

**ANNEX C**

**CONSOLIDATED FINANCIAL STATEMENTS**



# CENTURY PACIFIC FOOD INC.

Centerpoint Building Julia Vargas Ave.,  
Ortigas Center Pasig City, Metro Manila  
Philippines

Tel : (632) 8633 8555

Fax : (632) 638 6336

website : [www.centurypacific.com.ph](http://www.centurypacific.com.ph)

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

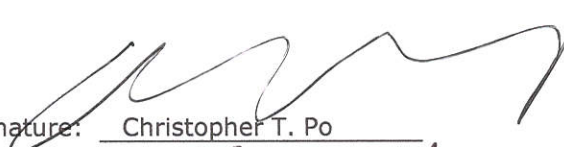
The management of CENTURY PACIFIC FOOD INC. and SUBSIDIARIES (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as at and for the years ended December 31, 2025 and 2024, in accordance with Philippine Financial Reporting Standards (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.


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

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

SGV & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, has expressed their opinion on the fairness of presentation upon completion of such audit.

Signature:   
Christopher T. Po  
Chairman of the Board

Signature:   
Teodoro Alexander Po  
Chief Executive Officer

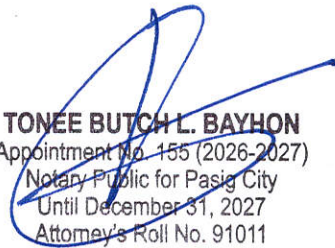
Signature:   
Richard Kristoffel S. Manapat  
Chief Financial Officer

Signed this 10<sup>th</sup> day of April, 2026.

SUBSCRIBED AND SWORN to before me this APR 13 2026, in Pasig City,  
affiant exhibiting to me his/her valid IDs as follows:

NAMES	IDENTIFICATION
Teodoro Alexander T. Po	105-633-470
Christopher Paulus Nicholas T. Po	119-779-656
Richard Kristoffer S. Manapat	303-723-989

Doc. No. 053;  
Page No. 13;  
Book No. 1;  
Series of 2026.

  
**TONEE BUTCH L. BAYHON**  
Appointment No. 155 (2026-2027)  
Notary Public for Pasig City  
Until December 31, 2027  
Attorney's Roll No. 91011  
33rd Floor, The Orient Square  
F. Ortigas Jr. Road, Ortigas Center, Pasig City 1600  
IBP OR No. 583386; 01.02.26; Quezon City  
PTR Receipt No. 3985615; 01.06.26; Pasig City  
MCLE Compliance 0033121; 4.14.28

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

C	S	2	0	1	3	2	0	7	7	8
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**COMPANY NAME**

C	E	N	T	U	R	Y		P	A	C	I	F	I	C		F	O	O	D	,		I	N	C	.		A	N	D
S	U	B	S	I	D	I	A	R	I	E	S																		

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

7	T	H		F	L	O	O	R		C	E	N	T	E	R	P	O	I	N	T		B	U	I	L	D	I	N	G
J	U	L	I	A		V	A	R	G	A	S		S	T	.		O	R	T	I	G	A	S						
C	E	N	T	E	R	,		P	A	S	I	G		C	I	T	Y												

Form Type  
**A A F S**

Department requiring the report  
**C R M D**

Secondary License Type, If Applicable  
**N . A .**

**COMPANY INFORMATION**

Company's Email Address <b>investorrelations@centurypacific.com.ph</b>	Company's Telephone Number <b>8863-8555</b>	Mobile Number <b>N.A.</b>
No. of Stockholders <b>32</b>	Annual Meeting (Month / Day) <b>6/30</b>	Fiscal Year (Month / Day) <b>12/31</b>

**CONTACT PERSON INFORMATION**

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

Name of Contact Person <b>Manuel Z. Gonzales</b>	Email Address <b><u>manuel.gonzales@mygslaw.com</u></b>	Telephone Number/s <b>8687-1195</b>	Mobile Number <b>0918-843-8888</b>
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**CONTACT PERSON'S ADDRESS**

**7TH FLOOR CENTERPOINT BUILDING., JULIA VARGAS ST., ORTIGAS CENTER, PASIG CITY**

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

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



## **INDEPENDENT AUDITOR'S REPORT**

The Stockholders and the Board of Directors  
Century Pacific Food, Inc.  
7th Floor, Centerpoint Building  
Julia Vargas St., Ortigas Center  
Pasig City

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

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

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

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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



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

### ***Impairment assessment of goodwill and trademarks with indefinite useful life***

Under PFRSs, the Group is required to annually test the amount of goodwill and trademarks with indefinite useful life for impairment. As of December 31, 2025, the Group's goodwill, attributable to coco and meat businesses, amounted to ₱3,630.4 million and trademarks with indefinite useful life amounted to ₱2,275.8 million, which are considered significant to the consolidated financial statements. In addition, management's assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty, specifically revenue growth rate, operating expenses, gross margins, discount rate and the long-term growth rate.

The Group's disclosures about goodwill and trademarks are included in Notes 5 and 11 to the consolidated financial statements.

### ***Audit Response***

We obtained an understanding of the management's assessment process for evaluating the impairment of goodwill and trademarks with indefinite useful life. We involved our internal specialist in evaluating the methodologies and the assumptions used. We compared the key assumptions used, such as revenue growth rate, operating expenses, gross margins and long-term growth rate, against the historical performance of the cash generating units, industry outlook, and other relevant external data. We tested the parameters used in the determination of the discount rate against market data.

We also reviewed the Group's disclosure 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 goodwill and trademarks with indefinite useful life.

### **Other Information**

Management is responsible for the other information. The other information comprises the Philippine SEC Form 17A for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditor's report thereon which we obtained prior to the date of the Auditor's Report, and the Philippine SEC Form 20 - IS (Definitive Information Statement) and Annual Report for the year ended December 31, 2025, which 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 will not express any form of assurance conclusion thereon.



In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 units 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 the 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 those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter 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 Christine G. Vallejo.

SYCIP GORRES VELAYO & CO.

*Christine G. Vallejo*

Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

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

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 10, 2026



**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
**(A Subsidiary of Century Pacific Group, Inc.)**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 7)	<b>₱2,884,541,289</b>	₱3,227,606,273
Trade and other receivables (Note 8)	<b>13,378,061,156</b>	10,718,133,404
Inventories (Notes 9 and 36)	<b>21,251,678,938</b>	18,593,752,925
Due from related parties (Note 25)	<b>181,187,677</b>	249,575,960
Prepayments and other current assets (Notes 10 and 36)	<b>5,336,384,790</b>	3,195,953,784
<b>Total Current Assets</b>	<b>43,031,853,850</b>	35,985,022,346
<b>Noncurrent Assets</b>		
Property, plant and equipment (Note 13)	<b>12,387,312,903</b>	10,023,483,010
Goodwill and intangible assets (Note 11)	<b>6,264,805,335</b>	6,010,223,028
Right-of-use assets (Note 12)	<b>1,502,324,827</b>	1,705,105,397
Deferred tax assets - net (Note 32)	<b>1,373,785,774</b>	1,326,450,706
Retirement asset - net (Note 17)	<b>29,606,822</b>	16,647,808
Other noncurrent assets (Note 14)	<b>385,973,878</b>	174,295,168
<b>Total Noncurrent Assets</b>	<b>21,943,809,539</b>	19,256,205,117
	<b>₱64,975,663,389</b>	₱55,241,227,463
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Short-term borrowings (Note 15)	<b>₱4,806,970,000</b>	₱200,000,000
Current portion of long-term borrowings (Note 15)	<b>23,747,808</b>	24,076,203
Trade and other payables (Note 16)	<b>15,933,874,621</b>	13,786,983,036
Income tax payable	<b>187,516,314</b>	168,582,580
Due to related parties (Note 25)	<b>65,075,240</b>	40,135,878
Lease liabilities - current portion (Note 30)	<b>403,261,266</b>	358,563,283
<b>Total Current Liabilities</b>	<b>21,420,445,249</b>	14,578,340,980
<b>Noncurrent Liabilities</b>		
Long-term borrowings - net of current portion (Note 15)	<b>3,076,014,604</b>	3,099,762,411
Retirement benefit obligation - net (Note 17)	<b>133,203,708</b>	183,161,042
Lease liabilities - net of current portion (Note 30)	<b>1,356,530,508</b>	1,566,173,197
<b>Total Noncurrent Liabilities</b>	<b>4,565,748,820</b>	4,849,096,650
<b>Total Liabilities</b>	<b>25,986,194,069</b>	19,427,437,630
<b>Equity</b>		
Share capital (Note 18)	<b>3,542,258,595</b>	3,542,258,595
Share premium (Note 18)	<b>4,936,859,146</b>	4,936,859,146
Share-based compensation reserve (Note 26)	<b>8,211,398</b>	8,211,398
Other reserves	<b>30,628,942</b>	30,628,942
Currency translation adjustment	<b>28,943,374</b>	25,734,786
Retained earnings (Notes 18 and 27):		
Appropriated	<b>23,000,000,000</b>	17,000,000,000
Unappropriated	<b>7,442,567,865</b>	10,270,096,966
<b>Total Equity</b>	<b>38,989,469,320</b>	35,813,789,833
	<b>₱64,975,663,389</b>	₱55,241,227,463

See accompanying Notes to Consolidated Financial Statements.



**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES***(A Subsidiary of Century Pacific Group, Inc.)***CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31		
	2025	2024	2023
<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b> (Note 19)	<b>₱83,295,676,862</b>	₱75,491,910,157	₱67,124,343,619
<b>COST OF GOODS SOLD</b> (Note 20)	<b>62,351,285,924</b>	55,787,094,216	50,987,309,427
<b>GROSS PROFIT</b>	<b>20,944,390,938</b>	19,704,815,941	16,137,034,192
<b>OPERATING EXPENSES</b> (Note 22)	<b>(12,377,981,454)</b>	(11,710,490,472)	(9,238,580,052)
<b>OTHER INCOME</b> (Note 21)	<b>539,917,878</b>	485,226,003	487,580,077
<b>OTHER EXPENSES</b> (Note 23)	<b>(453,718,506)</b>	(872,983,048)	(454,033,632)
<b>INCOME FROM OPERATIONS</b>	<b>8,652,608,856</b>	7,606,568,424	6,932,000,585
<b>FINANCE COSTS</b> (Notes 15 and 30)	<b>(387,153,482)</b>	(316,498,015)	(483,876,139)
<b>INTEREST INCOME</b> (Notes 7 and 8)	<b>38,104,958</b>	104,870,060	78,306,591
<b>INCOME BEFORE INCOME TAX</b>	<b>8,303,560,332</b>	7,394,940,469	6,526,431,037
<b>INCOME TAX EXPENSE</b> (Notes 31 and 32)	<b>(1,237,827,920)</b>	(1,057,169,275)	(947,271,477)
<b>NET INCOME</b>	<b>7,065,732,412</b>	6,337,771,194	5,579,159,560
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Item that will not be reclassified to profit or loss in subsequent years -			
Remeasurement gain (loss) on retirement benefit obligation - net of tax (Note 17)	<b>3,222,941</b>	38,996,920	(99,996,323)
Item that will be reclassified to profit or loss in subsequent years -			
Currency translation adjustment	<b>3,208,588</b>	(12,939,387)	9,276,734
	<b>6,431,529</b>	26,057,533	(90,719,589)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱7,072,163,941</b>	₱6,363,828,727	₱5,488,439,971
<b>EARNINGS PER SHARE</b> (Note 28)			
Basic	<b>₱1.9947</b>	₱1.7892	₱1.5750
Diluted	<b>₱1.9923</b>	₱1.7871	₱1.5732

