Transcript of Monde Nissin Corporation (MONDE)
First Nine Months 2026 Earnings Call
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**Participants**
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Jesse Teo – Chief Financial Officer, Monde Nissin Corporation
David Flochel – Chief Executive Officer, Quorn Foods
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**Michael Paska:**

Good afternoon, and welcome to Monde Nissin's third quarter 2026 earnings call. I am Mike Paska, Head of Investor Relations. On today's call with me are Henry Soesanto, Chief Executive Officer; Jesse Teo, Chief Financial Officer; and from the Quorn team, we have with us David Flochel, Chief Executive Officer; and Nick Cooper, Chief Financial Officer. By now, everyone should have access to today's press release and earnings presentation. These are all available on the PSE Edge website posted earlier today. This information can also be found in the Investor section on Monde Nissin's website. And finally, before we begin, please note that the financial information being presented is unaudited. And during the course of this call, management may make forward-looking statements based upon current assumptions and expectations. These are not guarantees of future performance, and I encourage everyone to read the disclaimer in today's presentation. Now, I'd like to turn the call over to Henry to discuss business performance during the third quarter and year to date.

**Henry Soesanto:**

Thank you, Mike, and good afternoon, everyone. Before we get into the details, I want to share the key takeaways for this earning call. All in all, our first nine months resulted in a record core net income attributable to shareholders, as well as a record operating cash flow that is 26% higher than the cash flow of the same period a year ago. For APAC BFB, top line growth continues to be driven by our Biscuits and Strategic Growth categories. Gross margin improved sequentially and year-on-year, reflecting impacts from carryover pricing actions and our cost management initiatives. For the Protein business, we saw continued positive trajectory driven by growth in the UK. We also saw another period of increased gross margin, with our year-on-year gross margin progression driven by transformation benefits, a stronger product mix, and targeted selling price increases. Lastly, our first nine months core

EBITDA is more than twice the same period in 2025; and EBIT continued to stay positive for the third consecutive quarter. Despite geopolitical challenges, both our APAC BFB and Protein businesses increased margin in Q3. Lastly, yesterday, we declared a cash dividend of 26 cents per share to our shareholders. Now, let us move on to our first nine months business updates.

We are happy to share that our flagship noodle brand Lucky Me! is still the #1 Most Chosen Total FMCG Brand and the #1 Most Chosen Food Brand in the Philippines for 11 consecutive years, having been bought in around 900 million occasions in the past 12 months as of May 2026. Our biscuit brands, SkyFlakes and Fita, were also recognized as the #9 and #16 Most Chosen Food Brands. Meanwhile, Mama Sita's is the #4 Fastest-Rising Brand, among the top 5 fastest-rising brands for the second consecutive year, entering the Most Chosen Food Brand ranking #17 thanks to continuous growing household penetration. Lastly, DutchMill was recognized as the #12 Most Chosen Dairy Brand.

Moving on to market share, our consolidated revenue increased by 8.2% year-on-year in Q3 and 7.3% in the first nine months. Our APAC BFB business, which comprises 84% of our top line, grew by 7.7% year-on-year in Q3 and 6.5% in the first nine months. We sustained our market leadership positions for Q3 2026. Noodles value market share was stable in Q3. On the macro level, our Noodles business performed in line with the category, as softness in dry pouch and cups offset our gains in wet pouch. The increasing share by premium players in the dry pouch and the cup segments continues to support this. We strengthened our volume share, growing 90 bps versus Q3 2025. However, the premium segment is growing ahead of us, so our value share continues to trail our volume share progress. Apart from Lucky Me! Stir-Fried Jjamppong launched in Q1, we released limited time pancit canton offerings last September. While still in its early days, the two new SKUs are performing well, bringing novelty and excitement through flavors relevant to the target consumers.

