the Group's cash flows from operations were sufficient to provide for its operations and dividend payments. The IPO proceeds financed the Company's capital expenditure (CapEx) requirements for 2022 and 2023. For the twelve months ended December 31, 2024, the

Group's cash flows from operations were sufficient to provide for its operations, dividends, and CapEx requirements. The IPO proceeds were fully used up as at June 30, 2024.

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, 2024, 2023, and 2022, should be read in conjunction with the statements of cash flows and notes included in Audited Consolidated Financial Statements.

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

	Twelve months Ended December 31,				
	2024	2023	2022		
		in millions			
Net cash flows provided by operating activities	13,037	13,291	5,483		
Net cash flows used in investing activities	(5,097)	(4,749)	(6,042)		
Net cash flows used in financing activities	(10,477)	(3,500)	(1,684)		
Net increase (decrease) in cash and cash equivalents	(2,537)	5,042	(2,243)		
Effect of Exchange Rate Changes on cash and cash equivalents	16	8	15		
Cash and cash equivalents at beginning of year	16,679	11,629	13,857		
Cash and cash equivalents as at December 31	14,158	16,679	11,629		

# Net cash flow provided by operating activities

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.

The net cash flows provided by operating activities were ₱5,483 million for the year ended December 31, 2022. Cash generated from operations (after adjusting for, among other things, depreciation, and amortization, and working capital changes) was ₱7,718 million. The Group generated cash from interest received amounting to ₱122 million and paid income taxes of ₱2,356 million.

# Net cash flows used in investing activities

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 availment) ₱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 Figaro Coffee Group, Inc. amounting to ₱820 million and subscription to 665,845 Series B Preferred Stock of Terramino, Inc., amounting to ₱109 million.

The Group's net cash flows used in investing activities were ₱6,042 million for the year ended December 31, 2022. The cash outflow primarily for the Group's payments for CapEx of ₱4,432 million and net investment in current financial assets ₱1,734 million.

# Net cash flows used in financing activities

The net cash flows used in financing activities were P10,477 million for the year ended December 31, 2024. The net cash outflow primarily due dividend payment amounting to P6,828 million and partial settlement of Quorn Foods's sterling term loan amounting to P1,932 million (net of new availment). The other cash outlow pertains to payment of lease liabilities (P1,326 million) and interest expense (P1,7326 million).

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

The Group's net cash flows used in financing activities were ₱1,684 million for the year ended December 31, 2022. The cash outflow was primarily used in cash dividends of ₱2,517 million partly offset by cash inflow of ₱920 million from derivate income arising from unwinding of cross-currency swap.

#### 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,	
	2024	2023	2022
Current ratio	2.18	2.03	2.19
Acid test ratio	1.52	1.42	1.37
Solvency ratio	0.56	0.55	0.38
Debt-to-equity ratio	0.41	0.44	0.56
Asset-to-equity ratio	1.41	1.44	1.56
	Twelve	months Ended De	ecember 31,
	2024	2023	2022
Core Net Sales Growth	3.7%	8.5%	6.7%
Core Gross Margin	34.5%	30.8%	31.3%
Core Income After Tax margin (at ownership)	11.8%	9.5%	8.9%
Core EBITDA Margin	19.3%	16.9%	15.1%
Interest rate coverage ratio	20.93	17.84	21.75

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

Financial ratios	Formula
Current ratio	Current assets
	Current liabilities
A cial back coaic	Cash and cash equivalents + Current receivables+ Current Financial Assets
Acid test ratio	Current liabilities
	Net income attributable to equity holders of the Company + Depreciation and
Solvency ratio	amortization + Impairment Loss – FMV gain on guaranty asset
	Total liabilities
D. Lee Land Co.	Total liabilities (current + noncurrent)
Debt-to-equity ratio	Equity attributable to equity holders of the Company
	Total assets (current + noncurrent)
Asset-to-equity ratio	Equity attributable to equity holders of the Company

Financial ratios	Formula
2022 Interest rate coverage ratio <sup>1</sup>	Core EBITDA
2022 Interest rate coverage ratio	Finance Costs
Net Sales Growth	Current period net sales – prior period net sales
Net Sales Growth	Prior period net sales
Cross marrin	Gross profit
Gross margin	Net Sales
Core EBITDA Margin	Core EBITDA
COTE EBITDA Margin	Net Sales
Cara Incomo After Tay (at aumarchin)	Core Income after-tax at Ownership
Core Income After Tax (at ownership)	Net sales

'Calculation based on titan loan convenant'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, and machineries.

The table below sets out the Group's estimated 2024 CapEx plan and actual spend for the twelve months ended December 31, 2024, 2023, and 2022.

	Plan		Actual	
	2025	2024	2023	2022
		(in ₱ milli	ons)	
Property, Plant and Equipment				
APAC BFB	6,578	4,120	2,610	2,059
Meat Alternative	976	703	1,031	2,373
Total Property, Plant and Equipment	7,554	4,823	3,641	4,432
Right-of-Use (ROU) Assets				
APAC BFB	_	1,077	_	_
Meat Alternative	_	18	21	99
Total ROU Assets	_	1,095	21	99
Total	7,554	5,918	3,662	4,531

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 2024 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. In 2023, The Group's major CapEx in its APAC BFB segment was primarily for the contruction of new bakery manufacturing lines for additional capacity and capability and investment in various machineries to improve operational efficiencies. Meanwhile in 2022, the Group's major CapEx in its APAC BFB segment was primarily for the continued construction of a new manufacturing plant in Malvar Batangas, investment in various machineries to improve operational efficiencies, capabilities, and new Noodles production line.

In 2024 and 2023 for Meat Alternative, investments were primarily for fermentation, long life paste design, research and development, and other capabilities. In 2022, the Group's major capital expenditures in its Meat Alternative segment was to increase production fermentation capacity and capacity to produce deli products.

2025 capital plan in APAC BFB is primarily to improve capacity and development capability. Meat Alternative's 2025 plan mainly to improve operational/cost efficiences to realize restructuring initiatives.

No assurance can be given that the Group's capital expenditures plan will not change or that the amount of the capital expenditures for any project or as 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:

NET SALES         83,120         ————————————————————————————————————		Tw	elve Months En	ded December 31, 20	24
NET SALES         83,120         -         -         -         8.8           Less: COST OF GOODS SOLD         54,430         -         -         -         8.8           GROSS PROFIT         28,690         -         -         -         2.2           Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES         Impairment loss - Net         6,796         29         (6,825)         8           General and administrative expenses         8,353         -         (327)         8           Selling expenses         7,657         -         -         7           Selling expenses         -         -         -         -         7           Selling expenses         7,657         -         -         7         7         -         7         7         7         7         7         7         7         7         7         7         7         2         1         9         1         1         1         9         1		PFRS	Non-PFR	S Adjustments	Non-PFRS
NET SALES         83,120         −         −         83           Less: COST OF GOODS SOLD         54,430         −         −         54           GROSS PROFIT         28,690         −         −         54           Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES         Impairment loss − Net         6,796         29         (6,825)         8           General and administrative expenses         8,553         −         327)         7		Reported	APAC BFB	Meat Alternative	Reported
Sess: COST OF GOODS SOLD			(in ₱	millions)	
GROSS PROFIT         28,690         -         -         28           Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES         Impairment loss - Net         6,796         29         (6,825)         8           General and administrative expenses         8,353         -         (327)         8         8         9         (6,825)         8         8         9         (6,825)         8         8         9         (6,825)         8         8         9         6         8         9         8         8         9         8         8         9         6         7         2         0         1         9         9         9         9         9         9         9         9         9         9         9         9         9         9         9         9         9	SALES	83,120	-	-	83,120
Impairment loss - Net		54,430	_	-	54,430
Impairment loss – Net         6,796         29         (6,825)           General and administrative expenses         8,353         -         (327)         8           Selling expenses         7,657         -         -         7           Core Other Income/(Expense)         22,806         29         (7,152)         15           Miscellaneous Income         -         -         20         -           Interest Expense – Orchid + Trust Receipts         -         (487)         -         -           Forex loss on USD Stockpile         -         199         -         -           CORE INCOME BEFORE TAX         5,884         (317)         7,172         12           CHER INCOME (CHARGES)         -         199         -         -         (2,649)         -         -         -         (2,62)         -         -         -         (2,62)         - <t< td=""><td>ISS PROFIT</td><td>28,690</td><td>-</td><td>-</td><td>28,690</td></t<>	ISS PROFIT	28,690	-	-	28,690
General and administrative expenses         8,353         -         (327)         8           Selling expenses         7,657         -         -         7           Core Other Income/(Expense)         22,806         29         (7,152)         15           Miscellaneous Income         -         -         -         20           Interest Expense - Orchid + Trust Receipts         -         (487)         -         0           Interest Expense - Orchid + Trust Receipts         -         (487)         -         0           Forex loss on USD Stockpile         -         199         -         0           CORE INCOME BEFORE TAX         5,884         (31)         7,172         12           THER INCOME (CHARGES)           Gain (Loss) on Change in FV of Guaranty Asset         (2,649)         -         -         -         (2,22)           Gain (Loss) on Change gain (loss) - net         25         (199)         -         -         (2,22)           Market valuation gain (loss) on financial instruments at fair value through profit or loss         82         -         -         -           Miscellaneous + dividend Income         208         -         (20)         -           INCOME BEFORE FINANCE INCOME (EXPENSES)	: SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Selling expenses         7,657         -         -         7           Core Other Income/(Expense)         22,806         29         (7,152)         15           Miscellaneous Income         -         -         20           Interest Expense - Orchid + Trust Receipts         -         (487)         -         (0           Forex loss on USD Stockpile         -         199         -         (1         (2         (2         (2         (2         (2         (2         (2         (37)         7,172         12         12         (2         (2         (2         (2         (3         2         1         (2         (2         (2         (3         2         1         (2         (2         (3         2         1         (2 <th< td=""><td>airment loss – Net</td><td>6,796</td><td>29</td><td>(6,825)</td><td>_</td></th<>	airment loss – Net	6,796	29	(6,825)	_
Core Other Income/(Expense)   Miscellaneous Income	eral and administrative expenses	8,353	_	(327)	8,026
Core Other Income/(Expense)         Core Other	ng expenses	7,657	_	_	7,657
Miscellaneous Income         -         -         20           Interest Expense - Orchid + Trust Receipts         -         (487)         -         (687)           Forex loss on USD Stockpile         -         199         -         -           CORE INCOME BEFORE TAX         5,884         (317)         7,172         12           OTHER INCOME (CHARGES)         -         -         -         (2,649)         -         -         -         (2,649)         -         <		22,806	29	(7,152)	15,683
Interest Expense - Orchid + Trust Receipts	Other Income/(Expense)				
Promex loss on USD Stockpile	cellaneous Income	-	-	20	20
CORE INCOME BEFORE TAX	rest Expense – Orchid + Trust Receipts	-	(487)	-	(487)
CORE INCOME BEFORE TAX         5,884         (317)         7,172         12           OTHER INCOME (CHARGES)           Gain (Loss) on Change in FV of Guaranty Asset         (2,649)         -         -         (2,227)           Foreign exchange gain (loss) – net         25         (199)         -         (2,227)           Market valuation gain (loss) on financial instruments at fair value through profit or loss         82         -         -         -           Miscellaneous + dividend Income         208         -         (20)         (2,2278)         (199)         (20)         (2,2278)           INCOME BEFORE FINANCE INCOME (EXPENSES)         3,606         (516)         7,152         10           FINANCE INCOME (EXPENSES)         579         -         -         -           Finance Costs         (739)         487         -         (6,2)           Derivative gain         66         -         -         -	x loss on USD Stockpile	-	199	-	199
OTHER INCOME (CHARGES)           Gain (Loss) on Change in FV of Guaranty Asset         (2,649)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         -         (2,549)         - <td></td> <td>-</td> <td>(288)</td> <td>20</td> <td>(268)</td>		-	(288)	20	(268)
Gain (Loss) on Change in FV of Guaranty Asset         (2,649)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         (2,549)         -         -         -         (2,549)         -	E INCOME BEFORE TAX	5,884	(317)	7,172	12,739
Proreign exchange gain (loss) - net   25   (199)   -	IER INCOME (CHARGES)				
Share in net earnings of an associate         56         -         -           Market valuation gain (loss) on financial instruments at fair value through profit or loss         82         -         -           Miscellaneous + dividend Income         208         -         (20)           INCOME BEFORE FINANCE INCOME (EXPENSES)         3,606         (516)         7,152         10           FINANCE INCOME (EXPENSES)         579         -         -         -           Finance Income         579         487         -         (6           Finance Costs         (739)         487         -         (6           Derivative gain         66         -         -         -           (94)         487         -         -	· · · · · · · · · · · · · · · · · · ·	(2,649)	_	_	(2,649)
Share in net earnings of an associate         56         -         -           Market valuation gain (loss) on financial instruments at fair value through profit or loss         82         -         -           Miscellaneous + dividend Income         208         -         (20)           INCOME BEFORE FINANCE INCOME (EXPENSES)         3,606         (516)         7,152         10           FINANCE INCOME (EXPENSES)         579         -         -         -           Finance Income         579         487         -         (6           Finance Costs         66         -         -         (7           Derivative gain         66         -         -         -           (94)         487         -         -	eign exchange gain (loss) – net	25	(199)	_	(174)
Miscellaneous + dividend Income         208         -         (20)           INCOME BEFORE FINANCE INCOME (EXPENSES)         3,606         (516)         7,152         100           FINANCE INCOME (EXPENSES)         579         -         -         -           Finance Income         579         -         -         -           Finance Costs         (739)         487         -         -           Derivative gain         666         -         -         -           (94)         487         -         -	e in net earnings of an associate	56	, ,	-	` 56
C2,278	ket valuation gain (loss) on financial instruments at fair value through profit or loss	82	_	_	82
INCOME BEFORE FINANCE INCOME (EXPENSES)         3,606         (516)         7,152         10           FINANCE INCOME (EXPENSES)         Finance Income           Finance Costs         (739)         487         -         -           Derivative gain         66         -         -         -           (94)         487         -         -	cellaneous + dividend Income	208	_	(20)	188
FINANCE INCOME (EXPENSES)         Finance Income         579         -		(2,278)	(199)	(20)	(2,497)
Finance Income         579         -	OME BEFORE FINANCE INCOME (EXPENSES)	3,606	(516)	7,152	10,242
Finance Income         579         -	ANCE INCOME (EXPENSES)				
Derivative gain         66         -         -           (94)         487         -	, ,	579	_	_	579
Derivative gain         66         -         -           (94)         487         -	nce Costs	(739)	487	_	(252)
(94) 487 -	vative gain	, ,	_	_	66
Other Non-Recurring Expenses		(94)	487	_	393
	er Non-Recurring Expenses	. ,			
Impairment Reversal/(Loss) - Net – 29 (6,825) (6,		_	29	(6.825)	(6,796)
	, ,	_	_		(327)
		_	29	· ,	(7,123)
	DME BEFORE INCOME TAX	3,512			3,512
PROVISION FOR CURRENT INCOME TAX	VISION FOR CURRENT INCOME TAX				
		3.365	_	_	3,365
			_		(303)
			_	_	3,062
NET INCOME FROM CONTINUING OPERATIONS 450		,			450

			2023	
	PFRS	Non-PFR	S Adjustments	Non-PFRS
	Reported	APAC BFB	Meat Alternative	Reported
		(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 (Loss) 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 (loss) 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)	(1,615)	(612)	13,876	11,649
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 MNUK	-		(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)
The internal continuous of environs	(027)			(027)

			2022	
	PFRS	Non-PFRS Ac	ljustments	Non-PFRS
	Reported	APAC BFB	Meat Alternative	Reported
		(in ₱	∍ millions)	
NET SALES (1)	73,881	59	-	73,940
COST OF GOODS SOLD (2)	50,921	(129)	-	50,792
GROSS PROFIT	22,960	188	-	23,148
SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Impairment loss - Net (3)	21,374	(210)	(21,164)	-
General and administrative expenses (4)	7,588	-	(252)	7,336
Selling expenses (5)	7,496	(6)	-	7,491
	36,458	(216)	(21,416)	14,827
Core Other Income/(Expense)	-	-	-	-
Interest Expense – Orchid + Trust Receipts	-	(238)	-	(238)
Forex gain on USD Stockpile	-	571	-	571
	-	333	-	333
CORE INCOME BEFORE TAX	(13,498)	736	21,416	8,654
OTHER INCOME (CHARGES)				
Foreign exchange gain (loss) - net	422	(571)	-	(149)
Share in net earnings of an associate	(12)	-	-	(12)
Market valuation gain (loss) on financial instruments at fair value				
through profit or loss	22	-	-	22
Miscellaneous Income	143	_	-	143
	574	(571)	-	4
INCOME BEFORE FINANCE INCOME (EXPENSES)	(12,924)	166	21,416	8,658
FINANCE INCOME (EXPENSES)				
Finance income	149	-	-	149
Finance costs	(417)	238	-	(179)
Derivative gain	1,306	-	-	1,306
	1,038	238	_	1,276
Other Non-Recurring Expenses				
Impairment loss - Net	-	(210)	(21,164)	(21,374)
Others	_	(194)	(252)	(446)
	-	(404)	(21,416)	(21,820)
INCOME BEFORE INCOME TAX	(11,886)	-	-	(11,886)
PROVISION FOR CURRENT INCOME TAX				
Current	2,429	-	-	2,429
Deferred	(1,300)	_	-	(1,300)
PROVISION FOR CURRENT INCOME TAX	1,129	_		1,129
REPORTED NET INCOME	(13,015)	-	-	(13,015)

# 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, 2024 (Audited)

	(Addited)			
	APAC BFB	Meat Alternative	Total	
	•	(in ₱ millions)		
Income before Income Tax	14,316	(10,804)	3,512	
Finance Costs	371	367	738	
Finance Income	(507)	(72)	(579)	
EBIT	14,180	(10,509)	3,671	
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 MNUK	-	327	327	
Impairment (Reversal)/Loss	(29)	6,825	6,796	
Dividend Income	(22)	_	(22)	
Depreciation and Amortization Expense	1,976	712	2,688	
EBITDA	16,007	12	16,019	

<sup>(13,013)

(19</sup> F89 million recall provisions in Thailand due to selective EU recall.

(2) P129 million related to global strategic alignment initiatives.

(3) Mear Alternative P20,544 million non-cash, non-operating impairment of intangibles assets and P620 million PPE, and P207 million in APAC BFB primarily due to discontinued product line in MONDE.

(4) Mear Alternative P20,544 million restructuring costs in UK.

(5) P5 million recall provision in Thailand

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

	APAC BFB	Meat Alternative	Total
	•	(in ₱ millions)	
Income before Income Tax	11,922	(13,769)	(1,847)
Finance Costs	241	441	682
Finance Income	(395)	(33)	(428)
EBIT	11,768	(13,361)	(1,593)
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 MNUK	-	515	515
Impairment (Reversal)/Loss	(89)	13,361	13,272
Dividend Income	(22)	_	(22)
Depreciation and Amortization Expense	1,969	803	2,772
EBITDA	13,544	(4)	13,540

# For the twelve months ended December 31, 2022

		(Auditea)	
	APAC BFB	Meat Alternative	Total
	•	(in ₱ millions)	
Income before Income Tax	9,824	(21,710)	(11,886)
Interest Expense	234	182	416
Interest Income	(144)	(5)	(149)
EBIT	9,914	(21,533)	(11,619)
Derivative Gain	(1,306)	-	(1,306)
Foreign Exchange (Gain) - Net	(402)	(20)	(422)
Other non-recurring expenses	194	252	446
Impairment Loss	210	21,164	21,374
Depreciation and Amortization Expense	1,958	755	2,713
EBITDA	10,568	618	11,186

# III. FINANCIAL LIABILITIES

The following table summarizes the Group's financial liabilities as at December 31, 2024 and 2023.

	2024	
_		

			In ₱, in milli	ons		
		1 to 3	3 to 12	1 to 5	More than	
	On Demand	Months	Months	Years	5 Years	Total
Financial Liabilities						
Accounts payable and						
other current liabilities*	2,693	8,822	8	-	-	11,523
Dividends payable	-	-	-	-	-	-
Loans payable	-	13	1,238	1,967	-	3,218
Acceptance and trust						
receipts payable	-	-	1,609	-	-	1,609
Lease liabilities	-	63	182	979	7,356	8,580
	2,693	8,898	3,037	2,946	7,356	24,930

# 2023

	(In ₱ millions)						
			3 to 12	1 to 5	More than		
	On Demand	1 to 3 Months	Months	Years	5 Years	Total	
Financial Liabilities							
Accounts payable and							
other current liabilities*	2,541	8,247	7	-	-	10,795	
Dividends payable	-	2,156	_	-	-	2,156	
Loans payable	_	21	1,200	3,813	_	5,034	
Acceptance and trust							
receipts payable	-	-	1,607	-	-	1,607	
Lease liabilities	-	63	182	947	6,763	7,955	
	2,541	10,487	2,996	4,760	6,763	27,547	

<sup>\*</sup> Excluding statutory payables \*\* including amount of interest

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# **Off-Balance Sheet Arrangements**

As at December 31, 2024, the Group did not have any material off-balance sheet arrangements or obligations (including contingent obligations), and other relationships of the Group will 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 into 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, 2024, the Group is involved in various legal proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements. Disclosure of additional details beyond the present disclosure may seriously prejudice the Group's position and negotiating strategy.

#### **Capital Commitments**

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱1,843.6 million ₱2,055.4 million and ₱1,447.5 million, as at 2024, 2023 and 2022, respectively.

# **OTHER MATTERS**

# **Commodity Prices**

The Company continues to see gradual easing of commodity prices in the global markets. The impact of easing commodity prices was reflected in FY 2023 and FY 2024 for wheat, palm oil and sugar. The Parent Company has partially secured estimated requirements for wheat and palm oil until Q4 2025.

# **Dividend Declaration**

On March 26, 2025, the BOD approved the declaration of regular cash dividends of ₱0.15 per common share to stockholders of record as of April 25, 2025, payable on or before May 22, 2025.

# **Others**

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

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

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

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

	Tw	elve months aver	age		Closing Rate	
	For the period ended December 31,			A	s at December 31	,
	2024	2023	2022	2024	2023	2022
1GBP	73.2263	69.1980	67.2705	72.8477	70.609	67.4394
1USD	57.2925	55.6502	54.5002	57.9790	55.385	55.7550

# B. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS OF MARCH 31, 2025

# SIGNIFICANT FACTORS AFFECTING THE GROUP'S RESULTS OF OPERATIONS

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

# Demand and Pricing

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

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

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

#### Changes in Consumer Tastes and Preferences

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

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

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

# Effectiveness of Sales and Marketing Activities

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

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

#### Prices of Raw Materials and Packaging Materials

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

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

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

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

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

# Product Mix

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

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

# Competition

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

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

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

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

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

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

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

# Seasonality

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

#### Innovation

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

# Capacity and Utilization of the Group's Facilities

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

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

# Financial Highlights and Key Indicators

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

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

Core EBITDA is measured as net income excluding depreciation and amortization of property and equipment, asset impairments, financing income and expense, net foreign exchange gains (losses), net gains (losses) on derivative financial instruments, fair value gain (losses) on guaranty asset, and other non-recurring income (expenses) NRI(E). Q1 2024 NRE was nil. Meanwhile, Q1 2025 NRE refers to restructuring costs and expenses related to supply chain transformation in Meat Alternative Business. Core EBITDA margin pertains to Core EBITDA divided by segment net sales.

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

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

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

The following discussion should be read in conjunction with the attached Unaudited Consolidated Financial Statements and related notes of Monde Nissin Corporation ("MNC" or "the Parent Company" and its subsidiaries (collectively, referred to as the "Group") as at and for the three months ended March 31, 2025.

# I. SUMMARY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited in millions, except percentages  Reported						
				% to			
	Q1		Q1	Net			
	2025	% to Net Sales	2024	Sales		Inc (Dec)	
		(in %)		(in %)	Inc (Dec)	(in %)	
Net Sales	20,881	100.0	20,312	100.0	569	2.8	
Less: Cost of Goods Sold	13,594	65.1	13,115	64.6	479	3.7	
Gross Profit	7,287	34.9	7,197	35.4	90	1.3	
Less: Sales, General & Administrative (SGA) 1	3,443	16.5	3,428	16.9	15	0.4	
Other Income/(Expense)							
Interest expense <sup>2</sup>	(85)	(0.4)	(98)	(0.5)	13	(13.3)	
Foreign exchange gain/ (loss) – net <sup>3</sup>	(29)	(0.1)	70	0.3	(99)	n/m	
Miscellaneous income	27	0.1	-	-	27	n/m	
	(87)	(0.4)	(28)	(0.1)	(59)	210.7	
Core Income Before Tax	3,757	18.0	3,741	18.4	16	0.4	
Less: Provision for income tax <sup>4</sup>	833	4.0	861	4.2	(28)	(3.3)	
Core Income (After Tax)	2,924	14.0	2,880	14.2	44	1.5	
Less: Non-Controlling Interest	4	-	3	-	1	33.3	
Core Income (After Tax) at Ownership	2,920	14.0	2,877	14.2	43	1.5	

	Unaudited in millions, except percentages					
	Q1	% to Net Sales	Q1	% to Net Sales	Inc (Dec)	Inc (Dec)
	2025	(in %)	2024	(in %)	Amt	(in %)
Core Income (After Tax)	2,924	14.0	2,880	14.2	44	1.5
Other income (expenses)						
Fair Value gain on:						
Guaranty asset	(290)	(1.4)	324	1.6	(614)	(189.5)
Financial assets (FVTPL)	49	0.2	24	0.1	25	104.2
Foreign exchange gain ⁵	12	0.1	154	0.8	(142)	(92.2)
Miscellaneous income	143	0.7	85	0.4	58	68.2
Impairment loss	(58)	(0.2)	(17)	(0.1)	(41)	241.2
	(144)	(0.7)	570	2.8	(714)	(125.3)
Finance income (expense)						
Less: Interest expense <sup>6</sup>	(42)	(0.2)	(55)	(0.3)	13	(23.6)
Interest income	100	0.5	137	0.7	(37)	(27.0)
Derivative gain – net	21	0.1	26	0.1	(5)	(19.2)
	79	0.4	108	0.5	(29)	(26.9)
Other non-recurring expenses						
Restructuring costs in Meat Alternative	(69)	(0.3)	_		(69)	
Income Tax Provision <sup>7</sup>	(52)	(0.2)	(72)	(0.4)	20	(27.8)
Reported net income (after tax)	2,738	13.1	3,486	17.2	(748)	(21.5)

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

# II - OPERATING SEGMENTS OF THE GROUP

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

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

n/m = not meaningful %

<sup>&</sup>lt;sup>1</sup>2025 excludes restructuring in MNUK and expenses related to supply chain transformation.

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

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

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

7Income 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

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

	Reported							
	Q1 2025	Q1 Q1 2025 % to Total 2024 % to Total						
		(in %)		(in %)	Inc/(Dec)	(in %)		
Net Sales								
APAC BFB	17,583	84.2	16,883	83.1	700	4.1		
Meat Alternative	3,298	15.8	3,429	16.9	(131)	(3.8)		
Total	20,881	100.0	20,312	100.0	569	2.8		
	-	<del>-</del>	·	- -	•	='		
		% of		% of				
		Segment		Segment				
		Net Sales		Net Sales				
Gross Profit		(in %)		(in %)				
APAC BFB	6,528	37.1	6,512	38.6	16	0.2		
Meat Alternative	759	23.0	685	20.0	74	10.8		
Total	7,287	34.9	7,197	35.4	90	1.3		
Core Income (after tax) at C	•							
APAC BFB	2,978	16.9	3,093	18.3	(115)	(3.7)		
Meat Alternative	(58)	(1.8)	(216)	(6.3)	158	(73.1)		
Total	2,920	14.0	2,877	14.2	43	1.5		
Core EBITDA (1)								
APAC BFB	4,522	25.7	4,568	27.1	(46)	(1.0)		
Meat Alternative	140	4.3	(60)	(1.7)	200	n/m		
Total	4,662	22.3	4,508	22.2	154	3.4		

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

#### **RESULTS OF OPERATIONS**

For the three months ended March 31, 2025, compared to the three months ended March 31, 2024.

# Net Sales

Consolidated net sales increased by 2.8% to \$\text{P20,881}\$ million in Q1 2025 driven by continues growth in APAC BFB from biscuits, packaged cakes, and culinary partly offset by slight decline in noodles and continues category challenges affecting the Meat Alternative business.

#### APAC BFB

APAC BFB net sales increased by 4.1% to ₱17,583 million in Q1 2025. The domestic business (which accounts for 94% of total APAC BFB business) grew by 4.3% in Q1 2025 driven by solid volume growth in biscuits, packaged cakes, and culinary. The total domestic business internal sales growth was partly impacted by the slight decline in the noodles segment. According to Nielsen, *Lucky Me!* gained market share by 1.6% from 67.0% in Q1 2024 to 68.6% in Q1 2025. Moreover, according to Kantar, *Lucky Me!* brand continues to be the number one most chosen food manufacturing consumer brand for the past ten consecutive years in the Philippines. Meanwhile, international business (which accounts for 6% of total APAC BFB business) increased by 2.4% primarily due to good growth in noodles despite lower sales biscuits business in North America market. North America business was partly affected by replenishment timing in Q4 2024 and uncertainty related to recent economic and geopolitical development in the U.S. in Q1 2025.

#### Meat Alternative

Net sales in the Meat Alternative segment decreased by 3.8% on a reported basis and decreased by 5.8% on a constant currency basis to ₱3,298 million in Q1 2025 because of continues category challenges particularly in the UK market. Sales in the UK market were down while sales in the US and rest of the world had increased versus prior year.

# Core Cost of Goods Sold (COGS)

Cost of goods sold increased by 3.7% to P13,594 million in Q1 2025 due to sales volume growth and higher cost of key oil-based ingredients in 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 6.6% to ₱11,055 million in Q1 2025, primarily due higher sales volume and inflationary headwinds in its edible oil-based ingredients which partly softened by favorable lock ins in wheat.

# Meat Alternative

The cost of goods sold in the Meat Alternative segment decreased by 7.5% to \$\mathbb{P}2,539\$ million in Q1 2025 due to lower input costs, lower inventory costs, and overall benefits from supply chain transformation programme.

#### Gross Profit

Gross profit increased by 1.3% to ₱7,287 million in Q1 2025 due to improvement in the Meat Alternative segment.

#### APAC BFB

Gross profit for the APAC BFB segment slightly grew by 0.2% to \$\int\_6,528\$ million and gross margin was stable at 37.1% in Q1 2025, which was in line with ful year 2024 gross margin of 37.1%. Comparing vs. prior year, gross margin contracted by 1.4% due to commodity costs inflation headwinds, lower price of pollard, and timing of trade-related spending.

# Meat Alternative

Gross profit for the Meat Alternative segment increased by 10.8% to ₱759 million of Q1 2025 due to favorable exchange rate, lower input costs, lower inventory costs, and overall benefits from supply chain transformation. Q1 2024 gross margin significantly recovered by 3.0% to 23.0%.

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

Sales, general and administrative expenses was overall controlled, at 0.4% increased to ₱3,443 million in Q1 2025. The increase in APAC BFB was offset significantly by the decline in the Meat Alternative. Q1 2025 SG&A as percentage of sales slightly decreased by 0.4%, to 16.5%.

#### APAC BFB

SG&A in the APAC BFB segment increased by 5.6%, to ₱2,672 million in Q1 2025. The increase was due to higher sales volume, salary inflation, and higher logistics costs due to new production plant in Davao. In terms of percentage of sales, Q1 2025 of 15.2% was broadly in line with Q1 2024.

# Meat Alternative

SG&A in the Meat Alternative segment decreased by 14.1% to ₱771 million in Q1 2025. This is mainly due to timing of marketing programs and broader transformation benefits. Moreover, Q1 2025 SG&A as percentage of sales decreased by 2.8%, to 23.4%.

# Core Income (After Tax)

Core income (after tax) increased by 1.5% to ₱2,920 million in Q1 2025 due to significantly reduction in the losses of Meat Alternative segment.

# Fair value gain (loss) on guaranty asset

The Group recorded a loss on fair value on guaranty asset amounting to ₱290 million in Q1 2025 from a gain of ₱324 million in Q1 2024. Q1 2025 fair value loss was due to adverse impact of fluctuations in the Monde stock price and volatility, in relation to the MNSL's recognized a guaranty asset under the Top-Up Deed as at December 31, 2023.

# Other Non-Recurring Expenses (NRE)

Other non-recurring expenses increased by \$\mathbb{P}69\$ million Q1 2025. In Q1 2024, the non-recurring expense was nil. The NRE in Q1 2025 pertains to additional restructuring costs and expenses related to supply chain transformation in the Meat Alternative segment.