*See accompanying Notes to Consolidated Financial Statements.*

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**

*(A Subsidiary of Century Pacific Group, Inc.)*

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

	Share Capital (Note 18)	Share Premium (Note 18)	Share-based Compensation Reserve (Note 26)	Other Reserves	Currency Translation Adjustment (Note 4)	Unappropriated Retained Earnings (Notes 18 and 27)	Appropriated Retained Earnings (Note 18)	Total
Balance, January 1, 2023	₱3,542,258,595	₱4,936,859,146	₱8,211,398	₱30,628,942	₱29,397,439	₱11,495,598,726	₱8,736,038,578	₱28,778,992,824
Net income	–	–	–	–	–	5,579,159,560	–	5,579,159,560
Currency translation adjustment	–	–	–	–	9,276,734	–	–	9,276,734
Remeasurement loss on retirement plans - net of tax	–	–	–	–	–	(99,996,323)	–	(99,996,323)
Total comprehensive income	–	–	–	–	9,276,734	5,479,163,237	–	5,488,439,971
Cash dividends	–	–	–	–	–	(1,416,903,438)	–	(1,416,903,438)
Reversal of appropriation	–	–	–	–	–	4,236,038,578	(4,236,038,578)	–
Appropriation of retained earnings	–	–	–	–	–	(12,500,000,000)	12,500,000,000	–
Balance, December 31, 2023	3,542,258,595	4,936,859,146	8,211,398	30,628,942	38,674,173	7,293,897,103	17,000,000,000	32,850,529,357
Net income	–	–	–	–	–	6,337,771,194	–	6,337,771,194
Currency translation adjustment	–	–	–	–	(12,939,387)	–	–	(12,939,387)
Remeasurement gain on retirement plans - net of tax	–	–	–	–	–	38,996,920	–	38,996,920
Total comprehensive income	–	–	–	–	(12,939,387)	6,376,768,114	–	6,363,828,727
Cash dividends	–	–	–	–	–	(3,400,568,251)	–	(3,400,568,251)
Balance, December 31, 2024	3,542,258,595	4,936,859,146	8,211,398	30,628,942	25,734,786	10,270,096,966	17,000,000,000	35,813,789,833
Net income	–	–	–	–	–	7,065,732,412	–	7,065,732,412
Currency translation adjustment	–	–	–	–	3,208,588	–	–	3,208,588
Remeasurement gain on retirement plans - net of tax	–	–	–	–	–	3,222,941	–	3,222,941
Total comprehensive income	–	–	–	–	3,208,588	7,068,955,353	–	7,072,163,941
Cash dividends	–	–	–	–	–	(3,896,484,454)	–	(3,896,484,454)
Reversal of appropriation	–	–	–	–	–	17,000,000,000	(17,000,000,000)	–
Appropriation of retained earnings	–	–	–	–	–	(23,000,000,000)	23,000,000,000	–
<b>Balance, December 31, 2025</b>	<b>₱3,542,258,595</b>	<b>₱4,936,859,146</b>	<b>₱8,211,398</b>	<b>₱30,628,942</b>	<b>₱28,943,374</b>	<b>₱7,442,567,865</b>	<b>₱23,000,000,000</b>	<b>₱38,989,469,320</b>

See accompanying Notes to Consolidated Financial Statements.



**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
*(A Subsidiary of Century Pacific Group, Inc.)*

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	<b>₱8,303,560,332</b>	₱7,394,940,469	₱6,526,431,037
Adjustments for:			
Depreciation and amortization (Notes 11, 12, 13, 20, 22 and 23)	<b>2,126,007,233</b>	1,847,444,928	1,700,210,495
Finance costs (Notes 15 and 30)	<b>387,153,482</b>	316,498,015	483,876,139
Defined benefit cost - net (Note 17)	<b>147,460,589</b>	135,933,250	104,917,748
Interest income (Notes 7 and 8)	<b>(38,104,958)</b>	(104,870,060)	(78,306,591)
Unrealized foreign exchange loss (gain) - net	<b>(18,439,567)</b>	(12,939,387)	9,276,734
Loss (gain) on disposal of property, plant and equipment - net (Note 13, 21 and 23)	<b>1,558,942</b>	973,879	(9,645,804)
Loss (gain) on lease termination (Note 30)	<b>497,311</b>	(2,246,271)	(19,344,166)
Loss on impairment of trademark (Note 11)	-	190,000,000	-
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Trade and other receivables	<b>(2,661,112,486)</b>	(1,331,478,713)	(615,070,265)
Due from related parties	<b>68,388,283</b>	9,058,451	(61,186,265)
Inventories (Note 36)	<b>(2,568,887,991)</b>	(1,688,268,908)	826,914,305
Prepayments and other current assets (Note 36)	<b>(1,598,157,391)</b>	(297,545,296)	(83,062,525)
Revolving funds and other noncurrent deposits	<b>(20,952,281)</b>	-	-
Increase (decrease) in:			
Trade and other payables (Note 37)	<b>2,336,433,011</b>	3,153,710,603	660,271,128
Due to related parties	<b>24,939,362</b>	9,589,903	4,627,138
Cash generated from operations	<b>6,490,343,871</b>	9,620,800,863	9,449,909,108
Income tax paid	<b>(1,790,218,472)</b>	(1,489,202,831)	(1,039,915,385)
Contributions to plan assets (Note 17)	<b>(208,624,928)</b>	(240,834,751)	(177,559,032)
Interest received	<b>39,289,692</b>	104,870,060	78,306,591
<b>Net cash generated from operating activities</b>	<b>4,530,790,163</b>	7,995,633,241	8,310,741,282
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions of:			
Property, plant and equipment (Notes 13 and 14)	<b>(4,083,463,118)</b>	(2,323,199,716)	(1,516,430,323)
Business - net of cash acquired (Notes 36 and 37)	<b>(632,538,000)</b>	(689,921,625)	-
Proceeds from sale of property, plant and equipment	<b>5,251,841</b>	2,089,741	18,538,922
Decrease (increase) in other noncurrent assets	<b>(61,227,286)</b>	(25,151,682)	75,749,833
<b>Net cash used in investing activities</b>	<b>(4,771,976,563)</b>	(3,036,183,282)	(1,422,141,568)

*(Forward)*



	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from availment of short-term borrowings (Note 15)	<b>₱22,923,319,000</b>	₱6,240,000,000	₱5,140,000,000
Payments of:			
Short-term borrowings - principal (Note 15)	<b>(18,316,349,000)</b>	(8,910,000,000)	(6,910,000,000)
Dividends (Note 27)	<b>(3,896,484,454)</b>	(3,400,568,251)	(1,416,903,438)
Lease liabilities (Note 30)	<b>(558,121,782)</b>	(476,158,562)	(427,578,725)
Finance costs	<b>(228,242,348)</b>	(215,134,167)	(353,548,387)
Long-term borrowings - principal (Note 15)	<b>(26,000,000)</b>	(20,000,000)	(20,000,000)
Net cash used in financing activities	<b>(101,878,584)</b>	(6,781,860,980)	(3,988,030,550)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(343,064,984)</b>	(1,822,410,921)	2,900,569,164
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3,227,606,273</b>	5,050,017,194	2,149,448,030
<b>CASH AND CASH EQUIVALENTS, END OF YEAR (Note 7)</b>	<b>₱2,884,541,289</b>	₱3,227,606,273	₱5,050,017,194

*See accompanying Notes to Consolidated Financial Statements.*



# CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES

*(A Subsidiary of Century Pacific Group, Inc.)*

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. General Information

#### Corporate Information

Century Pacific Food, Inc. (the “Parent Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 25, 2013.

The Parent Company is primarily engaged in the business of buying and selling, processing, canning and packaging and manufacturing all kinds of food and food products, such as, but not limited to fish, seafood and other marine products, cattle, hog and other animals and animal products, fruits, vegetables and other agricultural crops and produce of land, including by-products thereof, and for such purpose, to acquire, construct, own, lease, charter, establish, maintain and operate canneries, factories, plants, vessels, cold storage, refrigerators, refrigerated vehicles and vessels, warehouses and other machineries, equipment, apparatus, and appliance as may be required in the conduct of its business.

The Parent Company’s shares of stocks were listed in the Philippine Stock Exchange (PSE) on May 6, 2014 through an initial public offering (IPO) and listing of 229.65 million shares in the PSE at a total value of ₱3.5 billion, as discussed in Note 18.

The Parent Company is a 65.5% owned subsidiary of Century Pacific Group, Inc. (CPGI, the ultimate parent), as at December 31, 2025 and 2024. CPGI is a corporation registered with the SEC and is domiciled in the Philippines.

The Parent Company’s registered office and principal place of business is located at 7<sup>th</sup> floor, Centerpoint Building, Julia Vargas St., Ortigas Center, Pasig City.

The Parent Company has the following subsidiaries as at December 31, 2025 and 2024:

<u>Name of Subsidiary</u>	<u>Ownership Interest</u>
General Tuna Corporation (GTC)	100%
Snow Mountain Dairy Corporation (SMDC)	100%
Allforward Warehousing Inc. (AWI)	100%
Century Pacific Agricultural Ventures, Inc. (CPAVI)	100%
Century Pacific Seacrest Inc. (CPSI)	100%
Centennial Global Corporation (CGC)	100%
General Odyssey Inc (GOI)	100%
Millennium General Power Corporation (MGPC)	100%
The Pacific Meat Company, Incorporated (PMCI)	100%
Coco Harvest Inc. (CHI)	100%
Century Pacific Food Packaging Ventures, Inc. (CPFPVI)	100%
Century Pacific North America Enterprise Inc. (CPNA)	100%



GTC was incorporated in the Philippines and registered with the SEC on March 10, 1997. GTC is presently engaged in manufacturing and exporting private label canned, pouched and frozen tuna products.

SMDC was incorporated in the Philippines and registered with the SEC on February 14, 2001. In June 2020, SMDC discontinued its manufacturing operations and amended its primary business purpose to engage in leasing services.

AWI was incorporated in the Philippines and was registered with the SEC on October 3, 2014. AWI is engaged in the business of operating cold storage facilities, handling, leasing, maintaining, buying, selling, warehouse and storage facilities, including its equipment, forklift, conveyors, pallet towers and other related machineries, tools and equipment necessary in warehousing, and storage operation.

CPAVI was incorporated in the Philippines and was registered with the SEC on August 29, 2012. CPAVI is engaged in the business of manufacturing and distributing all kinds of food and beverage products and other food products derived from fruits and other agricultural products. CPAVI's primary purpose is to engage in the business of converting and processing input raw materials derived from fruits, vegetables and other agricultural products, such as drilled, deshelled and pared coconuts, into finished products and distributing, and exporting the same.