For Biscuits, market share remained stable at 28.5%. Our Biscuits business slightly underperformed the category, driven by continued softness in the cracker segment which offset the gain in sandwich segment. Looking at the past 52 weeks, our long-term position remained resilient at #1. Our priority is to recover shares in crackers by recovering demand and distribution while rebuilding our flavor portfolio. We will also continue scaling our sandwich segment through Bingo and Sumo, while positioning M.Y. San Grahams for the holiday season as the “Most Trusted Brand for Making Desserts.” Sumo, in particular, has been growing fast at 74% year-to-date as of Q3.

For Oyster Sauce, our market share improved by 440 bps. Category penetration is up year-on-year, with around 1 in 2 households using Mama Sita's oyster sauce. The shift to home cooking continues as Filipino consumers adopt more cautious spending habits. We will continue to emphasize the overall value advantage of oyster sauce to drive category and brand relevance. For beverages, Yogurt Drink market share declined by 370 bps to 85.6% while Cultured Milk was stable at 26.2%. For Yogurt Drink in particular, the value share decline was driven by competition from premium challengers. Lastly, for Packaged Cake, we retained our growing #3 position in the overall category. While we maintained leadership in the premium segment, we experienced share loss due to capacity constraints. We expect additional capacity by Q4 as consumer demand is resilient.

Our Protein business, which accounts for 16% of the group sales for Q3, had another solid quarter with 1% sales growth and positive EBIT. As part of this, our UK Quorn snacking products continued to deliver strong growth, and we started to see progress on our Cauldron brand. Both brands are winning new shoppers and made a big contribution to the UK meat-free category’s return to grow in the quarter. Having said this, our real ambition is to take our Positive Protein products beyond the meat-free category. Our snacks and tofu are great products to do this, and we observed that almost one third of the buyers of our Quorn Protein Bites were new to the category. There's a lot to do here, but we remain

convinced that the Protein business has a good runway ahead. With this, I will hand it over to Jesse to talk about more of our financial performance in the quarter.

**Jesse Teo:**

Thank you very much, Henry. I'm happy to report strong top and bottom line performance in Q3 and the first nine months, with both segments continuing to contribute to the growth. First on top line, we re-accelerated our growth on a consolidated basis, growing 8.2% in Q3, bringing the first nine months growth to 7.3% or nearly PHP 68 billion in sales. For APAC BFB, we re-accelerated our growth, growing 7.7% in the quarter, bouncing back from 3.1% growth in Q2. This brings our year-to-date growth to 6.5% or nearly PHP 57 billion in sales. For our Protein business, we grew 11% on the heels of a strong GBP-PHP exchange rate, but we also have a solid constant currency growth of 2.2%. With the top line performance, APAC BFB is now 84% of the group; while the Protein business is 16% of the group.

Both segments contributed to the bottom line. Starting with gross profit, we grew gross margin by 180 bps, both for Q3 and for the first nine months. The Q3 acceleration for gross profit is slightly better than the first nine months gross profit in absolute terms, with both segments contributing to the strong growth. Likewise, on core net income attributable to shareholders, both segments contributed to the strong growth with Q3 growth at strong double digits of 16.2%, with margin expansion of 80 bps. This brings the first nine months growth at 16.1%. On the reported net income, our growth for Q3 is more modest because of the guarantee asset valuation adjustment of PHP 513 million, but the first nine months reported income still is growing at a strong 21%. Just like the previous earnings call, we would like to remind everyone that we would like to be judged on our bottom line performance based on our core net income attributable to shareholders.

Yesterday the Board declared 26 cents per share dividend to PHP 4.7 billion. This is an increase in our dividend rate versus the dividend declared last March of 24 cents, an increase of 8.3%. In fact, together with the dividend that was declared in November 2025 that was paid out in January of 2026, this is PHP 11.9 billion worth of dividends that we paid out in 2026. For the dividends that were declared this year, 24 cents and then now 26 cents, this represents a yield of more than 8% versus the closing stock price today. This is supported by our strong operating cash flow. Our first nine months operating cash flow is a record, and we have a very strong cash and cash equivalent of PHP 16.2 billion, and our retained earnings available as of September 30, 2026, is very strong, with key Philippine entities at PHP 14.4 billion. So we have sufficient retained earnings to be able to continue the dividend trend.