#### Income Before Income Tax

In Q1 2025, income before income tax decreased by 18.0% to ₱3,622 million in Q1 2025, as discussed in the foregoing.

# Total Income Tax Expense

Total income tax expense decreased by 5.1% to ₽884 million due lower operating income in APAC BFB.

# Reported Net Loss (after tax)

As a result of the foregoing, the Group reported 21.5% decrease in net income to ₱2,738 million in Q1 2025.

#### STATEMENT OF FINANCIAL POSITION

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

#### Current Assets

The Group's current assets increased by 2.4%, from ₱33,927 million as at December 31, 2024, to ₱34,758 million as at March 31, 2025, primarily due to solid cash generation which was reinvested to financial assets at FVTPL.

	March 31, 2025		December 31, 2024		Increase (Decrease)	
		% to Total		% to Total		
	Unaudited	(In %)	Audited	(In %)	Amount	In %
		i	n ₽ millions, excep	t percentages	·	
Cash and cash equivalents	14,238	41	14,158	42	80	0.6
Trade and other receivables	7,133	21	7,710	23	(577)	(7.5)
Inventories	9,061	26	8,921	26	140	1.6
Current financial assets	2,782	8	1,812	5	970	53.5
Prepayments and other current assets	1,544	4	1,326	4	218	16.4
Total	34,758	100	33,927	100	831	2.4

**Cash and cash equivalents** increased by 0.6% as at March 31, 2025, to ₱14,238 million. The cash generated from the operations in Q1 2025 was reinvested to financial assets and capital expenditures.

**Trade and other receivable** deccreased by 7.5% as at March 31, 2025 to ₹7,133 due to collection from higher sales in Q4 2024.

Current financials assets increased by 53.5% as at March 31, 2025, to ₱2,782 million mainly due to additions to financial assets at FVTPL (net of disposals).

Prepayments and other current assets increased by 16.4%, from ₱1,326 million as at December 31, 2024, to ₱1,544 million as at March 31, 2025, mainly due to timing related to prepayments for business permit and real property taxes.

# Noncurrent Assets

	March 31, 2025		December 31, 2024		Increase (Decr	ease)
	Unaudited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
	-	i	n ₽ millions, e	xcept percentages		
Noncurrent receivables	1,358	3	1,320	3	38	2.9
Guaranty Asset	7,984	18	8,129	18	(145)	(1.8)
Financial assets at FVOCI	748	2	814	2	(66)	(8.1)
Investments in associates and joint ventures	1,123	3	1,134	3	(11)	(1.0)
Property, plant and equipment	25,235	57	25,507	58	(272)	(1.1)
Intangible Assets	5,664	13	5,456	12	208	3.8
Deferred tax assets – net	939	2	1,008	2	(69)	(6.8)
Other noncurrent assets	1,101	2	791	2	310	39.2
Total	44,152	100	44,159	100	(7)	(0.0)

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

**Deferred tax assets-net** decreased by 6.8% from ₱1,008 million as at December 31,2024 to ₱939 million as at March 31, 2025 mainly due to movement in temporary differences from tax computation from Parent Company.

**Other noncurrent assets** increased by 39.2% from ₱791 million as at December 2024 to ₱1,101 million as at March 31, 2025 mainly due to increase in advances to suppliers and contractors related to downpayment for capital expenditures.

#### Current Liabilities

The Group's current liabilities increased by 5.6%, from ₱15,537 million as at December 31, 2024, to ₱16,404 million as at March 31, 2025, mainly due to dividends payable and income tax payable.

	March 3:	March 31, 2025		December 31, 2024		rease)
	Unaudited	% to Total (In %)	Audited	% to Total (In %)	Amount	In %
	•	iı	n ₽ millions, ex	cept percentages	-	
Accounts payable and other current liabilities	11,005	68	12,550	81	(1,545)	(12.3)
Dividends Payable	2,695	16	_	-	2,695	n/m
Acceptances and trust receipts payable	695	4	1,608	10	(913)	(56.8)
Current portion of loans payable	371	2	364	2	7	1.9
Refund liabilities	339	2	379	2	(40)	(10.6)
Current portion of lease liabilities	76	1	78	1	(2)	(2.6)
Income tax payable	1,223	7	558	4	665	119.2
Total	16,404	100	15,537	100	867	5.6

Accounts payable and other current liabilities decreased by 12.3%, from \$\mathbb{P}\$12,550 million as at December 31, 2024 to \$\mathbb{P}\$11,005 million as at March 31, 2025, mainly due to payments of non-trade payables of the Parent Company. In addition, December payables were higher due to early payment cut-off for year-end.

**Dividends Payable** nil as at December 31, 2024, to ₱2,695 million as at March 31, 2025. On March 26, 2025, the BOD approved the declaration of regular cash dividends of ₱0.15 per common share to stockholders of record as of April 25, 2025, payable on or before May 22, 2025

Acceptances and trust receipts payable decreased by 56.8%, from ₱1,608 million as at December 31, 2024, to ₱695 million as at March 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 10.6%, from ₱379 million as at December 31, 2024 to ₱339 million as at March 31, 2025. The provision was consistent with PFRS 15.

**Income tax payable** increased by 119.2%, from ₱558 million as at December 31, 2024, to ₱1,223 million as at March 31, 2025, mainly due to income tax payable of MNC and MMYSC related to Q4 2024 and Q1 2025 taxable income.

# Noncurrent Liabilities

The Group's noncurrent liabilities decreased by 4.7%, from ₱7,011 million as at December 31, 2024, to ₱6,679 million as at March 31, 2025.

	March 31,	March 31, 2025		December 31, 2024		rease)
	Unaudited	In %	Audited	In %	Amount	%
	·	ni .	n ₽ millions, excep	t percentage	S	-
Loans payable	2,572	39	2,842	41	(270)	(9.5)
Lease liabilities	2,502	37	2,522	36	(20)	(0.8)
Pension liability	1,257	19	1,285	18	(28)	(2.2)
Derivative liability	276	4	289	4	(13)	(4.5)
Deferred tax liabilities – net	31	_	32	-	(1)	(3.1)
Other noncurrent liabilities	41	1	41	1	_	-
Total	6,679	100	7,011	100	(332)	(4.7)

**Loans payable** decreased by 9.5%, from ₱2,842million as at December 31, 2024, to ₱2,572 million as at March 31, 2025, due to the payment of the MNUK loans.

# **Equity**

The Group's total equity increased by 0.5% from ₱55,538 million as at December 31, 2024 to ₱55,826 million as at March 31, 2025, due to favorable cumulative translation adjustments.

# LIQUIDITY AND CAPITAL RESOURCES

#### Overview

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

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

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

# **Cash Flows**

The following discussion of the Group's cash flows for the three months ended March 31, 2024, and 2025 should be read in conjunction with the statements of cash flows and notes included in Unaudited Consolidated Financial Statements.

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

	Three Months ended, March 31		
	2025	2024	
	Unaudited, (in ₱	millions)	
Net cash flows provided by operating activities	2,478	2,812	
Net cash flows used in investing activities	(1,743)	(1,050)	
Net cash flows used in financing activities	(638)	(4,932)	
Net increase in cash and cash equivalents	97	(3,170)	
Effect of Exchange Rate Changes on cash and cash equivalents	(17)	15	
Cash and cash equivalents at beginning of year	14,158	16,679	
Cash and cash equivalents as at March 31,	14,238	13,524	

# Net cash flow provided by operating activities

The net cash flows provided by operating activities were ₱2,478 million for the three months ended March 31, 2025. Cash generated from operations (after adjusting for, among other things, depreciation, amortization, and working capital changes) was ₱2,554 million. The Group generated cash from interest received amounting to ₱104 million and paid income taxes of ₱180 million.

The net cash flows provided by operating activities were ₱2,812 million for the three months ended March 31, 2024. Cash generated from operations (after adjusting for, among other things, depreciation, amortization, and working capital changes) was ₱2,876 million. The Group generated cash from interest received amounting to ₱142 million and paid income taxes of ₱206 million.

# Net cash flows used in investing activities

The Group's net cash flows used in investing activities were ₱1,743 million for the three months ended March 31, 2025. The net cash outflow primarily due to additions to financial assets at FVTPL (net of disposals). The other cash outflows pertains to various CapEx amounting to ₱407 million.

The Group's net cash flows used in investing activities were ₱1,050 million for the three months ended March 31, 2024. The net cash outflow primarily due to increase in other noncurrent assets amounting to ₱533 million for downpayment to suppliers and contractors. The other cash outflows pertains to various CapEx amounting to ₱771 million.

# Net cash flows used in financing activities

The net cash flows used from financing activities were ₱638 million for the three months ended March 31, 2025. The net cash outflows primarily consist of payments MNUK loans and lease liabilities.

The net cash flows from financing activities were \$\frac{24}{,932}\$ million for the three months ended March 31, 2024. The net cash outflows primarily consist of payments of dividend, MNUK loans and lease liabilities. Payment of lease liabilities includes lease agreement between MMYSC and 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. For balance sheet presentation purposes, this is included as part of Property, Plant and Equipment as right-of-use-asset under PFRS 16, Leases.

# FINANCIAL RATIOS / KEY PERFORMANCE INDICATORS

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

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

	March 31, 2025	December 31, 2024
Current ratio	2.12	2.18
Acid test ratio	1.47	1.52
Solvency ratio*	0.54	0.56
Debt-to-equity ratio	0.42	0.41
Asset-to-equity ratio	1.42	1.41
	Thre	ee Months ended
	2025	2024
Net Sales Growth**	2.8%	2.1%
Gross Margin**	34.9%	35.4%
Core Net Income After Tax margin (at ownership)	14.0%	14.2%
Core EBITDA Margin	22.3%	22.2%
Interest rate coverage ratio	33.8	20.0

<sup>\*</sup> Annualized for Q1 2025, 2024 based on full year

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

Financial ratios	Formula
Current ratio	Current assets
	Current liabilities
A The second	Cash and cash equivalents + Current receivables+ Current Financial Assets
Acid test ratio	Current liabilities
Solvency ratio	Net income attributable to equity holders of the Company + Depreciation and amortization + Impairment Loss (Trailing 12 months)
	Total liabilities
Debt-to-equity ratio <sup>(1)</sup>	Total liabilities (current + noncurrent)
	Equity attributable to equity holders of the Company
A +	Total assets (current + noncurrent)
Asset-to-equity ratio	Equity attributable to equity holders of the Company
Interest rate coverage ratio (2)	EBITDA
interest rate coverage ratio	Finance Costs
Net Sales Growth	Current period net sales – prior period net sales
Net Sales Glowth	Prior period net sales
Currentin	Gross profit
Gross margin	Net Sales
Comp EDITOA Manain	Core EBITDA
Core EBITDA Margin	Net Sales
Cara Inaama Aftar Tay (at augustahin)	Core Income after-tax at Ownership
Core Income After Tax (at ownership)	Net sales

#### Note:

# **Capital Expenditures**

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

<sup>\*\*</sup>Comparable growth to reflect IFRS-15 adjusment in MNUK in Q1 2023, the reported year-on-year growth was 1.3%

 $<sup>^{(1)}</sup>$  (average) means the average of the amounts from the beginning and end of the same period.

The table below sets out the Group's estimated 2025 CapEx plan and actual spend for the three months ended March 31, 2025, and 2024.

	FY Plan	Q1	Actual
	2025	2025	2024
		(in ₱ millions)	
Property Plant and Equipment			
APAC BFB	6,578	279	562
Meat Alternative	976	128	209
Total Property Plant and Equipment	7,554	407	771
Right-of-Use (ROU) Assets			
APAC BFB	_	_	793
Meat Alternative	_	1	
Total ROU Assets	_	1	793
Total	7,554	408	1,564

In Q1 2024, APAC BFB's major CapEx major CapEx was primarily on new production capability, capacity expansion in Davao, and operational efficiencies. In addition, ROU assets for 2024 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 Q1 2025, major CapEx was primarily on new production capability, initial investment related to capacity expansion, operational efficiencies, and investment in system to support the Group.

In Q1 2024, Meat Alternative's major CapEx were primarily to for fermentation, long-life paste design and other capabilities. Meanwhile, in Q1 2025, investments were primarily related to operational efficiencies.

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

No assurance can be given that the Group's capital expenditures plan will not change or that the amount of the capital expenditures for any project or as 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:

	Three months March 31, 2025			
	PFRS	•		Non-PFRS
	Reported	APAC BFB	Meat Alternative	Reported
			nillions)	
NET SALES	20,881	_	_	20,881
Less: COST OF GOODS SOLD	13,594	-	_	13,594
GROSS PROFIT	7,287	-	-	7,287
Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Impairment loss	58	(58)	_	_
General and administrative expenses	1,890	_	(69)	1,821
Selling expenses	1,623	_		1,623
	3,571	(58)	(69)	3,443
Core Other Income/(Expense)				
Miscellaneous Income	_	27	_	27
Interest Expense - Orchid+Trust Receipts	_	(85)	_	(85)
Forex loss on USD Stockpile	_	(29)	_	(29)
	_	(87)	_	(87)
CORE INCOME BEFORE TAX	3,716	(29)	69	3,757
OTHER INCOME (CHARGES)				
Loss on Change in fair value of Guaranty Asset	(290)	-	_	(290)
Foreign exchange gain (loss) – net	(17)	29	_	12
Share in net earnings of an associate	(11)	_	_	(11)
Market valuation gain on financial instruments at fair value through profit or loss	49	_	_	49
Miscellaneous + dividend Income	181	(27)	_	154
	(88)	2	_	(86)
INCOME BEFORE FINANCE INCOME (EXPENSES)	3,628	(27)	69	3,670
FINANCE INCOME (EXPENSES)				
Finance Income	100	_	_	100
Finance Costs	(127)	85	_	(42)
Derivative gain	21	_	_	21
	(6)	85	_	79
Other Non-Recurring Expenses				
Impairment Loss -net	_	(58)	_	(58)
Restructuring costs in MNUK	-	_	(69)	(69)
	-	(58)	(69)	(127)
INCOME BEFORE INCOME TAX	3,622	_	_	3,622
PROVISION FOR CURRENT INCOME TAX				
Current	844	_	_	844
Deferred	40	_	_	40
PROVISION FOR CURRENT INCOME TAX	884	_	_	884
NET INCOME FROM CONTINUING OPERATIONS	2,738	_	_	2,738
				•

	Three months March 31, 2024			
	PFRS	Non-PFRS	Adjustments Meat	Non-PFRS
	Reported	APAC BFB	Alternative	Reported
		(in ₱ r	nillions)	
NET SALES	20,312	-	-	20,312
Less: COST OF GOODS SOLD	13,115	-	_	13,115
GROSS PROFIT	7,197	-	-	7,197
Less: SALES, GENERAL AND ADMINISTRATIVE EXPENSES				
Impairment loss – net	17	(17)	-	_
General and administrative expenses	1,874	_	_	1,874
Selling expenses	1,554	-	-	1,554
	3,445	(17)	-	3,428
Core Other Income/(Expense)				
Miscellaneous Income				-
Interest Expense - Orchid+Trust Receipts	_	(98)	_	(98)
Forex loss on USD Stockpile	_	70	_	70
·	-	(28)	_	(28)
CORE INCOME BEFORE TAX	3,752	(11)	-	3,741
OTHER INCOME (CHARGES)				
Gain on Change in Fair Value of Guaranty Asset	324	-	_	324
Foreign exchange gain (loss) – net	224	(70)	_	154
Share in net earnings of an associate	14	_	_	14
Market valuation gain on financial instruments at fair value through profit or loss	24	_	_	24
Miscellaneous + dividend Income	71	_	_	71
	657	(70)	_	587
INCOME BEFORE FINANCE INCOME (EXPENSES)	4,409	(81)	_	4,328
FINANCE INCOME (EXPENSES)	·	. ,		•
Finance Income	137			137
Finance Costs	(153)	98	_	(55)
Derivative gain	26	-	_	26
	10	98	-	108
Other Non-Recurring Expenses				
Impairment Loss	_	(17)	_	(17)
Restructuring costs in MNUK	_	( )	_	-
0	_	(17)	_	(17)
INCOME BEFORE INCOME TAX	4,419	-	-	4,419
PROVISION FOR CURRENT INCOME TAX	-			-
Current	949	_	_	949
Deferred	(16)	_	_	(16)
PROVISION FOR CURRENT INCOME TAX	933	_	_	933
NET INCOME FROM CONTINUING OPERATIONS	3,486	_	_	3,486

# II. EBITDA Reconciliation

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

For the three months ended March 31, 2025 Meat APAC BFB Alternative Total (Unaudited, in ₱ millions) Income before Income Tax 4,038 (416)3,622 Interest Expense 62 66 128 Interest Income (87)(13)(100)EBIT 4,013 (363)3,650 Derivative Gain (21) (19)(2) Foreign Exchange Loss - net 15 17 Loss on Change in FV of Guaranty Asset 290 290 Restructuring costs and supply costs transformation 69 69 in MNUK Impairment Loss 58 58 Depreciation and Amortization Expense 672 528 144 Gain on sales of shares (73)(73) Core EBITDA 4,522 140 4,662

	For the three months ended March 31, 2024		
	•	Meat	
	APAC BFB	Alternative	Total
	(Una	udited, in ₱ millions)	
Income before Income Tax	4,372	47	4,419
Interest Expense	78	75	153
Interest Income	(119)	(18)	(137)
EBIT	4,331	104	4,435
Derivative Gain	(26)	-	(26)
Foreign Exchange (Gain)/Loss (net)	(230)	6	(224)
Gain Change in FV of Guaranty Asset	-	(324)	(324)
Impairment Loss	17	1	18
Depreciation and Amortization Expense	476	153	629
Core EBITDA	4,568	(60)	4,508

# III. FINANCIAL LIABILITIES

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

	(Unaudited, in ₱ millions)					
		More than 5				
	On Demand	1 to 3 months	3 to 12 months	1 to 5 years	years	Total
Financial Liabilities						
Trade and other payables*	1,261	8,840	5	-	-	10,106
Dividends payable	-	2,695	-	-	-	2,695
Loans Payable**	-	16	372	2,522	-	2,910
Lease liabilities	-	55	189	975	7,299	8,518
Acceptance and trust receipts						
payable	-	-	696	-	-	696
	1,261	11,606	1,262	3,497	7,299	24,925
* = 1 1:						

<sup>\*</sup> Excluding statutory payables
\*\* including amount of interest

# **Off-Balance Sheet Arrangements**

As at March 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 22 to Unaudited Consolidated Financial Statements.

# 1. Foreign Currency Risk

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

# 2. Commodity Price Risk

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

#### 3. Interest Rate Risk

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

#### 4. Liquidity Risk

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

#### 5. Credit Risk

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

# Contingencies

As at March 31, 2025, the Group is involved in certain proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements. Disclosure of additional details beyond the present disclosure may seriously prejudice the Group's position and negotiating strategy.

#### **Capital Commitments**

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱2,116.5 million and ₱1,843.6 million as at March 31, 2025 and December 31, 2024, respectively.

# **OTHER MATTERS**

# **Commodity Prices**

The Company continues to see gradual easing of wheat prices and has been experiencing significant increases in the oil-based ingredients. The Parent Company has substantially secured estimated requirements for wheat and palm oil in 2025.

# Subsequent events

# Additional Subscription to MNSPL and Equity Infusion to MNUKL and DSHPL

On May 9, 2025, the Parent Company's BOD approved and authorized the Parent Company to subscribe to an additional 26.4 million ordinary shares in MNSPL at 1 GBP per share, or total subscription price of £26.4 million, payable in one or several tranches, on or before 31 December 2025. £25.0 million proceeds will be infused by MNSPL to MNUKL MNUKL will in turn infuse said funds into MFL to partially pay down MFL's existing debt. The remaining £1.4 million proceeds will be used to support the trading operation of MNSPL and to infuse funds to DSHPL.

### Additional Subscription to Amico

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 subscription price of \$\mathbb{P}\$18.2 million payable on or before 31 December 2025.

# <u>Others</u>

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

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

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

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

	Three Months Average Rate, ending March 31,		1, Closing Rate	
	2025	2024	March 31, 2025	December 31, 2024
1 GBP	72.9709	70.9972	74.1889	72.8477
1 USD	57.9703	55.9767	57.2590	57.2925

#### C. NATURE AND SCOPE OF BUSINESS

MONDE is a publicly-listed company incorporated and registered with the 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).

The Group is 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 APAC BFB Business and the meat alternative business ("Meat Alternative Business", which includes the production, marketing, and sales of the *Quorn* and *Cauldron* meat alternatives brands). The APAC BFB Business comprises three product groups: (i) instant noodles; (ii) biscuits; and (iii) others (such as beverages, baked goods, and culinary aids). The Group operates its Meat Alternative Business through Quorn Foods under the *Quorn* and *Cauldron* brands.

# D. MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

# **Market Information**

MONDE's common shares are listed with the PSE.

The high and low closing prices for MONDE's common shares for each quarter in 2024 until the end of the most recent quarter (*i.e.*, March 31, 2025) are as follows:

Quarter	2024		
Quarter	High (in ₱)	Low (in ₱)	
1 <sup>st</sup>	10.92	8.08	
2 <sup>nd</sup>	11.76	9.35	
3 <sup>rd</sup>	10.44	9.00	
4 <sup>th</sup>	11.50	7.08	

Quarter	2025		
Quarter	High (in ₱)	Low (in ₱)	
1 <sup>st</sup>	8.60	6.65	

# <u>Holders</u>

MONDE's STA, BDO – Trust and Investments Group reports that there are twenty-four (24) stockholders of record as of April 30, 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)	2,580,249,027	14.360
4	PCD Nominee Corp. (Non-Filipino)	1,540,306,373	8.572
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	Eveline 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

	Name of Stockholder	Number of Shares Held	% of Total Shares Outstanding Held
13	David John Nicol	234,900	0.001
14	Edwin Lee Lapasaran Lim &/or Ma. Hope C. Lim	200,000	0.001
15	Cristobal S. Hautea	60,000	0.000
16	Donnel Kelvin Tan Ong	20,000	0.000
17	Elvira M. Cruz or Bernardo A. Cruz	5,000	0.000
18	Glenn Maverick Almonte Ang	600	0.000
19	Ofelia R. Blanco	400	0.000
20	Jennifer T. Ramos	300	0.000
21	Nina Perpetua D. Aguas	2	0.000
22	Kataline Darmono	2	0.000
23	Anabelle Lim Chua	1	0.000
24	Ramon Felicisimo M. Lopez	1	0.000

<sup>&</sup>lt;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%. PCD Nominee Corp. (Non-Filipino)'s total ownership percentage reduced by Mr. Soesanto's 41,046,000 scripless shares is 8.344%.

#### Dividend Policy

The Board of Directors (or 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 (2) most recent years:

Declaration Date	Record Date	Payment Date	Dividend/ share (in ₱)	Total dividend (₱ in millions)
November 29, 2023	December 14, 2023	January 11, 2024	0.12	2,156.23
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

As disclosed in MONDE's IPO final offering memorandum, MONDE's Board on March 12, 2021 resolved to adopt and maintain 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 MONDE in its guarantee of its indirect subsidiary Marlow Foods Limited's certain loan obligations, there are currently no pre-existing, subsisting, or foreseen factual conditions (such as a relevant event of default) that restricts MONDE's ability to declare dividends.

<u>Recent Sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction</u>

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

#### E. COMPLIANCE WITH LEADING PRACTICES ON 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, as well as 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.

# Good Governance as a Practice.

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.*, Conflict of Interest, Data Privacy, Prevention of Insider Trading, Whistleblowing, Material Related Party Transactions, Guidelines and Limitations re Engaging External Auditors for Non-Audit Services, Policy Promulgation Guidelines, and Sustainability).

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 2024, the Board had six meetings, its Executive Committee had four meetings, its Audit Committee had six meetings, its Risk and Related Party Transactions Committee had two meetings, and its Corporate Governance, Nominations, 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 2024. The Board and MONDE's key executive officers attend compliance and governance trainings by leading service providers [primarily, by the ICD and, for the first time, for 2024, the Good Governance Advocates of the Philippines] 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.

Significantly, in 2024, MONDE was awarded 3 Golden Arrows from the SEC, PSE, and the ICD at the 2024 ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards in September 2024. From its very first Integrated Annual Corporate Governance Report (I-ACGR) submission in 2022 for FY 2021, MONDE has consistently received 3 Golden Arrows, a testament to its commitment to upholding the essential principles of good corporate governance.

MONDE's Board has also conducted annual self-evaluation exercises in 2022 to 2024 pertaining to the individual Directors, the Board as a body, and its different Committees, and the relationship and interaction between Board and Management to assess and evaluate their respective performance in the governance roles they have been entrusted with.

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.

Upon the written request of a stockholder and when circumstances permit, MONDE undertakes to furnish such stockholder with a copy of the Information Statement with the Unaudited Interim Consolidated Financial Statements as of March 31, 2025 and/or the Audited Consolidated Financial Statements as of December 31, 2024, free of charge. At MONDE's discretion, a charge may be made for exhibits, provided such charge is limited to reasonable expenses incurred by MONDE in furnishing such exhibits. Written requests should be addressed to:

The Corporate Secretary Monde Nissin Corporation 21<sup>st</sup> Floor, 6750 Office Tower Ayala Avenue, Makati City Metro Manila 1223 Philippines

# Annual Audited Consolidated Financial Statements and Supplementary Schedules as of December 31, 2024



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

#### 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, 2024, 2023 and 2022, 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

Signed this 10th day of Ayril of 2025

#### REPUBLIC OF THE PHILIPPINES ) MAKATI CITY ) S.S.

APR 10 2025 at the place stated above, SUBSCRIBED AND SWORN to before me this affiants exhibiting to me their respective competent evidence of identity, as follows:

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

Doc. No. 36

Page No. 9

Book No.
Series of 2025.

ATTY. GARD (Y-LU)

Notary Public for Makati City

Appointment No. M-270 Intil December 31, 2223

Roll of Attorneys No. 53666

PTR No. 10466479MN/ 1-03-2025/Makati City

IBP No. 480877/12-04-2024

MCLE Compliance No. VIII-0007515 valid until April 14, 2023 21st Floor, 6750 Office Tower, Ayala Avanue

Makati City, 1226 Metro Manila, Philippines

## COVER SHEET

## **AUDITED FINANCIAL STATEMENTS**

	SEC Registration Number																												
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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.





SyCip Gorres Velayo & Co. 6760 Ayala Avenue 1226 Makati City Philippines Tel: (632) 8891 0307 Fax: (632) 8819 0872

sgv.ph

#### 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, 2024 and 2023, 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, 2024, 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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 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) together with the ethical requirements that are relevant to our audit of the consolidated 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.

#### **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 ₱25.5 billion and brand with indefinite life amounting to ₱4.5 billion as at December 31, 2024 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 involved our internal specialist in evaluating the methodologies and the assumptions used in determining the recoverable amounts of the cash-generating units (CGUs) for brands with indefinite life and property, plant and equipment. These assumptions include short-term and long-term growth rates applied to revenue and EBITDA, and the discount rate applied. We have assessed the forecasts and assumptions, agreeing them to budgets approved by the Board of Directors and comparing them to actual results and forecasts of industry growth rates published by independent analysts. 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. In assessing the discount rate, we reviewed the underlying cash flows and considered the risks inherent in the cash flows. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive; specifically, those that have the most significant effect on the determination of the recoverable amount of property, plant and equipment and brand with indefinite useful life.

#### Valuation of Guaranty Asset

The Group has guaranty asset amounting to \$\frac{1}{2}8.1\$ billion as at December 31, 2024. 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 Parent Company and Monde Nissin (UK) Limited (MNUKL), interest rate curve, and aggregate impairment on MNSPL 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 inception date and at year-end. These assumptions include forecasted collateral value; historical volatility for similar companies of Parent Company and Monde Nissin (UK) Limited (MNUKL), interest rate curve, and aggregate impairment on MNSPL 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, 2024 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, 2024 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 on 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

Red E. Lucas

Tax Identification No. 191-180-015

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

BIR Accreditation No. 08-001998-095-2022, November 7, 2022, valid until November 6, 2025

PTR No. 10465323, January 2, 2025, Makati City

April 10, 2025



## MONDE NISSIN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands)

	December 31		
	2024	2023	
ASSETS			
<b>Current Assets</b>			
Cash and cash equivalents (Note 5)	<b>₽14,158,203</b>	₽16,678,888	
Trade and other receivables (Note 6)	7,709,717	6,410,138	
Inventories (Note 7)	8,920,788	9,186,527	
Prepayments and other current assets (Note 8)	1,326,147	1,099,674	
Current financial assets (Notes 9 and 23)	1,812,489	2,714,363	
Total Current Assets	33,927,344	36,089,590	
Noncurrent Assets			
Noncurrent receivables (Notes 9 and 23)	1,320,296	_	
Guaranty asset (Notes 10, 18 and 23)	8,128,814	10,432,256	
Financial assets at fair value through other comprehensive income	, ,	, ,	
(FVOCI) (Note 10)	813,971	600,701	
Investments in associates and joint ventures (Note 11)	1,133,847	1,125,054	
Property, plant and equipment (Note 12)	25,506,662	25,155,720	
Intangible assets (Note 13)	5,456,069	8,812,834	
Deferred tax assets - net (Note 24)	1,007,502	936,965	
Other noncurrent assets (Note 14)	792,243	941,539	
Total Noncurrent Assets	44,159,404	48,005,069	
	₽78,086,748	₽84,094,659	
		- , ,	
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities (Note 15)	<b>₽12,550,324</b>	₽11,684,310	
Acceptances and trust receipts payable (Notes 7 and 16)	1,608,501	1,607,336	
Refund liabilities (Note 15)	378,784	406,677	
Current portion of loans payable (Note 17)	364,239	1,200,251	
Current portion of lease liabilities (Note 25)	77,620	89,121	
Dividends payable (Note 18)	_	2,156,233	
Income tax payable	557,803	590,874	
Total Current Liabilities	15,537,271	17,734,802	
Noncurrent Liabilities			
Loans payable (Note 17)	2,842,396	3,733,776	
Lease liabilities (Note 25)	2,522,145	2,593,746	
Pension liability (Note 22)	1,284,907	1,007,247	
Derivative liability (Note 26)	288,604	106,406	
Deferred tax liabilities - net (Note 24)	32,267	381,737	
Other noncurrent liabilities	40,256	38,557	
Total Noncurrent Liabilities	7,010,575	7,861,469	
Total Liabilities (Carried Forward)	22,547,846	25,596,271	

(Forward)



	December 31		
	2024	2023	
Total Liabilities (Brought Forward)	₽22,547,846	₽25,596,271	
Equity			
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	211,452	211,452	
Unappropriated	1,095,599	5,321,590	
Fair value reserve of financial assets at FVOCI (Note 10)	(349,967)	(563,237)	
Remeasurement losses on pension liability (Note 22)	(595,305)	(525,874)	
Equity reserve (Notes 18 and 26)	8,491,129	8,491,788	
Cumulative translation adjustments (Note 18)	(1,832,647)	(2,893,488)	
<b>Equity Attributable to Equity Holders of the Parent Company</b>	55,366,514	58,388,484	
Non-controlling Interests (Note 4)	172,388	109,904	
Total Equity	55,538,902	58,498,388	
	₽78,086,748	₽84,094,659	

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				
	2024	2023	2022		
NET SALES (Note 19)	₽83,120,056	₽80,169,467	₽73,880,709		
COST OF GOODS SOLD (Notes 7 and 19)	54,430,389	55,441,703	50,920,755		
GROSS PROFIT	28,689,667	24,727,764	22,959,954		
SALES, GENERAL AND					
ADMINISTRATIVE EXPENSES					
General and administrative expenses (Note 20)	8,353,218	7,775,036	7,587,747		
Selling and distribution expenses (Note 20)	7,657,013	7,037,765	7,496,354		
Impairment loss - net (Notes 11, 12, 13, and 20)	6,795,930	13,271,654	21,373,638		
	22,806,161	28,084,455	36,457,739		
	5,883,506	(3,356,691)	(13,497,785)		
OTHER INCOME (EXPENSES)					
Fair value gain (loss) on:					
Guaranty asset (Note 10)	(2,648,829)	1,301,750	_		
Financial assets at fair value through profit or					
loss (FVTPL) (Note 9)	81,960	92,600	22,380		
Share in net earnings (losses) of associates and					
joint ventures (Note 11)	55,504	35,552	(12,608)		
Foreign exchange gains - net (Notes 4 and 17)	25,004	80,406	422,117		
Dividend income (Note 10)	22,147	22,147	_		
Miscellaneous income (Note 21)	185,614	209,518	141,871		
	(2,278,600)	1,741,973	573,760		
INCOME (LOSS) BEFORE FINANCE					
INCOME (EXPENSES)	3,604,906	(1,614,718)	(12,924,025)		
FINANCE INCOME (EXPENSES)					
Finance costs (Note 21)	(738,599)	(681,359)	(416,525)		
Finance income (Note 21)	579,277	428,114	148,596		
Derivative gain (Note 26)	65,869	20,833	1,306,391		
Zerrium ve gunn (1 veve 20)	(93,453)	(232,412)	1,038,462		
INCOME (LOSS) BEFORE INCOME TAX	3,511,453	(1,847,130)	(11,885,563)		
	, ,	( ) - : / /	<u> </u>		
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 24)					
Current	3,365,114	2,801,172	2,428,492		
Deferred	(303,179)	(4,021,724)	(1,299,539)		
	3,061,935	(1,220,552)	1,128,953		
NET INCOME (LOSS)	₽449,518	( <del>P</del> 626,578)	(₱13,014,516)		
		(= ===;= / 0)	(,-1 .,-10)		