CPSI was incorporated in the Philippines and was registered with the SEC on November 13, 2015. CPSI is engaged in the business of developing and designing, acquiring, selling, transferring, exchanging, managing, licensing, franchising and generally exercising all rights, powers and privileges of ownership or granting any right or privilege of ownership or any interest to label marks, devices, brands, trademark rights and all other forms of intellectual property, including the right to receive, collect and dispose of any and all payments, dividends, interests and income derived from therefrom.

CGC was incorporated in the British Virgin Islands (BVI) on November 13, 2006. CGC is a company limited by shares. On February 25, 2015, the Company acquired 100% interest in CGC. CGC is the corporate vehicle that holds the various brands, trademarks, and related intellectual property of the Company and its subsidiaries. CGC was acquired from Shining Ray Limited, a wholly owned subsidiary of CPGI.

GOI was incorporated in the Philippines and was registered with SEC on July 27, 2020. GOI is engaged in the business to buy and sell, process, can, pack, manufacture, market, produce, distribute, import and export, and deal in all kinds of feeds and for such purpose to acquire, construct, own, lease, charter, establish, maintain and operate stores, outlets, canneries, factories, plants, vessels, cold storage, refrigerators, refrigerated vehicles and vessels, warehouses, and other machineries, equipment's, apparatus and appliances as may be required.

MGPC was incorporated in the Philippines and was registered with SEC on August 10, 2020. MGPC is engaged in the business of exploration, development and utilization of renewable energy sources, including the generation and distribution of power therefrom, planning, construction and installation, commissioning, owning, management and operation of relevant facilities and infrastructure thereof and processing and commercialization of by-products in its operations and to undertake such other powers and purposes as may be required.



PMCI was incorporated in the Philippines and was registered on December 9, 1997 to engage in, operate, conduct and maintain the business of manufacturing, importing, exporting, buying, selling or otherwise dealing in at wholesale and retail, all kinds of food and foods products, fruits, vegetables and other goods of same nature, and any all equipment, materials, and supplies used or employed in, or related to the manufacture of such finished product. On March 24, 2021, the Parent Company entered into a share purchase agreement with CPGI to acquire 100% equity interest in PMCI. The sale was completed when CPGI and the Parent Company signed the deed of absolute sale covering the PMCI shares on April 1, 2021.

CHI was incorporated in the Philippines and was registered on January 10, 2024. CHI is a fully integrated coconut processing facility located in Misamis Occidental. It has the capability to produce higher value coconut-based products such as coconut water, coconut milk, desiccated coconut, and virgin coconut oil. The existing facility is strategically located to capitalize on the abundance of coconut supply in the region.

CPFPVI was incorporated in the Philippines and was registered with SEC on June 29, 2016. CPFPVI is engaged in the business of manufacturing, processing, buying, selling, importing, exporting and dealing in all kinds of packaging products. On June 29, 2016, the Parent Company acquired 100% interest in CPFPVI.

CPNA was incorporated in the United States and was registered with the Secretary of State of California on April 20, 2017 as a domestic stock company type. CPNA is engaged in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporation Code.

#### Approval and Authorization for Issuance of Consolidated Financial Statements

The consolidated financial statements were approved and authorized for issue by the Board of Directors (BOD) on April 10, 2026.

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## **2. Financial Reporting Framework and Basis of Preparation and Presentation**

The consolidated financial statements of the Parent Company and its subsidiaries (the “Group”) have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

The consolidated financial statements have been prepared on the historical cost basis, unless otherwise stated. The consolidated financial statements are presented in Philippine peso, the Group’s functional currency.

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## **3. Adoption of New and Revised Accounting Standards**

#### Changes in Accounting Policies and Disclosures

The Group’s accounting policies are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of this new standard did not have an impact on the consolidated financial statements of the Group.



- Amendments to PAS 21, *Lack of exchangeability*

#### 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. Unless otherwise indicated, adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements.

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

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

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

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Group is currently assessing the impact of the new standard.

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

#### *Deferred effectivity*

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

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## 4. Material Accounting Policy Information

### Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all subsidiaries it controls as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

The Parent Company's subsidiaries including its ownership interest for each entity is disclosed in Note 1.



### Business Combinations, Asset Acquisitions and Goodwill

The Group assesses each transaction to determine whether it represents the acquisition of a business or an asset (or group of assets). A transaction is accounted for as a business combination only when the acquired set of activities and assets meets the definition of a business under PFRS 3, *Business Combinations*, which requires identifiable inputs and substantive processes capable of producing outputs. In making this assessment, management applies judgment in evaluating the nature of the acquired processes, their criticality to the ability to generate outputs, and whether outputs are present or capable of being produced. Transactions that do not meet the definition of a business are accounted for as asset acquisitions.

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at fair value at the acquisition date and comprises the aggregate of assets transferred, liabilities incurred, and equity interests issued by the Group. For each business combination, the Group elects to measure non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and recognized in profit or loss.

Goodwill is recognized as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. Where the fair value of the identifiable net assets acquired exceeds the consideration transferred, the Group reassesses the identification and measurement of the assets acquired and liabilities assumed. Any resulting gain is recognized immediately in profit or loss.

When a transaction is accounted for as an asset acquisition, the cost of the acquisition comprises the purchase price and any directly attributable costs. The cost is allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the acquisition date, and no goodwill is recognized.

Goodwill is allocated to the cash-generating units ("CGUs") or groups of CGUs expected to benefit from the synergies of the business combination. When an operation within a CGU is disposed of, the goodwill attributable to the operation disposed of is included in the carrying amount of the operation in determining the gain or loss on disposal and is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

### Financial Instruments

*Financial Assets at Amortized Cost.* Financial assets are measured at amortized cost when they are held within a business model whose objective is to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, financial assets at amortized cost are initially recognized at fair value plus transaction costs. Trade receivables within the scope of PFRS 15, *Revenue from Contracts with Customers*, are measured at the transaction price.

Subsequently, financial assets at amortized cost are measured using the effective interest rate (EIR) method, net of any allowance for expected credit losses (ECL). The Group recognizes ECLs using a forward-looking approach that reflects the probability-weighted outcome of expected credit losses, considering historical loss patterns, current conditions, and reasonable and supportable forecasts of future economic conditions.



For trade receivables, the Group applies the simplified approach and recognizes lifetime ECLs for all balances. Trade receivables are generally assessed collectively based on shared credit risk characteristics, such as customer type and days past due, using a provision matrix.

Certain receivables, including those that are significant, long-outstanding, subject to disputes, credit-impaired, or relating to specific counterparties with distinct risk profiles, are assessed individually. In these cases, management applies judgment in estimating ECLs based on the counterparty's financial position, expected timing and amount of recoveries, and any available collateral or guarantees.

For other financial assets measured at amortized cost, ECLs are measured based on changes in credit risk since initial recognition. A financial asset is considered in default when contractual payments are more than 120 days past due or when other qualitative indicators suggest that full recovery is unlikely. Financial assets are written off when there is no reasonable expectation of recovery.

The Group's financial assets include cash and cash equivalents, trade and other receivables, due from related parties and other financial assets included under other noncurrent assets in the consolidated statement of financial position.

*Financial Liabilities.* The Group's financial liabilities are classified as loans and borrowing and payables. These are recognized initially at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost using the EIR method. A financial liability is derecognized when the obligation under the liability is discharged or canceled or has expired. 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, and the difference in the respective carrying amounts is recognized in the Group's profit or loss.

The Group's financial liabilities include short-term and long-term loans, trade and other payables, excluding statutory liabilities, due to related parties, and lease liabilities.

#### Inventories

Inventories are initially measured at cost which includes costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Subsequently, inventories are stated at the lower of cost and net realizable value. The costs of inventories are calculated as follows:

Raw materials	Moving average
Work-in-process	Weighted average
Finished goods	Weighted average

Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Spare parts with useful lives of one year or less are classified as inventories and recognized as expense as they are consumed.

#### Property, Plant and Equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and amortization and any impairment in value.



Major spare parts qualify as property, plant and equipment when the Group expects to use them for more than one year. Similarly, if the spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Depreciation is computed on the straight-line method, other than construction in progress, based on the estimated useful lives of the assets as follows:

<u>Asset</u>	<u>Number of years</u>
Land improvements	5-15
Buildings	5-15
Building improvements	5-15
Plant machinery and equipment	2-25
Office furniture, fixtures and equipment	2-5
Laboratory tools and equipment	2-14
Transportation and delivery equipment	2-7
Leasehold improvements	10 years average or term of the lease whichever is shorter

#### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of licensing agreements with definite useful lives, and any accumulated impairment losses.

Intangible assets with definite useful lives, such as licensing agreements and customer relationships are amortized over 25 years and assessed for impairment whenever there is an indication that the asset may be impaired.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets with indefinite useful lives, such as goodwill and trademarks, are not amortized, but are tested for impairment annually, either individually or at the 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. Trademarks are assessed to have indefinite useful life because it has no expiry as to usage.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

#### Impairment of Long-lived Nonfinancial Assets

The Group's property, plant and equipment, right-of-use assets, intangible assets with definite useful



lives, and other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's recoverable amount is determined for the individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the relevant CGU. An impairment loss is recognized when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in use ("VIU").

In assessing VIU, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Fair value less costs of disposal is determined using observable market data where available or other appropriate valuation techniques.

Impairment losses are reversed when there has been a change in the estimates used to determine the recoverable amount. Reversals are limited to the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and whenever events or changes in circumstances indicate that they may be impaired. Impairment losses recognized for goodwill are not reversed.

#### Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, an outflow of economic resources is probable, and the amount of the obligation can be reliably estimated. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, provisions are discounted. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### Equity-settled share-based payments

Certain benefit-eligible employees of the Company receive an opportunity to purchase the common stock of the Company at a price lower than the fair market value of the stock at grant date.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

#### Employee Benefits - Defined Benefit Plan

The Group provides retirement benefits under a defined benefit plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations performed by independent qualified actuaries at the end of each annual reporting period.

Defined benefit cost comprises service cost, net interest on the net defined benefit liability or asset, and remeasurements.

- Service cost, which includes current service cost, past service cost, and gains or losses arising from curtailments or settlements, is recognized in profit or loss. Past service cost is recognized in profit or loss when a plan amendment or curtailment occurs.
- Net interest is determined by applying the discount rate to the net defined benefit liability or asset and is recognized as income or expense in profit or loss.
- Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, and return on plan assets (excluding amounts included in net interest), are recognized immediately in other comprehensive income and are not subsequently reclassified to profit or loss.



The defined benefit obligation is measured using actuarial assumptions including discount rates, salary increase rates, employee turnover, and mortality rates. These assumptions are based on experience, prevailing market conditions, and management's judgment, and are reviewed regularly.

#### Currency translation adjustment

Currency translation adjustment represents the exchange differences resulting from translating the financial position and results of operations of GTC, CGC and CPNA, whose functional currencies differ from the functional currency of the Group. Such exchange differences are recognized in other comprehensive income and accumulated in equity as a separate component of equity. On disposal of a foreign operation, the cumulative amount of exchange differences relating to that foreign operation is reclassified to profit or loss.

#### Revenue from Contracts with Customers

The Group's revenue from contracts with customers primarily arises from the sale of manufactured goods and service income from management fees.