Now, drilling down on the top line for APAC BFB. While we grew top line for all of our key categories, led by Biscuits and Strategic Growth where you have good contribution of growth both from volume and from pricing, Noodles had a more challenging volume quarter. For the year, volume is still down for Noodles. The net price is a combination of both pricing actions taken and lower contra revenue spend. However, there is some light as some rains in Q3 have brought about sequential volume growth in Noodles of 3%. Our Q3 volume growth for overall APAC BFB was 9% in Q3 versus Q2. Still, even with Noodles at 40% with some challenges in volume, with our robust portfolio, we are managing respectable growth as we navigate through the volume challenges of our key business.

On key input cost trends, trends went up for Q4 due to issues in the Black Sea; and we have our lock-ins that correspond to that. Wheat was at around the 95th percentile on a one-year basis in Q4. However, that has tapered down. Today, it is less than the 50th percentile; and we have locked in our positions as well for Q1 on those prices. For palm oil, there is a steady increase. There is a strong anticipation of the Super El Niño effect; and that's why the futures are up. We have a substantial position to protect us from further escalation on this one, and we hope that this protection will prevent further hurts in palm

oils when the worst of Super El Niño takes effect. For coconut oil, we have a high base last year; and from that high base, it has gone down by 22%, and this is helping us offset the effects of palm oil.

Drilling down on profitability for APAC BFB. We not only increased our gross margin sequentially but also on a year-on-year basis, growing 100 bps in Q3 and 100 bps in the first nine months, but we also grew our margins sequentially due to lower manufacturing costs and pricing. We had a partial quarter pricing in Q2 as we took pricing in the middle of the quarter, and then we had a full quarter pricing in Q3, which helped offset the higher packaging costs in Q3. Q3 packaging costs peaked during Q3, and the good news is packaging cost is now tapering down. A&P was slightly lower in Q3, but for the first nine months it's still up by 20 bps. Because of the lower A&P costs and A&P percent of sales in Q3, our core EBITDA increased higher than gross profit at 13.8%, and core net income grew just about the same as core EBITDA.

For the Protein business, I mentioned the strong double-digit growth. On a constant current basis, it's 2.2%, but on further adjustment on a like-for-like number of days, the growth will still be a good 1.1% with volumes down 1.1%. We continue to experience good positive trajectory in volume and in sales in the UK. For gross margin, it continues to expand by a very healthy 617 bps in Q3 year-on-year, and more than 660 bps in the first nine months. This is due to the transformation benefits, stronger product mix, targeted selling prices, and higher production volume. We are, however, not immune to the Middle East crisis. Some of the energy costs, particular electricity costs, have been hitting us, but because of our inventory positions, the upcharges on electricity will be felt starting Q4. Core EBITDA is a great story, with the first nine months EBITDA at 2.2x versus the same period a year ago; and core EBIT is positive for the last three consecutive quarters.

Now lastly on CapEx, we are revising our CapEx for the year to PHP 5.4 billion. Again, majority is for APAC BFB. As we mentioned in the past, we are building a new biscuits plant in Northern Luzon, and that's our key CapEx project for the group. With that, we end our prepared remarks. We are now ready for Q&A.

**Michael Paska:**

Thank you, Jesse. This concludes the formal presentation. I will now moderate Q&A. Questions can be submitted via your chat box, and we will attempt to answer as many, time permitting.

The first question I have is for Nick - how is the Protein business performing year-to-date relative to the IFRS 36 glide path? And are you still on track to meet the objectives established under the plan?

**Nick Cooper:**

Thank you, Mike. I'm pleased to say that as of the first nine months of the year, we're in line with or slightly ahead of the glide path that we set out under IS 36, and that's in spite of the impact of headwinds from the conflict in the Gulf. And we therefore don't anticipate a write-down even with the higher weighted average cost of capital that we will probably see at the end of the year, following borrowing cost increases, interest rate increases in the UK.

