



## Monde Nissin reports Q1 core net income growth of 53.4%

- **Consolidated comparable revenue grew 2.1% in Q1.**
  - **Asia-Pacific Branded Food & Beverage (APAC BFB) first quarter revenue increased by 2.2% year-on-year, impacted by fewer selling days due to the timing of the Holy Week holiday in the Philippines.**
  - **Meat Alternative first quarter revenue declined by 4.0% on a comparable and constant currency basis as category softness continues.**
- **Gross margin in the first quarter improved by 553 bps year-on-year on a comparable basis to 35.4%, driven by APAC BFB gross margin improvement of 741 bps year-on-year due to lower commodity costs and pricing, tempered by the decline in the Quorn gross margin.**
- **Core net income attributable to shareholders in the first quarter increased by 53.4% to Php 2.9 bn year-on-year due to APAC BFB record core net income of Php 3.1 bn.**

**MAKATI CITY, PHILIPPINES – May 8, 2024** – Monde Nissin Corporation (“Monde Nissin” or the “Company”; PSE stock symbol: MONDE) announced today its unaudited financial results for the first quarter ended March 31, 2024. Consolidated revenue for the first quarter increased by 2.1% to Php 20.3 bn on a comparable basis, impacted by fewer selling days in APAC BFB due to the timing of the Holy Week holiday in the Philippines.

Gross profit for the first quarter grew by 20.9% to Php 7.2 bn, while gross margin improved by 553 bps year-on-year on a comparable basis to 35.4% due to lower commodity costs and pricing in the APAC BFB business, tempered by the decline in Quorn gross margin.

Core net income attributable to shareholders for the first quarter increased by 53.4% to Php 2.9 bn due to the APAC BFB record core net income of Php 3.1 bn. Reported net income for the first quarter grew by 79.9% to Php 3.5 bn, mainly due to the fair value gain on guaranty asset, foreign exchange gain, and interest income.

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

APAC BFB net sales for the first quarter increased by 2.2% to Php 16.9 bn. The domestic business grew 2.0% year-on-year to Php 15.8 bn, impacted by fewer selling days due to the timing of the Holy Week holiday in the Philippines.

Gross profit for the first quarter grew by 26.5% to Php 6.5 bn, while gross margin improved by 741 bps year-on-year due to lower commodity costs and pricing. Core EBITDA increased by 28.7% to Php 4.6 bn in the first quarter compared to the same period last year due to gross profit improvement.

## Meat Alternative (Quorn Foods)

Meat Alternative revenue declined by 4.0% to Php 3.4 bn on a comparable and constant currency basis in the first quarter due to the continued category softness. On a reported basis, revenue for the first quarter declined by 2.7%. The UK declined by 2.8% on a comparable and constant currency basis in the first quarter due to the challenging retail market. The foodservice revenue grew by 14.5% on a comparable basis in Q1.

Gross profit for the first quarter declined by 14.5% to Php 685 mn on a comparable basis, while the gross margin declined by 376 bps to 20.0% on a comparable basis in Q1 compared to the same period last year due to production volume decline as we bring down inventory, impacting fixed costs recovery, partially mitigated by input cost reduction. Core EBITDA loss of Php 60 mn in the first quarter was due to lower gross profit. This is an improvement compared to the same period last year, driven by restructuring benefits, cost control, and timing of marketing expenses.

*Note: Comparable results restate Q1 2023 in Meat Alternative to reflect reclassification related to IFRS15.*

in Php mn	Q1 2023 Reported	Q1 2023 Comparable <sup>1</sup>	Q1 2024	Q1 2024 Comparable <sup>1</sup> Growth
<b>Net sales</b>	<b>20,050</b>	<b>19,901</b>	<b>20,312</b>	<b>2.1%</b>
APAC BFB	16,525	16,525	16,883	2.2%
Meat Alternative	3,525	3,376	3,429	1.6%
<b>Core gross profit</b>	<b>6,099</b>	<b>5,950</b>	<b>7,197</b>	<b>18.0%</b>
APAC BFB	5,149	5,149	6,512	26.5%
Meat Alternative	950	801	685	-14.5%
<b>Core EBITDA</b>	<b>3,434</b>	<b>3,434</b>	<b>4,508</b>	<b>31.3%</b>
APAC BFB	3,550	3,550	4,568	28.7%
Meat Alternative	(116)	(116)	(60)	N/M
<b>Core net income after tax</b>	<b>1,878</b>	<b>1,878</b>	<b>2,880</b>	<b>53.4%</b>

APAC BFB	2,198	2,198	3,096	40.9%
Meat Alternative	(320)	(320)	(216)	N/M
<b>Core net income attributable to shareholders</b>	<b>1,876</b>	<b>1,876</b>	<b>2,877</b>	<b>53.4%</b>
APAC BFB	2,196	2,196	3,093	40.9%
Meat Alternative	(320)	(320)	(216)	N/M

<sup>1</sup> Comparable results restate Q1 2023 in Meat Alternative to reflect reclassification related to IFRS15.