Revenue is recognized when control of the promised goods or services is transferred to the customer, in an amount that reflects the consideration to which the Group expects to be entitled. The Group has determined that it acts as principal in its revenue arrangements.

*Sale of Goods.* The Group sells manufactured goods to wholesalers and retailers. Revenue from the sale of goods is recognized at a point in time when control transfers to the customer. Control generally transfers upon delivery of the goods to the customer's specified location. Revenue is recognized upon shipment from the Group's warehouse only when the contractual delivery terms provide for the transfer of control at the point of shipment. In all other cases, revenue is recognized upon delivery.

*Service Income.* Service income pertains to management fees and is recognized over time as the services are rendered, as the customer simultaneously receives and consumes the benefits of the Company's performance.

*Other Income.* Other income is recognized at a point in time when it is probable that the future economic benefits will flow to the Company and the amount can be measured reliably.

*Transaction Price and Variable Consideration.* The transaction price represents the amount of consideration the Company expects to receive in exchange for transferring goods or services, excluding amounts collected on behalf of third parties. It may include fixed and variable consideration and is adjusted for consideration payable to customers, such as discounts, rebates, credits, and trade promotional incentives.

Variable consideration is estimated using the most likely amount method and is included in revenue only to the extent that it is highly probable that a significant reversal of cumulative revenue will not occur when the uncertainty is resolved. Estimates of variable consideration are reassessed at each reporting date based on actual and expected trade promotional activities.

#### Revenue outside the scope of PFRS 15

##### *Interest income*

Interest income is recognized using the EIR method, by applying the EIR to the gross carrying amount of the financial asset.



## Leases

### *The Group as lessee*

Subsequent to initial recognition, the Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms which are from five (5) to twenty (20) years.

### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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.

## Taxes

Income tax expense represents the sum of the current income tax and deferred income tax.

### *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the financial reporting date.

### *Deferred income tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the financial reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at financial reporting date. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

### *Value-added Tax (VAT)*

Revenues, expenses and assets are recognized net of the amount of VAT except:

- when the VAT incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of VAT included.

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.



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## 5. Significant Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### Significant Judgments

The following are the significant judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

*Determination of functional and presentation currency.* Each entity in the Group determines its own functional currency and items included in the separate financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

The presentation currency of the Group is the Philippine Peso, which is the Parent Company's functional currency. The functional currency of each of the Group's subsidiaries to the consolidated financial statements, is determined based on the economic substance of the underlying circumstances relevant to each subsidiary.

The results of operations and financial position of GTC, CPNA and CGC, which are measured using US Dollar, were translated into Philippine Peso using the accounting policies in Note 4.

*Acquisitions of Loma Linda business and Coco Harvest, Inc. (CHI) qualified as a business combination.* In applying the requirements of PFRS 3, *Business Combinations*, an entity or an asset being acquired has to be assessed whether it constitutes a business. The assessment requires identification of inputs and processes applied to these inputs to generate outputs or economic benefits. To be capable of being conducted and managed for the purposes defined, an integrated set of activities and assets requires two essential elements - inputs and processes applied to those inputs, which together are or will be used to create outputs.

The acquisitions of Loma Linda business in 2025 and CHI in 2024 were considered a business since the Group acquired a set of assets including the operational processes of CHI's coconut business and the operational processes of Loma Linda's business. These transactions were accounted for as a business combination (see Note 36).

*Acquisition of assets that does not constitute a business.* PFRS 3 also provides that if an entity acquires an asset or a group of assets, including any liabilities assumed, that does not constitute a business, then the transaction is outside the scope of PFRS 3 because it does not meet the definition of a business combination. Such transaction is accounted for as asset acquisition, in which case, the cost of acquisition is allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition.



The acquisition of the group of assets consisting primarily of the coconut processing facility and other related assets located in Tupi, South Cotabato, Philippines represents an asset acquisition, as the acquired set comprises substantially of inputs and does not include substantive processes capable of producing outputs. Accordingly, the transaction does not meet the definition of a business under PFRS 3.

*Determination of lease term of contracts with renewal option - Group as a lessee.* The Group has lease contracts that includes extension option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. 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. The Group included the renewal period as part of the lease term for leases of land and buildings. The Group typically exercises its option to renew for these leases because of significant improvements on the leased assets and these assets including the underlying assets are critical to the business of the Group. As such, there will be a significant negative effect on production if a replacement asset is not readily available. The Group has determined that the lease term of these lease contracts ranges from 3 to 20 years.

#### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates 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 control of the Group. Such changes are reflected in the assumptions when they occur.

*Impairment assessment of goodwill and trademarks with indefinite lives.* The Group performs recoverability testing annually or more frequently when there are indications of impairment for goodwill and trademarks with indefinite lives. Goodwill acquired through business combination has been allocated to three CGUs, two of which is related to the Group's coco business, and another to the Loma Linda business. All of which were acquired through business combinations and to which the goodwill relates. Trademarks with indefinite lives have been allocated separately to the Group's CGU related to the Group's meat, marine, milk and emerging businesses. Recoverability testing requires an estimation of the value in use or fair value less cost of disposal of the CGU to which goodwill and trademarks with indefinite lives are allocated. Estimating the recoverable amount of the CGU involves significant assumptions about the future results of the business such as long-term revenue growth rate, operating expenses, gross margin and discount rate which were applied to cash flow forecasts. The cash flow forecasts were based on financial budgets approved by the BOD covering a five-year period.

The impairment on goodwill and trademark is determined by comparing: (a) the carrying amount of the CGU; and (b) the present value of the annual projected cash flows for five years and the present value of the terminal value computed under the discounted cash flow method for goodwill and value in use computed using the five-year cash flow forecasts under the relief from royalty method for trademark.



The key assumptions used in the impairment test of goodwill and trademarks with indefinite life are as follows:

1. Gross Revenue

On the average, gross revenue of the CGU over the next five years were projected to grow in line with the economy or with nominal Gross Domestic Product. This assumes that the market share of the subsidiaries in their respective industries will be flat on the assumption that the industries also grow at par with the economy. Historically, the business growth had a direct correlation with economic growth. An average of 4% perpetuity growth rate was assumed at the end of the five-year forecast period for the CGU on the Group's meat, marine, milk and emerging businesses.

2. Operating Expenses

On the average, operating expenses were projected to increase in relation to revenue growth.

3. Gross Margins

Increased efficiencies over the next five years are expected to result in margin improvements.

4. Discount Rate

The discount rate used to arrive at the present value of future cash flows was the Group's Weighted Average Cost of Capital (WACC). WACC was based on the appropriate weights of debt and equity, which were multiplied with the assumed costs of debt and equity. The pre-tax discount rates applied to the cash flow projections range from 10.80% to 11.80% and 10.07% to 11.73% in 2025 and 2024, respectively.

The significant unobservable inputs used in the computation of value in use for goodwill and trademarks, together with a quantitative sensitivity analysis as at December 31, 2025 and 2024 are shown below:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to value in use
Value in use for "Ligo" trademark	Relief from royalty method	Discount rate	2025: 10.8% to 11.8% (11.4%)	2025 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱133.4 million and (₱117.0 million)
			2024: 10.07% to 11.7% (10.9%)	2024 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱163.6 million and (₱193.1 million)
		Long-term growth rate for cash flows for subsequent years	2025: 4% 2024: 4%	2025 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱225.4 million (₱133.4 million)
				2024 1% increase (decrease) in the growth rate would result in an increase



Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to value in use (decrease) in value in use by ₺348.7 million and (₺250.0 million)	
Value in use of the CGU of the meat, marine, milk and emerging businesses except for “Ligo” and Swift” trademarks.	Relief from royalty method	Discount rate	2025: 10.8% to 11.8% (11.4%) 2024: 10.07% to 11.7% (10.9%)	
			2025 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₺3,119.1 million and (₺2,722.3 million)	
	Long-term growth rate for cash flows for subsequent years	Discount rate	2025: 4% 2024: 4%	2024 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₺3,186.9 million; (₺1,139 million)
			2025 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₺5,481.0 million and (₺4,219.4 million)	
Value in use of the CGU of the “Swift” trademark	Relief from royalty method	Discount rate	2025: 10.8% to 11.8% (11.4%) 2024: 10.07% to 11.7% (10.9%)	
			2025 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₺15.0 million and (₺13.2 million)	
	Long-term growth rate for cash flows for subsequent years	Discount rate	2025: 4% 2024: 4%	2024 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₺27.7 million; (₺25.5 million)
			2025 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₺25.3 million and (₺19.5 million)	
Long-term growth rate for cash flows for subsequent years	Discount rate	2025: 4% 2024: 4%	2024 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₺59.2 million (₺94.3 million)	



	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Range (weighted average)</b>	<b>Sensitivity of the input to value in use</b>
Value in use of the CGU of the Group's coco business 1 (CPAVI)	Discounted cash flow method	Discount rate	2025: 10.8% to 11.8% (11.4%) 2024: 10.7% to 11.7% (11.8%)	2025 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱921.0 million and (₱793.6 million)
				2024 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱674.1 million (361.0 million)
		Long-term growth rate for cash flows for subsequent years	2025: 4% 2024: 4%	2025 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱1,574.0 million and (₱1,164.6 million)
				2024 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱1,146.5 million and; (₱455.5 million)
Value in use of the CGU of the Group's coco business 2 (CHI)	Discounted cash flow method	Discount rate	2025: 10.8% to 11.8% (11.4%) 2024: 10.7% to 11.7% (11.8%)	2025 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱900.0 million and (₱774.2 million).
				2024 0.5% increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱350.1 million.
		Long-term growth rate for cash flows for subsequent years	2025: 4% 2024: 4%	2025 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱1,426.4 million and (₱1,055.4 million).
				2024 1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱574.3 million.

The carrying amounts of goodwill and trademarks with indefinite lives are disclosed in Note 11.



*Determining method to estimate the 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 to in exchange for transferring the promised goods to customer.

The Group determined that the most likely amount method is appropriate to use in estimating the variable consideration for the incentives given to the customers based on evaluation of actual trade promotional activities. The most likely amount is the single most likely amount in a range of possible consideration amounts.

The Group includes in the transaction price some or all of an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

*Estimating the incremental borrowing rate on leases.* The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liability. 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 or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

The carrying amounts of the Group's lease liabilities are disclosed in Note 30.

*Determination of fair value of financial instruments.* Where the fair value of financial assets and liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair values of financial assets and liabilities are disclosed in Note 33.

*Impairment of Financial Assets at Amortized Cost.* The Group recognizes ECLs on financial assets measured at amortized cost. Estimating ECLs involves significant judgment, particularly in assessing credit risk, defining default, and incorporating forward-looking information.

The Group considers a financial instrument to be in default, consistent with its definition of credit-impaired, when the borrower is more than 120 days past due on contractual payments or when qualitative indicators suggest unlikelihood to pay, including significant financial difficulty, the granting of concessions due to financial stress, or the probability of bankruptcy or financial reorganization. This definition is applied consistently with the Group's internal credit risk management practices.

For cash and cash equivalents, other receivables, due from related parties, security deposits, and deposits on utilities, the Group applies the general approach, recognizing either 12-month or lifetime ECLs depending on whether there has been a significant increase in credit risk since initial recognition. Changes in the loss allowance are recognized in profit or loss.