**Michael Paska:**

Thank you, Nick. The next question is for Jesse - given the recent weakness of the peso, how is Monde positioned to manage its FX exposure, particularly with respect to imported inputs and foreign currency liabilities?

**Jesse Teo:**

So our revised estimate of our US dollar short position is about USD 250 million. So that means every peso depreciation is about PHP 250 million. We hedge that using our US dollar stockpile, so we try to cover that with about 100 to half of our US dollar short position in the US dollar. We also buy options when there are opportunities to do so. Moreover, I think now, with our UK business growing top line and being profitable, I think our UK business now acts as a natural hedge for the group, and that's a pleasant development. So you will see that our top line, though we grew 2.2% on a constant currency basis, we grew 11% on a reported basis because of currency. That is a natural offset to the bottom line hits that we are experiencing to APAC BFB.

**Michael Paska:**

Thank you, Jesse. The next question is for David - is Protein Bites continuing to show strong momentum, and what are you seeing in terms of consumer demand distribution and repeat purchases?

**David Flochel:**

Thank you, Mike. Our UK Quorn snack business grew 28% in Q3, driven by Protein Bites. This helps Quorn win new buyers into the brand, but even more importantly, a third of the buyers were also new to the category. The profile of those buyers is also very interesting – younger buyers, which is also a very good sign for the future of the brand and its relevance towards consumers. The products are available inside the meat fixture in the supermarkets nationwide, but they're also starting to be available at the front of the store in the food-to-go section; and we are building more distribution out of the main fixture with the aim to bring more shoppers into Protein Bites and then more shoppers into Quorn and into the category. We are seeing also very good repeat purchases. The repeat purchase in food-to-go, knowing that it very new for us, is already above average of the total range and is reaching the top 10 rate of sale within the main feature for the total category, which is also very encouraging. So as Henry said, Protein Bites are performing very well, and we have a considerable runway to maximize the potential with gains not only within traditional retail, but within food-to-go or within white spaces of convenience stores in the UK. We will also launch a product in food service and in retail in overseas markets. So I believe that part of the portfolio will play a very important role in our Positive Protein strategy for the future. We want to develop and sell more products and solutions which are nourishing, effortless, convenient, and craveable; and Protein Bites is exactly the right of proposition here.

**Michael Paska:**

Thank you, David. Jesse, the next question is for you - how is Monde Nissin responding to the growing competition from Korean and Indonesian noodle brands in the Philippine market? Are you seeing these brands taking significant market share, and how is this affecting your pricing and marketing strategies?

**Jesse Teo:**

Most of the premium brands are actually Korean, Indonesian. They are getting a substantial portion of the market. They're estimated to be about PHP 6 billion. It's going to be close to 10% of the entire noodle market in value. Of course, much smaller in volume because of the higher selling price. We are responding by coming up with our own premium products - a bit more affordable, but still premium. We started the foray with stir-fried jjamppong. We are doing some limited time offers of more premium flavors, barbecue and chili cheese; and we are coming up with more products that I cannot talk about yet, but we want to introduce more products in this premium segment to take advantage of the fact that there are sectors amongst our stores that prefer premium noodles.

**Michael Paska:**

Thank you, Jesse. The next question is for Nick - do you expect to sustain the gross margin improvement achieved to date, and what are the key factors that will determine the margin trajectory from here?