Monde Nissin's financial position remains strong with Php 13.5 bn in cash and cash equivalents and a stable net debt-to-equity ratio of 0.12. The outstanding debt was at Php 3.1 bn as of March 31, 2024. Operating cash flow was at Php 2.8 bn for the first quarter of 2024.

### Concluding Comments

Henry Soesanto, Chief Executive Officer, commented, "The first quarter saw significant expansion in gross margin and overall profitability driven by our APAC BFB business. This was despite topline growth being moderated during the quarter, partially due to the timing of the Holy Week holiday here in the Philippines. Our APAC BFB margins and profitability have substantially rebounded from last year's levels, and we believe, given current conditions, that the second quarter will continue to reflect these improvements. For our Meat Alternative business, we remain vigilant, minimizing costs and looking for efficiencies with the goal of remaining EBITDA flat or better for the year."

**MONDE NISSIN CORPORATION AND SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED  
STATEMENTS OF FINANCIAL POSITION**

**(Amounts in thousands, with Comparative Audited Figures as at December 31, 2023)**

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 5)	P13,523,678	P16,678,888
Trade and other receivables (Notes 6 and 20)	6,563,894	6,410,138
Inventories (Note 7)	9,339,656	9,186,527
Current financial assets (Notes 9, 20 and 22)	2,481,612	2,714,363
Prepayments and other current assets (Note 8)	1,181,564	1,099,674
Total Current Assets	<b>33,090,404</b>	<b>36,089,590</b>
<b>Noncurrent Assets</b>		
Property, plant and equipment (Note 11)	26,030,839	25,155,720
Guaranty asset (Note 10)	10,802,641	10,432,256
Intangible assets (Note 12)	8,847,016	8,812,834
Investments in associates and joint ventures	1,122,540	1,125,054
Deferred tax assets – net (Note 21)	893,539	936,965
Financial assets at fair value through other comprehensive income (FVOCI) (Notes 10 and 22)	633,512	600,701
Other noncurrent assets (Note 13)	1,485,000	941,539
Total Noncurrent Assets	<b>49,815,087</b>	<b>48,005,069</b>
	<b>P82,905,491</b>	<b>P84,094,659</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities (Notes 14, 20 and 22)	P10,238,636	P11,684,310
Dividends payable	–	2,156,233
Acceptances and trust receipts payable (Notes 7 and 22)	1,908,953	1,607,336
Current portion of loans payable (Note 15)	1,205,582	1,200,251
Income tax payable	1,333,455	590,874
Refund liabilities (Note 14)	355,886	406,677
Current portion of lease liabilities	125,472	89,121
Total Current Liabilities	<b>15,167,984</b>	<b>17,734,802</b>
<b>Noncurrent Liabilities</b>		
Deferred tax liabilities - net (Note 21)	320,132	381,737
Loans payable (Note 15)	1,849,090	3,733,776
Lease liabilities	2,583,048	2,593,746
Pension liability	1,035,765	1,007,247
Derivative liability	119,370	106,406
Other noncurrent liabilities	38,641	38,557
Total Noncurrent Liabilities	<b>5,946,046</b>	<b>7,861,469</b>
Total Liabilities	<b>21,114,030</b>	<b>25,596,271</b>
<b>Equity</b>		
Capital stock (Note 16)	8,984,306	P8,984,306
Additional paid-in capital (APIC) (Note 16)	39,361,947	39,361,947
Retained earnings (Note 16):		
Appropriated	211,452	211,452
Unappropriated	8,805,085	5,321,590
Fair value reserve of financial assets at FVOCI	(530,426)	(563,237)
Remeasurement losses on pension liability	(525,874)	(525,874)
Equity reserve (Note 16)	8,491,788	8,491,788
Cumulative translation adjustments (Note 16)	(3,119,582)	(2,893,488)
Equity Attributable to Equity Holders of the Parent Company	<b>61,678,696</b>	<b>58,388,484</b>
<b>Non-controlling Interests</b> (Note 4)	<b>112,765</b>	<b>109,904</b>
Total Equity	<b>61,791,461</b>	<b>58,498,388</b>
	<b>P82,905,491</b>	<b>P84,094,659</b>