For trade receivables, the Group applies the simplified approach, recognizing lifetime ECLs using a provision matrix based on days past due. Trade receivables that are individually significant or identified as credit-impaired are assessed on a specific identification basis. In determining ECLs for these receivables, the Group considers all reasonable and supportable information available at the reporting date, including the customer's financial condition, historical payment behavior, aging profile, current credit status, and any known disputes or indications of financial difficulty. The assessment also considers the probability and timing of expected cash recoveries, including the realizable value of any collateral, guarantees, or other credit enhancements, where applicable. The remaining trade receivables are assessed on a collective basis using a provision matrix based on days past due. Provision rates are derived from historical credit loss experience and are adjusted to reflect forward-looking information.

Trade receivables assessed collectively are grouped based on shared credit risk characteristics, primarily customer type. The Group incorporates forward-looking information, including relevant macro-economic factors, using reasonable and supportable information available at the reporting date. The assumptions, models, and estimation techniques applied in measuring ECLs are reviewed regularly. There were no significant changes to the estimation techniques or key assumptions used in measuring ECLs during the reporting period.

The carrying amounts of the Group's financial assets are disclosed in Note 7 (cash and cash equivalents), Note 8 (trade and other receivables), Note 25 (due from related parties), and Note 14 (security deposits, deposits on utilities, and revolving funds).

*Evaluation of net realizable value of inventories.* The Group writes down the cost of inventories whenever net realizable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence or changes in prices level. The lower of cost and net realizable value of inventories is reviewed at each reporting date. Inventory items identified to be obsolete and unusable are also written off and charged as expense in net income in the consolidated statement of comprehensive income.

The carrying amounts of the Group's inventories are disclosed in Note 9.

*Estimation of useful lives of long-lived nonfinancial assets.* The useful lives of long-lived nonfinancial assets are estimated based on the economic lives of the assets and on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives of the long-lived nonfinancial assets are reviewed at reporting date and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the long-lived nonfinancial assets. It is possible, however, that future financial performance could be materially affected by changes in the estimates brought about by changes in factors mentioned above. Changes in these estimates could result in material adjustments to future depreciation or amortization expense and may affect the Group's financial performance.

There were no changes in the estimated useful lives of property, plant and equipment, intangible assets with definite useful lives, and right-of-use assets in 2025 and 2024.

The carrying amounts of these assets are disclosed in Note 11 (intangible assets with definite useful lives), Note 12 (right-of-use assets), and Note 13 (property, plant and equipment),

*Determination of impairment of nonfinancial assets.* The Group assesses its non-financial assets for impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. Determining whether such impairment indicators exist requires judgment.



The assessment of impairment, including the determination of VIU, involves estimating future cash flows expected to arise from the continued use and ultimate disposal of the non-financial assets and applying appropriate discount rates. These estimates and assumptions are subject to uncertainty, and changes in key assumptions could result in material adjustments to the carrying amounts of the related assets in future periods.

The carrying values of the Group's nonfinancial assets is disclosed in Note 13 for property, plant and equipment, Note 12 for right-of-use assets, Note 11 for intangible assets with definite useful life, and Note 10 for input VAT.

Based on the assessment of management, the Group's nonfinancial assets do not have any indication of impairment as at December 31, 2025, 2024 and 2023, except for input VAT as disclosed in Note 10.

*Determination of pension costs.* The cost of the Group's defined benefit pension plans and the present value of the defined benefit obligation are determined through actuarial valuations. The valuation process requires the use of significant assumptions, including discount rates, future salary increases, mortality rates, and future pension increases. Due to the long-term nature and complexity of the valuation, the defined benefit obligation is highly sensitive to changes in these assumptions. All actuarial assumptions are reviewed at each reporting date and updated where necessary based on prevailing economic conditions and experience.

The discount rate is determined by reference to government bond yields with maturities consistent with the expected timing of future benefit payments. Mortality assumptions are based on publicly available mortality tables in the Philippines, adjusted to reflect expected improvements in mortality rates. Future salary and pension increases are determined with reference to expected long-term inflation rates in the Philippines.

Changes in actuarial assumptions could have a material effect on the amount of pension expense recognized and on the carrying amount of the retirement benefit obligation in future periods.

The carrying amount of the retirement benefit obligation, together with further details of the actuarial assumptions used, is disclosed in Note 17.

*Recoverability of deferred tax assets.* The Group performs an annual assessment of the recoverability of its deferred tax assets to determine the amount that can be recognized. This assessment requires significant judgment and is based on the expectation that sufficient future taxable profit will be available to utilize deductible temporary differences. Deferred tax assets are assessed for recoverability at the level of the individual taxable entity.

In evaluating the recoverability of deferred tax assets, management considers forecasted taxable income for future periods of the relevant entities, based on historical performance and expectations regarding future revenue and expenses. Changes in assumptions regarding future profitability could result in material adjustments to the amount of deferred tax assets recognized.

The carrying amount of deferred tax assets recognized by the Group is disclosed in Note 32.



## 6. Segment Information

### *Business segments*

For management purposes, the Group is organized into four major business segments: Marine, Meat, Milk and emerging and Corporate and others. These divisions, that focuses on the types of goods or services delivered or provided, are the basis on which the Group reports its primary segment information to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance.

The principal products and services of each of these divisions are as follows:

Business Segment	Products and Services
Marine	Tuna Sardines Other seafood-based products
Meat	Corned beef Meatloaf Refrigerated meat Other meat-based product
Milk and emerging	Distribution of other products Canned milk Powdered milk Coconut beverages Coconut milk Coconut oil
Corporate and others	Other emerging products Shared services Warehousing Packaging Other services

The segments' results of operations of the reportable segments in 2025, 2024 and 2023 are as follows:

	Total Revenue	Inter-segment Revenue	External Revenue	Segment Income Before Tax
<b>2025</b>				
Marine	₱35,942,987,684	(₱2,390,750,496)	₱33,552,237,188	₱3,288,978,410
Meat	16,464,938,740	(245,457,761)	16,219,480,979	1,655,197,341
Milk and emerging	37,752,975,445	(5,376,453,457)	32,376,521,988	295,219,906
Corporate and others	8,859,600,974	(7,712,164,267)	1,147,436,707	9,325,021,658
Segment total	₱99,020,502,843	(₱15,724,825,981)	₱83,295,676,862	14,564,417,315
Eliminations				(6,260,856,983)
				<b>₱8,303,560,332</b>
	Total Revenue	Inter-segment Revenue	External Revenue	Segment Income Before Tax
<b>2024</b>				
Marine	₱35,505,230,714	(₱2,394,018,105)	₱33,111,212,609	₱1,648,462,334
Meat	15,954,087,168	(292,610,293)	15,661,476,875	1,627,133,039
Milk and emerging	28,840,304,523	(2,831,122,446)	26,009,182,077	821,727,036
Corporate and others	7,458,673,929	(6,748,635,333)	710,038,596	7,713,970,049
Segment total	₱87,758,296,334	(₱12,266,386,177)	₱75,491,910,157	11,811,292,458
Eliminations				(4,416,351,989)
				<b>₱7,394,940,469</b>



	Total Revenue	Inter-segment Revenue	External Revenue	Segment Income Before Tax
2023				
Marine	₱30,910,860,890	(₱2,893,471,186)	₱28,017,389,704	₱1,261,542,288
Meat	16,136,334,266	(240,717,645)	15,895,616,621	2,061,894,857
Milk and emerging	24,178,355,319	(1,621,803,395)	22,556,551,924	648,146,328
Corporate and others	6,873,970,312	(6,219,184,942)	654,785,370	4,354,637,954
Segment total	₱78,099,520,787	(₱10,975,177,168)	₱67,124,343,619	8,326,221,427
Eliminations				(1,799,790,390)
				₱6,526,431,037

Segment income represents the profit before tax by each segment without allocation of central administration costs and directors' salaries, other gains and losses, as well as finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

The segment assets and liabilities as at December 31, 2025 and 2024 are as follows:

	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Marine	₱13,267,621,137	₱6,808,955,440	₱11,265,199,734	₱6,778,112,294
Meat	3,948,606,317	4,125,157,032	3,354,235,329	3,589,059,662
Milk and emerging	21,057,666,742	11,688,346,013	15,389,957,643	7,635,483,137
Corporate and others	53,283,681,956	22,738,257,542	41,093,441,575	13,178,394,220
Segment total	91,557,576,152	45,360,716,027	71,102,834,281	31,181,049,313
Eliminations	(26,581,912,763)	(19,374,521,958)	(15,861,606,818)	(11,753,611,683)
	₱67,975,663,389	₱25,986,194,069	₱55,241,227,463	₱19,427,437,630

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments, other than other financial assets, and current and deferred tax assets, which are booked under Corporate and others segment. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.
- All liabilities are allocated to reportable segments, other than loans, other financial liabilities, current and deferred tax liabilities, which are booked under Corporate and others segment. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.
- Eliminations include transactions among the segments of the Parent Company.

The following tables present selected operating segment information which are also used by management in assessing segment performance:

	2025			
	Additions to Property, Plant, and Equipment	Depreciation and Amortization	Interest Income	Finance Costs
Marine	₱1,030,420,734	₱724,450,787	₱2,863,369	₱35,904,779
Meat	45,984,037	190,845,253	2,634,598	18,979,929
Milk and emerging	1,729,759,644	741,409,548	8,964,221	38,004,181
Corporate and others	1,212,485,056	469,301,645	23,642,770	294,264,593
	₱4,018,649,471	₱2,126,007,233	₱38,104,958	₱387,153,482



2024					
	Additions to Property, Plant, and Equipment	Depreciation and Amortization	Interest Income	Finance Costs	Impairment of Trademark
Marine	₱453,804,003	₱723,218,518	₱1,791,516	₱50,052,607	₱-
Meat	25,399,888	207,168,685	5,588,026	21,400,913	190,000,000
Milk and emerging	1,590,101,279	548,955,839	29,383,302	29,902,203	-
Corporate and others	414,448,144	368,101,886	68,107,216	215,142,292	-
	<b>₱2,483,753,314</b>	<b>₱1,847,444,928</b>	<b>₱104,870,060</b>	<b>₱316,498,015</b>	<b>₱190,000,000</b>

2023					
	Additions to Property, Plant, and Equipment	Depreciation and Amortization	Interest Income	Finance Costs	
Marine	₱440,538,885	₱671,109,058	₱1,139,293	₱45,193,718	
Meat	160,709,583	227,184,621	2,254,855	25,003,755	
Milk and emerging	441,755,697	478,775,189	12,494,456	27,221,316	
Corporate and others	474,363,408	323,141,627	62,417,987	386,457,350	
	<b>₱1,517,367,573</b>	<b>₱1,700,210,495</b>	<b>₱78,306,591</b>	<b>₱483,876,139</b>	

### Geographical Information

The Group operates in three principal geographical areas: Philippines, United States of America and China.