**Nick Cooper:**

Thanks, Mike. Q3 was an exceptionally strong quarter as you saw in terms of gross margin, up over 600 bps year-on-year. I think we need to look back to 2022 to find a quarter where we delivered a higher gross margin. That reflects a few important things that lined up in the quarter. We saw strong benefits from our transformation program, positive mix and price, and we saw good cost efficiencies from higher production levels. It does include some increase in input costs as a result of the conflict in the Gulf, but because of the roughly three-month stock turn, it's the Q2 price increases that appear in the Q3 gross margin. If you look forward then, it's pretty clear from the Q3 and early Q4 energy prices that that impact of the conflict is going to become significantly stronger as a headwind going forward. We've identified some opportunities to optimize our inventory levels further, freeing up cash, and this makes particular sense to reduce our production levels a bit during a period when input costs are elevated, but this will also be a temporary drag on fixed cost recovery during the quarter. So, these are both going to be headwinds in the P&L going forward. While I expect that we will see further transformation benefits, and we are looking to take some price going into 2027, we will see the gross margin stepping downwards as we exit the year and move into the start of next year. Versus the elevated level that we saw in Q3, it's probably between 300 and 500 bps from that exceptionally high level, and as I say, that is how we're seeing the world for the end of 2026 and the very start of 2027. Beyond that, a lot obviously depends on what happens in the Gulf, but I do expect to see gross margins build back up as we continue to build transformation benefits and energy prices eventually normalize. I think finally, it's worth saying that I do expect the business to remain EBIT-positive in spite of these couple of periods of gross margin compression, and that pressure doesn't change the answer I gave earlier in terms of IAS 36.

**Michael Paska:**

Thank you, Nick. The next question is for Henry - looking across both APAC BFB and the Protein businesses, what developments this quarter give you the greatest confidence in Monde's ability to deliver sustained profitable growth, and where do you see the most attractive opportunities ahead?

**Henry Soesanto:**

I think it is the balanced progress across both parts of the business that gives us this kind of confidence. In APAC BFB, for example, our strong brands and product portfolio continue to support volume growth, particularly in Biscuits and our Strategic Growth categories, despite challenges in Noodles. In the UK, our Protein business is also making encouraging progress. It is ahead of its glide path, with revenue growth on a constant currency basis, strong gross profit growth, and positive EBIT. Our transformation initiative and disciplined execution are already delivering results, while Protein Bites is emerging as one of our fastest-growing products. It is playing in the potentially big trend of consumer-demanding, nutrient-dense, low-calorie, quality protein and fiber, with further growth potential in the UK and other markets. While we remain mindful of input costs, foreign exchange, and geopolitical uncertainties, we believe this progress gives us a stronger foundation for sustained profitable growth.

**Michael Paska:**

Thank you, Henry. The next question is for David - could you provide an update on the performance of the food service business, including the main drivers of growth and its outlook for the remainder of the year?

**David Flochel:**

Thank you, Mike. When we launched Transform to Win Together, we clearly said that priority #1 was to fix UK retail, and here we are making good progress. The second priority was the transformation of our supply chain and supply chain network with the improvement of gross margin in order for us to be able to reinvest behind the brand, especially in UK retail. This is also working. Iran is a challenge, but our internal program is delivering what we said we would do and as planned. The first priority was the food service to be back into growth. As I unfortunately previously said in the calls earlier this year, we have more challenges than expected here. Food service accounts for 18% of the total business, and it's really two main segments we operate in. One is QSR, and the other one is catering. Within catering, we have education, a bit of healthcare, and B&I. In Q3, we faced double-digit decline, which is obviously not something that we believe is a good performance at all, but I don't see really a potential short-term improvement before the end of the year. I think I said that last time, and unfortunately, there's not a big change here; but on the QSR side, which is one of the segments we're operating in, there's low demand with our existing QSR customers, and this is driven by low traffic to those sites and some push towards more value items and less premium limited time offerings where we used to take part of. Some minor resets as well are impacting us. On the education catering side, there's also cost pressure here; and it's impacting definitely the customers and our products. Finally, specifically in education, there are some changes in regulation in the UK which are being implemented, and which are creating some uncertainties towards operators, which we are addressing right now as a team and as a market leader. In terms of outlook, two real priorities against those two major sectors we operate in. I think we are making good progress when it comes to the catering business in what I would describe as back to basics, which is a significant focus on granular execution of the plan with more discipline within this catering business, applying the same recipes that we've applied for the past two years within retail. I think it's important to note as well that part of the food service business itself is the most profitable one for us and the one where really we want to win again. Then we are also engaging at higher level with the major QSR customers in order to identify the ways for us combine, customers and us, to meet the changing needs of consumers and build further new profitable platforms of growth both for different companies. So it's still an opportunity definitely for us, this food service business, but I think we need to think more about midterm when it comes to getting it back into growth. There's more work to be done.