(Forward)



	Years Ended December 31				
	2024	2023	2022		
NET INCOME (LOSS)	₽449,518	(₱626,578)	( <del>P</del> 13,014,516)		
OTHER COMPREHENSIVE INCOME					
(LOSS)					
Other comprehensive income (loss) to be					
reclassified to profit and loss in subsequent					
periods:					
Exchange gains (losses) on foreign currency					
translation (including effective portion of					
the net investment hedge)	1 0 50 0 11	-01 10 <b>-</b>	( <b>50 1 - 5 -</b> )		
(Notes 18 and 26)	1,060,841	581,492	(691,727)		
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)	213,270	(229 107)	_		
Remeasurement gain (loss) on defined	213,270	(328,107)			
benefit plans (Note 22)	(91,092)	(414,960)	126,789		
Income tax effect	21,753	99,806	(48,321)		
Other comprehensive income (loss) - net of tax	1,204,772	(61,769)	(613,259)		
	, - ,	(- ) )	(* - ) )		
TOTAL COMPREHENSIVE INCOME	D1 (54 200	(B600 247)	(B12 (27 775)		
(LOSS)	₽1,654,290	(₱688,347)	( <del>P</del> 13,627,775)		
Nat ingoma (loss) attributable to:					
Net income (loss) attributable to: Equity holders of the Parent Company	₽445,848	( <del>P</del> 636,408)	( <del>P</del> 13,020,512)		
Non-controlling interests	3,670	9,830	5,996		
Tron controlling interests	₽449,518	( <del>P</del> 626,578)	(₱13,014,516)		
=	1117,010	(1 020,570)	(113,011,310)		
Total comprehensive income (loss) attributable					
to:					
Equity holders of the Parent Company	₽1,650,528	(₱698,092)	(₱13,633,781)		
Non-controlling interests	3,762	9,745	6,006		
	₽1,654,290	(₱688,347)	(₱13,627,775)		
Earnings (loss) per Share (EPS) (Note 18)					
Income (loss) attributable to equity holders of the					
parent	₽0.02	(₱0.04)	(₱0.72)		

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										
_				Earnings	Fair Value					_	
		<del>-</del>	(Deficit)	(Note 18)		Remeasurement		Cumulative		Non-controlling	
	G 1: 10: 1	Additional				Losses on Pension	Equity Reserve	Translation		Interests	
	Capital Stock	Paid-in Capital	A	II	FVOCI	Liability	(Notes 10	Adjustments	T-4-1	(Notes 4 and 18)	T-4-1 F
-	(Note 18)	(Note 18)	Appropriated	Unappropriated	(Note 10)	(Note 22)	and 18)	(Note 18)	Total	and 18)	Total Equity
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							((50)		((50)		((50)
loan (Notes 9 and 18) Acquisition during the year (Note 4)	_	_	_	_	_	_	(659)	_	(659)	- 59.733	(659) 58,722
Dividends (Note 18)	_	_	_	(4,671,839)	_	_	_	_	(4,671,839)	58,722	(4,671,839)
Dividends (Note 18)				(4,0/1,039)					(4,0/1,039)		(4,0/1,039)
Balance as at December 31, 2024	₽8,984,306	₽39,361,947	₽211,452	₽1,095,599	( <del>P</del> 349,967)	(₱595,305)	₽8,491,129	(₱1,832,647)	₽55,366,514	₽172,388	₽55,538,902
Balance as at January 1, 2023	₽8,984,306	₽46,515,847	₽5,211,452	( <del>P</del> 4,039,669)	( <del>P</del> 235,130)	( <del>P</del> 210,805)	( <del>P</del> 622,335)	( <del>P</del> 3,474,980)	₽52,128,686	₽142,498	₽52,271,184
Net income (loss)	10,704,500	-	- 13,211,432	(636,408)	(1233,130)	(1210,005)	(1022,333)	(13,474,700)	(636,408)	9,830	(626,578)
Other comprehensive income (loss), net				(050,400)					(050,400)	7,030	(020,370)
of tax	_	_	_	_	(328,107)	(315,069)	_	581,492	(61,684)	(85)	(61,769)
Total comprehensive income (loss)		_	_	(636,408)	(328,107)		_	581,492	(698,092)		(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)		-	=	_	_	_	=	_
Dividends (Note 18)				(2,156,233)					(2,156,233)		(2,156,233)
Balance as at December 31, 2023	₽8,984,306	₽39,361,947	₽211,452	₽5,321,590	(₱563,237)	( <del>P</del> 525,874)	₽8,491,788	(₱2,893,488)	₽58,388,484	₽109,904	₽58,498,388
	TO 00 1 20 5					(2000 200		(72 - 70 - 70)	D. CO. D. D. C. D.		T. C
Balance as at January 1, 2022	₽8,984,306	₽46,515,847	₽4,095,257	₱12,612,644	( <del>P</del> 235,130)	( <del>P</del> 289,263)	(₱622,335)	(₱2,783,253)	₽68,278,073	₽137,507	₽68,415,580
Net income	_	=-	_	(13,020,512)	_		_	(601.505)	(13,020,512)		(13,014,516)
Other comprehensive income, net of tax				(12.020.512)		78,458	=	(691,727)	(613,269)	10	(613,259)
Total comprehensive income	_	-	- - 167,000	(13,020,512)	_	78,458	_	(691,727)	(13,633,781)	6,006	(13,627,775)
Appropriation during the year (Note 18)	_	=	5,167,000	(5,167,000)	_	_	_	_	_	_	_
Release of appropriation (Note 18) Dividends (Note 18)	_	_	(4,050,805)	4,050,805 (2,515,606)	_	_	_	_	(2,515,606)	(1,015)	(2.516.621)
Dividends (Note 18)				(2,313,000)					(2,313,000)	(1,015)	(2,516,621)
Balance as at December 31, 2022	₽8,984,306	₽46,515,847	₽5,211,452	( <del>P</del> 4,039,669)	( <del>P</del> 235,130)	(210,805)	(₱622,335)	(3,474,980)	₽52,128,686	₽142,498	₽52,271,184

See accompanying Notes to Consolidated Financial Statements.



## MONDE NISSIN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Years Ended December 31				
	2024	2023	2022		
CASH ELOWS EDOM ODED ATING ACTIVITIES					
CASH FLOWS FROM OPERATING ACTIVITIES Income (loss) before income tax	₽3,511,453	(₱1,847,130)	(Đ11 005 562)		
Adjustments to reconcile income (loss) before income tax	£3,311,433	(#1,847,130)	( <del>P</del> 11,885,563)		
to net cash flows:					
Impairment loss - net (Notes 11, 12, 13 and 20)	6,795,930	13,271,654	21,373,638		
Depreciation and amortization (Notes 12, 13, 19, 20 and	0,773,730	13,271,034	21,373,036		
21)	2,687,921	2,771,966	2,713,662		
Fair value gain (loss) on guaranty asset (Note 10)	2,648,829	(1,301,750)	2,713,002		
Finance costs (Notes 16, 17, 21 and 25)	738,599	681,359	416,525		
Finance income (Notes 5, 9 and 21)	(579,277)	(428,114)	(148,596)		
Movement in pension liability (Notes 19, 20 and 22)	192,182	85,874	(17,236)		
Unrealized foreign exchange loss (gain) - net	(102,874)	(38,535)	14,382		
Fair value gain on financial assets at FVTPL	(102,071)	(30,233)	11,302		
(Note 9)	(81,960)	(92,600)	(22,380)		
Derivative gain (Note 26)	(65,869)	(20,833)	(1,306,391)		
Share in net losses (gain) of associates and joint venture	(),	( -,)	( ) ) )		
(Note 11)	(55,504)	(35,552)	12,608		
Loss (gain) on sale of property, plant and equipment	3,503	(26,116)	(18,484)		
Loss on retirement of intangibles (Note 13)	47				
Working capital adjustments:					
Decrease (increase) in:					
Trade and other receivables	(1,098,761)	464,583	(430,511)		
Inventories	265,739	1,692,043	(2,306,207)		
Prepayments and other current assets	(226,473)	169,535	499,948		
Increase (decrease) in:					
Accounts payable and other current liabilities	1,250,558	470,318	355,342		
Refund liabilities	(27,893)	206,237	(103,438)		
Acceptance and trust receipts payable	10,163	(723,774)	(1,429,685)		
Net cash generated from operations	15,866,313	15,299,165	7,717,614		
Income tax paid	(3,398,185)	(2,420,129)	(2,356,503)		
Interest received	568,505	412,209	122,223		
Net cash flows from operating activities	13,036,633	13,291,245	5,483,334		
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to:					
Property, plant and equipment (Notes 12 and 28)	(4,823,143)	(3,641,270)	(4,432,230)		
Current financial assets (Note 9)	(3,459,263)	(3,871,363)	(2,586,197)		
Noncurrent receivables (Notes 9 and 27)	(1,209,918)				
Intangible assets (Note 13)	(115,885)	(81,130)	(75,901)		
Financial assets at FVOCI (Note 10)		(928,808)			
Investment in associates and joint venture (Note 11)	_		(49,600)		
Proceeds from:			,		
Disposal of current financial assets (Note 9)	3,760,823	3,672,926	851,995		
Collection of loans (Note 27)	500,000	_	_		
Sale of property, plant and equipment (Note 12)	77,032	45,057	31,250		
Decrease (increase) in other noncurrent assets	147,752	40,531	193,002		
Dividends from an associate (Note 11)	25,825	14,951	25,485		
Net cash flows used in investing activities	(5,096,777)	(4,749,106)	(6,042,196)		

(Forward)



	Years Ended December 31					
	2024	2023	2022			
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from (payments for):						
Cash dividends (Note 18)	( <del>P</del> 6,828,072)	₽-	( <del>P</del> 2,516,621)			
Payment of loans (Note 17)	(2,016,573)	(3,623,216)	(8,758,046)			
Principal portion of lease liabilities (Note 25)	(1,325,800)	(332,604)	(255,410)			
Interest	(516,792)	(452,509)	(127,045)			
Availment of loans (Note 17)	84,315	917,838	9,036,880			
Derivatives (Note 26)	65,869	20,833	919,859			
Noncontrolling interest for investment in subsidiary	,	,	,			
(Note 4)	58,722	(32,292)	_			
Increase in other noncurrent liabilities	1,699	1,884	16,248			
Net cash flow used in financing activities	(10,476,632)	(3,500,066)	(1,684,135)			
NET INCREASE (DECREASE) IN CASH						
AND CASH EQUIVALENTS	(2,536,776)	5,042,073	(2,242,997)			
EFFECT OF FOREIGN EXCHANGE RATE CHANGES						
ON CASH AND CASH EQUIVALENTS	16,091	8,188	14,810			
CASH AND CASH EQUIVALENTS						
AT BEGINNING OF YEAR	16,678,888	11,628,627	13,856,814			
CASH AND CASH EQUIVALENTS						
AT END OF YEAR	<b>₽14,158,203</b>	₽16,678,888	₽11,628,627			

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)

#### 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 \$\mathbb{P}0.50\$ per share from the par value of \$\mathbb{P}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, 2025. On the same date, the BOD also approved and authorized the issuance of the consolidated financial statements.

#### 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 functional and presentation 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 2024. 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 1, Classification of Liabilities as Current or Non-current The amendments clarify that:
  - 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.
- Amendments to PFRS 16, Lease Liability in a Sale and Leaseback The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- Amendments to PAS 7 and PFRS 7, Disclosures: Supplier Finance Arrangements The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

#### 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, 2025

Amendments to PAS 21, Lack of exchangeability

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, Classification and Measurement of Financial Instruments
- 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 19, Subsidiaries without Public Accountability

#### 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 2024 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, 2024 and 2023 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 2024, 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 structured deposits and 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, guaranty asset, 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 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.

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:

20 years Land improvements Buildings and improvements 10-55 years Right-of-use (ROU) 20-25 years or term of lease, whichever is shorter assets Leasehold improvements 20 years or term of the lease, whichever is shorter Plant machinery and fixtures 5-55 years 3–5 years Office furniture and equipment 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 rights20 yearsLicense10 yearsTrademarks7-10 yearsSoftware3-10 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.

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



Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

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.

#### 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:

	Functional Currency
Subsidiaries:	
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)	Singapore Dollar
Sun Operation Co., Ltd.	Thai Baht
Monde Nissin International Investments Ltd (MNIIL)	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 contact, 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.

#### 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. Goodwill and Brand. An impairment 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 3.20% each year from 2025 to 2029, an average of 4.30% each year from 2024 to 2028 and an average of 5.60% each year from 2023 to 2027.
  - Long-term growth rate The long-term growth rate used was 2.00% in 2024, 2023 and 2022, 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 9.35% in 2024, 10.10% in 2023, and 8.88% in 2022, 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 longterm 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, goodwill has been fully impaired as at December 31, 2024 and 2023. MNUKL recognized impairment loss on brand amounting to ₱3,871.7 million in 2024,



₱6,172.5 million in 2023 and ₱20,544.1 million in 2022. Information on the Group's goodwill and 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 deterioration in the discount rate and projected capacity requirements resulted to additional impairment loss recognized amounting to P2,952.9 million in 2024, P7,187.9 million in 2023 and P620.0 million in 2022. Further details are disclosed in Note 12.

Based on these assessments, the Group recognized net impairment loss amounting to ₱2,903.4 million in 2024, ₱7,094.5 million in 2023 and ₱825.9 million in 2022 (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, and Honey Droplet Hong Kong have been fully impaired as at December 31, 2024 and 2023. The Group recognized additional impairment loss amounting to ₱20.9 million in 2024 on its investment in Calaca Harvest Terminal, Inc. (CHTI) and ₱1.1 million in 2022 on its investment in MMBC. Accumulated impairment over these investments amounted to ₱643.2 million and ₱622.3 million as at December 31, 2024 and 2023, 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, 2024 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.

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, 2024 and 2023, 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 contact, 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.



# 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, 2024 and 2023, as set out below:

			Pe	ercentage of	Ownershi	p
		Country of	20	24	202	
Subsidiaries	Principal Activity	Incorporation	Direct	Indirect	Direct	Indirect
MNSPL	Investment/sales	Singapore	100.00	_	100.00	_
MNUKL	Investment holding	United Kingdom	-	100.00	_	100.00
Marlow Foods	Manufacturing, Sales, and	United Kingdom	-	100.00	_	100.00
Limited	Marketing	C		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
MNNZ	Distribution of food related goods	New Zealand	-	100.00	_	100.00
MNHTL**	Investment company	Thailand	_	6.54	_	6.54
MIL	Manufacture	Thailand	_	100.00	_	100.00
MNTH**	of seasonings Manufacture and distribution of bread and cookies	Thailand	-	56.48	_	56.48
DSHPL****	Investment holding	Singapore	_	49.00	_	_
Sun Operation Co.,	Manufacture and	Thailand	_	100.00	_	_
Ltd.	distribution of animal food and care products			100.00		
MNIIL	Investment company	British Virgin Islands	100.00	_	100.00	_
MNHTL**	Investment company	Thailand	-	93.46	_	93.46
MNTH**	Manufacture and distribution of bread and cookies	Thailand	-	43.52	_	43.52
KBT International Holdings, Inc. (KBT)***	Investment company	Philippines	100.00	_	100.00	_
MNAC*	Manufacture, process, and distribution of industrial coconut and agricultural products	Philippines	90.91	-	90.91	_
SFC	Manufacture and process of bread	Philippines	80.00	_	80.00	_
All Fit & Popular Foods Inc. (AFPFI)	Manufacturing, importing, exporting, selling and distribution of breads; Purchasing or registering intellectual properties	Philippines	-	80.00	-	80.00
Monde M.Y. San Corporation (MMYSC)	Manufacture, process, and export of biscuits	Philippines	100.00	-	100.00	_
Amico Innovations, Inc. (Amico)	Wholesale and retail trade of goods, wares, and merchandises	Philippines	70.00	-	_	-

<sup>\*</sup>Dormant



<sup>\*\*</sup>The Group effectively owns 100%

<sup>\*\*\*</sup>Actual transfer of stock certificate is still in process
\*\*\*\*The Group has determined that is has significant control as it has the power to direct the relevant activities

The Group has direct and indirect ownership interests in associates and joint ventures which are further discussed in Note 11.

#### a. Subsidiaries

#### i. MNSPL

On August 9, 2022, the BOD approved to subscribe additional 30,000,000 ordinary shares of MNSPL at an aggregate subscription price of ₱2,048.2 million (GBP30.0 million) payable in five equal tranches on or before December 16, 2022. On the following dates, the Parent Company paid for the following:

Payment date	No. of shares Amount in GBP Amount in PHP		
	(In Thousands, Except No. of Shares)		
August 23, 2022	6,000,000	£6,000	₱402,419
September 21, 2022	6,000,000	6,000	404,889
October 19, 2022	6,000,000	6,000	413,430
November 17, 2022	6,000,000	6,000	413,144
December 14, 2022	6,000,000	6,000	414,320

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

		No. of	Amount in	
Approval date	Payment date	shares	GBP	Amount in PHP
		(In Thous	ands, Except I	No. of shares)
May 10, 2023	May 15, 2023	23,000,000	£23,000	₽1,606,083
May 10, 2023	June 23, 2023	2,000,000	2,000	141,992
May 10, 2023	July 11, 2023	7,500,000	7,500	535,344
May 10, 2023	July 19, 2023	7,500,000	7,500	534,219
August 9, 2023	August 21, 2023	3,956,735	3,957	286,070
August 9, 2023	August 22, 2023	7,227,500	7,227	518,365
August 9, 2023	September 1, 2023	4,815,765	4,816	345,483
	In one or several tranches, on or before			
September 22, 2023	April 30, 2024	4,000,000	4,000	291,391
February 21, 2024	March 5, 2024	27,000,000	27,000	1,916,479
•	In one or several			
July 29, 2024	tranches	5,000,000	5,000	364,239

#### 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



THB1. 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 \$\textstyle{2}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).

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 Agricology 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 \$\mathbb{P}\$7.3 million. Also, under the agreement, the Parent Company agreed to donate to AGPI \$\mathbb{P}\$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 \$\mathbb{P}\$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.

#### 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

On August 23, 2022, MNSPL's BOD approved to subscribe additional 30,000,000 ordinary shares of MNUK at an aggregate subscription price of ₱2,023.2 million (GBP30.0 million) payable in five equal tranches up to December 16, 2022. On the following dates, MNSPL paid the following:

Payment date	Amount in GBP
August 30, 2022	£6,000
September 23, 2022	6,000
October 21, 2022	6,000
November 21, 2022	6,000
December 16, 2022	6,000

On the same date, MNSPL's BOD approved the proposed repayment and refinancing through debt-to equity conversion of the loan, including accrued interests, by MNUKL amounting to ₱16,109.2 million (GBP 238.9 million). As a result of this transaction, MNUKL issued additional 238,869,277 ordinary shares of GBP 1 each or a total subscription price of ₱16,109.2 million (GBP 238.9 million).

In 2023, MNSPL's BOD approved to subscribe additional ordinary shares of MNUK payable in several tranches.

			Amount in
Approval date	Payment date	No. of shares	GBP
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	4,000,000	4,000
	tranches, on or		
	before April 30,		
	2024		

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 (GBP 138.7 million). As a result of this transaction, MNUKL issued additional 138,694,817 ordinary shares of GBP 1 each or a total subscription price of ₱9,792.3 million (GBP 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 GBP27.0 million and GBP5.0 million, respectively.

#### 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 \$\textstyle{2}17.5\$ million for the Amico shares. As a result, the Parent Company currently holds 70% of Amico's issued and outstanding capital stock.

The Group recognized ₱7.5 million equity attributable to noncontrolling interest as at December 31, 2024.

#### 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 \$\frac{2}{16.2}\$ million (THB 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 has determined that is has significant control as it has the power to direct the relevant activities of DSHPL, therefore recognizing DSHPL as a subsidiary.

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

### 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 (THB61.0 million) representing 100.0% of the total issued and paid-up share capital of Sun Op. Sun Op is a limited company newly incorporated and domiciled in Thailand engaged in the manufacture and distribution of animal food and care products.

### 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.

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.

	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	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 loss	7,375,530	(6,824,544)	(7,346,916)	(6,795,930)
Share in profit of associates and joint				
venture	55,504	_	-	55,504
Other income (expense)	268,979	20,742		289,721
Income before income tax	21,676,310	(10,817,941)	(7,346,916)	3,511,453
Provision for (benefit from) income tax	3,422,356	(360,421)	-	3,061,935
Net income	₽18,253,954	( <del>P</del> 10,457,520)	( <del>P</del> 7,346,916)	₽449,518
Other information Total assets	₽72,749,449	₽13,785,796	( <del>P</del> 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	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 loss	11,642,182	(13,360,310)	(11,553,526)	(13,271,654)
Share in profit of associates and joint				
venture	35,552	_	_	35,552
Other income (expense)	294,086	30,179	_	324,265
Income before income tax	24,016,854	(14,310,458)	(11,553,526)	(1,847,130)
Provision for (benefit from) income tax	2,764,440	(3,984,992)	`	(1,220,552)
Net income	₽21,252,414	(₱10,325,466)	( <del>P</del> 11,553,526)	( <del>P</del> 626,578)
Other information Total assets	₽76,183,132	₽21,237,872	( <del>P</del> 13,326,345)	₽84,094,659
Total liabilities	₽17,862,388	₽7,763,027	( <del>P</del> 29,144)	₽25,596,271
Investment in associates and joint venture	₽1,125,054	P-	(F29,144) P-	₽1,125,054
Capital expenditures	₽2,610,336	₽1,030,934	<del>P</del> -	₽3,641,270
Capital Expellentines	F2,010,530	F1,030,73 <del>1</del>	г	F3,041,2/0



	2022			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales - third parties	₽58,491,069	₽15,423,228	(₱33,588)	₽73,880,709
Costs and expenses	(48,275,301)	(15,056,614)	40,721	(63,291,194)
Depreciation and amortization	(1,958,196)	(755,466)	_	(2,713,662)
Finance income	856,834	5,035	(713,273)	148,596
Derivative gain	1,306,391	_		1,306,391
Finance expense	(250,337)	(879,461)	713,273	(416,525)
Foreign exchange gain - net	402,381	19,736	_	422,117
Impairment loss	(23,787,376)	(21,164,137)	23,577,875	(21,373,638)
Share in loss of associates and joint				
venture	(12,608)	_	_	(12,608)
Other income (expense)	171,333	51	(7,133)	164,251
Income before income tax	(13,055,810)	(22,407,628)	23,577,875	(11,885,563)
Provision for (benefit from) income tax	2,465,240	(1,336,287)	_	1,128,953
Net income	( <del>P</del> 15,521,050)	(₱21,071,341)	₱23,577,875	( <del>P</del> 13,014,516)
Other information				
Total assets	₽89,947,658	₽34,689,207	( <del>P</del> 43,344,492)	₽81,292,373
Total liabilities	₽14,177,754	₽23,683,292	(₽8,839,857)	₽29,021,189
Investment in associates and joint venture	₽1,104,453	₽-	₽–	₽1,104,453
Capital expenditures	₽2,059,006	₽2,373,224	₽-	₽4,432,230

# 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:

	2024	2023	2022
Domestic	<b>₽</b> 64,665,271	₽61,587,481	₽55,017,990
Foreign	18,454,785	18,581,986	18,862,719
	₽83,120,056	₽80,169,467	₽73,880,709

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.

	2024	2023
Domestic:		_
Property, plant and equipment (Note 12)	<b>₽20,621,927</b>	₽17,773,850
Investments in associates and joint ventures		
(Note 11)	1,133,847	1,125,054
Intangible assets (Note 13)	635,677	616,026
Other noncurrent assets (Note 14)	566,327	707,548
Total	₽22,957,778	₽20,222,478
Foreign:		
Property, plant and equipment (Note 12)	<b>₽</b> 4,884,735	₽7,381,870
Intangible assets (Note 13)	4,820,392	8,196,808
Other noncurrent assets (Note 14)	125,992	143,400
	9,831,119	15,722,078
	₽32,788,897	₽35,944,556



# 5. Cash and Cash Equivalents

	2024	2023
Cash on hand and in banks	₽4,802,726	₽4,003,047
Cash equivalents	9,355,477	12,675,841
	<b>₽</b> 14,158,203	₽16,678,888

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 ₱552.7 million in 2024, ₱410.1 million in 2023, and ₱132.8 million in 2022 (see Note 21).

#### 6. Trade and Other Receivables

	2024	2023
Trade receivables:		_
Non-related parties	₽7,648,316	₽6,367,707
Related parties (Note 23)	3	_
Other receivables	68,252	65,963
	7,716,571	6,433,670
Allowance for ECL	6,854	23,532
	₽7,709,717	₽6,410,138

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

Movements in the allowance for ECL follow:

	2024	2023
Balance at January 1	₽23,532	₽37,546
Provision for ECL (Note 20)	69,420	7,750
Write-off	(86,267)	(22,137)
Currency translation adjustments	169	373
Balance at end of period	₽6,854	₽23,532

# 7. Inventories

	2024	2023
At cost:		_
Finished goods	₽3,464,428	₱3,668,320
Raw materials	3,104,652	3,039,201
Work in-process	1,063,727	1,517,274
Packaging and other materials	1,014,405	839,889
In-transit	273,576	121,843
	₽8,920,788	₽9,186,527



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:

	2024	2023
Balance at beginning of year	₽389,145	₽580,874
Provision	126,588	445,386
Write-off	(287,924)	(659,457)
Currency translation adjustments	8,938	22,342
Balance at end of year	<b>₽</b> 236,747	₽389,145

The cost of inventories recognized under "Cost of goods sold" account amounted to ₱54,430.4 million in 2024, ₱55,441.7 million in 2023 and ₱50,920.8 million in 2022 (see Note 19).

Under the terms of the agreements covering liabilities under trust receipts totaling ₱1,608.5 million, and ₱1,607.3 million as at December 31, 2024 and 2023, respectively, certain inventories which approximate the trust receipts payable, have been released to the Group under trust receipt agreement with the banks. The Group is accountable to these banks for the trusteed merchandise or their sales proceeds (see Note 16).

#### 8. Prepayments and Other Current Assets

	2024	2023
Prepayments	₽606,466	₽467,587
Advances to suppliers	391,922	_
Input VAT	188,367	165,010
Creditable withholding tax (CWT) and other credits	126,613	136,834
Deferred input VAT	3,603	319,256
Other current assets	9,176	13,938
	1,326,147	1,102,625
Allowance for non-recoverability of other current		
assets	_	(2,951)
	₽1,326,147	₽1,099,674

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.

Deferred input VAT represents the input VAT related to the unpaid portion of the cost of services.



#### 9. Current Financial Assets

	2024	2023
Loans receivable:		
Related parties (Note 23)	₽206,759	<b>₽</b> 287,571
Others	1,228,803	500,000
Financial assets at FVTPL	1,812,489	2,042,058
	3,248,051	2,829,629
Allowance for ECL (Note 23)	(115,266)	(115,266)
	₽3,132,785	₽2,714,363
	2024	2023
Current portion	₽1,812,489	₽2,714,363
Noncurrent portion (Note 27)	1,320,296	_
	₽3,132,785	₽2,714,363

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 ₱173.9 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). As at December 31, 2024, the interest income on the amortization of financing cost is ₱4.5 million (see Note 21).

In 2024 and 2023, this loan is presented under "Noncurrent receivables" and "Current financial assets" account, respectively, in the consolidated statement of financial position (see Note 23).

On October 15, 2024, MNSPL entered into a new Loan agreement with MNSG Holdings Pte Ltd. The loan matures 5 years from date of the agreement. The loan is unsecured, denominated in THB and is noninterest-bearing. The loan outstanding amounted to \$\mathbb{P}91.5\$ million (£1.26 million) as at December 31, 2024 (see Note 23).

*Others*. Other loans receivable pertains to interest-bearing loans receivable from SSCC (see Note 27).

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

The interest rates used in 2024 are as follows:

- November 15 to November 30, 2024 50% of 5.875%
- December 1 to December 31, 2024 50% of 5.75%

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, 2024, the loan outstanding and interest receivable amounted to ₱83.8 million and ₱0.84 million, respectively.

Interest income from loans receivable amounted to P21.6 million in 2024, P18.0 million in 2023 and P15.8 million in 2022 (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:

2024	2023
₽2,042,058	₽1,756,101
3,459,263	3,871,363
(3,760,823)	(3,672,926)
81,960	92,600
(9,969)	(5,080)
₽1,812,489	₽2,042,058
	\$\frac{\P2,042,058}{3,459,263}\$ (3,760,823) 81,960 (9,969)

#### 10. Noncurrent Financial Assets

#### Financial Assets at FVOCI

	2024	2023
Cost		
Figaro Coffee Group, Inc. (FCG)	₽820,268	₽820,268
Wide Faith Investment Holdings Ltd.	235,130	235,130
Terramino, Inc.	108,540	108,540
	1,163,938	1,163,938
Fair value adjustment		
Wide Faith Investment Holdings Ltd.	(235,130)	(235,130)
FCG	(114,837)	(328,107)
	(349,967)	(563,237)
	₽813,971	₽600,701

#### 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 \$\mathbb{P}820.3\$ million for the FCG Shares. As a result, the Parent Company holds 15% of FCG's issued and outstanding capital stock.

In 2024, the Group recognized dividend income from FCG amounting to ₱22.1 million.



#### b. Wide Faith Investment Holdings Ltd.

As at December 31, 2024 and 2023, unquoted equity securities pertain to investment in Wide Faith Investment Holdings Ltd., which have been written-down to nil as at December 31, 2024 and 2023. 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 \$\text{P}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") with MNSG Holdings Pte. Ltd., a Singaporean Company owned by a majority of the ultimate beneficial owners of MNSPL ("MNSG"). Under the Top-Up Deed, MNSG has agreed to provide a guarantee equal to the aggregate collateral value of up to a maximum of 2.156 billion shares of MNC or 12.0% of the current outstanding capital stock of MNC for as long as MNC is still the ultimate controlling shareholder of MNSPL's wholly-owned subsidiary, MNUKL. Said aggregate collateral value shall be reduced by related transaction costs and said net amount shall cover the net cumulative impairment incurred by MNUKL starting from the calendar year ended December 31, 2023 and every year thereafter up to December 31, 2032. MNSPL has recognized a guaranty asset under the Top-Up Deed and engaged an independent valuation expert to determine the fair value of the guaranty asset at inception. The initial recognition of the guaranty asset is recognized as an equity transaction under "Equity Reserve", while subsequent changes in fair value is recognized in profit or loss.