The Group's revenue from continuing operations from external customers by location of operation and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers for the years ended December 31			Noncurrent assets December 31	
	2025	2024	2023	2025	2024
Philippines	<b>₱82,552,355,451</b>	₱75,115,166,504	₱66,696,575,746	<b>₱21,711,884,781</b>	₱19,254,180,364
USA	<b>743,321,411</b>	314,353,111	281,704,023	<b>231,924,758</b>	2,024,753
China	-	62,390,542	146,063,850	-	-
	<b>₱83,295,676,862</b>	₱75,491,910,157	₱67,124,343,619	<b>₱21,943,809,539</b>	₱19,256,205,117

## 7. Cash and Cash Equivalents

	2025	2024
Cash on hand	<b>₱52,354,932</b>	₱4,675,766
Cash in banks	<b>2,363,864,023</b>	2,729,470,701
Cash equivalents	<b>468,322,334</b>	493,459,806
	<b>₱2,884,541,289</b>	₱3,227,606,273

Cash in banks earned average interest rate ranging from 0.05% to 0.06% per annum in 2025 and 2024, and is unrestricted and immediately available for use in the current operations of the Group.

Cash equivalents represent short-term fund placements and investments in unit-trust funds (UITFs) with local banks. Short-term fund placements will mature in three months or less from the date of acquisition with annual interest rates ranging from 1.25% to 3.05% in 2025 and 2024. These placements are from excess cash and can be withdrawn anytime.

Interest income earned from bank deposits and placements amounted to ₱36.2 million, ₱103.2 million, and ₱76.9 million, in 2025, 2024, and 2023, respectively.



## 8. Trade and Other Receivables

	2025	2024
Trade receivables from third parties	₱13,259,438,580	₱10,565,685,376
Advances to officers and employees	95,708,623	72,864,078
Others	529,038,283	539,271,127
	13,884,185,486	11,177,820,581
Allowance for ECLs	(506,124,330)	(459,687,177)
	<b>₱13,378,061,156</b>	<b>₱10,718,133,404</b>

Trade receivables represent short-term, non-interest bearing receivables from various customers and generally have 30 to 90 days term or less.

Advances to officers and employees are non-interest bearing and are liquidated within one month. Advances to officers include salary loans which earned average interest rate of 8% per annum. Interest income earned from salary loans amounted to ₱1.9 million, ₱1.7 million, and ₱1.4 million in 2025, 2024, and 2023, respectively.

Other receivables, which consist mainly of statutory receivables and receivables from various parties for transactions other than sale of goods, are non-interest bearing and generally have terms of 30 to 45 days.

Movement in the allowance for ECLs as at December 31 is as follows:

	2025	2024
Balance, January 1	₱459,687,177	₱190,639,597
Provision for ECLs (see Notes 22 and 23)	72,032,762	459,687,177
Reversal (see Notes 22 and 23)	(25,595,609)	(190,639,597)
Balance, December 31	<b>₱506,124,330</b>	<b>₱459,687,177</b>

## 9. Inventories

	2025	2024
Inventories at cost:		
Raw materials	₱10,867,283,611	₱7,789,877,348
Finished goods	10,255,263,945	10,562,042,762
Spare parts and supplies	1,224,542,727	1,190,836,324
Work in process	143,853,794	101,617,688
	22,490,944,077	19,644,374,122
Allowance for inventory obsolescence	(1,239,265,139)	(1,050,621,197)
	<b>₱21,251,678,938</b>	<b>₱18,593,752,925</b>

Cost of inventories recognized in the consolidated statements of comprehensive income in 2025, 2024 and 2023 amounted to ₱62,351.3 million, and ₱55,787.1 million, ₱50,987.3 million respectively.



Movements in the allowance for obsolescence of inventories, which are deducted from the cost of raw materials and finished goods, are as follows:

	2025	2024
Balance, January 1	<b>₱1,050,621,197</b>	₱776,239,631
Provision on slow moving inventories (see Notes 20, 22 and 23)	<b>218,651,543</b>	289,077,363
Reversal (see Notes 20, 22 and 23)	<b>(30,007,601)</b>	(14,695,797)
<b>Balance, December 31</b>	<b>₱1,239,265,139</b>	₱1,050,621,197

#### 10. Prepayments and Other Current Assets

	2025	2024
Advances to suppliers	<b>₱3,293,193,376</b>	₱2,178,165,670
Prepaid taxes	<b>1,055,319,656</b>	513,046,046
Input VAT - net	<b>843,756,271</b>	401,485,077
Prepaid insurance	<b>29,781,956</b>	16,343,000
Prepaid rent	<b>15,155,250</b>	19,862,341
Others	<b>146,371,202</b>	87,251,179
	<b>5,383,577,711</b>	3,216,153,313
Allowance for VAT claims	<b>(47,192,921)</b>	(20,199,529)
	<b>₱5,336,384,790</b>	₱3,195,953,784

Advances to suppliers pertain to advance payments for the purchase of raw materials which are generally applied against future billings within next year.

Prepaid taxes include creditable withholding taxes withheld by the Group's customers and tax credit certificates (TCC) issued by the Bureau of Customs (BOC) to GTC and SMDC. TCCs are granted to Board of Investment (BOI) registered companies and are given for taxes and duties paid on raw materials used for the manufacture of their export products. GTC can apply its TCC against tax liabilities other than withholding tax or can be refunded as cash.

Movements in the allowance for VAT claims are as follows:

	2025	2024
Balance, January 1	<b>₱20,199,529</b>	₱8,217,485
Provision (see Note 23)	<b>26,993,392</b>	11,982,044
<b>Balance, December 31</b>	<b>₱47,192,921</b>	₱20,199,529

Others include advance payments related to maintenance of software and system used by the Group.



## 11. Goodwill and Intangible Assets

	2025	2024
Goodwill (see Note 36)	₱3,630,382,915	₱3,610,415,199
Trademarks (see Note 36)	2,091,378,744	2,019,694,655
Licensing agreement	358,597,334	380,113,174
Customer relationship (see Note 36)	184,446,342	–
	<b>₱6,264,805,335</b>	<b>₱6,010,223,028</b>

### Goodwill

The goodwill is associated with the excess of the investment cost over the fair value of the net assets of CPAVI, CHI, and Loma Linda business at the time of acquisitions.

Based on management review of recoverable amount, goodwill arising from the acquisition of CPAVI, CHI and Loma Linda is not impaired in 2025, 2024 and 2023.

### Trademarks

The Group's trademarks include Kaffe de Oro, Home Pride, KAMAYAN, Swift and Ligo, which were acquired through purchases and business combinations in prior years.

In 2024, the Group recognized impairment losses on trademarks amounting to ₱190.0 million, while no impairment loss was recognized in 2025 and 2023 (see Note 23). The impairment loss in 2024 represents an additional impairment on a trademark that had been previously impaired in prior years, primarily due to the continued unfavorable operating and financial performance of the product associated with the Swift trademark. Despite management's initiatives to enhance the trademark's market position, changes in market conditions and revised business forecasts resulted in lower expected future cash flows. Accordingly, the recoverable amount of the trademark was assessed to be lower than its carrying amount.

As of December 31, 2025 and 2024, the carrying amount of the Swift trademark amounted to ₱210.0 million, net of accumulated impairment losses of ₱390.0 million.

### Acquisition of "Loma Linda" Business

In 2025, CPNA acquired the Loma Linda business from Atlantic Natural Foods, Inc. ("ANF"). The acquisition included the Loma Linda brand and other related brands, together with associated formulations, licenses, select manufacturing assets, and inventory.

The transaction was accounted for as a business combination in accordance with PFRS 3. Identifiable intangible assets, consisting of trademarks and customer relationships, amounting to ₱259.3 million, and goodwill amounting to ₱20.0 million were recognized. The goodwill primarily relates to expected synergies from the integration of the acquired business and anticipated growth in the plant-based food category. Further details are disclosed in Note 36.

Movements in the carrying amounts of the Group's customer relationship arising from the Loma Linda business are as follows:

	Amount
Cost -	
At acquisition date (see Note 36)	₱187,572,551
Accumulated depreciation:	
Amortization (see Note 22)	3,126,209
Carrying amount	<b>₱184,446,342</b>



### Licensing Agreement

The Group holds an exclusive license to manufacture and sell Hunt's branded products in the Philippines and other agreed territories under a trademark licensing agreement entered into in 2017. The license allows the Group to use the licensed trademarks and manufacture products in accordance with the licensor's formulas and specifications.

Movements in the carrying amounts of the Group's intangible assets arising from the licensing agreement are as follows:

	2025	2024
<b>Cost -</b>		
Beginning and ending balance	<b>₱537,896,000</b>	₱537,896,000
<b>Accumulated depreciation:</b>		
Beginning balance	<b>157,782,826</b>	136,266,986
Amortization (see Note 22)	<b>21,515,840</b>	21,515,840
Ending balance	<b>179,298,666</b>	157,782,826
<b>Carrying amount</b>	<b>₱358,597,334</b>	₱380,113,174

In 2025 and 2024, the remaining useful life of the intangible asset acquired is 16.33 and 17.33 years, respectively.

As at December 31, 2025, 2024 and 2023, royalty fee expense to ConAgra amounted to ₱25.3 million, ₱24.0 million, and ₱22.9 million (see Note 22).

### Royalties

The Group has royalty agreement with All Market Singapore Inc., with royalty fee of ₱10.0 million, ₱18.4 million, ₱12.7 million in 2025, 2024 and 2023, respectively. Furthermore, the Group has also trademark licensing agreement with Shakey's Pizza Asia Ventures, Inc., with royalty fees of ₱0.9 million, ₱1.0 million, and ₱1.2 million in 2025, 2024 and 2023, respectively (see Note 22).