**Michael Paska:**

Thank you, David. Jesse, the next question is for you - is the company seeing consumer behavior of trading down as the cause of market share losses?

**Jesse Teo:**

It depends on categories. In Noodles, for instance, our share growth is primary from wet pouch, where it's the cheapest part of our portfolio; but then also, our share loss in Noodles is not due to lower-end players, it's actually due to premium players who are selling less volume, but the volume per packet is much higher. So there is no trade-down. In fact, it's trade-up for noodles that is causing the market share loss. In Biscuits, on crackers, competition is selling crackers at a cheaper price per gram; and I guess in a high-inflation environment, that will have some effect on our competitiveness for our cracker

segment. We're trying to make that up with our sandwiches, cookies. Bingo is very strong, and Sumo is growing 74%, so we're trying to find growth in other formats that don't have that direct competition and value.

**Michael Paska:**

Thank you, Jesse. The next question is also for you - are you planning any price increases ahead of the holidays or can Filipino consumers expect stable prices for Christmas?

**Jesse Teo:**

We don't comment on pricing. We understand the appeal to lay off on pricing during the Christmas season, but we don't make pricing comments publicly.

**Michael Paska:**

Thank you, Jesse. Another question for you - can the dividend be sustained in 2027? Is there scope for the dividend to increase further?

**Jesse Teo:**

You can see that our cash flow is very good. Operating cash flow is at record level for the first nine months. We have very strong cash position as of September 30, and we continue to see good cash flow coming in. Our retained earnings available for dividends is a robust PHP 14.4 billion for key Philippine entities; and as Nick earlier shared, we're ahead of the glide path for IS 36, which is one of the key reasons why we had to control the amount of dividends that we had in the past. So while we cannot give 100% assurance, I think the numbers point to us being able to sustain strong dividends.

**Michael Paska:**

Great. Thank you, Jesse. Next question is for David - could you remind us how much does snacking account for sales?

**David Flochel:**

Snacking is almost 20% of the total business if I combine Quorn and Cauldron within the UK retail business, which weighs approximately 75% of the business. So it's growing fast, and this is also why we want to expand the snacking range, especially the Protein Bites and the success we see now in other retail markets we have in Europe, but also overseas and in food service because we really see big potential for that sector as a business.

**Michael Paska:**

Thank you, David. Jesse, the next question is for you - do you have any guidance on how you are managing palm oil and its impact to the margin outlook given the price spike?

**Jesse Teo:**

Well, we have taken positions up to Q4; but beyond that there were no positions beyond Q4. This should help us pump in our palm oil costs until Q4. For Q1, I think the offset to that would be on the other edible oil, which is coconut oil. We have shared that the trends for coconut oil has been down versus its peak in Q1, Q2 this year. So we should have some kind of cushion with coconut oil offsetting the increase of palm oil.

**Michael Paska:**

Thank you, Jesse. And another question for you - whether you have any kind of sales or profit margin guidance for the remainder of 2026 or going into 2027.

**Jesse Teo:**

We don't go into long-term guidance, but we have a good news for October for the Philippines. We breached PHP 7 billion in net invoice sales in the Philippines for the first time. So demand and sales continue to be strong on aggregate. Even in Protein, I think they had a very good October result, and so we started the quarter strong.

**Michael Paska:**

Thank you, Jesse. Another question for you - how are you able to deliver slower than sales growth in OPEX in the APAC BFB segment despite increases in oil prices and wage hike?

**Jesse Teo:**

I think if you look at it sequentially, the oil prices peaked during Q2. I think our diesel prices went up to 150. It's actually gone down sequentially, so that helps. And we have lower A&P, 20 bps lower on A&P as a percent of sales in Q3 versus a year ago. So that helped as well in increasing EBITDA margins and EBIT margins for Q3.