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

	2024	2023
Guaranty asset:		
Balance at January 1	₽10,432,256	₽-
Initial recognition credited to Equity Reserve	_	9,104,076
Fair value gain (loss) on guaranty asset	(2,648,829)	1,301,750
Cumulative translation adjustment	345,387	26,430
	₽8,128,814	₽10,432,256

#### 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

		Country of	Percentage of	Amou	ınt
Entities	Principal Activity	Incorporation	Ownership	2024	2023
Associates		•	•		
Monde Land Inc. (MLI)	Buying, leasing and acquiring of real estate	Philippines	40.00	₽984,733	₽955,054
WHATIF F&I Pte. Ltd.*	Research and development	Singapore	21.20	324,211	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		20.00	170,000	170,000
YCE Group Pte Ltd	l*Manufacturing of ice	Singapore	32.00	78,249	78,249
	-			1,557,193	1,527,514
Joint Venture					
Honey Droplet Hong Kong**	Purchasing, processing, exporting, and selling honey worldwide (excluding Japan)	Hong Kong	50.00	218,748	218,748
MMBC	Importation, marketing, promotion, and sale of beverage products	Philippines	48.99	1,141	1,141
				219,889	219,889
Less allowance for	impairment loss (Note 3):				
WHATIF F&I	Pte. Ltd.			324,211	324,211
CHTI				20,886	_
YCE				78,249	78,249
Honey Droplet	Hong Kong			218,748	218,748
MMBC				1,141	1,141
				643,235	622,349
				₽1,133,847	₽1,125,054

<sup>\*</sup>Previously "NAMZ Pte Ltd". Indirect ownership through MNSPL
\*\*Indirect ownership through MNSPL

# <u>Investments in Associates</u>

	2024	2023
Cost:		_
Beginning and end of year	<b>₽1,330,322</b>	₽1,330,322
Accumulated share in net earnings:		
Balance at beginning of year	197,192	176,591
Share in net earnings	55,504	35,552
Dividends from MLI	(25,825)	(14,951)
End of year	226,871	197,192
Accumulated impairment loss	(423,346)	(402,460)
	₽1,133,847	₽1,125,054



Summarized consolidated financial information of MLI, a material associate, follows:

		2024	2023
<b>Consolidated Statement of Financial Posit</b>	tion		
Current assets		₽383,896	₽318,628
Noncurrent assets		1,260,031	1,241,177
Current liabilities		(72,001)	(64,111)
Noncurrent liabilities		(40,424)	(38,389)
Equity		₽1,531,502	₽1,457,305
		D (10 (01	D 500 000
Group's share in equity		₽612,601	₽582,922
Goodwill		372,132	372,132
Group's carrying amount of the investment		₽984,733	₽955,054
	2024	2023	2022
Consolidated Statement of			
Comprehensive Income			
Revenue	₽356,216	₽288,912	₽279,715
Cost of sales	(183,528)	(152,837)	(149,209)
Sales, general and administrative			, ,
expenses	(13,261)	(27,426)	(24,000)
Other income (expenses)	2,564	162	(2,063)
Income before income tax	161,991	108,811	104,443
Provision for income tax	23,232	19,930	17,859
Income after income tax / Total	-	·	·
comprehensive income	₽138,759	₽88,881	₽86,584
Group's share of profit for the year	₽55,504	₽35,552	₽34,634

The Group's share in the aggregated summarized financial information for immaterial associates follow:

	2024	2023	2022
<b>Consolidated Statement of</b>			
Comprehensive Income			
Revenue	<b>₽</b> 135,422	₽117,623	₽131,967
Cost of sales	(118,767)	(107,727)	(116,013)
Sales, general and administrative expenses	(90,268)	(3,832)	(57,565)
Other expenses	(35,463)	(21,992)	(33,862)
Loss before income tax / Total			
comprehensive loss	<b>(₽109,076)</b>	(₱15,928)	(₽75,473)

The Group did not recognize its share in net losses in associates amounting to ₱109.1 million in 2024, ₱15.9 million in 2023 and ₱75.5 million in 2022. The accumulated share in net losses in associates not recognized amounted to ₱293.1 million and ₱184.0 million as at December 31, 2024 and 2023, respectively.



#### a. MLI

The Group's carrying amount of its investment in MLI is ₱984.7 million and ₱955.1 million as at December 31, 2024 and 2023, respectively. The difference between the carrying amount of the Group's investment in MLI as at December 31, 2024 and 2023 and its share in the total equity of MLI attributable to the equity holders of the Parent is attributable to goodwill.

#### b. CHTI

In 2021, the Group made additional investment amounting to  $\frac{1}{2}$ 60.0 million representing 60,000 shares in CHTI to maintain its ownership interest of 20.00%.

In 2022, the Parent Company made an additional investment amounting to ₱30.0 million representing 30,000 shares in CHTI to maintain its ownership interest of 20.00%.

In 2024, the Parent Company recognized an impairment loss on its investment in CHTI amounting to ₱20.9 million.

The associates had no contingent liabilities or capital commitments as at December 31, 2024 and 2023. There have been no guarantees provided by the Group to the associate as at December 31, 2024 and 2023.

#### Investment in Joint Ventures

	2024	2023
Cost	₽399,223	₽399,223
Accumulated share in net earnings	(179,334)	(179,334)
Accumulated impairment loss	(219,889)	(219,889)
	₽-	₽-

The Group's shares in the aggregate summarized financial information of individually-immaterial joint ventures follow:

2024	2023	2022
₽-	₽-	₽8,695
(90)	(1,608)	(37,883)
52	2,075	(18,047)
(38)	467	(47,235)
11	117	7
		_
(₽49)	₽350	( <del>P</del> 47,242)
	P- (90) 52 (38) 11	₽-     ₽-       (90)     (1,608)       52     2,075       (38)     467       11     117

The Group did not recognize share in net income (losses) in joint ventures amounting to nil and ₱0.4 million in 2024 and 2023, respectively. The accumulated share in net losses in joint ventures not recognized as at December 31, 2024, 2023 and 2022 amounted to ₱85.4 million, ₱85.4 million and ₱85.9 million, respectively. There have been no guarantees provided by the Group to the joint venture company as at December 31, 2024 and 2023.



#### 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, 2024 and 2023, 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, 2024 and 2023.

#### 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 2022 and 2021, the Group determined that the negative results of operations and cashflow projections MMBC are impairment indicators. 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, 2024 and 2023. Impairment loss recognized amounted to ₱1.1 million in 2022 (see Note 20).

The joint ventures have no contingent liabilities or capital commitments as at December 31, 2024 and 2023. There have been no guarantees provided or received for any related party receivables and payables.



# 12. Property, Plant and Equipment

							2024						
								Computer and					
					Plant	Office		Commu-	Machineries				
		Land	Buildings and	Leasehold	Machinery		Transportation	nications	Under	Construction	ROU Land	ROU Others	
	Land	Improvements	Improvements	Improvements	and Fixtures	and Equipment	Equipment	Equipment	Installation	In-progress	(Note 25)	(Note 25)	Total
Cost													
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
Accumulated Depreciation													
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
Accumulated Impairment Loss													
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
Net Book Value	₽585,681	₽1,938	₽6,941,964	₽45,631	₽9,641,430	₽195,184	₽96,030	₽112,895	₽1,786,101	₽2,264,132	₽3,301,436	₽534,240	₽25,506,662

							2023						
								Computer and					
					Plant	Office		Commu-	Machineries				
		Land	Buildings and	Leasehold	Machinery	Furniture	Transportation	nications	Under	Construction	ROU Land	ROU Others	
	Land	Improvements	Improvements	Improvements	and Fixtures	and Equipment	Equipment	Equipment	Installation	In-progress	(Note 25)	(Note 25)	Total
Cost													
Balance at beginning of year	₽460,209	₽5,608	₱13,507,086	₽167,284	₱36,371,881	₽501,778	₽158,924	₽373,776	₽2,080,960	₱3,926,908	₱2,898,464	₽834,320	₱61,287,198
Additions	-	862	9,661	-	633,579	6,164	43,248	1,091	474,663	2,472,002	-	21,427	3,662,697
Disposals and retirement	-	_	(343,643)	(11,644)	(2,871,290)	(51,641)	(38,530)	(18,578)	35,512	(16,554)	-	(214,114)	(3,530,482)
Reclassifications	-	_	412,113	3,899	1,385,812	74,636	1,954	85,105	(691,995)	(1,271,524)	-	-	-
Foreign currency translation adjustments	9,365	(10)	92,127	3,045	573,964	4,257	219	5,219	12,356	163,376	-	-	863,918
Balance at end 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
Accumulated Depreciation													
Balance at beginning of year	_	4,315	5,673,089	97,206	19,240,702	371,298	75,949	268,718	_	_	298,791	341,314	26,371,382
Depreciation (Notes 19, 20 and 21)	_	317	589,240	5,952	1,736,999	59,442	23,365	89,549	_	_	86,908	84,951	2,676,723
Disposals and retirement	_	_	(322,269)	(10,284)	(2,843,921)	(50,807)	(37,151)	(18,564)	_	_	_	(214,114)	(3,497,110)
Foreign currency translation adjustments	_	(5)	23,365	12,492	179,129	1,262	60	3,970	_	_	_		220,273
Balance at end 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

(Forward)



							2023						
								Computer and					
					Plant	Office		Commu-	Machineries				
		Land	Buildings and	Leasehold	Machinery	Furniture	Transportation	nications	Under	Construction	ROU Land	ROU Others	
	Land	Improvements	Improvements	Improvements	and Fixtures	and Equipment	Equipment	Equipment	Installation	In-progress	(Note 25)	(Note 25)	Total
Accumulated Impairment Loss													
Balance at beginning of year	₽–	₽-	₽984,052	₽955	₽2,267,384	₽–	₽–	₽36	₽571,765	₱228,117	₽-	₽-	₽4,052,309
Impairment loss (Notes 3 and 20)	_	-	(4,561)	-	6,019,160	22,280	-	1,755	(71,022)	1,126,934	-	_	7,094,546
Disposals and retirement	_	_	_	_	-	_	_	-	(14,431)	_	_	_	(14,431)
Foreign currency translation adjustments	_	_	18,131	_	180,120	_	_	_		25,668	_	_	223,919
Balance at end of year	-	-	997,622	955	8,466,664	22,280	-	1,791	486,312	1,380,719	_	-	11,356,343
Net Book Value	₽469,574	₽1,833	₽6,716,297	₽56,263	₽9,314,373	₽131,719	₽103,592	₽101,149	₽1,425,184	₽3,893,489	₱2,512,765	₽429,482	₱25,155,720



Machineries-under-installation pertain to plant equipment for various product lines that are still under-installation, and which are expected to be completed until 2025. 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 2024, 2023 and 2022, the Group recognized net provision for impairment loss on property, plant and equipment amounting to 2000, willion, 700, million, and 200, million, respectively (see Note 20).

There are no idle property, plant and equipment as at December 31, 2024 and 2023. The Group has no property, plant and equipment used as collateral as at December 31, 2024 and 2023.

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱1,843.6 million, ₱2,055.4 million, and ₱1,447.5 million as at 2024, 2023 and 2022, respectively (see Note 27).

# 13. Intangible Assets

				202	4			
-				202	Trademarks	Trademarks		
			Distribution		with definite	with indefinite		
	Goodwill	Brand	Rights	License	useful life	useful life	Software	Total
Cost	Goodwin	Diana	Tugues	Literise	uscrurine	userur me	Solemare	10
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	_	_	_	_	4,704	_	(17,859)	(17,859)
Reclassifications	_	_	_	_	_	_	580,237	580,237
Foreign currency translation							360,237	300,237
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
Accumulated Amortization	17,000,043	17,403,707	121,500	00,141	7,403	14,437	1,100,020	39,231,023
		44,362	342,560	7.827	1,904	_	255,768	652,421
Balance at beginning of year Amortization (Notes 19, 20	_	44,362	342,500 36,378	7,393	1,904 461	_	255,768 95,641	139,873
	_	_	30,378	7,393	401	_	95,041	139,873
and 21)							(15.013)	(15.012)
Disposals and retirement	_	_	_	_	_	_	(17,812)	(17,812)
Reclassifications	_	_	_	_	_	_	322,791	322,791
Foreign currency translation								
adjustments		1,411			109	_	1,848	3,368
Balance at end of year	_	45,773	378,938	15,220	2,474	_	658,236	1,100,641
Accumulated Impairment								
Loss								
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
Net Book Value	₽-	₽4,541,597	₽348,622	₽50,921	₽5,011	₽7,328	₽502,590	₽5,456,069
			•	•	•			
_				202	3			
					Trademarks	Trademarks		
			Distribution		with definite	with indefinite		
	Goodwill	Brand	Rights	License	useful life	useful life	Software	Total
Cost								
Balance at beginning of year	₱16,542,239	₽17,971,697	₽727,560	₽34,639	₽2,599	₽14,459	₽442,650	₽35,735,843
Additions	· · · -		´ _	31,502	´ -	· –	49,628	81,130
Disposals and retirement	_	_	_		_	_	(9,280)	(9,280)
Foreign currency translation							(-,=)	(-,=)
adjustments	775,976	838,803	_	_	(6)	_	(358)	1,614,415
Balance at end of year	17,318,215	18,810,500	727,560	66,141	2,593	14.459	482,640	37,422,108
Accumulated Amortization	17,310,213	10,010,500	121,500	00,141	2,373	14,457	102,010	37,422,100
Balance at beginning of year		42,374	306,182	700	1,739	_	213,636	564 621
Amortization (Notes 19, 20	_	42,374	300,182	700	1,/39	_	215,030	564,631
and 21)			26 279	7,127	167		51,571	95,243
	_	_	36,378	/,12/	107	_		
Disposals and retirement	_	_	_	_	_	_	(9,256)	(9,256)
Foreign currency translation								
adjustments		1,988			(2)		(183)	1,803
Balance at end of year	-	44,362	342,560	7,827	1,904	_	255,768	652,421
Accumulated Impairment								
Loss								
Balance at beginning of year	16,542,239	4,143,587	-	-	_	2,481	-	20,688,307
(Forward)								

(Forward)



2023 Trademarks Trademarks Distribution with definite with indefinite Goodwill Brand useful life Software useful life Total Impairment loss (Notes 3 and 20) ₽6,172,458 ₽4,650 ₽6,177,108 Foreign currency translation 775,976 1,091,438 adjustments Balance at end of year 17,318,215 10,631,507 7,131 27,956,853 ₽385,000 ₽58,314 Net Book Value ₽8,134,631 ₽689 ₽8,812,834

Goodwill and brand were acquired through business combinations. The Group performed its annual impairment test in December 2024 and 2023 (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, 2024, the remaining amortization period is 9 years and 7 months.

# 14. Other Noncurrent Assets

	2024	2023
Advances to suppliers and contractors	₽488,125	₽630,367
Advances to employees (Note 23)	99,924	90,591
Deferred input VAT for amortization	88,655	153,171
Refundable and other deposits	77,284	34,743
Others	38,255	32,667
	₽792,243	₽941,539

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.

Deferred input VAT pertains to input VAT from acquisition of capital goods which are claimed over 5 years.

Refundable and other deposits are deposits for office and warehouse spaces which are refundable upon the termination of the lease contract.

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

#### Accounts Payable and Other Current Liabilities

	2024	2023
Trade payables		
Non-related parties	<b>₽</b> 6,265,686	₽4,911,912
Related parties (Note 23)	44,196	49,204
Nontrade payables	2,931,745	4,042,437
Accruals for:		
Advertising and promotions	591,683	499,758
Selling, general and administrative expenses	585,230	281,235
Personnel costs	422,412	352,937

(Forward)



	2024	2023
Other accruals	₽260,704	₽198,267
Trade spend	217,074	206,821
Statutory payables	1,026,839	890,434
Provisions	118,267	166,265
Others	86,488	85,040
	₽12,550,324	₱11,684,310

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.

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 payables from related parties that were eliminated upon consolidation amounted to P3,324.5 million in 2024 and P2,811.4 million in 2023.

#### **Refund Liabilities**

As at December 31, 2024 and 2023, the Group's refund liabilities consist of the following:

	2024	2023
Refund liabilities:		
Arising from rights of return	₽331,539	₽346,835
Arising from volume discount	47,245	59,842
	₽378,784	₽406,677

#### 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 5.60% in 2024 and 5.44% in 2023.

The Group has outstanding acceptance and trust receipts payable amounting to ₱1,608.5 million, ₱1,607.3 million as at December 31, 2024 and 2023, respectively.

The Group recognized interest expense amounting to ₱112.3 million in 2024, ₱99.0 million in 2023 and ₱68.0 million in 2022 (see Note 21).



# 17. Loans Payable

#### Loans Payable

Description	Maturities	Interest Rates	2024	2023
MFL				
£105.0 million term loan	June 2027 subject to extension of 2 years	Margin and SONIA	₽1,966,888	₱3,812,556
£5.0 million revolving credit facility	September 2023	Margin and SONIA	364,239	353,015
£4.0 million revolving credit facility	November 2022	Margin and SONIA	291,391	282,412
£3.0 million revolving credit facility	October 2023	Margin and SONIA	218,543	211,808
£5.0 million credit facility	September 2024	SONIA and 1.20% p.a.	364,239	353,016
DSHPL	_	_		
\$39.3 million term loan	December 2029	Noninterest-bearing	27,968	_
			3,233,268	5,012,807
Unamortized debt issue cost	S		(26,633)	(78,780)
			₽3,206,635	₽4,934,027
Current portion			₽364,239	₽1,200,251
Non-current portion			2,842,396	3,733,776
			₽3,206,635	₽4,934,027

As at December 31, 2024 and 2023, MFL has outstanding unsecured loans payable amounting to ₱3,205.3 million (£44.0 million) and ₱5,012.8 million (£71.0 million), respectively. The sterling term loan facility amounting to ₱7,649.0 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, 2023 and each quarter thereafter.
- The Group is required to maintain an interest cover of greater than 3.0 from June 30, 2023 and each quarter thereafter.

As at December 31, 2024 and 2023, the Group is in compliance with these covenants.

The facility also includes a revolving credit facility of ₱1,092.7 million (£15.0 million) subject to the same financial covenants above. MFL had drawn down nil and ₱847.2 million (£12.0 million) as at December 31, 2024 and December 31, 2023, respectively.

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

	Amount in THB
Promissory note date	(in thousands)
October 15, 2024	\$19,710
November 11, 2024	15,750
December 16, 2024	3,870

Interest expense related to the loans amounted to ₱294.4 million in 2024, ₱353.2 million in 2023 and ₱53.3 million in 2022 (see Note 21).



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

	2024	2023
<b>Loans Payable</b>		
Balance at January 1	<b>₽78,780</b>	₽97,881
Additions (reductions) during the period	(6,658)	22,471
Amortization during the period (Note 21)	(48,244)	(45,244)
Foreign currency translation adjustments	2,755	3,672
Total	₽26,633	₽78,780

In 2022, amortization of debt issue costs on loans payable amounted to ₱86.6 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, 2024 and 2023 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, 2024, 2023 and 2022 follows:

<u>.                                  </u>	2024	2023	2022
Balance at January 1	₽39,361,947	₽46,515,847	₽46,515,847
Equity restructuring	_	(7,153,900)	
Balance at end of period	₽39,361,947	₽39,361,947	₽46,515,847

The total number of stockholders was 24 as at December 31, 2024 and 2023, 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
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, 2024 and 2023.

#### **Retained Earnings**

#### Parent Company

On the following dates, the BOD approved the following cash dividends, all of which have been previously appropriated except for 2024 and 2023:

	Dividend	
Dividend declaration and stockholders of record date	per share	Amount
November 6, 2024	₽0.14	₽2,515,606
April 10, 2024	0.12	2,156,233
November 29, 2023	0.12	2,156,233
August 9, 2022	0.14	2,515,606

On March 26, 2025, the BOD approved the declaration of regular cash dividends of ₱0.15 per common share to stockholders of record as of April 25, 2025, payable on or before May 22, 2025.

As at December 31, 2024 and 2023, dividends payable amounted to nil and ₱2,156.2 million, respectively.

The BOD approved the following:

- On August 9, 2022, reversal of the 2021 appropriation for ₱3,900.0 million for expansions, and other capital requirements.
- On December 19, 2022, appropriation of ₱5,000.0 million for plant expansions and other capital expenditure requirements.
- On March 22, 2023, reversal of the 2022 appropriation amounting to ₱5,000.0 million for expansions and other capital requirements.



#### *MMYSC*

The BOD approved the following:

- On December 6, 2022, release of 2021 appropriation of ₱150.8 million for plant capacity expansion.
- On December 6, 2022, appropriation of ₱167.0 million for expansion and other capital requirements which are expected to be completed in 2025.
- On November 18, 2024, reversal of the appropriations made in 2023 for cash dividends amounting to ₱820.5 million.

#### 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, 2024, 2023 and 2022.

The Group's appropriated retained earnings follows:

	2024		2023	2023 2		022	
	Expected		Expected		Expected		
	Completion	Amount	Completion	Amount	Completion	Amount	
Expansions and capital						<u> </u>	
expenditures	2025	₽167,000	2024-2025	₽167,000	2023-2024	₽5,167,000	
MIL statutory reserve	Indefinite	44,452	Indefinite	44,452	Indefinite	44,452	
		₽211,452		₽211,452		₽5,211,452	

The Group's appropriation for capital expenditure is expected to be used to build new capacity and capability in the APAC BFB segment. Key projects in the APAC BFB segment will be for other operational efficiency initiatives.

#### Restriction on Retained Earnings

As at December 31, 2024 and 2023, undistributed retained earnings of subsidiaries and an associate amounting to ₱2,796.9 million and ₱3,965.2 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 of MMYSC and MIL amounting to ₱211.5 million as at December 31, 2024 and 2023.

#### **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)

	2024	2023
Initial recognition of guaranty asset at fair value:		_
MNSPL (Notes 10 and 26)	₽9,104,076	₽9,104,076
Investments:		
MMYSC	(532,573)	(532,573)
MNTH	(115,390)	(115,390)
KBT	43,408	43,408
MNAC	(7,733)	(7,733)
Equity reserve arising from noninterest-bearing loan	(659)	
	₽8,491,129	₽8,491,788

# **Cumulative Translation Adjustments**

Cumulative translation adjustments attributable to equity holders of the Parent Company are as follows:

	2024	2023
Foreign investments:		_
MNSPL	<b>(₽1,119,497)</b>	(22,149,989)
MNIIL	(184,810)	(185,267)
MNTH	145,797	(15,113)
MIL	999	(50,181)
Cross currency swap:		
MNC (Note 26)	(675,136)	(492,938)
	<b>(₽1,832,647)</b>	(₱2,893,488)

#### Earnings (Loss) per Share (EPS)

The following reflects the income and share data used in the basic EPS computation:

	2024	2023	2022
Net income (loss) attributable to			
equity holders of the parent:	<b>₽</b> 445,848	(₱636,408)	(₱13,020,512)
Weighted average number of			
common shares	17,968,611,496	17,968,611,496	17,968,611,496
Basic EPS	₽0.02	(₱0.04)	(₱0.72)

The Parent Company has no potentially dilutive shares as at December 31, 2024, 2023 and 2022. Thus, the basic and diluted earnings (loss) per share in 2024, 2023 and 2022 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

	2024	2023	2022
APAC BFB			
Philippines	<b>₽</b> 64,665,271	<b>₽</b> 61,587,481	₽55,017,990
Other Countries	4,863,213	4,354,473	3,473,079
	69,528,484	65,941,954	58,491,069
Meat Alternative			
United Kingdom	10,685,625	11,153,610	11,870,824
United States	757,567	858,872	1,318,628
Other Countries	2,148,380	2,215,031	2,200,188
	13,591,572	14,227,513	15,389,640
	₽83,120,056	₽80,169,467	₽73,880,709

All revenues are recognized at a point in time.

# Cost of Goods Sold

	2024	2023	2022
Direct materials	₽40,865,595	₽42,013,958	₽39,364,367
Direct labor (Note 21)	3,209,976	3,051,851	2,844,961
Manufacturing overhead:			
Depreciation and amortization			
(Notes 12 and 13)	2,184,426	2,215,656	2,206,038
Repairs and maintenance	1,316,253	1,543,080	1,533,256
Light and water	1,270,376	1,403,750	1,831,431
Plant utilities and other	1,226,907	1,064,543	1,149,296
consumption			
Indirect labor (Note 21)	1,145,029	1,022,838	1,048,336
Steam	529,087	615,585	787,575
Rent (Notes 23 and 25)	27,053	29,003	23,416
Others	2,004,233	1,957,994	1,661,564
Total manufacturing costs	53,778,935	54,918,258	52,450,240
Inventory movements (Note 7):			
Work in-process	460,914	155,336	(287,994)
Finished goods	190,540	368,109	(1,241,491)
	₽54,430,389	₽55,441,703	₽50,920,755



# 20. Sales, General and Administrative Expenses

# General and Administrative Expenses

	2024	2023	2022
Salaries, wages and employee benefits			
(Note 21)	<b>₽</b> 4,289,464	₽4,308,889	<del>₽</del> 4,388,113
Outside services	1,508,709	989,157	767,777
Depreciation and amortization			
(Notes 12, 13 and 21)	503,495	556,310	507,624
Repairs and maintenance	230,145	198,740	255,190
Insurance	225,182	241,737	255,793
Taxes and licenses	182,040	172,857	253,293
Research and development	164,528	285,341	226,759
Membership and subscription	164,511	117,578	29,067
Traveling expenses	150,567	85,604	8,247
Light, water, and telecommunication	112,524	96,710	46,505
Fringe benefit tax	96,139	109,564	125,673
Warehouse and office supplies	80,940	65,482	118,383
Provision for ECL (Notes 6 and 9)	69,420	7,750	13,308
Rent (Notes 23 and 25)	61,443	63,844	37,833
Donations	55,247	11,261	26,839
Recruitment and training expenses	26,785	40,216	23,055
Bank charges	19,829	12,414	10,997
Inventory loss	_	112,055	192,012
Others	412,250	299,527	301,279
	₽8,353,218	₽7,775,036	₽7,587,747

# Selling and Distribution Expenses

	2024	2023	2022
Transportation and delivery	₽3,444,163	₽3,190,551	₽3,017,221
Advertising and promotions	3,431,178	2,999,834	3,695,859
Merchandising expense	743,261	735,248	625,376
Dealer support	38,411	112,132	157,898
	₽7,657,013	₽7,037,765	₽7,496,354

# Impairment Loss

	2024	2023	2022
Intangible assets (Notes 3 and 13)	₽3,871,692	₽6,177,108	₽20,546,597
Property, plant and equipment - net			
(Notes 3 and 12)	2,903,352	7,094,546	825,900
Investments in associates and joint			
venture (Notes 3 and 11)	20,886	_	1,141
	₽6,795,930	₽13,271,654	₽21,373,638



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

# Finance Income

	2024	2023	2022
Cash and cash equivalents (Note 5)	₽552,701	₽410,130	₽132,808
Loans receivable (Note 9 and 27)	21,572	17,984	15,788
Amortization of financing cost	,	,	,
(Note 9)	4,511	_	-
Amortization of discount on security	,		
deposit	493	_	_
	₽579,277	₱428,114	₽148,590
nance Costs			
	2024	2023	2022
Interest on loans payable (Note 17)	₽294,429	₽353,188	₽53,27
Interest expense on lease liabilities	,	,	,
(Note 25)	177,078	183,877	182,91
Acceptance and trust receipts payable	,	,	,
(Note 16)	112,317	99,038	68,00
Loss on loan modification (Note 9)	83,746	_	
Amortization of debt issue costs on			
loans payable (Note 17)	48,244	45,244	86,62
Others	22,785	12	25,70
	₽738,599	₽681,359	₽416,52
ersonnel Costs			
	2024	2023	202
Cost of goods sold:			
Direct labor (Note 19)	₽3,206,966	₽3,002,431	₽2,806,03
Indirect labor (Note 19)	1,145,029	1,022,838	1,048,33
Retirement expense			
(Notes 19 and 22)	3,010	49,420	38,92
(Notes 19 and 22) Sales, general and administrative	3,010	49,420	38,92
Sales, general and administrative	3,010	49,420	38,92
Sales, general and administrative expenses:			
Sales, general and administrative expenses: Salaries and wages (Note 20)	3,080,167	3,478,652	3,536,22
Sales, general and administrative expenses: Salaries and wages (Note 20) Employee benefits (Note 20)			3,536,22
Sales, general and administrative expenses: Salaries and wages (Note 20)	3,080,167	3,478,652	38,92 3,536,22 779,46 72,42



#### **Depreciation and Amortization Expense**

	2024	2023	2022
Property, plant and equipment			_
(Note 12)	<b>₽2,548,048</b>	₽2,676,723	₽2,627,760
Intangible assets (Note 13)	139,873	95,243	85,902
	₽2,687,921	₽2,771,966	₽2,713,662
	2024	2023	2022
Cost of goods sold (Note 19)	₽2,184,426	₽2,215,656	₽2,206,038
Sales, general and administrative			
expense (Note 20)	503,495	556,310	507,624
	₽2,687,921	₽2,771,966	₽2,713,662

#### 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.

#### 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, 2024.

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 2024 and 2023 follow:

_		Reco	gnized in profit or le	oss		Remeasurements in OCI						
						Actuarial Changes Arising from	Actuarial Changes Arising from	Actuarial Changes Arising from Changes in	Remeasurement		Foreign Currency	
	January 1, 2024	Current Service Cost	Net Interest Cost	Subtotal	Benefits Paid	Financial Assumptions	Demographic Assumptions	Experience Adjustments	Gain on Plan Asset	Subtotal	Translation Adjustments	December 31, 2024
Present value of defined benefit						•					•	
obligation	(₱1,517,221)	( <del>P</del> 160,634)	(₱92,031)	(₱252,665)	₽128,044	(₽8,157)	( <del>P</del> 645)	(₱82,121)	₽-	( <del>P</del> 90,923)	₽5,614	(¥1,727,151)
Fair value of plan asset	509,974	_	28,357	28,357	(95,918)	_	_	_	(169)	(169)	_	442,244
Net pension liability	(₱1,007,247)	(₱160,634)	(₱63,674)	( <del>P</del> 224,308)	₽32,126	(₽8,157)	( <del>P</del> 645)	(₽82,121)	(₱169)	(₱91,092)	₽5,614	( <del>P</del> 1,284,907)

_	_	Recog	gnized in profit or los	SS			Rei	measurements in C	OCI			
	January 1, 2023	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 on Plan Asset	Subtotal	Foreign Currency Translation Adjustments	December 31, 2023
Present value of defined benefit obligation	( <del>P</del> 1,062,241)	( <del>P</del> 74,697)	( <del>P</del> 75,489)	( <del>P</del> 150,186)	₽101,358	(₱247,121)	(₱79,915)	(₱79,133)	₽-	( <del>P</del> 406,169)	₽17	(₱1,517,221)
Fair value of plan asset Net pension liability	555,811 (₱506,430)	- ( <del>P</del> 74,697)	37,534 ( <del>P</del> 37,955)	37,534 (₱112,652)	(74,580) ₱26,778	- (₱247,121)	– (₱79,915)	– (₱79,133)	(8,791) (\$\textit{\$\te	(8,791) ( <del>P</del> 414,960)	- ₽17	509,974 (₱1,007,247)



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:

	2024	2023
Debt instruments:		_
Fixed rate treasury notes and retail treasury		
bonds	₽369,262	<del>₽</del> 424,624
Corporate bond and fixed-rate notes	65,174	67,617
Investments in UITF	2,193	12,550
Cash and cash equivalents	520	9
Others	5,681	5,786
Liabilities	(586)	(612)
	₽442,244	₽509,974

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:

	2024	2023
Discount rate	2.76-6.14%	2.76-6.17%
Salary increase rate	5.00-9.00%	5.00-6.00%

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, 2024 and 2023, assuming if all other assumptions were held constant:

		2024	2023
	Increase(decrease)	<b>Effect on Defined Bene</b>	fit Obligation
Discount rates	1.00%	<b>(₽152,757)</b>	( <del>P</del> 135,199)
	(1.00%)	180,928	159,606
Future salary increases	1.00%	179,519	158,434
	(1.00%)	(154,410)	(136,714)

The average duration of the defined benefit obligation at the end of the reporting period is 9.70–15.50 years in 2024 and 9.20–19.30 years in 2023.

Shown below is the expected future benefit payment:

Financial Year	2024	2023
Year 1	₽218,594	₽178,320
Years 2–5	433,499	387,399
Years 6–10	992.942	921,773



# 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
Associates and joint ventures	1 Cui	Transactions	Bulance	Terms	Conditions
MLI					
Rent expense	2024	₽56,084	(₽5,234)	15 days;	Unsecured
-	2023	64,808	_	Noninterest-bearing	
	2022	64,603	_		
Miscellaneous income	2024	17	3	60 days;	Unsecured
	2023	_	_	Noninterest-bearing	
	2022	_	_		
MMBC					
Miscellaneous income	2024	_	_	30 days;	Unsecured;
	2023	_	_	Noninterest-bearing	No impairment
	2022	_	33,751	2	1
T. 1	2024		ŕ	20.1	** 1
Trade purchases, net	2022	_	_	30 days; Noninterest-bearing	Unsecured
	2023		_	Noninterest-bearing	
Honey Droplet Ltd.	2022	17,748	_		
Advances and interest income (Note 9)	2024		_	4-6 years;	Unsecured;
Advances and interest income (Note 9)	2024	_	_	Interest-bearing	Gross advances
	2023	_	_	interest-bearing	amounted to
	2022				P115.3 million in 2024 and 2023; fully impaired in 2024 and 2023
СНТІ					
Transportation and delivery	2024	316,796	(42,845)	3 /	Unsecured
expense and wheat handling fees	2023	324,596	(49,204)	C	
	2022	300,339	(14,578)		
Common shareholders					
PT. Nissin Biscuit Indonesia					
Trade purchases, net	2024	49,671	3,883	45 days;	Unsecured
1 ,	2023	46,075	_	Noninterest-bearing	
	2022	62,564	_	8	
MNSG Holdings Pte. Ltd.					
Guaranty asset	2024	(2,303,442)	8,128,814	Refer to Notes 10 and 26	
	2023	10,432,256	10,432,256		
	2022	_	_		
Loans receivable - net (Notes 9 and					Unsecured
21)*	2024	_	91,493	2 years;	
	2023	_	172,305	Interest-bearing	
	2022		162,300		
Trade and other receivables (Note 6)	2024	_	3		
	2023	_			
	2022	_	33,751		
Loans receivable - net (Notes 9 and	2024		01 402		
21)*	2024	_	91,493		
	2023 2022	_	172,305		
(Forward)	2022	_	162,300		



		Volume of	Outstanding		
Nature	Year	Transactions	Balance	Terms	Conditions
Trade and other payables - net (Note	2024	₽-	( <del>P</del> 44,916)		_
15)					
	2023	_	(49,204)		
	2022	_	(14,578)		
Advances to employees (Note 14)	2024	9,333	99,924	1-5 years;	Unsecured
	2023	20,814	90,591	Noninterest-bearing	
	2022	866	69,777	_	

<sup>\*</sup>Presented under "noncurrent receivables" in 2024 and "current financial assets" in 2023

These transactions with related parties will be settled through cash.