## 12. Right of Use Asset

	Warehouse	Office Space	Equipment	Plant	Total
<b>Cost</b>					
Balance January 1, 2024	₱1,469,723,257	₱73,433,994	₱401,466,810	₱414,997,823	₱2,359,621,884
Additions	336,202,166	66,041,733	28,540,879	181,923,398	612,708,176
Termination/expiration	(308,110,146)	(45,651,000)	(48,085,341)	-	(401,846,487)
Balance, December 31, 2024	1,497,815,277	93,824,727	381,922,348	596,921,221	2,570,483,573
<b>Additions</b>	<b>207,010,314</b>	<b>11,577,219</b>	<b>14,405,769</b>	<b>17,085,205</b>	<b>250,078,507</b>
Termination/expiration	(68,807,242)	(9,271,513)	(63,201,593)	(13,815,061)	(155,095,409)
Revaluation adjustments	-	-	497,311	-	497,311
<b>Balance, December 31, 2025</b>	<b>1,636,018,349</b>	<b>96,130,433</b>	<b>333,623,835</b>	<b>600,191,365</b>	<b>2,665,963,982</b>
<b>Accumulated Depreciation</b>					
Balance January 1, 2024	562,109,924	36,597,328	97,976,152	142,495,104	839,178,508
Depreciation (see Notes 20, 22 and 30)	276,949,066	10,703,371	44,912,319	55,884,134	388,448,890
Termination/expiration	(290,838,868)	(23,148,451)	(48,085,341)	-	(362,072,660)
Revaluation adjustments	-	-	(176,562)	-	(176,562)
Balance December 31, 2024	548,220,122	24,152,248	94,626,568	198,379,238	865,378,176
<b>Depreciation (see Notes 20, 22, and 30)</b>	<b>367,541,883</b>	<b>13,131,010</b>	<b>37,031,348</b>	<b>35,652,147</b>	<b>453,356,388</b>
Termination/expiration	(68,807,242)	(9,271,513)	(63,201,593)	(13,815,061)	(155,095,409)
<b>Balance, December 31, 2025</b>	<b>₱846,954,763</b>	<b>₱28,011,745</b>	<b>₱68,456,323</b>	<b>₱220,216,324</b>	<b>₱1,163,639,155</b>
<b>Carrying Amount, December 31, 2025</b>	<b>₱789,063,586</b>	<b>₱68,118,688</b>	<b>₱265,167,512</b>	<b>₱379,975,041</b>	<b>₱1,502,324,827</b>
Carrying Amount, December 31, 2024	₱949,595,155	₱69,672,479	₱287,295,780	₱398,541,983	₱1,705,105,397



Amounts recognized in profit or loss

Amortization charged to cost of goods sold under factory overhead and operating expenses in relation to right of use assets are as follows:

	2025	2024	2023
Cost of goods sold (see Note 20)	<b>₱284,158,835</b>	₱254,916,990	₱228,249,090
Operating expenses (see Note 22)	<b>138,414,604</b>	113,673,010	109,245,428
Other expenses (see Note 23)	<b>30,782,949</b>	19,858,890	20,119,982
Total amortization	<b>₱453,356,388</b>	₱388,448,890	₱357,614,500



### 13. Property, Plant and Equipment

	Land Improvements	Buildings and Building and Leasehold Improvements	Plant Machinery and Equipment	Office Furniture, Fixtures and Equipment	Laboratory, Tools and Equipment	Transportation and Delivery Equipment	Construction in Progress	Total
<b>Cost</b>								
Balance, January 1, 2024	₱59,739,201	₱4,275,195,668	₱10,607,538,165	₱111,087,340	₱718,684,620	₱186,479,012	₱678,082,144	₱16,636,806,150
Additions	1,850,000	69,830,155	478,482,430	10,083,701	58,116,964	46,714,517	1,661,165,715	2,326,243,482
Acquisition arising from business combination (see Note 36)	–	122,144,059	30,537,453	–	1,632,977	3,195,343	–	157,509,832
Reclassifications	1,667,826	128,615,369	533,038,250	5,088,494	6,010,730	13,457,283	(687,877,952)	–
Disposals	–	(19,506,382)	(154,361,826)	(2,993,551)	(37,766,944)	(16,368,220)	–	(230,996,923)
Balance, December 31, 2024	63,257,027	4,576,278,869	11,495,234,472	123,265,984	746,678,347	233,477,935	1,651,369,907	18,889,562,541
Additions	<b>26,492,224</b>	<b>489,359,771</b>	<b>1,310,547,694</b>	<b>13,705,039</b>	<b>138,332,098</b>	<b>24,583,618</b>	<b>1,950,943,527</b>	<b>3,953,963,971</b>
Acquisition arising from business combination (see Note 36)	–	–	<b>64,685,500</b>	–	–	–	–	<b>64,685,500</b>
Reclassifications	<b>700,261</b>	<b>445,134,732</b>	<b>1,089,307,928</b>	<b>3,894,475</b>	<b>8,739,075</b>	<b>280,625</b>	<b>(1,548,057,096)</b>	–
Disposals	–	<b>(84,396,918)</b>	<b>(21,907,635)</b>	<b>(4,891,599)</b>	<b>(30,162,433)</b>	<b>(15,906,909)</b>	<b>(889,779)</b>	<b>(158,155,273)</b>
<b>Balance, December 31, 2025</b>	<b>90,449,512</b>	<b>5,426,376,454</b>	<b>13,937,867,959</b>	<b>135,973,899</b>	<b>863,587,087</b>	<b>242,435,269</b>	<b>2,053,366,559</b>	<b>22,750,056,739</b>
<b>Accumulated Depreciation and Impairment</b>								
<b>Losses</b>								
Balance, January 1, 2024	54,845,606	1,576,406,081	5,235,379,719	93,547,340	564,552,456	131,801,439	–	7,656,532,641
Depreciation (see Notes 20 and 22)	1,319,649	306,854,724	1,022,623,486	9,017,071	72,194,223	25,471,045	–	1,437,480,198
Reclassification	–	(46,098)	(2,312,848)	(136,089)	138,206	2,356,829	–	–
Disposals	–	(19,315,978)	(154,198,476)	(2,818,819)	(35,781,555)	(15,818,480)	–	(227,933,308)
Balance, December 31, 2024	56,165,255	1,863,898,729	6,101,491,881	99,609,503	601,103,330	143,810,833	–	8,866,079,531
Depreciation (see Notes 20 and 22)	<b>1,630,934</b>	<b>367,972,474</b>	<b>1,159,202,920</b>	<b>12,034,116</b>	<b>77,890,918</b>	<b>29,277,433</b>	–	<b>1,648,008,795</b>
Disposals	–	<b>(81,182,546)</b>	<b>(20,005,820)</b>	<b>(4,891,038)</b>	<b>(30,023,000)</b>	<b>(15,242,086)</b>	–	<b>(151,344,490)</b>
<b>Balance, December 31, 2025</b>	<b>₱57,796,189</b>	<b>₱2,150,688,657</b>	<b>₱7,240,688,981</b>	<b>₱106,752,581</b>	<b>₱648,971,248</b>	<b>₱157,846,180</b>	<b>₱–</b>	<b>₱10,362,743,836</b>
<b>Carrying Amount, December 31, 2025</b>	<b>₱32,653,323</b>	<b>₱3,275,687,797</b>	<b>₱6,697,178,978</b>	<b>₱29,221,318</b>	<b>₱214,615,839</b>	<b>₱84,589,089</b>	<b>₱2,053,366,559</b>	<b>₱12,387,312,903</b>
Carrying Amount, December 31, 2024	₱7,091,772	₱2,712,380,140	₱5,393,742,591	₱23,656,481	₱145,575,017	₱89,667,102	₱1,651,369,907	₱10,023,483,010



Details of depreciation charged to profit or loss are disclosed below:

	2025	2024	2023
Cost of goods sold (see Note 20)	<b>₱1,540,967,942</b>	₱1,354,893,125	₱1,261,259,530
Operating expenses (see Note 22)	<b>104,378,412</b>	81,785,155	59,811,840
Other expenses (see Note 23)	<b>2,662,441</b>	801,918	8,785
	<b>₱1,648,008,795</b>	₱1,437,480,198	₱1,321,080,155

Construction in progress pertains to accumulated costs incurred on the ongoing construction of the Group's new production plant and administration building as part of the Group's expansion program. No borrowing costs were capitalized in 2025 and 2024, as the construction-in-progress balances did not meet the criteria for capitalization due to short construction periods, generally of less than one year.

In December 2025, the Group acquired a group of assets consisting primarily of coconut processing facility and other related assets located in Tupi, South Cotabato amounting to ₱1,024.7 million as part of the Group's efforts to expand its coconut business. The acquisition was accounted for as an asset acquisition. The purchase price was allocated to property, plant and equipment and inventory based on their relative fair values, with no goodwill or gain recognized.

The sale of certain equipment resulted to a loss of ₱1.6 million in 2025 and ₱1.0 million in 2024, and a gain of ₱9.6 million in 2023 (see Notes 21 and 23).

#### 14. Other Noncurrent Assets

	2025	2024
Security deposits (see Note 30)	<b>₱151,624,000</b>	₱90,396,717
Advances to suppliers	<b>129,499,147</b>	-
Revolving funds	<b>45,618,403</b>	28,522,859
Deposits on utilities	<b>34,139,803</b>	34,005,813
Deposits for containers	<b>25,092,525</b>	21,369,779
	<b>₱385,973,878</b>	₱174,295,168

Security deposits pertain to deposits required under the terms of the lease agreements of the Group with certain lessors.

Advances to suppliers represent payments made to contractors and vendors for the acquisition, construction, and installation of property, plant, and equipment

Revolving funds are provided to the service provider, and this will be refunded upon termination of the related services.

Deposits on utilities pertain to deposits to various utility providers and refundable upon termination of the related utility services

Deposits for containers pertain to deposits for borrowed containers from shipping lines which are being used for the delivery of goods/raw materials.



## 15. Short-Term Loans Payable and Borrowings

### Short-term loans

	2025	2024
Balance at beginning of year	<b>₱200,000,000</b>	₱2,870,000,000
Availments	<b>22,923,319,000</b>	6,240,000,000
Payments	<b>(18,316,349,000)</b>	(8,910,000,000)
Balance at end of year	<b>₱4,806,970,000</b>	₱200,000,000

The Group obtained several short-term loans amounting to ₱22,923.3 million and ₱6,240.0 million in 2025 and 2024, respectively, with interest ranging from 4.25% to 5.06% per annum in 2025 and 4.8 % to 6.0 % per annum in 2024.

Interest expense on short-term loans amounted to ₱94.8 million, ₱73.5 million and ₱214.0 million in 2025, 2024 and 2023, respectively.

### Long-term Borrowings

	2025	2024
Balance at beginning of year	<b>₱3,123,838,614</b>	₱3,164,343,309
Payments and amortization	<b>(24,076,202)</b>	(40,504,695)
Balance at end of year	<b>3,099,762,412</b>	3,123,838,614
Less current portion	<b>23,747,808</b>	24,076,203
Noncurrent portion	<b>₱3,076,014,604</b>	₱3,099,762,411

In 2025, 2024 and 2023, amortization (reversal) of debt issue cost amounted to ₱1.9 million, (₱20.5 million), ₱10.1 million, respectively.

Shown below are the details of this long-term borrowing:

	Loan 1	Loan 2	Loan 3
Principal	₱1,000.0 million	₱1,000.0 million	₱1,200.0 million
Date	April 5, 2021	May 5, 2021	April 18, 2022
Interest rate	<p>a. Fixed pricing for the initial five-year period ("5Y initial interest rate"): The higher of (i) 5-year BVAL on the relevant interest settlingdate plus a spread of 0.80% p.a. and (ii) 3.90% p.a.</p> <p>b. Subject to the repricing at the end of the 5th year, at the higher of (i) 5Y interest rate; and (ii) 5-year BVAL rate at the repricing date plus a spread of 0.80% p.a.</p>	<p>a. Fixed pricing for the initial five-year period ("5Y initial interest rate"): 4.04% p.a.</p> <p>b. Subject to the repricing at the end of the 5th year, at the higherb. of: (i) 5Y interest rate; and (ii) 5-year BVAL at therepricing date plus a spread of 0.80% p.a.</p>	<p>a. From 1Y to 3Y equivalent to the higher of: (1) the 3 day average of the 3-year PHP BVAL + 0.30% spread per annum; and (2) 3.50 per annum</p> <p>b. From 4Y to 6Y equivalent to the higher of: (1) the 3 day average of the 3-year PHP BVAL + 0.50% spread per annum; and (2) 3.50 per annum</p> <p>c. From 7Y to maturity date equivalent to the higher of: (1) the 3 day average of the 4-year PHP BVAL + 0.50% spread per annum; and (2) 3.50 per annum</p>
Prepayment penalty	The Borrower may, subject to the penalty of 3% for Peso Borrowing and 1% for Foreign Borrowing, prepay the Term Loan in part or full together with accrued interest thereof to prepayment date.		
Principal payment	Semi-annual	Semi-annual	Annual



Management has assessed that the interest rate floor on the loans is an embedded derivative which is not for bifurcation since the market rate approximates the floor rate at the transaction date. On the other hand, the prepayment option was assessed as closely related to the loan and thus, was not bifurcated.