**Michael Paska:**

Thank you, Jesse. The next question is for Nick - what is the gross margin difference between snacking versus chilled versus frozen SKUs? What is the current sales breakdown and do you expect snacking to continue increasing its sales contribution?

**Nick Cooper:**

So we do expect the contribution from snacking to continue to increase and for snacking to make up a relatively larger part of the portfolio given the growth rates that you've heard about, and snacking is a more profitable part of the business for us than frozen. I'm not going to share exact numbers, but let's say the snacking business is between 10 and 15 ppts higher margin than the average for the frozen business. So as we grow that business, that helps with our mix overall quite significantly.

**Michael Paska:**

Thank you, Nick. Jesse, the next question is for you - how should we view noodles volumes continued weakness? Can this still be attributed to the normalized demand amid front loading in the first half of the year, or would Super El Niño impact the demand moving forward?

**Jesse Teo:**

I think it's a combination of Super El Niño. So our noodles is correlated positively with rains. Well, there was flooding and rains in August and September. Throughout the country, it was drier than usual. So on a year-on-year comparison, you will feel that. We felt the effect of the demand when it was raining; and when it stopped raining, the demand tapered off this year. So that's an important factor. But the other big contributor to that is that in Kantar, we are the #1 Most Chosen Brand. That means we are one of the highest penetrated brands in FMCG. That means also that bulk of our consumers are in the lower socioeconomic class, and we are thinking that the inflation pinch is hitting those folks the most and they

are probably purchasing less. So versus other categories that are not a spend rated in this socioeconomic class, I think that has some effect as inflation starts rising as people try to make ends meet. The lower social economic class I think will be making less purchases during the difficult times. Obviously, Super El Niño will not be there forever. Hopefully from Q3, there'll be a bounce back as the effects of El Niño is over; and then hopefully inflation tapers down with some stability in geopolitics. But the good news is, we have shown that we can have decent top and bottom line growth, even with some challenges in our Noodles business; and our broad portfolio, specifically its future growth and now Biscuits, are continuing to offset some of the volume challenges that we are experiencing in noodles.

**Michael Paska:**

Thank you, Jesse. The next question is for David - if you can give an update on the distribution channels of the blended meat solutions business.

**David Flochel:**

So QuornPro, our B2B Out-of-Home brand, has launched with William White Meat a range within frozen, which is called UltiMeat, which is a brandied branch, which is made of four SKUs, two burgers, one of them being dedicated to education, smaller size, and then mints and meatballs. I'm delighted to report that that range of those products, they deliver 40% lower carbon footprint versus traditional meat, and actually the cook loss is only 5% compared to an average 18% with traditional meat as well. So there's a cost benefit and an environmental benefit here. As pioneers in this market, it's our job to create the awareness, create the interest of operators. Obviously that takes time, drive the right trials, get some scale, and get the first listings. It's very early days. We just really launched it at the start of the school year back in September a month ago or a month or two months ago. So it's very early days, but it's also very promising; and we really see it as a potential future growth driver of our recovery within food service in the years to come.

**Michael Paska:**

Thank you very much, David. This concludes the Q&A, and I would now like to turn it over to Henry for closing remarks.

**Henry Soesanto:**

Thank you, everyone, for your participation in this call and continued interest in our company. We delivered continued growth in our APAC BFB business in the third quarter, supported by pricing and volume growth in Biscuits and our Strategic Growth categories. Our domestic business also performed strongly during the quarter, while gross margin improve year-on-year. Our Protein business continue to make progress, with revenue growth on a constant currency basis and strong growth in gross profit. We maintain positive EBIT for the third consecutive quarter and remain ahead of our glide path, reflecting the initial result of our transformation initiative, discipline costing management, and the growing success of our Positive Protein strategy. Looking ahead, we remain focused on disciplined execution, prudent management, and advancing our strategic priorities across the group. We will remain responsive to market conditions while taking measures in pricing and cost management actions to support sustainable growth and profitability. With that, I look forward to speaking to you next year when we hold our full year 2026 earnings call. Until then, stay safe and healthy. Thank you.