Trade and other receivables and payables to related parties that were eliminated upon consolidation amounted to P3,324.5 million in 2024 and P2,811.4 million in 2023.

#### **MMBC**

On May 31, 2016, the Parent Company entered into a Distributorship Agreement with MMBC, wherein MMBC engaged the services of the Parent Company to handle warehousing, selling, billing, delivery and merchandising of MMBC's products. The agreement shall continue in force until cancelled or terminated by either party at any time with or without cause.

### 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 \$\mathbb{P}141.4\text{ million} (\$3.0\text{ million}) loan of Wide Faith Foods Co. Ltd.

#### Compensation of Key Management Personnel

	2024	2023	2022
Short-term employee benefits	₽1,586,878	₽1,451,857	₽1,319,181
Post-employment benefits	76,413	147,541	57,494
	₽1,663,291	₽1,599,398	₽1,376,675

#### 24. Income Tax

#### 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 (i.e., United Kingdom, Germany, Sweden and Netherlands) where the Group operates effective beginning January 1, 2024. Further in 2024, Singapore, Thailand, and New Zealand have enacted Pillar Two model rules effective for businesses with financial years starting on or after January 1, 2025.



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:

	2024	2023	2022
Provision for income tax			_
computed at applicable			
statutory tax rate (17% to			
25%)	<b>(₽1,338,564)</b>	(P1,761,405)	(₱7,701,800)
Income tax effects of:			
Nondeductible expenses	3,157,050	2,305,545	9,782,829
Change in unrecognized DTA	2,573,042	(165,847)	(93,028)
Nontaxable income	(1,052,475)	(1,094,971)	(553,752)
Benefit from OSD	(136,898)	(123,693)	(59,160)
Interest income already			
subjected to final tax and			
not subject to tax	(118,992)	(94,580)	(35,281)
Nondeductible interest			
expense	25,572	19,392	7,287
Expired and applied NOLCO	(374)	140	104,510
Net deferred tax on			
unremitted interest			
income	(288)	(49,194)	48,542
Difference in tax rate of			
temporary differences	(729)	(211,348)	(311,170)
Others	(45,409)	(44,591)	(60,024)
	₽3,061,935	(₱1,220,552)	₽1,128,953



 $\frac{Deferred\ Income\ Tax}{The\ components\ of\ the\ Group's\ net\ deferred\ tax\ assets\ and\ net\ deferred\ tax\ liabilities\ are\ as\ follow:}$ 

	2024	2023
Deferred tax assets - net		
Lease liabilities	₽685,135	₽622,531
Right-of-use assets	(616,286)	(568,280)
Pension liability	308,097	237,520
Allowance for impairment loss	259,153	337,806
Accrued expenses	157,813	95,474
Refund liabilities	94,696	101,669
Derivative liability	72,151	27,064
Unrealized profits from intercompany sales	36,042	23,356
Excess of the tax base over the carrying amounts of		
non-monetary assets	14,545	11,280
Unamortized past service cost	7,133	8,452
Unrealized foreign exchange gain	(5,859)	(23,653)
NOLCO	1,657	8,420
Allowance for ECL	1,582	4,410
Allowance for inventory obsolescence	1,491	43,288
Advances from customers	_	14,634
Others	(9,848)	(7,006)
	1,007,502	936,965
Deferred tax liabilities - net		_
Brand	(1,185,900)	(2,033,658)
NOLCO	913,198	722,985
Interest expense	444,738	394,536
Property, plant and equipment	(211,609)	530,984
Unrealized foreign exchange gain	(2,257)	_
Interest income	(1,064)	(754)
Others	10,627	4,170
	(32,267)	(381,737)
	₽975,235	₽555,228

The reconciliation of the Group's deferred taxes is as follows:

	2024	2023
Beginning balance	₽555,228	(₱3,451,821)
Provision for deferred income tax during the period		
recognized in profit or loss	303,179	4,021,724
Provision for deferred income tax during the period		
recognized in OCI	21,753	99,806
Currency translation adjustments	95,075	(114,481)
Deferred tax liabilities, ending	₽975,235	₽555,228

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:

	2024	2023
Unused NOLCO	₽1,900,936	₽721,452
Allowance for impairment loss	30,601	30,600
Right-of-use assets and lease liabilities	9,875	8,348
Inventory obsolescence	7,782	6,882
Asset retirement obligation	5,219	4,944
MCIT	4,189	4,200
Unrealized foreign exchange loss	_	2,085
Others	1,177	154
	₽1,959,779	₽778,665

As at December 31, 2024 and 2023, deferred tax liability on undistributed earnings of subsidiaries amounting to \$\mathbb{P}436.7\$ million and \$\mathbb{P}397.6\$ 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 \$\mathbb{P}458.2\$ million, and \$\mathbb{P}723.4\$ million as at December 31, 2024 and 2023, 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
Philippine Entities			_
2020	2025	₽225,237	₽-
2021	2026	1,123	_
2021	2024	_	1,521
2022	2025	731	804
2023	2026	956	2,036
2024	2027	_	1,349
		228,047	5,710
Expired during the year		_	(1,521)
Applied during the year		(33,689)	_
		194,358	4,189
MNSPL			
2018	N/A	36,254	_
2019	N/A	203,663	_
2020	N/A	118,401	_
2021	N/A	142,600	_
2022	N/A	132,768	_
2023	N/A	176,813	_
		810,499	_
		₽1,004,857	₽4,189

In 2022, the recognized deferred tax asset on unutilized NOLCO of MNSPL was derecognized due to uncertainty of its recoverability. Subject to qualifying conditions, the unutilized tax losses can be carried forward indefinitely.



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% in 2024 and 2023 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.

#### **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 valances at December 31, 2024 and 2023.

#### **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
	For manufacturing of
Nature	dehydrated foods
Significant privileges:	
Exemption from corporate income tax for profit from	6 years, capped at THB 469.2
promoted operations	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



#### 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.

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, 2024 and 2023. 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, 2024.

## **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:

	2024	2023	2022
Interest expense on lease liabilities			_
(Note 21)	<b>₽</b> 177,078	₽183,877	₽182,919
Depreciation expense of right-of-use			
assets included in property, plant			
and equipment (Note 12)	172,191	171,859	187,508
Expenses relating to short-term leases			
(Notes 19 and 20)	49,199	81,501	37,833
Expenses relating to leases of low-value			
assets (Notes 19 and 20)	39,297	11,346	23,416
	₽437,765	₽448,583	₽431,676

The movements in the Group's lease liabilities are as follows:

	2024	2023
Balance at beginning of year	₽2,682,867	₽2,810,167
Payment of principal portion of lease liabilities	(1,325,800)	(332,604)
Additions (Note 12)	1,094,676	21,427
Accretion of interest (Note 21)	177,078	183,877
Disposal (Note 12)	(29,056)	_
	2,599,765	2,682,867
Less: Current portion	77,620	89,121
	₽2,522,145	₽2,593,746

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, 2024 and 2023. 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, 2024 and 2023.

#### 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:

	Increase (Decrease)	<b>Effect on Income</b>
	in Basis Points	<b>Before Tax</b>
2024	+100	₽32,053
	-100	(32,053)
2023	+100	₱50,128
	-100	(50,128)

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:

	2024						
	Original Currency						
					Peso		
	USD	EUR	JPY	THB	Equivalent		
Financial Assets							
Cash and cash equivalents	\$54,737	€410	¥-	<b>\$1,159,247</b>	₽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		
Financial Liabilities							
Accounts payable and other current liabilities	35,732	2,338	9,636	337,347	2,786,254		
	35,732	2,338	9,636	337,347	2,786,254		
Net Financial Assets (Liabilities)	\$70,714	(€742)	(¥9,636)	<b>\$1,097,628</b>	₽5,905,569		

<sup>\*</sup>Presented under current financial assets



	2023							
	Original Currency							
	 P							
	USD	EUR	JPY	THB	Equivalent			
Financial Assets								
Cash and cash equivalents	\$52,856	€735	¥	<b>\$1,113,607</b>	₽4,765,957			
Financial assets at FVTPL*	10,355	_	_	_	573,513			
Trade and other receivables	40,569	1,956	_	156,184	2,618,372			
	103,780	2,691	_	1,269,791	7,957,842			
Financial Liabilities								
Accounts payable and other current liabilities	17,498	2,821	74,691	265,417	1,598,871			
	17,498	2,821	74,691	265,417	1,598,871			
Net Financial Assets (Liabilities)	\$86,282	(€130)	(¥74,691)	<b>\$1,004,374</b>	₽6,358,971			

<sup>\*</sup>Presented under current financial assets

In translating the foreign currency-denominated financial instruments into Philippine peso amounts, the exchange rates used are as follows:

		Currency	I	
Year	USD (\$)	EUR (€)	JPY (¥)	THB (₿)
2024	₽57.98	₽60.39	₽0.37	₽1.69
2023	₽55.39	₽61.31	₽0.39	₽1.61

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.

	2024		2023			
_	Movement in Foreign		Movement in Foreign	_		
	Exchange Rate	Effect on Income	Exchange Rate	Effect on Income		
	Increase (Decrease)	Before Tax	Increase (Decrease)	Before Tax		
U.S. dollar	4.68%	₽191,877	0.66%	₽31,540		
	(4.68%)	(191,877)	(0.66%)	(31,540)		
European euro	1.51%	(677)	2.95%	(235)		
	(1.51%)	677	(2.95%)	235		
Japanese yen	6.04%	(215)	5.91%	(1,734)		
. ,	(6.04%)	215	(5.91%)	1,734		
Thailand baht	4.88%	90,475	0.17%	2,750		
	(4.88%)	(90,475)	(0.17%)	(2,750)		

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. 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:

	2024	2023
Financial assets at amortized cost		
Cash and cash equivalents*	<b>₽</b> 14,157,155	₽16,677,637
Trade and other receivables	7,709,717	6,410,138
Noncurrent receivables	1,320,296	_
Loans receivable**	_	672,305
Advances to employees***	99,924	90,591
Financial assets at FVTPL		
Guaranty asset	8,128,814	10,432,256
Others****	1,812,489	2,042,058
Financial assets at FVOCI	813,971	600,701
Refundable security deposit****	188,682	_
Total credit risk exposure	₽34,231,048	₽36,925,686

<sup>\*</sup> Excluding cash on hand amounting to ₱1.0 million in 2024 and ₱1.3 million in 2023.

Aging analysis. The aging analysis of financial assets follows:

				2024			
				Days Past Due			
	Current	1-30 Days	31-60 Days	61–90 Days	More than 90 Days	ECL	Total
Financial assets at amortized		•	•	•	•		
cost							
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
Financial asset at FVTPL							
Guaranty asset	8,128,814	_	-	_	-	_	8,128,814
Others***	1,812,489	_	-	_	-	_	1,812,489
Financial assets at FVOCI	813,971	-	-	_	-	_	813,971
Refundable security							
deposit****	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

 $<sup>{\</sup>it *****} Including \ the \ discount \ recognized \ as \ ROU.$ 

				2023			
				Days Past Due			
	Current	1–30 Days	31–60 Days	61–90 Days	More than 90 Days	ECL	Total
Financial assets at amortized							
cost							
Cash and cash equivalents*	₽16,677,637	₽-	₽–	₽-	₽-	₽–	₽16,677,637
Trade and other receivables	5,647,891	691,506	43,389	16,937	10,415	23,532	6,433,670
Loans receivable**	672,305	_	_	_	_	115,266	787,571
Advances to employees***	90,591	_	_	_	_	_	90,591
	23,088,424	691,506	43,389	16,937	10,415	138,798	23,989,469
Financial asset at FVTPL							<u>.</u>
Guaranty asset	10,432,256	_	_	_	_	_	10,432,256
Others****	2,042,058	_	_	_	_	_	2,042,058
Financial assets at FVOCI	600,701	_	_	_	_	_	600,701
	13,075,015	-	_	-	-	_	13,075,015
	₽36,163,439	₽691,506	₽43,389	₽16,937	₽10,415	₽138,798	₽37,064,484



<sup>\*\*</sup>Recorded under "current financial assets" in 2024 and 2023.

<sup>\*\*\*</sup>Recorded under "other noncurrent assets".

<sup>\*\*\*\*</sup>UITF and other derivatives recorded under "current financial assets".

<sup>\*\*\*\*\*</sup> Including the discount recognized as ROU.

<sup>\*</sup> Excluding cash on hand amounting to P1.0 million.

\*\*Recorded under "other noncurrent assets".

\*\*\*UITF and other derivatives recorded under "current financial assets".

<sup>\*</sup> Excluding cash on hand amounting to P1.3 million.

\*\*Recorded under "current financial assets".

\*\*\*Recorded under "other noncurrent assets".

\*\*\*\*UITF and other derivatives recorded under "current financial assets".

# Credit risk under general and simplified approach

			2024		
	Gen	eral Approach		Simplified	
_	Stage 1	Stage 2	Stage 3	Approach	Total
Financial assets at amortized cost					
Cash and cash equivalents*	<b>₽14,157,155</b>	₽-	₽–	₽-	₽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
Financial asset at FVTPL					
Guaranty asset	8,128,814	_	_	_	8,128,814
Others***	1,812,489	_	_	_	1,812,489
Financial assets at FVOCI	813,971	_	_	_	813,971
Refundable security deposit****	188,682	_	_	_	188,682
	₽26,589,583	₽-	₽115,266	₽7,648,319	₽34,353,168

	2023							
_	Ger	neral Approach		Simplified				
	Stage 1	Stage 2	Stage 3	Approach	Total			
Financial assets at amortized cost								
Cash and cash equivalents*	₽16,677,637	₽-	₽-	₽-	₽16,677,637			
Trade and other receivables	65,963	_	_	6,367,707	6,433,670			
Advances to employees**	90,591	_	_	_	90,591			
Loans receivable***	672,305	_	115,266	_	787,571			
	17,506,496	-	115,266	6,367,707	23,989,469			
Financial asset at FVTPL								
Guaranty asset	10,432,256	_	_	_	10,432,256			
Others****	2,042,058	_	_	_	2,042,058			
Financial assets at FVOCI	600,701	_	_	_	600,701			
	₽30,581,511	₽-	₽115,266	₽6,367,707	₽37,064,484			

Simplified Approach. Set out below is the information about the credit risk exposure on the Group's trade receivables using simplified approach (provision matrix):

				2024					
	_	Days Past Due							
	Current	<30 days	30-60 days	61-90 days	91-120 days	121-365 days	>365 days	Total	
Expected credit loss rate Estimated total gross carrying amount at	0.02%	0.09%	0.98%	2.31%	4.01%	9.40%	100.00%		
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	
				2023 Days Pa	ast Due				
	Current	<30 days	30-60 days	61-90 days	91-120 days	121-365 days	>365 days	Total	
Expected credit loss rate Estimated total gross carrying amount at	0.04%	0.11%	1.40%	3.24%	5.32%	8.46%	100.00%		
default	₽5,581,928	₽691,506	₽43,389	₽16,937	₽8,225	₽7,333	₽18,389	₽6,367,707	
Expected credit loss	₽2,141	₽789	₽607	₽548	₽437	₽621	₽18,389	₽23,532	



<sup>\*</sup> Excluding cash on hand amounting to P1.0 million.

\*\*Recorded under "current financial assets".

\*\*\*UTF and other derivatives recorded under "current financial assets".

\*\*\*\*Including the discount recognized as ROU.

<sup>\*</sup> Excluding cash on hand amounting to P1.3 million.

\*\*Recorded under "current financial assets".

\*\*\*Recorded under "other noncurrent assets".

\*\*\*\*UITF and other derivatives recorded under "current financial assets".

## 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 23% and 12% of the Group's long-term debt will mature in less than one year at December 31, 2024 and 2023, 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:

_	2024						
_	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total	
Financial liabilities carried at amortized							
cost							
Accounts payable and							
other current liabilities*	₽2,693,131	₽8,822,494	₽7,860	₽-	₽-	₱11,523,485	
Loans payable	_	13,004	1,238,411	1,966,888	_	3,218,303	
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	₽8,898,415	₽3,037,305	₽2,945,971	₽7,355,763	₽24,930,585	

\* Excluding statutory payables.

	2023					
_	On Demand	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Financial liabilities carried at amortized						
cost						
Accounts payable and						
other current liabilities*	₽2,540,634	₽8,246,578	₽6,664	₽-	₽-	₽10,793,876
Dividends payable	_	2,156,233	_	_	_	2,156,233
Loans payable	_	20,747	1,200,249	3,812,558	_	5,033,554
Acceptance and trust receipts payable	_	_	1,607,336	_	_	1,607,336
Lease liabilities	_	62,880	181,920	947,271	6,762,910	7,954,981
	₽2,540,634	₽10,486,438	₽2,996,169	₽4,759,829	₽6,762,910	₽27,545,980

\* Excluding statutory payables.



# Changes in Liabilities Arising from Financing Activities

	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	(433,046)	_	_	429,802	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	(¥10,451,608)	₽156,622	(¥65,869)	₽6,574,781	₽6,152,763

<sup>\*&</sup>quot;Others" primarily include amortization of debt issue costs, interest expenses and additions from new leases.

			Foreign Exchange	Fair Value		December 31,
	January 1, 2023	Cash Flows	Movement	changes	Others*	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

<sup>\*&</sup>quot;Others" primarily include amortization of debt issue costs, interest expenses and additions from new leases.

			Foreign Exchange	Fair Value		December 31,
	January 1, 2022	Cash Flows	Movement	changes	Others*	2022
Loans payable	₽6,998,805	₽278,834	( <del>P</del> 111,249)	₽-	₽86,624	₽7,253,014
Accrued interest payable	1,081	(127,045)	_	_	146,982	21,018
Derivative liability	_	919,859	386,532	(1,306,391)	_	_
Lease liabilities	2,758,861	(255,410)	_	_	306,716	2,810,167
Dividends payable	_	(2,516,621)	_	_	2,516,621	_
Other noncurrent liabilities	20,425	16,248	_	_	_	36,673
Total liabilities from financing						
activities	₽9,779,172	(₱1,684,135)	₽275,283	(₱1,306,391)	₽3,056,943	₽10,120,872

<sup>\*&</sup>quot;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 structured deposit, dual currency investment, structured note, binary note, guaranty asset, cross currency swaps (CCS) and 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.

#### Structured Deposit

The Group invested in a principal protected structure with a potential enhanced return greater than the prevailing money market rate. The structured deposit will be redeemed at 100% of the principal amount, together with an interest amount based on the guaranteed rate plus the relevant enhanced rate depending on the applicable scenario at maturity date. Structured deposit is nil as at December 31, 2024.

# **Dual Currency Investment**

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



Pertinent details of the dual currency investment are as follows:

						Interest Rate of
	Effective		Investment	Alternative	Conversion	Investment
Notional amount	Date	Maturity Date	Currency	Currency	Rate	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. Structured note is nil as at December 31, 2024.

## 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, 2024.

The Group recognized market valuation gain of \$\mathbb{P}36.8\$ million and \$\mathbb{P}71.6\$ million from fair value changes of structured deposit, dual currency investment, structured note, and binary note in 2024 and 2023, 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.

#### CCS Contract

On March 4, 2022, the Group entered into a non-deliverable CCS Agreement with a notional amount of \$\mathbb{P}\$5,839.5 million (£85.0 million). Under the CCS agreement, the Group will receive Philippine Peso interest at 9% p.a. and will pay fixed Pound Sterling interest at 6% p.a. The Group will also pay the notional Pound Sterling 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 MNSPL, is used to hedge the Parent Company's exposure to the GBP foreign exchange risk on its investment in MNSPL.

Pertinent details of the cross-currency swap are as follows:

Notional	Trade	Effective	Maturity	Swap	Fixed	Fixed rate	
amount	Date	Date	Date	rate	rate (Pay leg)	(Receive leg)	
£85,000	03/03/22	03/07/22	03/07/32	<del>P</del> 68.70	6.0%	9.0%	

On September 28, 2022, the BOD approved to fully unwind the CCS agreement to take advantage of the weakening of Pound Sterling. As a result of the CCS unwinding, the Group received \$\mathbb{P}920.5\$ million from the CCS agreement and recognized the following in 2022:

Derivative gain	₽1,307,038
Cumulative translation adjustment (Note 18)	(386,532)



On January 31, 2023, the Parent Company entered into a non-deliverable CCS Agreement with a notional amount of \$\mathbb{P}\$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. As a result, the Group recognized the following in 2024 and 2023:

	2024	2023
Derivative gain	₽50,193	₽26,255
Cumulative translation adjustment (Note 18)	(182,198)	(106,406)

#### 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 6.06% and 4.74% in 2024 and 2023, respectively, on the debt and swap combination.

The Group recognized gain (loss) from interest rate swap netted to "Interest on loans payable", amounting to (₱79.7 million), (₱4.3 million), and ₱143.4 million in 2024, 2023, and 2022, respectively (Note 17).

The total derivative gain (loss) presented in the consolidated statement of comprehensive income consists of derivative gain (loss) from CCS, EKO, equity conversion and redemption options, and swaps. The derivative loss from swaps entered and settled during the same year, amounted to \$\text{P0.4}\$ million in 2024, \$\text{P5.5}\$ million in 2023, and \$\text{P0.6}\$ million in 2022.

#### **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, 2024 and 2023.

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:

	2024	2023
Total debt	₽22,547,846	₽25,596,271
Total equity attributable to equity holders		
of the Parent Company	55,366,514	58,388,484
Debt-to-Equity Ratio	0.41:1.00	0.44:1.00

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, 2024 and 2023, 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, 2024 and 2023 due to the short-term nature of these financial instruments.

Noncurrent Receivables, Advances to Employees and Loans Payable. As at December 31, 2024 and 2023, 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 unit investment trust funds (UITFs) and derivatives, including separated embedded derivatives, unless designated as effective hedging instruments. As at December 31, 2024 and 2023, 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, 2024 and 2023.

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, 2024 and 2023, the following table presents the level of hierarchy of the Group's financial instruments as follows:

	2024			2023		
	Quoted prices	Significant	Significant	Quoted prices	Significant	Significant
	in active	observable	unobservable	in active	observable	unobservable
	market	inputs	inputs	market	inputs	inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Financial instruments						
measured at fair value						
Financial assets at FVTPL	₽-	₽1,812,489	₽-	₽-	₽2,042,058	₽-
Equity securities measured at						
FVOCI	705,431	_	108,540	492,161	_	108,540
Financial assets - interest rate						
swap	_	32,266	_	_	32,266	_
Guaranty asset	_	_	8,128,814	_	_	10,432,256

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, 2024 is shown below:

# Guaranty Asset

		Increase	Effect on fair value of
Valuation technique	Unobservable inputs	(Decrease)	guaranty asset
Monte Carlo Simulation	VIU	₽7,322,634	(₽796,891)
		(7,322,634)	1,254,278
	Forecasted share price	5%	237,702
	•	(5%)	(248,355)
	Interest rates	0.5%	(195,183)
		(0.5%)	194,865
	Marlow volatility	0.5%	98,178
	•	(0.5%)	(100,315)

# Recoverable Amount of Brands and Property, Plant and Equipment

		Increase	
Valuation technique	Unobservable inputs	(Decrease)	Effect on VIU
VIU method	Discount rate	(0.5%)	₽951,942
		0.5%	(805,490)
	Long-term growth	0.5%	659,037
		(0.5%)	(585,811)
	EBITDA margin	0.5%	878,716
	C	(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.

As stipulated in Section 6 of the Loan Agreement, the Parent Company has the right to set-off and apply any credit balance of or any amount payable by the Group to SSCC. As a result, the Group presented its receivable from SSCC net of its outstanding payable in its consolidated statement of financial position in accordance with PAS 32. As at December 31, 2024 and 2023, the Group's net receivable from SSCC amounted to nil and \$\frac{1}{2}500.0\$ million, respectively (see Note 9).

#### 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 \$\mathbb{P}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 ₱14.7 million in 2024 and ₱10.0 million in 2023 and 2022 (see Notes 9 and 21).

## **Capital Commitments**

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱1,843.6 million, ₱2,055.4 million, and ₱1,447.5 million as at 2024, 2023 and 2022, respectively (see Note 12).

#### 28. Supplemental Disclosure to Cash Flow Statements

The Group's material noncash activities are as follows:

	2024	2023	2022
Cumulative translation adjustments	<b>(₽1,060,841)</b>	(₱581,492)	₽691,727
Additions to ROU assets and lease			
liabilities	895,054	21,427	123,797





SyCip Gorres Velayo & Co. 6760 Ayala Avenue 1226 Makati City Philippines

Tel: (632) 8891 0307 Fax: (632) 8819 0872

sgv.ph

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders 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 and Subsidiaries (the Group), as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 10, 2025. 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 Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group'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 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

Red E. lucas

Tax Identification No. 191-180-015

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

BIR Accreditation No. 08-001998-095-2022, November 7, 2022, valid until November 6, 2025

PTR No. 10465323, January 2, 2025, Makati City

April 10, 2025





SyCip Gorres Velayo & Co. 6760 Ayala Avenue 1226 Makati City Philippines Tel: (632) 8891 0307 Fax: (632) 8819 0872

sgv.ph

# INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders 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 and Subsidiaries (the Group), as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 10, 2025. 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 Group'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 Group's consolidated financial statements as at December 31, 2024, 2023 and 2023 and for the years then ended and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Roel E. Lucas

Partner

CPA Certificate No. 98200

Red E. Lucas

Tax Identification No. 191-180-015

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

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## MONDE NISSIN CORPORATION AND SUBSIDIARIES

# INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

**DECEMBER 31, 2024** 

(Amounts in Thousands, Except Number of Shares, Par Value per Share and Unless Otherwise Specified)

# STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

# CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 and 2022

#### 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, 2024 (Amounts in Thousands)

**Monde Nissin Corporation**Felix Reyes St. Brgy. Balibago, City of Santa Rosa, Laguna, Philippines

Unappropriated Retained Earnings, beginning of reporting period					
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings Equity restructuring Reversal of Retained Earnings Appropriations	- -				
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings					
Dividend declared during the reporting period	4,671,839	4,671,839			
Unappropriated Retained Earnings, as adjusted Add: Net Income for the current year		1,532,790 2,705,351			
Less: Category C.1: Unrealized income recognized in the profit or loss during the period (net of tax)					
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	22,296				
Unrealized fair value adjustment (mark-to-market) gains of financial instruments at FVTPL	8,511	30,807			
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)					
Realized foreign exchange gain, except those attributable to cash and cash equivalents	26,848	26,848			
Adjusted Net income/Loss		4,234,182			
Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution					
Net movement of deferred tax asset not considered in the reconciling items under the previous categories  Net movement in deferred tax asset and deferred tax liabilities related to	50,639				
same transaction (right of use of asset and lease liability)	11,273	61,912			
Total Retained Earnings, end of the reporting period available for dividend		₽4,172,270			

# MONDE NISSIN CORPORATION AND SUBSIDIARIES

# SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION

	December 31		
	2024	2023	
<b>Total Audit Fees</b>	₽49,508	₽57,096	
Non-audit service fees:			
Tax services	3,414	6,896	
All other services	946	5,616	
<b>Total Non-audit Fees</b>	4,360	12,512	
Total Audit and Non-audit Fees	₽53,868	₽69,608	

# MONDE NISSIN CORPORATION AND SUBSIDIARIES

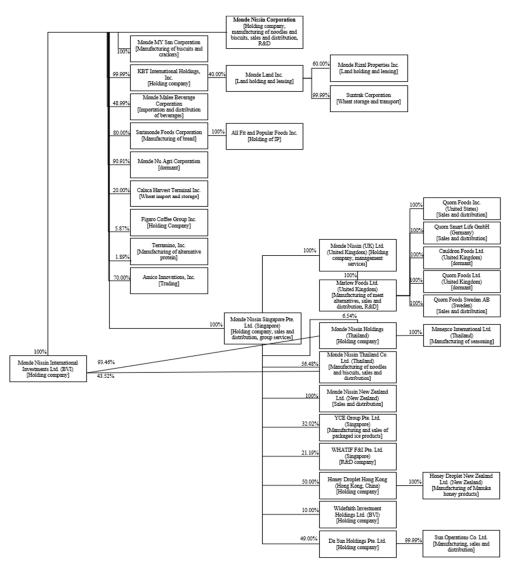
# SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS AS AT DECEMBER 31, 2024, 2023 and 2022

Financial Ratios	Formula	2024	2023	2022
Current ratio	Current assets Current liabilities	2.18	2.03	2.19
Acid test ratio	Cash and cash equivalents + Current receivables + Current financial assets Current liabilities	1.52	1.42	1.37
Solvency ratio	Net income attributable to Equity Holders of the Parent Company + Depreciation and Amortization+ Impairment Loss-Fair Value Gain on Guaranty Asset Total Liabilities	55.8%	55.1%	38.1%
Debt-to-equity ratio	Total liabilities (current + noncurrent) Equity attributable to Equity Holders of the Parent Company	0.41	0.44	0.56
Asset-to- equity ratio	Total assets (current + noncurrent) Equity attributable to Equity Holders of the Parent Company	1.41	1.44	1.56
Interest rate coverage ratio*	Earnings Before Interest, Taxes,  Depreciation and Amortization (EBITDA)  Finance Costs	20.93	17.84	21.75
Gross leverage	Gross Debt EBITDA	0.21	0.37	0.66
Return on equity	Net income attributable to Equity Holders of the Parent Company Equity attributable to Equity Holders of the Parent Company (average)	0.8%	(1.2%)	(21.6%)
Return on assets	Net income attributable to Equity Holders of the Parent Company Total assets (average)	0.5%	(0.8%)	(14.4%)
Net Sales growth	Current Period Net Sales – Prior Period Net Sales Prior Period Net Sales	3.7%	8.5%	6.6%
Gross margin	<u>Gross Profit</u> Net Sales	34.5%	30.8%	31.1%
Net profit margin	Net income Net sales	0.5%	(0.8%)	(17.6%)
Net profit after tax (NPAT) growth	Current Period NPAT – Prior Period NPAT Prior Period NPAT	(171.7%)	(95.2%)	(501.0%)
EBITDA Growth	Current Period EBITDA – Prior Period EBITDA Prior Period EBITDA	18.1%	21.2%	(15.9%)

Financial Ratios	Formula	2024	2023	2022
EBITDA Margin	<u>EBITDA</u> Net Sales	19.3%	16.9%	15.1%
Return on Invested Capital	EBIT – Income Tax Expense Working Capital + Property Plant and Equipment	2.18%	(36.6%)	15.8%

<sup>\*</sup>Based on loan covenant's formula applicable for the period \*\*2021 was calculated using EBIT/Interest Expense

# MONDE NISSIN CORPORATION MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP AS AT DECEMBER 31, 2024



# MONDE NISSIN CORPORATION AND SUBSIDIARIES SCHEDULE A – FINANCIAL ASSETS DECEMBER 31, 2024

	Name of Issuing Entity and Description of Each	Amount Shown in the	Value Based on Market Quotations at Balance	Income Received and
Financial Assets	Issue	Balance Sheet/Notes	Sheet Date	Accrued
Financial Assets at FVTPL*				
Guaranty Asset	N/A	₽8,128,814	₽8,128,814	₽-
UITF	Sun Life Investment Management	951,523	951,523	44,467
Derivative	Rabobank	369,988	369,988	10,631
Derivative	UBS AG	484,661	484,661	13,953
Derivative	JP Morgan Chase Bank N.A.	_	_	6,767
UITF	Metropolitan Bank & Trust Co.	3,080	3,080	108
UITF	Banco de Oro Universal Bank	1,114	1,114	53
UITF	Bank of the Philippine Islands Asset Management and Trust Corporation	2,123	2,123	5,981
Financial Assets at Amortized Cost				
Cash in banks and cash equivalents	N/A	14,157,155	14,157,155	552,701
Trade and other receivables	N/A	7,709,717	7,709,717	-
Noncurrent receivable	N/A	1,320,296	1,320,296	21,572
Advances to employees	N/A	99,924	99,924	_

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
Financial Assets at				
FVOCI				
Quoted equity securities	FCG	₽705,431	₽705,431	Nil
Unquoted equity securities	Terramino, Inc.	108,540	108,540	Nil
Unquoted equity securities	Wide Faith Investment Holdings Ltd.	Nil	Nil	Nil
		₽34,042,366	₽34,042,366	₽656,233

<sup>\*</sup>Presented under current financial assets

# MONDE NISSIN CORPORATION AND SUBSIDIARIES

# SCHEDULE B – AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)

# **DECEMBER 31, 2024**

Name and	Balance at				Balance at End of Period		
Designation of Debtor	Beginning of Period	Additions	Collections	Write Offs	Current	Noncurrent	Total
MNSG Holdings Pte. Ltd.	₽172,305	₽–	(₱─)	₽–	₽-	₽91,493	₽91,493*
Various employees	90,591	113,292	(103,959)	_		99,924	99,924
	₽262,896	₽113,292	(₱103,959)	₽-	₽-	₽191,417	₽191,417

<sup>\*</sup>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, 2024**

Receivable to					Balance at End of Period		
Name of Subsidiary / Counterparty	Balance at Beginning of Period	Additions	Collections	Write-off	Current	Noncurrent	Total
MNC	₽2,351,046	₽17,072,764	(₱16,563,656)	₽-	₽2,860,154	₽-	₽2,860,154
MNTH	186,652	396,399	(442,849)	_	140,202	_	140,202
MIL	15,408	164,579	(157,560)	_	22,427	_	22,427
MMYSC	155,098	887,351	(824,861)	_	217,588	_	217,588
MNSPL	58,400	89,439	(119,034)	_	28,805	_	28,805
SMFC	44,859	229,384	(218,916)	_	55,327	_	55,327
	₽2,811,463	₽18,839,916	( <del>P</del> 18,326,876)	₽-	₽3,324,503	<u>P</u> -	₽3,324,503

# MONDE NISSIN CORPORATION AND SUBSIDIARIES SCHEDULE D – LONG-TERM DEBT DECEMBER 31, 2024

Name of Issuer and Type of Obligation	Amount Shown as Current	Amount Shown as Long-term	Total
MFL	<b>D</b>	D1 040 255	D1 040 255
£105.0 million term loan	₽-	₽1,940,255	₽1,940,255
£12.0 million revolving credit facility	_	874,173	874,173
£5.0 million credit facility	364,239	_	364,239
DSHPL			
\$39.3 million term loan	_	27,968	27,968
	₽364,239	₽2,842,396	₽3,206,635

# MONDE NISSIN CORPORATION AND SUBSIDIARIES SCHEDULE E – INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES) DECEMBER 31, 2024

	Balance at beginning of	Balance at End of
Name of Related Party	the Period	the Period

- NONE TO REPORT -

# MONDE NISSIN CORPORATION AND SUBSIDIARIES SCHEDULE F – GUARANTEES OF SECURITIES OF OTHER ISSUERS DECEMBER 31, 2024

Name of Issuing Entity of Securities Guaranteed		Total Amount	Amount Owned by	
by the Company for Which This Statement is	Title of Issue of Each Class of	Guaranteed and	Person for Which this	Nature of
Filed	Securities Guaranteed	Outstanding	Statement is Filed	Guarantee

- NONE TO REPORT -

# MONDE NISSIN CORPORATION AND SUBSIDIARIES SCHEDULE G – CAPITAL STOCK DECEMBER 31, 2024

			Number of Shares Number of Shares Held by			
Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Reserved for Options, Warrants, Conversion and Other Rights	Affiliates	Directors, Officers and Employees	Others
Common Shares at ₱0.50 par value	20,400,000,000	17,968,611,496	-	_	10,757,535,400	_
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, 2024 (Amounts in millions)

	Estimated	Actual
Gross proceeds	₱48,600	₱48,600
IPO related expenses	(2,252)	(2,023)
Net proceeds	46,348	46,577
Use of proceeds:		_
Payment of GIC Note	(13,352)	(13,352)
Payment of term loans	(6,477)	(22,041)
Payment of working capital	_	(1,964)
Payment of capital expenditures:		
APAC BFB		
Capacity increase and innovation – Philippine operations	(7,255)	(5,125)
Operational efficiency initiatives – Philippine operations	(485)	(1,001)
End-to-end supply network redesign - Philippine operations	(914)	(108)
Capacity increase and innovation - Thailand operations	(2,147)	(594)
Meat Alternative		
To expand capacity	(7,105)	(1,724)
To improve manufacturing and new product development	(7,313)	(649)
capabilities		
To reduce emissions across the supply chain	(1,300)	(19)
	(46,348)	(46,577)
Balance of the proceeds as of end of reporting period	₱–	₱–

As at June 30, 2024, the Company has fully utilized the IPO proceeds.