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

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

	Quarters Ended March 31	
	2024	2023
<b>NET SALES</b> (Note 17)	<b>₱20,311,442</b>	₱20,049,668
<b>COST OF GOODS SOLD</b> (Note 17)	<b>13,115,130</b>	13,951,154
<b>GROSS PROFIT</b>	<b>7,196,312</b>	6,098,514
<b>SALES, GENERAL AND ADMINISTRATIVE EXPENSES</b>		
General and administrative expenses (Note 18)	1,873,722	1,945,818
Selling and distribution expenses (Note 18)	1,554,330	1,586,205
Provision for impairment loss on investments in associates	16,723	-
	<b>3,444,775</b>	3,532,023
	<b>3,751,537</b>	2,566,491
<b>OTHER INCOME (EXPENSES)</b>		
Fair value gain (loss) on:		
Guaranty asset (Notes 4 and 10)	324,401	-
Financial assets at fair value through profit or loss (FVTPL) (Note 9)	24,299	(28,149)
Foreign exchange gain (loss) - net (Note 4)	224,194	(49,873)
Share in net earnings from associates and joint ventures	14,209	4,770
Miscellaneous income - net (Note 19)	70,537	50,655
	<b>657,640</b>	(22,597)
<b>INCOME BEFORE FINANCE INCOME (EXPENSES)</b>	<b>4,409,177</b>	2,543,894
<b>FINANCE INCOME (EXPENSES)</b>		
Finance costs (Notes 15 and 19)	(154,184)	(161,284)
Finance income (Note 19)	137,396	80,301
Derivative gain (loss) (Note 22)	25,778	(1,258)
	<b>8,990</b>	(82,241)
<b>INCOME BEFORE INCOME TAX</b>	<b>4,418,167</b>	2,461,653
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	948,334	627,363
Deferred	(16,523)	(103,646)
	<b>931,811</b>	523,717
<b>NET INCOME</b>	<b>₱3,486,356</b>	₱1,937,936
<b>NET INCOME ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	₱3,483,495	₱1,935,664
Non-controlling interests	2,861	2,272
	<b>₱3,486,356</b>	₱1,937,936
<b>Earnings per Share (EPS)</b> (Note 16)		
Income attributable to equity holders of the parent	<b>₱0.19</b>	₱0.11

(Forward)

	<b>Quarters Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>NET INCOME</b>	<b>₱3,486,356</b>	<b>₱1,937,936</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
Other comprehensive loss to be reclassified to profit and loss in subsequent periods:		
Exchange losses on foreign currency translation (including effective portion of the net investment hedge) (Note 16)	(226,094)	(228,289)
Other comprehensive income not to be reclassified to profit and loss in subsequent periods:		
Gain on financial assets at FVOCI	32,811	-
	<b>(193,283)</b>	<b>(228,289)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱3,293,073</b>	<b>₱1,709,647</b>
Total comprehensive income attributable to:		
Equity holders of the Parent Company	₱3,290,212	₱1,707,375
Non-controlling interests	2,861	2,272
	<b>₱3,293,073</b>	<b>₱1,709,647</b>

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

## MONDE NISSIN CORPORATION AND SUBSIDIARIES

### UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Amounts in Thousands, For the three months ended March 31, 2024 and 2023)

	2024 (Unaudited)	2023 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	₱4,418,167	₱2,461,653
Adjustments to reconcile income before income tax to net cash flows:		
Depreciation and amortization (Notes 11, 12, 17, 18 and 19)	629,496	663,114
Fair value gain on guaranty asset (Note 10)	(324,401)	-
Finance costs (Notes 15 and 19)	154,184	161,284
Finance income (Note 19)	(137,396)	(80,301)
Movement in pension liability	29,976	23,658
Derivative (gain) loss (Note 22)	(25,778)	1,258
Fair value gain (loss) on financial instruments at FVTPL	(24,299)	28,149
Provision for impairment loss on investments in associates	16,723	-
Unrealized foreign exchange loss – net	(16,714)	(73,885)
Share in net earnings from associates and joint venture	(14,209)	(4,770)
Loss (gain) on sale of property, plant and equipment	8,710	(474)
Working capital adjustments:		
Decrease (increase) in:		
Trade and other receivables	(265,339)	(92,250)
Inventories	(153,129)	421,512
Prepayments and other current assets	(81,890)	137,852
Increase (decrease) in:		
Accounts payable and other current liabilities	(1,584,955)	(338,356)
Acceptance and trust receipts payable	297,844	(1,139,669)
Refund liabilities	(50,791)	74,908
Net cash generated from operations	2,876,199	2,243,683
Income tax paid	(205,753)	(247,757)
Interest received	141,551	95,871
Net cash flows from operating activities	2,811,997	2,091,797
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to:		
Property, plant and equipment (Notes 11 and 22)	(771,435)	(635,693)
Current financial assets	(284,969)	(809,190)
Intangible assets (Note 12)	(27,543)	(44,007)
Financial assets at FVOCI (Note 10)	-	(928,808)
Decrease in other noncurrent assets	(533,705)	(62,446)
Proceeds from:		
Termination of current financial assets	546,859	574,010
Sale of property, plant and equipment (Note 11)	21,228	686
Net cash used in investing activities	(1,049,565)	(1,905,448)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from (payments for):		
Cash dividends	(2,156,233)	-
Payment of loans (Note 15)	(1,912,470)	-
Principal portion of lease liabilities	(782,857)	(141,575)
Interest	(106,683)	(115,656)
Derivatives (Note 22)	25,778	(1,258)
Increase in other noncurrent liabilities	84	1
Net cash from financing activities	(4,932,381)	(258,488)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(3,169,949)	(72,139)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	14,739	(16,522)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	16,678,888	11,628,627
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	₱13,523,678	₱11,539,966

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

## **About Monde Nissin**

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

## **About Quorn**

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

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

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