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5 and 22)	P14,238,392	₽14,158,203
Trade and other receivables (Notes 6, 20 and 22)	7,132,891	7,709,717
Inventories (Note 7)	9,060,762	8,920,788
Prepayments and other current assets (Note 8)	1,544,462	1,326,147
Current financial assets (Notes 9, 20 and 22)	2,781,849	1,812,489
Total Current Assets	34,758,356	33,927,344
Noncurrent Assets		
Noncurrent receivables (Notes 9, 20 and 22)	1,357,561	1,320,296
Guaranty asset (Notes 10 and 22)	7,984,028	8,128,814
Financial assets at fair value through other comprehensive income (FVOCI)	,	
(Notes 10 and 22)	748,349	813,971
Investments in associates and joint ventures	1,122,814	1,133,847
Property, plant and equipment (Note 11)	25,235,496	25,506,662
Intangible assets (Note 12)	5,664,275	5,456,069
Deferred tax assets - net (Note 21)	938,803	1,007,502
Other noncurrent assets (Notes 13 and 22)	1,100,587	792,243
Total Noncurrent Assets	44,151,913	44,159,404
1 otal Polication Posses	P78,910,269	₽78,086,748
	£70,710,207	£70,000,7 <del>1</del> 0
TALBUT MINES LAND FLOATING		
LIABILITIES AND EQUITY		
Current Liabilities	D11 004 E27	D10 550 004
Accounts payable and other current liabilities (Notes 14, 20 and 22)	P11,004,736	₽12,550,324
Dividends payable	2,695,292	-
Acceptances and trust receipts payable (Notes 7 and 22)	695,524	1,608,501
Current portion of loans payable (Note 15)	370,944	364,239
Refund liabilities (Note 14)	338,653	378,784
Current portion of lease liabilities	76,077	77,620
Income tax payable	1,222,823	557,803
Total Current Liabilities	16,404,049	15,537,271
Noncurrent Liabilities		
Loans payable (Note 15)	2,572,161	2,842,396
Lease liabilities	2,501,809	2,522,145
Pension liability	1,257,463	1,284,907
Derivative liability	276,358	288,604
Deferred tax liabilities - net (Note 21)	31,021	32,267
Other noncurrent liabilities	40,612	40,256
Total Noncurrent Liabilities	6,679,424	7,010,575
Total Liabilities	23,083,473	22,547,846
Equity	-,,	7 7 7-
Capital stock (Note 16)	8,984,306	8,984,306
Additional paid-in capital (APIC) (Note 16)	39,361,947	39,361,947
Retained earnings (Note 16):	,,-	,,
Appropriated	211,452	211,452
Unappropriated	1,134,428	1,095,599
Fair value reserve of financial assets at FVOCI	(415,588)	(349,967)
Remeasurement losses on pension liability	(595,305)	(595,305)
Equity reserve (Note 16)	8,491,129	8,491,129
Cumulative translation adjustments (Note 16)	(1,521,584)	(1,832,647)
Equity Attributable to Equity Holders of the Parent Company Non-controlling Interests	55,650,785	55,366,514
	176,011	172,388
Total Equity	55,826,796	55,538,902
	P78,910,269	₽78,086,748

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, Except Earnings Per Share Value)

	Quarters Ended Marc	
	2025	2024
NET SALES (Note 17)	P20,881,412	₽20,311,442
COST OF GOODS SOLD (Note 17)	13,594,632	13,115,130
GROSS PROFIT	7,286,780	7,196,312
SALES, GENERAL AND ADMINISTRATIVE EXPENSES		
General and administrative expenses (Note 18)	1,890,007	1,873,722
Selling and distribution expenses (Note 18)	1,622,739	1,554,330
Provision for impairment loss (Notes 11 and 18)	58,353	16,723
,	3,571,099	3,444,775
	3,715,681	3,751,537
OTHER INCOME (EXPENSES)		
Fair value gain (loss) on:		
Guaranty asset (Notes 4 and 10)	(289,611)	324,401
Financial assets at fair value through profit or loss (FVTPL) (Note 9)	48,644	24,299
Foreign exchange gain (loss) - net (Note 4)	(16,961)	224,194
Share in net earnings (losses) from associates and joint ventures	(11,033)	14,209
Miscellaneous income - net (Note 19)	181,428	70,537
	(87,533)	657,640
INCOME BEFORE FINANCE INCOME (EXPENSES)	3,628,148	4,409,177
FINANCE INCOME (EXPENSES)		
Finance costs (Notes 15 and 19)	(127,374)	(154,184)
Finance income (Note 19)	99,988	137,396
Derivative gain (Note 22)	21,360	25,778
2011 Mar 10 Sam (11000 22)	(6,026)	8,990
INCOME BEFORE INCOME TAX	3,622,122	4,418,167
PROVISION FOR (BENEFIT FROM)		
INCOME TAX	0.44.50	0.40.004
Current	844,685	948,334
Deferred	39,693 884,378	(16,523) 931,811
	004,370	931,811
NET INCOME	₽2,737,744	₽3,486,356
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the Parent Company	<b>P</b> 2,734,121	₽3,483,495
Non-controlling interests	3,623	2,861
	P2,737,744	₽3,486,356
Earnings per Share (EPS) (Note 16)		
Income attributable to equity holders of the parent	₽0.15	₽0.19
meonic authoration to equity notices of the parent	FV.15	FU.17

(Forward)

	Quarters Ended March 31	
	2025	2024
NET INCOME	P2,737,744	₽3,486,356
OTHER COMPREHENSIVE INCOME (LOSS)		
Other comprehensive income (loss) to be reclassified to profit and loss in subsequent periods:		
Exchange gains (losses) on foreign currency translation (including effective portion of the net investment hedge) (Note 16)	311,063	(226,094)
Other comprehensive income not to be reclassified to profit and loss in subsequent		
periods:	(CE COA)	22.011
Gain (loss) on financial assets at FVOCI	(65,621)	32,811
	245,442	(193,283)
TOTAL COMPREHENSIVE INCOME	P2,983,186	₽3,293,073
Total comprehensive income attributable to:		
Equity holders of the Parent Company	P2,979,563	₽3,290,212
Non-controlling interests	3,623	2,861
	P2,983,186	₽3,293,073

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

#### UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands, For the three months ended March 31, 2025 and 2024)

**Equity Attributable to Equity Holders of the Parent Company** Fair Value Remeasurement Cumulative Capital Stock Additional Translation Non-controlling Reserve of Losses Equity Paid-in Capital Retained Earnings (Note 16) Financial Assets Adjustments (Note 16) on Pension Reserve Interests at FVOCI Appropriated Unappropriated Liability (Note 16) (Note 16) Total (Note 16) **Total Equity** Balance as at January 1, 2025 P8,984,306 P39,361,947 ₽211,452 P1,095,599 (P349,967) (P595,305) P8,491,129 (P1,832,647) P55,366,514 P172,388 P55,538,902 Net income 2,734,121 2,734,121 3,623 2,737,744 Other comprehensive income, net of tax (65.621)311.063 245,442 245,442 Total comprehensive income 2,734,121 (65,621)311,063 2,979,563 3,623 2,983,186 \_ \_ Cash dividends (2,695,292) (2,695,292)(2,695,292) P8,984,306 P1,134,428 P55,826,796 Balance as at March 31, 2025 P39,361,947 ₽211,452 (P415,588) (P595,305) P8,491,129 (P1,521,584) P55,650,785 P176,011 Balance as at January 1, 2024 (£2,893,488) P58,388,484 ₽109,904 ₽58,498,388 ₽8,984,306 ₽39,361,947 ₽211,452 ₽5,321,590 (P563,237) (P525,874)₽8,491,788 Net income 3,483,495 3,483,495 2,861 3,486,356 Other comprehensive income (loss), net of tax 32,811 (226,094)(193,283)(193,283)(226,094) Total comprehensive income (loss) 3,483,495 32,811 3,290,212 2,861 3,293,073 (<del>P</del>3,119,582) Balance as at March 31, 2024 P8.984.306 ₽211,452 (P530,426) (£525,874) ₽39,361,947 ₽8,805,085 ₽8,491,788 P61,678,696 ₽112,765 ₽61,791,461

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands, For the three months ended March 31, 2025 and 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P3,622,122	₽4,418,167
Adjustments to reconcile income before income tax to net cash flows:		
Depreciation and amortization (Notes 11, 12, 17, 18 and 19)	671,989	629,496
Fair value (gain) loss on guaranty asset (Notes 4 and 10)	289,611	(324,401)
Finance costs (Note 19)	127,374	154,184
Finance income (Note 19)	(99,988)	(137,396)
Unrealized foreign exchange (gain) loss – net	75,185	(16,714)
Gain on sale of shares	(73,430)	_
Provision for impairment loss - net (Notes 11 and 18)	58,353	16,723
Fair value gain on financial instruments at FVTPL (Note 9)	(48,644)	(24,299)
Movement in pension liability	37,556	29,976
Derivative gain (Note 22)	(21,360)	(25,778)
Share in net (earnings) loss from associates and joint venture	11,033	(14,209)
Loss (gain) on sale of property, plant and equipment	(5,507)	8,710
Loss on retirement of intangibles (Note 12)	123	_
Working capital adjustments:		
Decrease (increase) in:		
Trade and other receivables	666,620	(265,339)
Prepayments and other current assets	(218,315)	(81,890)
Inventories	(139,974)	(153,129)
Increase (decrease) in:	( )	( , - ,
Accounts payable and other current liabilities	(1,383,932)	(1,584,955)
Acceptance and trust receipts payable	(910,179)	297,844
Retirement Fund Contributions	(65,000)	
Refund liabilities	(40,131)	(50,791)
Net cash generated from operations	2,553,506	2,876,199
Income tax paid	(179,665)	(205,753)
Interest received	104,091	141,551
Net cash flows from operating activities	2,477,932	2,811,997
	2,117,502	2,011,227
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:	(1.015.453)	(204.060)
Current financial assets (Note 9)	(1,817,473)	(284,969)
Property, plant and equipment (Note 11)	(407,039)	(771,435)
Intangible assets - net (Note 12)	(53,332)	(27,543)
Noncurrent receivables (Notes 9 and 23)	(37,265)	_
Increase in other noncurrent assets	(310,387)	(533,705)
Proceeds from:		
Termination of current financial assets (Note 9)	874,881	546,859
Sale of property, plant and equipment (Note 11)	7,733	21,228
Net cash used in investing activities	(1,742,882)	(1,049,565)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (payments for):		
Loans (Note 15)	(466,796)	(1,912,470)
Principal portion of lease liabilities	(125,748)	(782,857)
Interest	(89,533)	(106,683)
Availment of loans (Note 15)	34,423	_
Derivatives (Note 22)	9,114	25,778
Cash dividends (Note 16)	, <u> </u>	(2,156,233)
Increase in other noncurrent liabilities	356	84
Net cash used in financing activities	(638,184)	(4,932,381)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	96,866	(3,169,949)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
ON CASH AND CASH EQUIVALENTS	(16,677)	14,739
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	14,158,203	16,678,888
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P14,238,392	<b>P</b> 13,523,678
CHAILLIA CHAIL EQUITALENTO AT END OF TENIOD	±17,430,374	±13,323,070

## NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

#### 1. General Information

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

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

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

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

#### **Basis of Preparation**

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

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

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

Group's annual consolidated financial statements as at and for the year ended December 31, 2024.

#### Basis of Consolidation

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

#### Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as at and for the year ended December 31, 2024, except for the adoption of amendments effective beginning January 1, 2025, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

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

#### 3. Material Accounting Judgments, Estimates and Assumptions

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

#### **Judgments**

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

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

#### Impairment of Non-Financial Assets

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

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

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

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

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

In 2025, MNSPL assessed that the VIU of a certain property, plant and equipment is zero since the asset pertains to discontinued product line with no expected cash flow. This is an indication of impairment resulting in an impairment loss of \$\mathbb{P}58.4\$ million as at March 31, 2025 (see Notes 11 and 18). Management assessed that any scrap value (FVLCD) is not material.

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

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

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

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

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

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

			]	Percentage of (	Ownership	
		Country of	202	5	2024	1
Subsidiaries	Principal Activity	Incorporation	Direct	Indirect	Direct	Indirect
MNSPL	Investment/sales	Singapore	100.00	_	100.00	_
MNUKL	Investment holding	United Kingdom	_	100.00	_	100.00
Marlow Foods Limited	Manufacturing, Sales, and Marketing	United Kingdom	-	100.00	_	100.00
Quorn Smart Life GmbH	Sales, and Marketing	Germany	_	100.00	_	100.00
Quorn Foods Inc	Sales, and Marketing	United States (US) of America	-	100.00	_	100.00
Cauldron Foods Ltd*	Sales, and Marketing	United Kingdom (UK)	_	100.00	_	100.00
Quorn Foods Sweden	Sales, and Marketing	Sweden	_	100.00	_	100.00
MNNZ	Distribution of food related goods	New Zealand	_	100.00	_	100.00
MNHTL**	Investment company	Thailand	_	6.54	_	6.54
MIL	Manufacture of seasonings	Thailand	_	100.00	_	100.00
MNTH**	Manufacture and distribution of bread and cookies	Thailand	-	56.48	_	56.48
DSHPL****	Investment holding	Singapore	_	49.00	_	49.00
Sun Operation Co., Ltd.	Manufacture and distribution of animal food and care products	Thailand	-	100.00	-	100.00
MNIIL	Investment company	British Virgin Islands	100.00	_	100.00	_
MNHTL**	Investment company	Thailand	_	93.46	_	93.46
MNTH**	Manufacture and distribution of bread and cookies	Thailand	_	43.52	_	43.52
KBT International Holdings, Inc. (KBT)***	Investment company	Philippines	100.00	_	100.00	_
MNAC*	Manufacture, process, and distribution of industrial coconut and agricultural products	Philippines	90.91	-	90.91	-
SFC	Manufacture and process of bread	Philippines	80.00	_	80.00	_
All Fit & Popular Foods Inc. (AFPFI)	Manufacturing, importing, exporting, selling and distribution of breads; Purchasing or registering intellectual properties	Philippines	-	80.00	-	80.00
Monde M.Y. San Corporation (MMYSC)	Manufacture, process, and export of biscuits	Philippines	100.00	_	100.00	_
Amico Innovations, Inc. (Amico)	Wholesale and retail trade of goods, wares, and	Philippines	70.00	_	70.00	_

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#### Investment in MNSPL

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

				Amount in
Approval date	Payment date	No. of shares	Amount in GBP	PHP
		(In The	ousands, Except No. o	of shares)
May 10, 2023	May 15, 2023	23,000,000	£23,000	₽1,606,083
May 10, 2023	June 23, 2023	2,000,000	2,000	141,992
May 10, 2023	July 11, 2023	7,500,000	7,500	535,344
May 10, 2023	July 19, 2023	7,500,000	7,500	534,219
August 9, 2023	August 21, 2023	3,956,735	3,957	286,070
August 9, 2023	August 22, 2023	7,227,500	7,227	518,365
(Forward)	-			

<sup>\*\*\*</sup>The Group effectively owns 100%

\*\*\*Actual transfer of stock certificate is still in process

\*\*\*\*The Group has determined that is has significant control as it has the power to direct the relevant activities

August 9, 2023	September 1, 2023 In one or several	4,815,765	£4,816	₽345,483
	tranches, on or before			
September 22, 2023	April 30, 2024	4,000,000	4,000	296,401
February 21, 2024	March 5, 2024	27,000,000	27,000	1,916,479
July 29, 2024	In one or several tranches	5,000,000	5,000	364,239

#### b. Investment in MNUKL

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

#### c. Investment in KBT

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

#### d. Investment in Amico Innovations, Inc.

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

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

The Group recognized P7.5 million equity attributable to noncontrolling interest as at December 31, 2024.

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

On October 15, 2024, MNSPL subscribed and paid for an aggregate of 93,097 shares of DSHPL at the aggregate issue price of \$\mathbb{P}16.2\$ million (THB 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 has determined that is has significant control as it has the power to direct the relevant activities of DSHPL, therefore recognizing DSHPL as a subsidiary.

The Group recognized \$\mathbb{P}\$51.2 million equity attributable to noncontrolling interest as at December 31, 2024.

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

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

#### **Segment Information**

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

- Asia-Pacific Branded Food & Beverage (APAC BFB) manufactures and distributes a diverse mix of biscuits, bakery products, beverages, instant noodles and pasta.
- Meat Alternative manufactures and distributes a variety of meat alternative brands and products to the retail trade and food service customers in the UK, US, Europe (EU) and Asia-Pacific.

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

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

The Chief Executive Officer is the Chief Operating Decision Maker and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

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

		March 31, 2025 (U	naudited)	
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales - third parties	P17,583,076	P3,298,336	₽–	P20,881,412
Costs and expenses	(13,234,986)	(3,200,461)	58	(16,435,389)
Depreciation and amortization	(525,100)	(146,889)	_	(671,989)
Finance income	98,573	13,478	(12,063)	99,988
Derivative gain	18,879	2,481	_	21,360
Finance expense	(59,633)	(79,804)	12,063	(127,374)
Loss on change in FV of guaranty asset	_	(289,611)	-	(289,611)
Foreign exchange loss - net	(15,115)	(1,846)	-	(16,961)
Provision for impairment loss	(58,353)	_	_	(58,353)
Share in net loss from associates and	(11,033)	_	_	(11,033)
joint venture				
Other income	221,247	8,883	(58)	230,072
Income before income tax	4,017,555	(395,433)	_	3,622,122
Provision for income tax	883,515	863	_	884,378
Net income (loss)	P3,134,040	(P396,296)		₽2,737,744
Other information	D#4.004.004	D42 4E0 0E0	(DO (E0 40 4)	D#0.040.040
Total assets	P74,081,684	P13,478,879	(P8,650,294)	P78,910,269
Total liabilities	P17,868,667	P5,332,910	( <b>P118,104</b> )	P23,083,473
Investment in associates and joint				
venture	₽1,122,814	₽-	₽-	₽1,122,814
Capital expenditures	P280,259	P126,780	₽-	P407,039

	March 31, 2024 (Unaudited)			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Net sales - third parties	P16,882,927	£3,430,938	(P2,423)	₽20,311,442
Costs and expenses	(12,415,968)	(3,500,141)	2,423	(15,913,686)
Depreciation and amortization	(476,530)	(152,966)	_	(629,496)
Finance income	150,592	18,159	(5,577)	163,174
Finance expense	(84,685)	(75,076)	5,577	(154,184)
Gain on change in FV of guaranty asset	_	324,401	_	324,401
Foreign exchange gain (loss) - net	230,242	(6,048)	_	224,194
Provision for impairment loss	(30,170)	_	13,447	(16,723)
Share in net earnings from associates				
and joint venture	14,209	_	_	14,209
Other income	94,836	-	-	94,836
Income before income tax	4,365,453	39,267	13,447	4,418,167
Provision for (benefit from) income tax	996,078	(64,267)	_	931,811

₽103,534

₽13,447

#### Other information

Net income

	December 31, 2024 (Audited)			
	APAC BFB	Meat Alternative	Eliminations	Consolidated
Total assets	₽72,749,449	₽13,785,796	(P8,448,497)	₽78,086,748
Total liabilities	₽16,971,494	₽5,646,906	( <del>P</del> 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

£3,369,375

#### 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:

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Domestic	P16,497,448	₽15,823,316
Foreign	4,383,964	4,488,126
	P20,881,412	₽20.311.442

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

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

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Domestic:		
Property, plant and equipment (Note 11)	P20,433,941	₽20,621,927
Investments in associates and joint ventures	1,122,814	1,133,847
Intangible assets (Note 12)	658,533	635,677
Other noncurrent assets (Note 13)	756,571	566,327
Total	22,971,859	₽22,957,778

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Foreign:		
Property, plant and equipment (Note 11)	<b>P</b> 4,801,555	₽4,884,735
Intangible assets (Note 12)	5,005,742	4,820,392
Other noncurrent assets (Note 13)	225,446	125,992
	10,032,743	9,831,119
	P33,004,602	₽32,788,897

## 5. Cash and Cash Equivalents

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Cash on hand and in banks	<b>P</b> 5,337,830	₽4,802,726
Cash equivalents	8,900,562	9,355,477
	P14,238,392	₽14,158,203

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

#### 6. Trade and Other Receivables

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Trade receivables		_
Non-related parties	<b>P7,032,344</b>	₽7,648,316
Related parties (Note 20)	19	3
Other receivables	104,894	68,252
	7,137,257	7,716,571
Allowance for expected credit loss		
(ECL)	(4,366)	(6,854)
	<b>₽7</b> ,132,891	₽7,709,717

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

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

Movements in the allowance for ECL follow:

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Balance at January 1	<b>P</b> 6,854	₽23,532
(Reversal of) Provision for ECL (Note 18)	(2,486)	69,420
Write-off	(1)	(86,267)
Currency translation adjustments	(1)	169
Balance at end of period	<b>P4,366</b>	₽6,854

#### 7. **Inventories**

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
At cost:		
Finished goods	P3,999,162	₽3,464,428
Raw materials	2,783,623	3,104,652
Work in-process	1,069,300	1,063,727
Packaging and other materials	1,057,854	1,014,405
In-transit	150,823	273,576
	<b>P</b> 9,060,762	₽8,920,788

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

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Balance at beginning of year	P236,747	₽389,145
Provision	24,864	126,588
Write-off	(50,387)	(287,924)
Currency translation adjustments	3,779	8,938
Balance at end of year	P215,003	₽236,747

The cost of inventories recognized under "Cost of goods sold" account amounted to ₱13,594.6 million and ₱13,115.1 million for the three months ended March 31, 2025 and 2024, respectively (see Note 17).

Under the terms of the agreements covering liabilities under trust receipts totaling \$\mathbb{P}695.5\$ million and \$\mathbb{P}1,608.5\$ million as at March 31, 2025 and December 31, 2024, respectively, certain inventories which approximate the trust receipts payable, have been released to the Group under trust receipt agreement with the banks. The Group is accountable to these banks for the trusteed merchandise or their sales proceeds.

#### 8. Prepayments and Other Current Assets

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Prepayments	P859,208	₽606,466
Advances to suppliers	328,048	391,922
Input VAT	223,160	188,367
Creditable withholding tax and other credits	126,596	126,613
Deferred input VAT	5,198	3,603
Other current assets	2,252	9,176
	P1,544,462	₽1,326,147

#### 9. Current Financial Assets

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Loans receivable:	(**************************************	(======================================
Related parties (Note 20)	P192,448	₽206,759
Others (Note 23)	1,280,379	1,228,803
Financial assets at FVTPL	2,781,849	1,812,489
	4,254,676	3,248,051
Allowance for ECL (Note 20)	(115,266)	(115,266)
	P4,139,410	₽3,132,785
Current portion	<b>P</b> 2,781,849	₽1,812,489
Noncurrent portion	1,357,561	1,320,296
	<b>P</b> 4,139,410	₽3,132,785

Loans receivable from related parties. On July 3, 2024, MNSPL and MNSG Holdings Pte. Ltd. agreed to extend the maturity of P171.8 million (\$3.0 million) loan to MNSG Holdings Pte. Ltd. from July 3, 2024 to July 3, 2034. The loan was also converted from interest-bearing to noninterest-bearing resulting to a loss on loan modification. As at March 31, 2025, the interest income on the amortization of financing cost is P3.1 million (see Note 21).

On October 15, 2024, MNSPL entered into a new loan agreement with MNSG Holdings Pte Ltd. The loan matures 5 years from date of the agreement. The loan is unsecured, denominated in THB and is noninterest-bearing. The loan outstanding amounted to \$\mathbb{P}85.6\$ million (£1.18 million) as at March 31, 2025 (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 23).

On November 15, 2024, KBT entered into a Loan Agreement with Atlantic Grains, Inc. (AGI) wherein KBT agreed to extend a loan to AGI in the principal amount of \$\mathbb{P}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 5.75% 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 March 31, 2025 and December 31, 2024, the loan outstanding amounted to ₱131.1 million and ₱83.8 million, respectively.

Interest income from loans receivable amounted to \$\mathbb{P}5.5\$ million and \$\mathbb{P}2.1\$ million for the three months ended March 31, 2025 and 2024, respectively (see Note 19).

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

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Balance at January 1	P1,812,489	₽2,042,058
Acquisitions	1,817,473	3,459,263
Disposal	(874,881)	(3,760,823)
Fair value change during the year	48,644	81,960
Foreign exchange loss	(21,876)	(9,969)
Balance at end of period	P2,781,849	₽1,812,489

#### 10. Noncurrent Financial Assets

#### Financial Assets at FVOCI

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Cost		
Figaro Coffee Group, Inc. (FCG)	<b>P820,268</b>	₽820,268
Wide Faith Investment Holdings Ltd.	235,130	235,130
Terramino Inc.	108,540	108,540
	1,163,938	1,163,938
Fair value adjustment		
Wide Faith Investment Holdings Ltd.	(235,130)	(235,130)
FCG	(180,459)	(114,837)
	(415,589)	(349,967)
	<b>P748,349</b>	₽813,971

#### **Guaranty Asset at FVTPL**

During the financial year ended December 31, 2023, MNSPL entered into an agreement ("Top-Up Deed") with MNSG Holdings Pte. Ltd., a Singaporean Company owned by a majority of the ultimate beneficial owners of MNSPL ("MNSG"). Under the Top-Up Deed, MNSG has agreed to provide a guarantee equal to the aggregate collateral value of up to a maximum of 2.156 billion shares of MNC or 12.0% of the current outstanding capital stock of MNC for as long as MNC is still the ultimate

controlling shareholder of MNSPL's wholly-owned subsidiary, MNUKL. Said aggregate collateral value shall be reduced by related transaction costs and said net amount shall cover the net cumulative impairment incurred by MNUKL starting from the calendar year ended December 31, 2023 and every year thereafter up to December 31, 2032. MNSPL has recognized a guaranty asset under the Top-Up Deed and engaged an independent valuation expert to determine the fair value of the guaranty asset at inception and as at December 31, 2023. The initial recognition of the guaranty asset is recognized as an equity transaction under "Equity Reserve", while subsequent changes in fair value is recognized in profit or loss.

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

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Guaranty asset:		_
Balance at January 1	P8,128,814	₽10,432,256
Initial recognition credited to Equity Reserve	_	_
Fair value gain (loss) on guaranty asset	(289,611)	(2,648,829)
Cumulative translation adjustment	144,825	345,387
	P7,984,028	₽8,128,814

#### Sensitivity analysis

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

## 11. Property, Plant and Equipment

							March 31, 2025						
								Computer and					
					Plant	Office		Commu-	Machineries				
		Land	Buildings and	Leasehold	Machinery	Furniture	Transportation		Under	Construction			
	Land	Improvements	Improvements	Improvements	and Fixtures	and Equipment	Equipment	Equipment	Installation	In-progress	ROU Land	ROU Others	Total
Cost													
Balance at January 1, 2025	₽585,681	<b>P7,140</b>	₽15,575,725	P163,884	P37,706,145	₽543,541	₽162,657	P395,371	P1,868,773	P3,969,729	P3,786,250	₽799,405	P65,564,301
Additions	_	_	8,326	-	39,021	5,068	2,180	11,819	46,288	294,337	-	1,145	408,184
Disposals and retirement	-	-	(375)	-	(28,866)	(1,187)			-	-	-	-	(36,927)
Reclassifications	-	-	395,717		644,507	12,346		2,602	(27,578)	(1,062,292)	-	-	(34,698)
Foreign currency translation adjustments	3,549	(12)	19,831	1,335	260,609	3,424	94	2,661	4,067	39,905	_	_	335,463
Balance at March 31, 2025	589,230	7,128	15,999,224	165,219	38,621,416	563,192	160,178	410,707	1,891,550	3,241,679	3,786,250	800,550	66,236,323
Accumulated Depreciation													
Balance at January 1, 2025	_	5,202	6,212,787	117,298	17,943,897	326,077	66,627	280,685	-	_	484,814	265,165	25,702,552
Depreciation (Notes 17, 18 and 19)	-	88	162,364	3,281	395,721	14,409	5,823	8,373	-	-	26,166	14,569	630,794
Disposals and retirement	-	-	(234)	-	(28,866)	(1,187)	(2,668)	(1,746)	-	-	-	(59,327)	(94,028)
Adjustments	_	_	_	_	_	_	_	9	_	_	_	_	9
Foreign currency translation adjustments	_	(10)	9,119	21,917	88,104	754	50	1,282		_		_	121,216
Balance at March 31, 2025		5,280	6,384,036	142,496	18,398,856	340,053	69,832	288,603		_	510,980	220,407	26,360,543
Accumulated Impairment Loss													
Balance at January 1, 2025	-	-	2,420,974	955	10,120,818	22,280	-	1,791	82,672	1,705,597	-	_	14,355,087
Impairment loss			-	-	-	-	-	-	-	-	-	58,353	58,353
Foreign currency translation adjustments		_	34,360	_	168,415	_	_	_	_	24,069		_	226,844
Balance at March 31, 2025	_	-	2,455,334	955	10,289,233	22,280	_	1,791	82,672	1,729,666	-	58,353	14,640,284
Net Book Value	₽589,230	₽1,848	₽7,159,854	P21,768	₽9,933,327	P200,859	P90,346	₽120,313	P1,808,878	P1,512,013	₽3,275,270	₽521,790	P25,235,496

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

(Forward)

December 31, 2024

							December 31, 202						
								Computer and					
					Plant	Office		Commu-	Machineries				
		Land	Buildings and	Leasehold	Machinery	Furniture	Transportation	nications	Under	Construction			
	Land	Improvements	Improvements	Improvements	and Fixtures	and Equipment	Equipment	Equipment	Installation	In-progress	ROU Land	ROU Others	Total
Accumulated Impairment Loss													
Balance at January 1, 2024	_	_	997,622	955	8,466,664	22,280	_	1,791	486,312	1,380,719	_	_	11,356,343
Impairment loss	_	_	1,390,065	_	1,512,334	_	_	_	_	953	_	_	2,903,352
Disposals and retirement	_	_	_	_	_	_	_	_	(49,370)	(157,434)	_	_	(206,804)
Reclassifications	_	_	23,554	_	(112,166)	_	_	_	(354,270)	442,882	_	_	_
Foreign currency translation adjustments	_	_	9,733	_	253,986	_	_	_	_	38,477	_	_	302,196
Balance at December 31, 2024	_	_	2,420,974	955	10,120,818	22,280	_	1,791	82,672	1,705,597	_	-	14,355,087
Net Book Value	₽585,681	₽1,938	₽6,941,964	₽45,631	₽9,641,430	₽195,184	₽96,030	₽112,895	₽1,786,101	₽2,264,132	₽3,301,436	₽534,240	P25,506,662

The Group recognized net provision for impairment loss on property, plant and equipment amounting to \$\mathbb{P}58.4\$ million and nil for the three months ended March 31, 2025 and 2024, respectively (see Note 18).

For the three months ended March 31, 2025, the Group acquired property, plant and equipment amounting to \$\mathbb{P}408.2\$ million and recognized depreciation expense amounting to \$\mathbb{P}630.8\$ million (see Note 19).

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

The Group has capital commitments for acquisitions of machineries and building expansions amounting to ₱2,116.5 million and ₱1,843.6 million as at March 31, 2025 and December 31, 2024, respectively.

#### 12. Intangible Assets

_	March 31, 2025							
	Goodwill	Brand	Distribution Rights	License	Trademarks with definite useful life	Trademarks with indefinite useful life	Software	Total
Cost								
Balance at January 1, 2025	P17,868,843	P19,405,709	P727,560	P66,141	P7,485	P14,459	P1,160,826	P39,251,023
Additions	_	_	_	73,430	151	_	53,181	126,762
Disposals and retirement	_	_	_	_	_	_	(7,159)	(7,159)
Reclassifications	_	_	_	_	_	_	34,698	34,698
Foreign currency translation								
adjustments	328,984	355,619	_	1,225	(13)	_	10,488	696,303
Balance at March 31, 2025	18,197,827	19,761,328	727,560	140,796	7,623	14,459	1,252,034	40,101,627
Accumulated Amortization								
Balance at January 1, 2025	_	45,773	378,938	15,220	2,474	-	658,236	1,100,641
Amortization (Notes 18, 19								
and 20)	_	_	9,094	1,848	244	_	30,009	41,195
Disposals and retirement	_	_	_	_	_	_	(7,036)	(7,036)
Foreign currency translation								
adjustments	_	842	_	_	(8)	_	7,260	8,094
Balance at March 31, 2025	_	46,615	388,032	17,068	2,710	_	688,469	1,142,894
Accumulated Impairment								
Loss								
Balance at January 1, 2025	17,868,843	14,818,339	-	_	_	7,131	_	32,694,313
Foreign currency translation								
adjustments	328,984	271,161	_	_	_	_	_	600,145
Balance at March 31, 2025	18,197,827	15,089,500	_	-	_	7,131	_	33,294,458
Net Book Value	₽-	P4,625,213	P339,528	P123,728	P4,913	P7,328	P563,565	P5,664,275

				December 3	31, 2024			
	Goodwill	Brand	Distribution Rights	License	Trademarks with definite useful life	Trademarks with indefinite useful life	Software	Total
Cost			-					
Balance at January 1, 2024	₽17,318,215	₽18,810,500	₽727,560	₽66,141	₽2,593	₽14,459	P482,640	₽37,422,108
Additions	_	-	-	_	4,764	-	111,121	115,885
Disposals and retirement	_	-	-	_	-	-	(17,859)	(17,859)
Reclassifications	_	_	_	_	_	_	580,237	580,237
Foreign currency translation								
adjustments	550,628	595,209	-	_	128	_	4,687	1,150,652
Balance at December 31, 2024	17,868,843	19,405,709	727,560	66,141	7,485	14,459	1,160,826	39,251,023
Accumulated Amortization								
Balance at January 1, 2024	_	44,362	342,560	7,827	1,904	_	255,768	652,421
Amortization (Notes 18, 19	_	_	36,378	7,393	461	_	95,641	139,873
and 20)								
Disposals and retirement	-	-	-	-	-	-	(17,812)	(17,812)
Reclassifications	_	-	-	_	_	_	322,791	322,791
Foreign currency translation								
adjustments	-	1,411	-	-	109	-	1,848	3,368
Balance at December 31, 2024	_	45,773	378,938	15,220	2,474	_	658,236	1,100,641
Accumulated Impairment								
Loss								
Balance at January 1, 2024	17,318,215	10,631,507	-	-	-	7,131	-	27,956,853
Impairment loss	_	3,871,692	-	_	-	-	-	3,871,692
Foreign currency translation								
adjustments	550,628	315,140	=	=	-	-	_	865,768
Balance at December 31, 2024	17,868,843	14,818,339	_		-	7,131	-	32,694,313
Net Book Value	₽–	₽4,541,597	₽348,622	₽50,921	₽5,011	₽7,328	₽502,590	P5,456,069

Amortization of the intangible assets for the three months ended March 31, 2025 and 2024 amounted to \$\mathbb{P}41.2\$ million and \$\mathbb{P}24.4\$ million, respectively (see Note 19).

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

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

#### 13. Other Noncurrent Assets

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Advances to suppliers and contractors	P796,078	₽488,125
Advances to employees	118,570	99,924
Refundable and other deposits	78,783	77,284
Deferred input VAT for amortization	69,580	88,655
Others	37,576	38,255
	₽1,100,587	₽792,243

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

#### Accounts Payable and Other Current Liabilities

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Trade payables		
Non-related parties	<b>P</b> 6,005,254	₽6,265,686
Related parties (Note 20)	37,867	44,196
Nontrade payables	1,713,613	2,931,745
Accruals for:		
Advertising and promotions	976,840	591,683
Selling, general and administrative expenses	427,804	585,230
Personnel costs	318,129	422,412
Trade spend	299,685	217,074
Other accruals	164,874	260,704
Statutory payables	898,767	1,026,839
Provisions	115,767	118,267
Others	46,136	86,488
	P11,004,736	₽12,550,324

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

#### **Refund Liabilities**

As at March 31, 2025 and December 31, 2024, the Group's refund liabilities consist of the following:

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Refund liabilities:		
Arising from rights of return	P333,705	₽331,539
Arising from retrospective volume discounts	4,948	47,245
	P338,653	₽378,784

#### 15. Loans Payable

			March 31, 2025	December 31, 2024
Description	Maturities	Interest Rates	(Unaudited)	(Audited)
MFL				
£105.0 million term loan	June 2027 subject to extension of 2 years	Margin and SONIA	<b>P</b> 2,003,100	₽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	296,756	291,391
£3.0 million revolving credit facility	October 2023	Margin and SONIA	222,567	218,543
£5.0 million credit facility <b>DSHPL</b>	September 2024	SONIA and 1.20% p.a.	370,945	364,239
B67.2 million	December	Noninterest-bearing		
term loan	2029	6	62,391	27,968
			2,955,759	3,233,268
Unamortized deb	t issue costs		(12,654)	(26,633)
			P2,943,105	₽3,206,635
Current portion			P370,944	P364,239
Non-current port	ion		2,572,161	2,842,396
			P2,943,105	₽3,206,635

### MFL Loan

As at March 31, 2025 and December 31, 2024, MFL has outstanding unsecured loans payable amounting to \$\mathbb{P}2,893.4\$ million (£39.0 million) and \$\mathbb{P}3,205.3\$ million (£44.0 million), respectively. The sterling term loan facility amounting to \$\mathbb{P}7,789.8\$ million (£105.0 million) with maturity on June 2025 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 September 30, 2023 and each quarter thereafter

• The Group is required to maintain an interest cover of greater than 3.0 from September 30, 2023 and each quarter thereafter.

The facility also includes a revolving credit facility of \$\mathbb{P}1,112.8\$ million (£15.0 million) subject to the same financial covenants above. MFL had drawn down \$\mathbb{P}890.3\$ million (£12.0 million) and \$\mathbb{P}847.2\$ million (£12.0 million) as at March 31, 2025 and December 31, 2024, respectively.

In 2023, MFL obtained and drew an uncommitted short term credit facility with a financial institution amounting to \$\mathbb{P}\$375.4 million (£5.0 million).

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

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

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

For the three months ended March 31, 2025 and 2024, interest expense related to the loans amounted to \$\mathbb{P}50.9\$ million and \$\mathbb{P}56.0\$ million, respectively (see Note 19).

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

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Loans Payable		
Balance at January 1	<b>P</b> 26,633	₽78,780
Additions (reductions) during the period	(2,558)	(6,658)
Amortization during the period (Note 19)	(11,715)	(48,244)
Foreign currency translation adjustments	294	2,755
Total	P12,654	₽26,633

For the three months ended March 31, 2024, amortization of debt issue costs amounted to \$\mathbb{P}\$11.2 million (see Note 19).

#### 16. Equity

#### Capital Stock

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

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

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

#### Dividend Declaration

On March 26, 2025, the BOD approved the declaration of regular cash dividends of P0.15 per common share to stockholders of record as of April 25, 2025, payable on or before May 22, 2025.

On April 10, 2024, the Parent Company's BOD approved and declared the issuance of regular cash dividends to stockholders of record for ₱0.12 per common share or ₱2,156.2 million, which was paid on June 5, 2024.

#### Restriction on Retained Earnings

As at March 31, 2025 and December 31, 2024, undistributed retained earnings of subsidiaries amounting to P3,653.7 million and P2,796.9 million, respectively, are not available for dividend declaration until the actual declaration of the subsidiaries. Further, the undistributed retained earnings include appropriated retained earnings of MMYSC and MIL amounting to P211.5 million as at March 31, 2025 and December 31, 2024.

### **Equity Reserve**

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Initial recognition of guaranty asset at fair value:		
MNSPL	<b>P</b> 9,104,076	₽9,104,076
Investments:		
MMYSC	(532,573)	(532,573)
MNTH	(115,390)	(115,390)
KBT	43,408	43,408
MNAC	(7,733)	(7,733)
Equity reserve arising from noninterest-bearing		
loan	(659)	(659)
	P8,491,129	₽8,491,129

#### **Cumulative Translation Adjustments**

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Foreign investments:		_
MNSPL	<b>(P808,567)</b>	( <b>P</b> 1,119,497)
MNIIL	(184,775)	(184,810)
MNTH	136,113	145,797
MIL	(1,465)	999
Cross currency swap:		
MNC	(662,890)	(675,136)
	(P1,521,584)	(P1,832,647)

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

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

	Quarters Ended March 31	
	<b>2025</b> 20	
	(Unaudited)	(Unaudited)
Net income attributable to equity holders of the parent	P2,734,121	₽3,483,495
Weighted average number of common shares	17,968,611,496	17,968,611,496
Basic/diluted EPS	P0.15	₽0.19

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

## Net Sales by Geography and Operating Segment

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
APAC BFB		
Philippines	<b>£</b> 16,497,448	₽15,823,316
Other countries	1,085,628	1,059,611
	17,583,076	16,882,927
Meat Alternative		_
United Kingdom	2,581,539	2,747,018
United States	189,523	178,652
Other countries	527,274	502,845
	3,298,336	3,428,515
	P20,881,412	₽20,311,442

All revenues are recognized at a point in time.

#### Cost of Goods Sold

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Direct materials	P10,968,369	₽9,954,931
Direct labor	789,037	805,171
Manufacturing overhead		
(Notes 11, 12 and 19)	2,374,527	2,285,235
Total manufacturing costs	14,131,933	13,045,337
Inventory movements (Note 7):		
Work in-process	(5,710)	339,182
Finished goods	(531,591)	(269,389)
	P13,594,632	₽13,115,130

## 18. Sales, General and Administrative Expenses

## General and Administrative Expenses

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Salaries, wages and employee benefits	P1,034,785	₽1,106,889
Outside services	314,727	231,295
Depreciation and amortization (Notes 11 and 12)	132,268	119,182
Insurance	53,054	59,104
Repairs and maintenance	53,022	51,068
Research and development	50,882	63,161
Traveling expenses	44,937	24,095
Taxes and licenses	35,807	44,509
Entertainment, amusement and recreation	28,575	22,572
Light, water and telecommunication	27,866	25,705
Fringe benefit tax	22,766	21,592
Warehouse and office supplies	17,905	18,585
Recruitment and training expenses	13,058	3,263
Rent (Note 20)	12,364	18,804
Bank charges	4,223	5,261
Provision for ECL (Note 6)	(2,486)	(737)
Donations	1,164	2,863
Others	45,090	56,511
	P1,890,007	₽1,873,722

## Selling and Distribution Expenses

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Transportation and delivery	P861,224	₽832,283
Advertising and promotions	580,685	533,084
Merchandising expense	180,307	162,035
Dealer support	523	26,928
	P1,622,739	₽1,554,330

## Provision for impairment loss - net

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Property, plant and equipment - net (Note 11)	P58,353	₽-
Investments in associates and joint venture	_	16,723
	P58,353	₽16,723

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

#### Finance Income

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Cash and cash equivalents	<b>P</b> 91,223	₽135,336
Loans receivable (Notes 20 and 23)	5,478	2,060
Amortization of financing cost (Note 9)	3,134	_
Amortization of discount on security deposit	153	_
	₽99,988	₽137,396

#### Finance Costs

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Interest on loans payable (Note 15)	P50,934	₽56,022
Interest expense on lease liabilities	43,397	44,130
Acceptance and trust receipts payable	20,845	24,515
Amortization of debt issue costs (Note 15)	11,715	11,206
Others	483	18,311
	P127,374	₽154,184

#### **Depreciation and Amortization Expense**

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Property, plant and equipment (Note 11)	P630,794	₽605,125
Intangible assets (Note 12)	41,195	24,371
	<b>P</b> 671,989	₽629,496
	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Cost of goods sold (Note 17)	P539,721	₽510,314
Sales, general and administrative expense		
(Note 18)	132,268	119,182
	P671,989	₽629,496

#### Miscellaneous Income

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

## 20. Related Party Transactions

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

The following are the significant transactions with related parties:

Nature	Period ended	Volume of Transactions	Outstanding Balance	Terms	Conditions
Associates and joint ventures					
Monde Land, Inc. (MLI)					
Rent expense	March 31, 2025	P16,688	(P11,989)	15 days;	Unsecured
•	December 31, 2024	56,084	(5,234)	noninterest-bearing	
	March 31, 2024	16,618	-	· ·	
Professional fees	March 31, 2025	19	19		
	December 31, 2024	17	3		
	March 31, 2024	_	_		
Honey Droplet Ltd.					
Advances and interest income	March 31, 2025	_	_	4-6 years;	Unsecured;
	December 31, 2024	_	_	interest-bearing	Gross advances
	March 31, 2024	_	_		amounted to \$\mathbb{P}115.3\$ million in 2025 and 2024; fully impaired in 2025 and 2024
Calaca Harvest Terminal Inc. (CHTI)					
Transportation and delivery	March 31, 2025	70,483	(21,969)	15 days;	Unsecured
expense and wheat handling fees	December 31, 2024	316,796	(42,845)	noninterest-bearing	
	March 31, 2024	72,716	(5,926)		
Common shareholders					
PT. Nissin Biscuit Indonesia					
Trade purchases, net	March 31, 2025	9,668	(3,909)	45 days;	Unsecured
	December 31, 2024	47,781	3,883	noninterest-bearing	
	March 31, 2024	3,537	_		
MNSG Holdings Pte. Ltd.					
Guaranty asset	March 31, 2025	(144,786)	7,984,028	Refer to Note 10	Unsecured
	December 31, 2024	(2,303,442)	(42) 8,128,814		
	March 31, 2024	10,802,641	10,802,641		
Loans receivable - net (Notes 9 and 19)	March 31, 2025	_	85,614	10 years;	Unsecured
	December 31, 2024	_	91,493	noninterest-bearing	
	March 31, 2024	_	169,310		
Trade and other receivables (Note 6)	March 31, 2025		₽19		
	December 31, 2024		3		
	March 31, 2024		_		
Loans receivable - net (Notes 9 and 19)	March 31, 2025		85,614		
	December 31, 2024		91,493		
	March 31, 2024		169,310		
Trade and other payables (Note 14)	March 31, 2025		(37,867)		
	December 31, 2024		(44,916)		
	March 31, 2024		(5,926)		

#### 21. Income Tax

## Deferred Income Tax

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

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Deferred tax assets – net		
Pension liability	<b>₽316,829</b>	₽308,097
Allowance for impairment loss	255,538	259,153
Accrued expenses	110,586	157,813
Refund liabilities	84,663	94,696
Right-of-use assets and lease liabilities	71,268	68,849
(Forward)		

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Derivative liability	P69,089	₽72,151
Excess of the tax base over the carrying amounts of non-		
monetary assets	15,202	14,545
Unrealized profits from intercompany sales	14,782	36,042
NOLCO	11,877	1,657
Unamortized past service cost	6,787	7,133
Unrealized foreign exchange gain	(4,339)	(5,859)
Allowance for inventory obsolescence	2,317	1,491
Allowance for ECL	960	1,582
Others	(16,756)	(9,848)
	938,803	1,007,502
Deferred tax liabilities – net		
Brand	(1,207,733)	(1,185,900)
NOLCO	940,082	913,198
Interest expense	452,316	444,738
Property, plant and equipment	(224,965)	(211,609)
Interest income	(1,084)	(1,064)
Unrealized foreign exchange gain	(992)	(2,257)
Others	11,355	10,627
	(31,021)	(32,267)
	P907,782	₽975,235

#### 22. Financial Risk Management Objectives and Policies

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

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

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Financial Assets		
Cash and cash equivalents	P14,238,392	₽14,158,203
Trade and other receivables	7,132,891	7,709,717
Current financial assets	2,781,849	1,812,489
Noncurrent receivables	1,357,561	1,320,296
Guaranty asset	7,984,028	8,128,814
Financial assets at FVOCI	748,349	813,971
Advances to employees*	118,570	99,924
Refundable security deposit****	188,682	188,682
	34,550,322	34,232,096

(Forward)

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
<b>Financial Liabilities</b>		
Accounts payable and other current liabilities**	<b>₽10,105,969</b>	₽11,523,485
Dividends payable	2,695,292	_
Loans payable***	2,909,846	3,218,303
Acceptance and trust receipts payable	695,524	1,608,501
Lease liabilities***	8,517,692	8,580,296
	24,924,323	24,930,585
	P9,625,999	₽9,301,511

<sup>\*</sup>Recorded under "other noncurrent assets"

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

#### Market Risk

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

#### Interest Rate Risk

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

#### Foreign Currency Risk

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

#### Credit Risk

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

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

				March 31, 2025	5		
				Days Past Due			
	Current	1–30 Days	31–60 Days	61–90 Days	More than 90 Days	ECL	Total
Trade and other receivables:							
Non-related parties	P6,513,664	P442,744	P48,940	P6,310	P16,339	P4,366	₽7,032,363
Other receivables	104,894	_	_	_	_	_	104,894
Noncurrent receivables	1,357,561	_	_	_	_	115,266	1,472,827
	₽7,976,119	₽442,744	P48,940	P6,310	P16,339	₽119,632	P8,610,084

<sup>\*\*</sup> Excluding statutory payables.

<sup>\*\*\*</sup>Includes future interest.

<sup>\*\*\*\*</sup>Including the discount recognized as ROU.

				December 31, 2024			
			Days Past Due				
	Current	1–30 Days	31–60 Days	61–90 Days	More than 90 Days	ECL	Total
Trade receivables:							
Non-related parties	₽6,569,563	₽959,055	₽55,830	₽43,200	₽13,817	₽6,854	₽7,648,319
Related parties	_	-	-	_	_	_	-
Other receivables	68,252	-	-	_	_	_	68,252
Noncurrent receivables	1,320,296	_	_	_	_	115,266	1,435,562
	₽7,958,111	₽959,055	₽55,830	₽43,200	₽13,817	₽122,120	₽9,152,133

#### Liquidity Risk

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

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

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

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

#### **Derivative Financial Instruments**

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

#### **Dual Currency Investment**

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

Pertinent details of the dual currency investment are as follows:

						Interest
						Rate of
	Effective		Investment	Alternative	Conversion	Investment
Notional amount	Date	Maturity Date	Currency	Currency	Rate	Currency
\$5,000	01/07/25	04/07/25	USD	GBP	1.215	7.45% p.a.
\$6,250	01/16/25	04/16/25	USD	GBP	1.185	8.44% p.a.
\$6,625	03/12/25	04/30/25	USD	GBP	1.265	6.30% p.a.
\$8,571	03/18/25	05/02/25	USD	GBP	1.265	6.69% p.a.

#### Structured Note

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

Pertinent details of the structured note are as follows:

Issue Size	Effective Date	Maturity Date	Final Redemption	Coupon
			Principal Amount + Principal Amount x	
			Participation Ratio x Max (0,	
\$5,000	02/28/25	09/02/25	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 March 31, 2025.

The Group recognized fair value gain of \$\mathbb{P}37.7\$ million and \$\mathbb{P}14.0\$ million from fair value changes of dual currency investment, structured note, and binary note for the three months ended March 31, 2025 and 2024, respectively, under the "Fair value gain on financial instruments at fair value through profit or loss (FVTPL)" account in the consolidated statement of comprehensive income.

#### Guaranty Asset

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

#### CCS contract

On January 31, 2023, the Parent Company entered into a non-deliverable CCS Agreement with a notional amount of \$\mathbb{P}\$1,891.4 million (THB 1,151.5 million). Under the CCS agreement, the Company will receive Philippine Peso interest at 11.50% p.a. and will pay fixed Thailand Baht interest at 9% p.a. The Company will also pay the notional Thailand Baht amount in exchange for the Philippines Peso amount at the end of the swap period. The CCS, which will be designated as a hedge of a portion of the net investment in MIL and MNTH, is used to hedge the Parent Company's exposure to the THB foreign exchange risk on its investment in MIL and MNTH. For the three months ended March 31, 2025, the Group recognized \$\mathbb{P}\$12.2 million cumulative translation loss adjustment under other comprehensive income. The Group recognized \$\mathbb{P}\$21.4 million and \$\mathbb{P}\$25.8 million derivative gain from swaps entered and settled during the same period for the three months ended March 31, 2025 and 2024, respectively.

#### Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's capital management is to maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or

adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the periods ended March 31, 2025 and December 31, 2024.

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

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

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
Total debt	P23,083,473	₽22,547,846
Total equity attributable to equity holders		
of the Parent Company	55,650,785	55,366,514
Debt-to-Equity Ratio	0.41:1.00	0.41:1.00

#### Fair Value of Financial Instruments

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

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

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

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

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

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

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

#### 23. Commitments

#### **SSCC**

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

On August 4, 2014, the Parent Company and SSCC entered into a Loan Agreement wherein the Parent Company agreed to extend a loan to SSCC in the principal amount of \$\mathbb{P}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 \$\mathbb{P}600.0\$ million. The loan is for a period of 10 years and will mature on August 1, 2034.

#### 24. Supplemental Disclosure to Cash Flow Statements

The Group's material noncash activities are as follows:

	March 31,	March 31,
	2025	2024
	(Unaudited)	(Unaudited)
Cumulative translation adjustments	( <b>P311,063</b> )	₽226,094
Additions to ROU assets (Note 11)	1,145	792,666

#### 25. Subsequent Events

#### Additional Subscription to MNSPL and Equity Infusion to MNUKL and DSHPL

On May 9, 2025, the Parent Company's BOD approved and authorized the Parent Company to subscribe to an additional 26.4 million ordinary shares in MNSPL at 1 GBP per share, or total subscription price of £26.4 million, payable in one or several tranches, on or before 31 December 2025. £25.0 million proceeds will be infused by MNSPL to MNUKL. MNUKL will in turn infuse said funds into MFL to partially pay down MFL's existing debt. The remaining £1.4 million proceeds will be used to support the trading operation of MNSPL and to infuse funds to DSHPL.

## Additional Subscription to Amico

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 subscription price of  $$\mathbb{P}$18.2$  million.

# **ANNEX E**

Minutes of the Annual Stockholders' Meeting dated June 28, 2024

### Draft - Subject to approval in the 2025 annual stockholders' meeting



# MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING June 28, 2024, 10 A. M.

Held at Felix Reyes St., Brgy. Balibago, Sta. Rosa City, 4026 Laguna, Philippines

Conducted virtually via <a href="https://conveneagm.com/ph/MONDE2024ASM">https://conveneagm.com/ph/MONDE2024ASM</a>

The 2024 Annual Stockholders' Meeting ("ASM") of Monde Nissin Corporation (the "Company" or "MNC") was held at its principal place of business located at Felix Reyes St., Brgy. Balibago, Sta. Rosa City, 4026 Laguna, Philippines, and conducted virtually via <a href="https://conveneagm.com/ph/MONDE2024ASM">https://conveneagm.com/ph/MONDE2024ASM</a> (the "MNC ASM Platform") on June 28, 2024 at 10 A.M. with the Chairperson of the Executive Committee ("ExCom") and Chief Executive Officer ("CEO"), Mr. Henry Soesanto, as the ASM's Presiding Officer or Acting Chairman in accordance with Section 8.4, Article IV of MNC's By-laws.

### **Directors Present**

Hartono Kweefanus - Chairperson Emeritus

Kataline Darmono - Chairperson of the Board

Member, ExCom

Henry Soesanto - Acting Chairperson for the ASM

Chairperson, ExCom

CEO/Executive Vice President

Hoediono Kweefanus - Vice-Chairperson of the Board

Betty T. Ang - President

Member, ExCom

Monica Darmono - Treasurer

Member, ExCom

Nina Perpetua D. Aguas - Lead Independent Director

Chairperson, Risk and Related Party Transactions Committee

Member, ExCom

Member, Audit Committee

Member, Corporate Governance, Nominations, and

Remuneration Committee

Marie Elaine Teo - Independent Director

Chairperson, Corporate Governance, Nominations, and

Remuneration Committee

Member, Risk and Related Party Transactions Committee

Member, Audit Committee

Anabelle L. Chua - Independent Director

Chairperson, Audit Committee

Member, Risk and Related Party Transactions Committee Member, Corporate Governance, Nominations, and

Remuneration Committee

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### Other Officers and Management Present

Atty. Helen G. Tiu - Corporate Secretary

Mr. Jesse C. Teo - Chief Financial Officer ("CFO")

Ms. Marivic N. Cajucom-Uy - Chief Sustainability Officer

Mr. Rico A. Gonzales - Chief Business Officer

Mr. Sammy Sih - Chief Commercial Officer

Ms. Jocelyn Jones Go So - Chief Information and Digital Officer

Mr. Daniel Teichert - Chief Risk Management Officer and Interim Chief Internal Audit

Executive

Mr. Michael J. Paska - Chief Investor Relations Officer

Atty. Jon Edmarc R. Castillo - Chief Compliance Officer and Company Information Officer

Atty. Katherine C. Lee-Bacus - Assistant Corporate Secretary
Atty. Anne Katherine N. Santos - Assistant Corporate Secretary
Mr. Mark Tiangco - Corporate Communications Head

Shareholders Present	No. of Outstanding & Voting Shares Present or Represented	Percentage of Total Outstanding Capital Stock (i.e., 17,968,611,496
(see Annex A)		shares)
	15,257,375,963	84.91%
Shareholders Absent	No. of Outstanding & Voting Shares Absent	
	2,711,235,533	15.09%

### I. CALL TO ORDER

After the Philippine national anthem was played, Chief Investor Relations Officer Mr. Michael J. Paska stated that the Company is holding the meeting in virtual format.

Mr. Paska introduced each of the members of the Board of Directors present at the ASM, i.e., Chairperson Emeritus Mr. Hartono Kweefanus; Chairperson of the Board and ExCom Member Ms. Kataline Darmono; Vice Chairperson of the Board Mr. Hoediono Kweefanus; Director, President & ExCom Member Ms. Betty T. Ang; Director, ExCom Chairperson, and CEO Mr. Henry Soesanto; Director, ExCom Member, and Treasurer Ms. Monica Darmono; Lead Independent Director, Chairperson of the Risk and Related Party Transactions Committee, and ExCom Member Ms. Nina Perpetua D. Aguas; Independent Director & Chairperson of the Corporate Governance, Nominations, and Remuneration Committee Ms. Marie Elaine Teo; and Independent Director and Chairperson of the Audit Committee Ms. Anabelle L. Chua.

Mr. Paska also introduced some of the Officers of the Company who joined the meeting, e.g., CFO Mr. Jesse C. Teo, and Corporate Secretary Atty. Helen G. Tiu.

Thereafter, Mr. Paska acknowledged the presence of former Philippine Department of Trade and Industry Secretary Ramon Felicisimo M. Lopez who has been nominated as an independent director for election by the stockholders at the ASM, and the representatives of SyCip Gorres Velayo & Co. ("SGV"), the Company's external auditor, led by Engagement Partners Ms. Editha V. Estacio and Mr. Roel E. Lucas.

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Mr. Paska also mentioned that the results of the final tabulation of votes, with full details of the affirmative or negative votes or abstentions, in connection with the agenda items up for voting during the meeting, will be validated by Isla Lipana & Co. (PwC Philippines) and reflected in the minutes of this meeting.

With the physical absence of the Chairperson of the Board in the Philippines and in compliance with the requirements of Section 15 of the Securities and Exchange Commission's ("SEC's") Memorandum Circular No. 06, series of 2020, requiring that the presiding officer shall call and preside over the stockholders' meeting at the Company's principal office, pursuant to Section 8.4, Article IV of the Company's By-laws, the Chairperson of the ExCom, Mr. Henry Soesanto was requested to call, as he called, the meeting to order. Thereafter, Acting Chairman of the stockholders' meeting Mr. Henry Soesanto presided over the ASM. Corporate Secretary Atty. Helen G. Tiu recorded the minutes of the ASM.

### II. NOTICE OF MEETING AND DETERMINATION OF QUORUM

The Acting Chairman of the ASM, Mr. Henry Soesanto, requested Corporate Secretary Atty. Helen G. Tiu to report on the service of notice of, and existence of a quorum for, the ASM.

The Corporate Secretary certified that in accordance with SEC Notice dated February 23, 2024 ("<u>SEC 2/23/24 Notice</u>"), the notice of the ASM ("<u>ASM Notice</u>"), the Definitive Information Statement ("<u>DIS</u>") and other documents related to the holding of the ASM were distributed to stockholders of record as of May 31, 2024 through the following methods:

- (a) by publication in both online and print formats on June 5 and 6, 2024 on The Philippine Star and the Manila Bulletin (the last publication being made at least 21 days prior to the ASM);
- (b) by posting on the Company's website at www.mondenissin.com; and
- (c) by disclosure through the Philippine Stock Exchange's EDGE Investors' portal armwww.edge.pse.com.ph.

In addition, the electronic copies of the Company's DIS, the audited consolidated financial statements, the minutes of the June 30, 2023 stockholders' meeting, and other meeting materials, were made available on MNC's website, on the MNC ASM Platform, and on PSE Edge. Accordingly, the stockholders have been duly notified in accordance with the Company's By-Laws, SEC Memorandum Circular No. 6, series of 2020, SEC 2/23/24 Notice, and the Company's Rules and Procedures for Voting and Participation in the ASM.

The Corporate Secretary Atty. Helen Tiu also certified that there was a quorum for the meeting in as much as there were present or represented at the ASM (by proxy, voting in absentia through the MNC ASM Platform, and participating through remote communication) stockholders owning 15,257,375,963 common shares out of the Company's 17,968,611,496 (or 84.91%) of the total outstanding shares. The mode of attendance of the stockholders present and their respective percentages of the outstanding shares are set forth below:

Mode of Attendance	% of Total Outstanding Capital Stock	Number of Shares
Appointment of the Chief Executive Officer as proxy	76.29%	13,708,694, 567
Voting in absentia	0%	-
Remote Communication	8.62%	1,548,681,396
% of Total Outstanding Capital Stock	84.91%	15,257,375,963

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Additionally, based on the log of the MNC ASM Platform, there were 47 viewers of the live webcast of the meeting.

There being a quorum, the Acting Chairman of the ASM Mr. Henry Soesanto declared the ASM duly convened and opened for business.

### III. INSTRUCTIONS ON RULES OF CONDUCT AND VOTING PROCEDURES

The Acting Chairman of the ASM Mr. Henry Soesanto requested the Corporate Secretary to share the rules of conduct and voting procedures for the ASM, including the measures adopted by the Company to provide the stockholders the opportunity to participate in the meeting to the same extent possible as an in-person meeting.

Corporate Secretary Atty. Helen Tiu first stated that the rules of conduct and the voting procedures were set forth in the DIS and in the Explanation of Agenda Items which formed part of the ASM Notice. Thereafter, she highlighted the following rules:

- The ASM agenda covered a range of matters requiring stockholders' vote and was included in the ASM Notice distributed to stockholders of record (record date being May 31, 2024). Stockholders were also given the opportunity to propose matters for inclusion in the agenda, subject to applicable SEC rules and regulations, and the Company's internal guidelines.
- 2. Stockholders were notified that questions received either through the MNC ASM Platform by 5 p.m. of June 19, 2024 had priority. Questions received from stockholders by June 19, if any, were subject to collation to be taken up and answered during the Q&A under the "Other Business" portion of the ASM. For any questions and comments which are not responded to during the Q&A, MNC will endeavor to answer them by email.
- 3. There are six (6) agenda items to be voted on or acted upon by the stockholders, each of which will be shown on the screen at the same time it is being taken up.
- 4. Through the MNC ASM Platform, stockholders had been able to cast their votes on the agenda items starting June 6, 2024. Stockholders participating via live feed or through the MNC ASM Platform may cast their votes in real time using the platform. The polls will remain open until the end of the meeting for stockholders who have successfully registered on the platform.
- 5. Alternatively, stockholders were also provided with the option of appointing the CEO as their proxy.
- 6. A preliminary tabulation was made of votes cast as of close of business on June 27, 2024. The Corporate Secretary will be referring to this preliminary tabulation when reporting the voting results for each agenda item during the meeting. However, the results of the final tabulation of votes, with full details of the relevant affirmative and negative votes as well as abstentions, will be independently validated by Isla Lipana & Co. and reflected in the ASM minutes.

### IV. APPROVAL OF MINUTES OF PREVIOUS STOCKHOLDERS' MEETING HELD ON JUNE 30, 2023

The Acting Chairman of the ASM Mr. Henry Soesanto then proceeded with the approval of the minutes of the previous year's annual stockholders' meeting held on June 30, 2023, an electronic copy of which was

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posted on the Company's website and was part of the DIS.

Corporate Secretary Atty. Helen Tiu presented Resolution No. S-1-2024 as proposed by Management, and based on the votes received, reported the approval by the stockholders of the following resolution:

#### **RESOLUTION NO. 5-1-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION approve, as we hereby approve, the minutes of the annual stockholders' meeting held on June 30, 2023."

As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes for the adoption of Resolution No. S-1-2024 providing for the approval of the minutes of the previous stockholders' meeting held on June 30, 2023 were as follows:

	For	Against	Abstain
Number of Votes			
(One Share – One Vote)	1 <i>5</i> ,2 <i>5</i> 7,375,963	_	-
% of Total Outstanding Capital Stock	84.91%	0.00%	0.00%

### V. MANAGEMENT REPORT

### A. MESSAGE OF THE CHAIRPERSON OF THE BOARD

The Chairperson of the Board Ms. Kataline Darmono began her presentation by highlighting that MNC continued to make way towards its corporate aspiration to improve the well-being of the people and the planet, and create sustainable solutions for food security in 2023. She stated that while macroeconomic challenges have abated, these still pose a risk to the economic conditions of consumers and of MNC. With Philippine inflation ending at 6.0% for the full year 2023, and inflation for food and non-alcoholic beverages clocking in higher at 7.9%, she explained that such an environment called for a more responsible and sustainable way for MNC to do its business, keeping food security and the well-being of people as the Company's north star. She reported that MNC (a) has been conscious of its products' affordability and availability during last year's inflationary environment, (b) has been proactive in managing its various costs and expenses, and (c) has taken numerous initiatives to ensure the Company's long-term sustainability across its businesses which have already shown some positive outcomes over the past few quarters.

### B. REPORT OF THE CHIEF FINANCIAL OFFICER

CFO Jesse Teo began his report noting the increase in the consolidated revenue for the year 2023 by 9.2% to \$\tilde{P}80.2\$ billion which is attributable to volume growth in the Asia Pacific Branded Food and Beverage ("APAC BFB") categories. Further, APAC BFB full year net sales increased by 12.6% to \$\tilde{P}65.9\$ billion. Meanwhile, revenues from the Meat Alternative business declined by 4.3% to \$\tilde{P}14.2\$ billion, reflecting the continued challenging environment in the United Kingdom ("UK").

He further noted that the APAC BFB business made up 82% of total sales as of full year 2023. The domestic business posted an 11.9% growth to P61.6 billion as a result of volume growth across all categories. He added that MNC's 12.6% full year net sales growth in 2023 for the APAC BFB business was driven by volume growth across all categories led by noodles and supported by pricing actions. For the Meat Alternative business, which comprised 18% of total sales as of fully year 2023, the Group's (i.e., MNC's and

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its subsidiaries') sustained UK market share and growth in foodservice supported the business while revenue declined year-on-year as category headwinds persisted.

CFO Jesse Teo reported that MNC sustained its market leadership positions despite market share dips in some categories. He acknowledged that MNC achieved market share gains in the noodles category as volumes grew, with the flagship brand Lucky Me! driving category growth, particularly the Lucky Me! Kasalo pack. He added that for cups, MNC launched the Shrimp Tonkotsu Go Cup and made the Company's most popular cup products sachet-free to improve its competitive position. Efforts such as these were why its flagship noodle brand Lucky Me! was once again recognized by the Kantar Brand Footprint Report as the #1 Most Chosen Brand in the Philippines for the ninth consecutive year in 2024.

CFO Jesse Teo also discussed that the Biscuits category experienced a marginal dip due to competition, but the Company remained among the top players in the category at number 2. He also pointed out that MNC is rejuvenating its core brands through strengthened value proposition and equity building activities, especially its legacy brand SkyFlakes.

The CFO further explained that "Others Business" under APAC BFB business consisted primarily of strategic partnerships with strong brands in the Culinary and Beverage categories. For Culinary, Mama Sita's oyster sauce retained its number 1 position despite some market share decline due to supply issues of certain stock keeping units in the first half of 2023. But he was pleased to report that Mama Sita's oyster sauce has made good progress and is now back to growing its market share. Also, penetration continues to drive Mama Sita's performance as the oyster sauce subcategory now has 52% penetration among Filipino households, with Mama Sita's having the lion share of the category penetration. He also emphasized that MNC has successfully marketed the value of oyster sauce as a versatile and complete culinary aid that can replace soy sauce. For Beverages, Dutchmill yogurt drink saw share gains as consumers preferred milk-based beverages for their kids. Purchase frequency also increased with more regular in-person schooling. He noted that this, together with MNC's improved distribution and brand penetration, further solidified its market leadership. He was happy to report that Delight continues to be a formidable challenger in the cultured milk space with a significant market share increase — a 26% value share nationwide despite primarily trading in Luzon, and so far, its progress in Visayas is doing very well.

CFO Jesse Teo announced that the Group was able to strengthen its number 1 position in retail in the UK despite the ongoing category challenges. He also communicated that foodservice has been steadily contributing to the Group's Meat Alternative business through the quarters, with its highest sales quarter achieved in the fourth quarter of 2023 driven by a strong performance in the UK and in Europe. He disclosed that as the Group recognized the headwinds facing the meat alternative category from the inflationary environment in the UK, it has undertaken an operational restructuring in the first half of 2023 to address challenges of the business. In addition, the business received a significant risk reduction measure in the fourth quarter of 2023, consisting of financial support offered by MNC's controlling family shareholders to meaningfully protect the valuation of the Meat Alternative business for the next ten years.

The CFO announced that in terms of profitability, core net income attributable to shareholders increased by 15.7% to ₱7.6 billion, primarily driven by an increase in gross profit and managed operating expenses. He explained that the Group reported a net loss of ₱625.0 million, mainly due to a non-cash, non-operating impairment in its Meat Alternative business, partially offset by a guaranty asset gain. He discussed that the growth in core bottom line also translated to more cash, generating more than double the cash compared to a year ago. He emphasized that the Group's strong operating cash flow led to an all-time high cash and cash equivalent balance, and this enabled it to return value to shareholders via dividends and further repayment of external GBP debt in the first quarter of 2024. Together with the controlling family

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shareholders' financial support, he was happy to share that MNC paid out \$\mathbb{P}2.2\$ billion in dividends this month, which translates to a dividend of \$\mathbb{P}0.12\$ per share, similar to the Company's last dividend payout. He highlighted that including the dividend payment in January 2024, MNC returned \$\mathbb{P}4.4\$ billion to shareholders this year, and the business fundamentals remained solid as reflected in the Company's strong balance sheet and healthy ratios, allowing the Company to pursue investments in its brands and products.

### C. REPORT OF THE CHIEF EXECUTIVE OFFICER

CEO Henry Soesanto provided some highlights of the past year's performance. He reported that the Group has learned much about the value of agility in 2023 as the Group's quick responses to the challenging external operating environment for both its APAC BFB business and Meat Alternative business allowed for strong business performance. He reported that the Group reached an all-time high with a record net revenue of \$\mathbb{P}80.2\$ billion in 2023, an increase of 9.2% versus 2022 on a comparable basis, which was achieved through initiatives that supported and strengthened the Group's leading market position, along with other programs that helped achieve a strong operational and financial performance for the year 2023. He continued that the APAC BFB business benefitted from robust consumer demand, resulting in a full-year net sales growth of +12.6% year-on-year, aided by both volume and pricing actions across all categories, while the Meat Alternative business achieved 32.3% market share for the full year of 2023 despite challenges in the retail segment. Moreover, foodservice in the Meat Alternative business had a better performance in 2023. In short, 2023 had a challenging operating environment, but the Group approached issues head on and made necessary adjustments as needed to its businesses while also keeping its consumers in mind.

Thereafter, CEO Henry Soesanto discussed the Group's long-term strategies, particularly that the Company sees a long runway for each of its businesses. For its APAC BFB business, the Group will leverage its expertise on innovation, brand building, health, sustainability, and convenience to create products that address consumer demands. For its Meat Alternative business, cost and cash discipline continues to be a key focus and the Group is undertaking initiatives that would address the challenges the business is facing while protecting its growth drivers.

CEO Henry Soesanto emphasized that all these initiatives are aligned to the corporate aspiration which allow the Group to become a better business alongside its progress in its sustainability journey. He added that efforts to concretize and operationalize sustainability at the Company continued to bear fruit in 2023. With a mindset of constant improvement and intentionality, the Company continued to drive positive impacts in (a) making better food accessibility possible, (b) making eco-efficiency possible, (c) making inclusivity possible, and (d) making collective action possible. He reiterated that each of the Company's sustainability strategic pillars supports certain United Nations Sustainable Development Goals, and it is through these that the Company believes it will be able to progress in Making Better Possible. He noted that all these recent developments had helped MNC ensure its short-term sustainability and business continuity.

The CEO also discussed the Company's performance during the first quarter of 2024 with consolidated revenue increasing by 2.1% to \$\mathbb{P}\$20.3 billion on a comparable basis. APAC BFB's net sales for the first quarter of 2024 increased by 2.2% to \$\mathbb{P}\$16.9 billion. The domestic business grew by 2.0% year-on-year to \$\mathbb{P}\$15.8 billion in the first quarter of 2024. Meat Alternative's revenue grew by 1.6% to \$\mathbb{P}\$3.4 billion on a comparable basis in the first quarter of 2024 due to the continued category softness. The UK Meat Alternative business declined due to the challenging retail market, while foodservice revenue grew in the first quarter of 2024.

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CEO Henry Soesanto reported that the Group continues to be prudent with the capital it has and it remains bullish in its capex projection for the APAC BFB business as it strives to fulfill strong demand and maintain volume momentum. He added that for the Meat Alternative business, the Group will have a more modest capex budget primarily geared towards cost savings projects.

The CEO noted that this is a manifestation of the Company's aspiration to improve the well-being of people and the planet which drives its holistic support to stakeholders through developing better and healthier products for its consumers, extending financial value to its shareholders, and promoting a productive mindset with its employees. He emphasized that all of these are possible with the collaboration and care of the Company's people. He thanked the efforts they had made in the past year. He also thanked the stakeholders for the support given all this time. The CEO also expressed his confidence that MNC will uphold its value of ethical and sustainable innovation for the betterment of people and the planet.

Thereafter, the Acting Chairman of the ASM Mr. Henry Soesanto requested the Corporate Secretary to present the next resolution for the noting of the Management Report, comsisting of the Message of the Chairperson of the Board, the Report of the Chief Financial Officer, and the Report of the Chief Executive Officer.

Corporate Secretary Atty. Helen Tiu presented Resolution No. S-2-2024 as proposed by Management, and based on the votes received, reported the approval by the stockholders of the following resolution:

### **RESOLUTION NO. S-2-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION (the "Corporation") note, as we hereby note, the Corporation's Management Report consisting of the Message of the Chairperson of the Board, the Report of the Chief Financial Officer, and the Report of the Chief Executive Officer."

As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes for the adoption of Resolution No. S-2-2024 providing for the noting of the Management Report consisting of the Message of the Chairperson of the Board, the Report of the Chief Financial Officer, and the Report of the Chief Executive Officer, were as follows:

	Noted	Abstain
Number of Votes		
(One Share — One Vote)	15,257,375,963	-
% of Total Outstanding Capital Stock	84.91%	0.00%

### VI. RATIFICATION OF THE 2023 ANNUAL AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Acting Chairman of the ASM Mr. Henry Soesanto proceeded to the next item in the agenda, which was the ratification of the 2023 Annual Audited Consolidated Financial Statements.

Corporate Secretary Atty. Helen Tiu explained that stockholders' ratification was being sought for the Company's 2023 Annual Audited Consolidated Financial Statements, an electronic copy of which was attached to the DIS as part of its Annex D (Management Report) and made available on MNC's website, the PSE EDGE portal, and the MNC ASM Platform. She presented Resolution No. S-3-2024 as proposed by Management and based on the votes received, reported the approval by the stockholders of the following resolution:

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### **RESOLUTION NO. S-3-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION (the "Corporation") ratify, as we hereby ratify, the annual consolidated financial statements of the Corporation and its subsidiaries for the year ended December 31, 2023 as audited by its external auditor SyCip Gorres Velayo & Company."

As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes for the adoption of Resolution No. S-3-2024 providing for the ratification of the 2023 annual audited consolidated financial statements of the Company and its subsidiaries, were as follows:

Land and a Miller transfer of the contract of the	For	Against	Abstain
Number of Votes			
(One Share – One Vote)	1 <i>5</i> ,2 <i>5</i> 7,375,963	-	
% of Total Outstanding Capital Stock	84.91%	0.00%	0.00%

## VII. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES, OFFICERS, AND MANAGEMENT FOR THE PERIOD JUNE 30, 2023 TO JUNE 28, 2024

Acting Chairman of the ASM Mr. Henry Soesanto proceeded to the next item in the agenda, which was the ratification of all acts of the Board of Directors, the ExCom and other Board Committees, of the Officers and Management for the period June 30, 2023 to June 28, 2024. Corporate Secretary Atty. Helen Tiu explained that stockholders' ratification was sought for all the acts and resolutions of the (i) Board of Directors, (ii) ExCom, and (iii) other Board Committees exercising powers delegated by the Board, adopted from June 30, 2023 to June 28, 2024 as well as for all the acts of the Company's (iv) Officers and Management performed to implement the resolutions of the Board of Directors, the ExCom and other Board Committees, or in connection with the Company's general conduct of business. The acts and resolutions of the Board are reflected in the minutes of the meetings and summarized in the Explanation and Rational of Agenda Items portion of the DIS. They included the election of the members of the various Board Committees, the appointment of the Lead Independent Director and of the Company's Officers, the appointment of attorneys-in-fact and authorized signatories, capital allocation and disbursements of funds to subsidiaries, treasury-related matters, investments, approval of agreements needed by the Company in the normal course of business, and matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

On the Acting Chairman's request, Corporate Secretary Atty. Helen Tiu presented Resolution No. S-4-2024 as proposed by Management and based on the votes received, reported the approval by the stockholders of the following resolution:

### **RESOLUTION NO. S-4-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION (the "Corporation") ratify, as we hereby ratify, each and every act and/or resolution from June 30, 2023 to June 28, 2024 of the Board of Directors, the Executive Committee and other Board Committees exercising powers delegated by the Board, of officers and management of the Corporation performed in accordance with the resolutions of the Board, the Executive Committee and the Board Committees, or pursuant to the By-laws of the Corporation."

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As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes for the adoption of Resolution No. S-4-2024 providing for the ratification of all acts and/or resolutions for the period June 30, 2023 to June 28, 2024 of the Board of Directors, the ExCom and other Board Committees, of Officers, and Management of the Company, were as follows:

	For	Against	Abstain	
Number of Votes				
(One Share — One Vote)	1 <i>5</i> ,2 <i>57</i> ,3 <i>75</i> ,963		-	
% of Total Outstanding Capital Stock	84.91%	0.00%	0.00%	

### VIII. ELECTION OF DIRECTORS (INCLUDING 3 INDEPENDENT DIRECTORS) FOR THE ENSUING YEAR

The next item in the Agenda was the election of the nine (9) members of the Board of Directors for the ensuing year and/or until their respective successors shall have qualified. Corporate Secretary Atty. Helen Tiu underscored the importance of diversity in the membership of the Company's Board of Directors to avoid groupthink and to promote long-term shareholder value. She reported that MNC's incumbent Board membership comprises individuals of diverse ages, nationalities, religious affiliations, and genders, and spans a broad range of business and educational backgrounds. She highlighted that MNC recognizes that diversity enables the Board to be agile and creative when addressing challenges, and affords it wider breadth and greater depth in seeking opportunities and addressing business risks. Finally, the diversity of MNC's Board puts it in the best position to provide meaningful value to the Company and its stockholders consistent with MNC's core aspiration to improve the wellbeing of the people and the planet, and create sustainable solutions for food security.

The Corporate Secretary informed the stockholders that in accordance with the requirements of the Company's By-Laws, the Revised Manual on Corporate Governance, the Board Charter, and the Corporate Governance, Nominations, and Remuneration Committee's Rules Governing Nomination and Election of Directors, the following nominees were duly nominated to the Board of Directors of MNC for the ensuing term and each of the nominees have consented to his/her nomination:

- 1. Hartono Kweefanus
- 2. Kataline Darmono
- 3. Hoediono Kweefanus
- 4. Betty T. Ang
- 5. Henry Soesanto
- 6. Monica Darmono
- 7. Nina Perpetua D. Aguas (for Independent Director)
- 8. Anabelle L. Chua (for Independent Director)
- Ramon Felicisimo M. Lopez (for Independent Director)

Then Corporate Secretary Atty. Helen Tiu reported that based on the partial tabulation of votes, each of the nine nominees has garnered at least 15,239,270,103 votes or at least 84.81% of the total outstanding capital stock. Given this, she certified that each nominee has received enough votes for election to the Board and that, consequently, Resolution No. S-5-2024 for the election of the nine nominees to the Board had been approved:

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#### **RESOLUTION NO. S-5-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION (the "Corporation") elect, as we hereby elect, the following as directors of the Corporation to serve as such beginning June 28, 2024 until their successors are elected and have duly qualified:

Hartono Kweefanus
Kataline Darmono
Hoediono Kweefanus
Betty T. Ang
Henry Soesanto
Monica Darmono
Nina Perpetua D. Aguas (for independent director)
Anabelle L. Chua (for independent director)
Ramon Felicisimo M. Lopez (for independent director)"

As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes received by the nominees based on the total cumulative votes received were as follows:

	Vote	Number of Votes	Percentage of Outstanding Capital Stock
Nina Perpetua D. Aguas	In Favor	15,256,925,363	84.91%
	Abstain	450,600	0.00%
Anabelle L. Chua	In Favor	15,256,925,363	84.91%
	Abstain	450,600	0.00%
Ramon Felicisimo M. Lopez	In Favor	15,256,925,363	84.91%
	Abstain	450,600	0.00%
Betty T. Ang	In Favor	15,247,699,104	84.86%
, -	Abstain	9,676,859	0.05%
Henry Soesanto	In Favor	15,247,699,104	84.86%
•	Abstain	9,676,859	0.05%
Monica Darmono	In Favor	15,247,699,104	84.86%
	Abstain	9,676,859	0.05%
Hartono Kweefanus	In Favor	1 <i>5</i> ,24 <i>7</i> ,683,804	84.86%
	Abstain	9,692,159	0.05%
Hoediono Kweefanus	In Favor	15,247,683,804	84.86%
	Abstain	9,692,159	0.05%
Kataline Darmono	In Favor	15,239,270,103	84.81%
	Abstain	18,105,860	0.10%

### IX. APPOINTMENT OF EXTERNAL AUDITOR AND FIXING ITS REMUNERATION

As requested by the Acting Chairman of the ASM Mr. Henry Soesanto, the Chairperson of the Audit Committee, Ms. Anabelle L. Chua, presented to the stockholders the Audit Committee's role in assisting the Board in fulfilling its oversight function vis-à-vis the external auditor, in relation to the latter's integrity and independence, and the effectiveness of its audit process and the critical nature of such function. She then

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informed the stockholders that in exercising such oversight function, the Audit Committee had evaluated and had been satisfied with the performance of the external auditor, SGV & Co, for the past year. Thus, the Audit Committee and the Board agreed to endorse the appointment of SGV & Co as MNC's external auditor for the calendar year 2024 for an audit fee of \$\bigsim 15,605,000.00\$, exclusive of value-added taxes, for year-end audit and audit-related services.

As requested by the Acting Chairman of the ASM Mr. Henry Soesanto, Corporate Secretary Atty. Helen Tiu presented Resolution No. S-6-2024 as proposed by Management and based on the votes received, reported the approval by the stockholders of the following resolution:

### **RESOLUTION NO. S-6-2024**

"RESOLVED, That we, the stockholders of MONDE NISSIN CORPORATION (the "Corporation") approve, as we hereby approve, the appointment of accounting firm SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the calendar year 2024 for an audit fee of \$15,605,000.00, exclusive of value-added taxes, for its audit and audit-related services."

As tabulated by the Corporate Secretary and independently validated by Isla Lipana & Co., the final votes for the adoption of Resolution No. S-6-2024 providing for the appointment of the Company's external auditor and the fixing of its remuneration, were as follows:

	For	Against	Abstain
Number of Votes			
(One Share – One Vote)	1 <i>5,257,375,</i> 963	-	-
% of Total Outstanding Capital Stock	84.91%	0.00%	0.00%

### X. OTHER MATTERS

After Corporate Secretary Atty. Helen Tiu confirmed that there were no other matters that require consideration by the stockholders, and there being no submission from the stockholders of additional proposed agenda items, the Acting Chairman of the ASM Mr. Henry Soesanto requested the Chief Investor Relations Officer Mr. Mike Paska to read aloud the questions and comments received from shareholders together with the names of the stockholders who had sent them.

Acting Chairman of the ASM and CEO Mr. Henry Soesanto addressed the first query sent by Mr. Aaron Jeric M. Legaspi, who asked if MNC "can provide more color on the APAC CapEx budget." The CEO responded that the Company is building more capacity, i.e., it started building capacity in its Davao plant for cakes and biscuits and highlighted the long-term lease contract that MNC's subsidiary Monde M. Y. San Corporation had entered into for a new site in Pampanga.

The last question was from the same stockholder, i.e., Mr. Aaron Jeric M. Legaspi, who asked "how sustainable the APAC BFB gross margin is for the rest of the year." CFO Jesse Teo replied that MNC has good lock-in positions so the Company has a reasonable expectation that the gains can be continued for the rest of the year. He elucidated that MNC is quite confident on year-on-year improvements, but sequential improvements depend on other factors.

There were no other questions received in connection with the ASM.

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### XI. ADJOURNMENT

Acting Chairman of the ASM Mr. Henry Soesanto inquired if there were other matters to discuss. The Corporate Secretary stated that there were none. There being no other matters to be discussed, the ASM was accordingly adjourned. The Acting Chairman of the ASM Mr. Henry Soesanto informed the stockholders that the link to the ASM's recorded webcast will be posted on MNC's website, and stockholders may raise clarifications and concerns regarding the ASM within two weeks from the posting of the link, by sending an email to <a href="mailto:corporate.secretary@mondenissin.com">corporate.secretary@mondenissin.com</a> or <a href="mailto:investor.relations@mondenissin.com">investor.relations@mondenissin.com</a>.

ATTEST:

**HENRY SOESANTO** 

Acting Chairman of the Annual Stockholders' Meeting

**HELEN G. TIU** 

Corporate Secretary

### <u>Draft - Subject to approval in the 2025 annual stockholders' meeting</u>

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Annex A

### MONDE NISSIN CORPORATION Annual Stockholders' Meeting June 28, 2024

### Record of Attendance

	Stockholders of Record	No. of Shares Held	% of Ownership	Appointee/ Beneficial Owner
A.	Proxy			
1.	Hartono Kweefanus	4,214,244,600	23.45%	CEO
2.	Betty T. Ang	3,265,920,000	18.18%	CEO
3.	Hoediono Kweefanus	948,324,600	5.28%	CEO
4.	My Crackers, Inc.	1,228,611,496	6.84%	CEO
5.	Monica Darmono	765,897,596	4.26%	CEO
6.	Anna Roosdiana Darmono	765,897,600	4.26%	CEO
7.	Eveline Darmono	765,897,600	4.26%	CEO
8.	BDO Securities Corporation	109,562,000	0.61%	CEO/Daniel Teng Ang or Madeline
9.	Tansengco & Co., Inc.	850,000		Dy Ang
10.	Standard Chartered Bank	26,198,300	0.15%	CEO/Sun Life Grepa Financial, Inc.
11.	Standard Chartered Bank	1 <i>77,</i> 088,960	0.99%	CEO/SCB Various Non-Resident
				Foreign Corporation
12.	Standard Chartered Bank	6,480,700	0.04%	CEO/SCB OBO BNPP FFT/2S/
				GERMAN RESIDENTS -AIFM
13.	BPI Securities Corporation	4,575,000	0.03%	CEO/Helen Go Tiu
14.	BPI Securities Corporation	353,100	0.00%	CEO/Aaron Jeric M. Legaspi
15.	BPI Securities Corporation	300	0.00%	CEO/Julius Victor Emmanuel J.
				Sanvictores
16.	The HongKong and Shanghai	669,383,186	3.73%	CEO/HSBC10
	Banking Corp. Ltd Clients' Acct.			
17.	The HongKong and Shanghai	156,554,300	0.87%	CEO/HSBC20
	Banking Corp. Ltd Clients' Acct.			
18.	Citibank N.A.	6,016,000	0.03%	CEO/CITIFAOPHILAM1
19.	Cîtîbank N.A.	3,505,700	0.02%	CEO/CITIFAOPHILAM2
20.	Citibank N.A.	23 <i>,57</i> 2,600	0.13%	CEO/CITIFAOPHILAM3
21.	Citibank N.A.	3,297,900	0.02%	CEO/CITIFAOPHILAM4
22.	Citibank N.A.	311,400	0.00%	CEO/CITIFAOPHILAM5
	Citibank N.A.	12,422,400	0.07%	CEO/CITIFAOPHILAM6
24.	Citibank N.A.	90,000,700	0.50%	CEO/CITIFAOPHILAM7
25.	Citibank N.A.	36,11 <i>7</i> ,138	0.20%	CEO/CITIFAOPHILAM8
26.	Citibank N.A.	3,819,900	0.02%	CEO/CITIOMNIFOR 1
	Citibank N.A.	4,881,304	0.03%	CEO/CITIOMNIFOR2
28.	Citibank N.A.	2,141,800	0.01%	CEO/CITIOMNIFOR3
29.	Citibank N.A.	5,631,101	0.03%	CEO/CITIOMNIFOR4
	Citibank N.A.	1,214,700	0.01%	CEO/CITIOMNIFOR5
31.	Citibank N.A.	1,250,000	0.01%	CEO/CITIOMNIFOR6
32.	Citibank N.A.	458,700	0.00%	CEO/CITIOMNIFOR7
33.	Citibank N.A.	65,092,000	0.36%	CEO/CITIOMNIFOR8

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Stockholders of Record	No. of Shares Held	% of Ownership	Appointee/ Beneficial Owner
34. Citibank N.A.	155,900	0.00%	CEO/CITIOMNIFOR9
35. Citibank N.A.	8,285,700	0.05%	CEO/CITIOMNIFOR10
36. Citibank N.A.	6,715,500	0.04%	CEO/CITIOMNILOC1
37. Citibank N.A.	13,274,800	0.07%	CEO/CITIOMNILOC2
38. Citibank N.A.	<i>570,</i> 700	0.00%	CEO/CITIOMNILOC3
39. Citibank N.A.	16,052,100	0.09%	CEO/CITIOMNILOC4
40. Citibank N.A.	956,215	0.01%	CEO/CITIOMNILOC5
41. Citibank N.A.	20,145,100	0.11%	CEO/CITIOMNILOC6
42. Citibank N.A.	48,900	0.00%	CEO/CITIOMNILOC7
43. Citibank N.A.	83,300	0.00%	CEO/CITIOMNILOC8
44. Citibank N.A.	<i>7</i> 2,500	0.00%	CEO/CITIOMNILOC9
45. Deutsche Bank Manila – Clients A/C	276,761,171	1.54%	CEO/Deutsche Bank AG Manila Branch
Sub-Total (Proxy)	13,708,694,567	76.29%	
B. Remote Communication			
<ul><li>46. Henry Soesanto</li><li>47. BDO Securities Corporation</li></ul>	1,508,681,396 40,000,000	8.62%	Henry Soesanto
Sub-Total (Remote Communication)	1,548,681,396	8.62%	
Total No. of Outstanding Shares			
Present or Represented	15,257,375,963	84.91%	
Total No. of Outstanding Shares	17,968,611,496	100.0%	

# **ANNEX F**

Certification (that none of MONDE's directors or officers are employed by or connected to the government)



Felix Reyes Street Brgy. Balibago, City of Santa Rosa, Laguna 4026 Philippines

21st Floor, 6750 Office Tower Ayala Avenue, Makati City 1223 Philippines

Tel: (+632) 7759 7500 www.mondenissin.com

### CERTIFICATION

I, HELEN G. TIU, of legal age, Filipino, and with office address at the 21st Floor, 6750 Office Tower, Ayala Avenue, Makati City, after having been duly sworn in accordance with law, hereby certify that:

- I am the Corporate Secretary of MONDE NISSIN CORPORATION (the "Corporation"), SEC Registration Number 0000086335, with principal office address at Felix Reyes St., Brgy. Balibago, City of Santa Rosa, Laguna.
- Based on the records of the Corporation presently in my custody, none of the Corporation's directors or officers are employed by or connected to the government.
- I am executing this certification in compliance with the requirements of the Securities and Exchange Commission in relation to the Corporation's Information Statement for its 2025 Annual Stockholders' Meeting.

IN WITNESS WHEREOF, I have hereunto set my hand at the place and on the date indicated below.

> HELEN G. TIU Corporate Secretary

Tim Hele

REPUBLIC OF THE PHILIPPINES MAKATI CITY ) ss.

SUBSCRIBED AND SWORN TO before me this 19th day of May 2025 at the place stated above, affiant exhibiting to me her Pag-IBIG MID No. 1212-0257-2480.

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. 10466479MN/ 1-03-2025/Makati City

IBP No. 480877/12-04-2024

Roll No. 53666/Albay Chapter

MCLE Compliance No. VIII-0007515 valid until April 14, 2028

21st Floor, 6750 Office Tower, Ayala Avenue Makati City, 1226 Metro Manila, Philippines

Series of 2025