Until termination of the facility and payment in full of the loan and all other amounts due hereunder, the Group is required to comply with certain covenants, unless the lender shall otherwise give its prior consent in writing. These include preservation of rights, privileges and franchises, maintenance of adequate books, accounts and records, compliance of all laws, statutes, rules and regulations and promptly provide written notice to the bank of any dispute or unresolved case.

In addition, the Group must not make changes in the character of its business, in its ownership or control or capital stock, not permit any indebtedness to be secured by any lien, not declare dividends upon occurrence of and Event of Default, not sell, lease or transfer substantially all of its assets with any other person, not extend loan to any corporation owned by the Borrower or to any of its directors, not act as guarantor or surety and will not undertake any capital expenditure outside ordinary course of business.

As at December 31, 2025 and 2024, the Group is in compliance with all the debt covenants.

Interest expense on long-term loans amounted to ₱148.3 million, ₱134.0 million, and ₱134.5 million in 2025, 2024 and 2023, respectively.

Total finance costs incurred on these loans amounted to ₱245.0 million, ₱187.0 million, ₱358.6 million in 2025, 2024 and 2023, respectively, as presented in the consolidated statements of comprehensive income.

Total accrued interest on these loans amounted to ₱41.5 million and ₱26.6 million as at December 31, 2025 and 2024, respectively, as part of accrued expenses (see Note 16).

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## 16. Trade and Other Payables

	<b>2025</b>	2024
Trade payables to third parties	<b>₱4,246,360,965</b>	₱3,678,907,476
Accrued expenses	<b>10,347,658,154</b>	9,397,205,443
Withholding taxes payable	<b>636,252,055</b>	295,269,986
Non-trade payables	<b>412,218,576</b>	211,638,718
Others	<b>291,384,871</b>	203,961,413
<b>Total</b>	<b>₱15,933,874,621</b>	₱13,786,983,036

The credit period on purchases of certain goods from suppliers ranges from 30 to 120 days. No interest is charged on trade payables. Accrued expenses are non-interest bearing and are normally settled within one year. The Group has financial risk management policies in place to ensure that all payables are paid within the credit period.



Non-trade payables pertain to payables to government and reimbursements to employees which are payable on demand and no interest is charged.

Details of accrued expenses are shown below:

	2025	2024
Product-related costs	₱7,211,939,870	₱6,103,899,844
Advertising and promotion	2,167,149,509	2,588,735,646
Professional services and other fees	514,944,172	204,315,407
Employee benefits	152,674,059	127,648,266
Rent	120,129,866	36,599,709
Interest (see Note 15)	41,523,846	26,640,455
Utilities	14,237,580	23,275,321
Share purchase payable (see Note 36)	–	185,620,000
Others	125,059,252	100,470,795
	<b>₱10,347,658,154</b>	<b>₱9,397,205,443</b>

Other payables include liabilities related to utilities, various agencies and regulatory bodies.

## 17. Retirement Benefit Obligation

The Group has set up the Century Pacific Group of Companies Multiemployer Retirement Plan which is a funded, non-contributory and of the defined benefit type which provides a retirement benefit ranging from 100% to 130% of plan salary for every credited service. Benefits are paid in a lump sum upon retirement or separation in accordance with terms of the plan.

Under the existing regulatory framework, Republic Act (RA) No. 641, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity provided, however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the fund.

The Retirement Plan Trustee, as appointed by the Group in the Trust Agreement executed by the Group and the duly appointed Retirement Plan Trustee, is responsible for the general administration of the retirement plan and the management of the retirement plan.

As at December 31, 2025, 2024 and 2023, the Group's retirement fund has investments in various shares of stocks under the stewardship of a reputable bank. All of the Fund's investing decisions are made by the Board of Trustees which is composed of certain officers of the Group. The power to exercise the voting rights rests with the Board of Trustees.

The plan typically exposes the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary rate risk.



*Investment risk*

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan’s investments are in the form of debt instruments of government security bonds, equity instruments and fixed income instruments. Due to the long-term nature of the plan liabilities, the board of the pension fund considers it appropriate that a reasonable portion of the plan assets should be invested in government security bonds.

*Interest rate risk*

A decrease in the government security bond interest rate will increase the retirement benefit plan obligation. However, this will be partially offset by an increase in return on the plan’s debt investment.

*Longevity risk*

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the retirement benefit obligation.

*Salary rate risk*

The present value of the defined benefit plan obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the retirement benefit obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out by an independent actuary for the year ended December 31, 2025.

The present value of the defined benefit obligation and the related current service cost was measured using the Projected Unit Credit Method.

The principal assumptions used in determining retirement benefit costs as at January 1, 2025, 2024 and 2023 were as follows:

	2025		2024		2023	
	Discount Rate	Expected Rate of Salary Increase	Discount Rate	Expected Rate of Salary Increase	Discount Rate	Expected Rate of Salary Increase
CPFI	6.49%	6.00%	6.14%	6.00%	7.32%	6.00%
GTC	6.48%	6.00%	6.15%	6.00%	7.35%	6.00%
CPAVI	6.56%	6.00%	6.18%	6.00%	7.38%	6.00%
PMCI	6.49%	6.00%	6.18%	6.00%	7.39%	6.00%

The mortality rate used for the above subsidiaries is based on The 2001 CSO Table – Generational (Scale AA, Society of Actuaries).



Amounts recognized in the consolidated statements of comprehensive income in respect of this retirement benefit plan are as follows:

	2025	2024	2023
Service costs:			
Current service cost and others	<b>₱142,844,222</b>	₱122,370,409	₱91,006,537
Net interest expense	<b>4,616,367</b>	13,562,841	13,911,211
Components of defined benefit costs recognized in profit or loss	<b>147,460,589</b>	135,933,250	104,917,748
Remeasurement on the net defined benefit asset:			
Loss (gain) on plan assets (excluding amounts included in net interest expense)	<b>67,734,056</b>	(44,578,528)	14,167,317
Effect of asset ceiling	<b>734,540</b>	185,481	942,623
Actuarial (gains) losses from:			
Changes in financial assumption	<b>(60,549,878)</b>	8,531,777	124,611,401
Changes in experience adjustment	<b>(9,706,706)</b>	(12,089,813)	(13,428,339)
Components of defined benefit costs recognized in other comprehensive income	<b>(1,787,988)</b>	(47,951,083)	126,293,002
	<b>₱145,672,601</b>	₱87,982,167	₱231,210,750

The amounts included in the consolidated statements of financial position arising from the Group's retirement benefit plans are as follows:

#### Net Retirement Asset

	2025	2024
Fair value of plan assets	<b>₱103,629,017</b>	₱89,793,548
Present value of retirement benefit obligation	<b>(69,371,068)</b>	(69,289,388)
Effect of the asset ceiling	<b>(4,651,127)</b>	(3,856,352)
Retirement asset - net	<b>₱29,606,822</b>	₱16,647,808

#### Net Retirement Obligation

	2025	2024
Present value of retirement benefit obligation	<b>₱1,254,581,147</b>	₱1,136,142,962
Fair value of plan assets	<b>(1,121,551,647)</b>	(952,981,920)
Effect of the asset ceiling	<b>174,208</b>	–
Retirement benefit obligation - net	<b>₱133,203,708</b>	₱183,161,042

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 present value of the reduction in future contributions is determined using the discount rate applied to measure the year-end defined benefit obligation.

Movements in the present value of retirement benefit obligations are as follows:

	2025	2024
Balance, January 1	<b>₱1,205,432,350</b>	₱1,065,109,257
Current service cost	<b>142,844,222</b>	122,370,409
Interest cost	<b>73,294,177</b>	65,430,116
Benefits paid	<b>(27,361,950)</b>	(43,919,396)
Remeasurement loss (gain) from:		
Changes in financial assumption	<b>(60,549,878)</b>	8,531,777
Changes in experience adjustment	<b>(9,706,706)</b>	(12,089,813)
Balance, December 31	<b>₱1,323,952,215</b>	₱1,205,432,350



Movements in the fair value of plan assets are as follows:

	2025	2024
Balance, January 1	P <b>1,038,919,116</b>	P745,707,461
Contributions paid into the plan	<b>208,624,928</b>	240,834,751
Benefits paid	<b>(27,361,950)</b>	(43,919,396)
Interest income	<b>68,912,252</b>	52,080,931
Return on plan assets (excluding amounts included in net interest expense/income)	<b>(67,734,056)</b>	44,578,528
Others	<b>3,820,374</b>	(363,159)
<b>Balance, December 31</b>	<b>P1,225,180,664</b>	P1,038,919,116

The following is the composition of plan assets as at the December 31, 2025 and 2024:

	2025	2024
Cash and cash equivalents	<b>0.04%</b>	2.00%
Debt instruments - government bonds	<b>64.61%</b>	66.24%
Debt instruments - other bonds	<b>1.84%</b>	3.35%
Unit investment trust funds	<b>30.94%</b>	29.41%
Others	<b>2.57%</b>	(1.00%)
	<b>100.00%</b>	100.00%

The Retirement Trust Fund assets are valued by the fund manager at fair value using the mark-to-market valuation. While no significant changes in asset allocation are expected in the next financial year, the Retirement Plan Trustee may make changes at any time.

The Retirement Plan Trustee has no specific matching strategy between the plan assets and the plan liabilities.

Management is not required to pre-fund the future defined benefits payable under the Retirement Plan before they become due. For this reason, the amount and timing of contributions to the Retirement Fund to support the defined benefits are at the management's discretion. However, in the event a defined benefit claim arises, and the Retirement Fund is insufficient to pay the claim, the shortfall will then be due and payable from the Group to the Retirement Fund.

Actual return on plan assets as at December 31, 2025 and 2024 are as follows:

	2025	2024
Interest income	P <b>68,912,252</b>	P52,080,931
Remeasurement gain (loss)	<b>(67,734,056)</b>	44,578,528
<b>Actual return</b>	<b>P1,178,196</b>	P96,659,459



Movements in the OCI relating to retirement obligation for 2025, 2024 and 2023 are as follows:

	2025	2024	2023
Accumulated OCI, beginning	<b>₱373,774,635</b>	₱421,725,718	₱295,432,716
Actuarial losses (gains) on DBO	<b>(70,256,584)</b>	(3,558,036)	111,183,062
Remeasurement losses on plan assets	<b>67,734,056</b>	(44,578,528)	14,167,317
Effect of asset ceiling	<b>734,540</b>	185,481	942,623
	<b>(1,787,988)</b>	(47,951,083)	126,293,002
Accumulated OCI, end	<b>₱371,986,647</b>	₱373,774,635	₱421,725,718

Amounts of OCI, net of tax recognized in the consolidated statements of comprehensive income for 2025, 2024 and 2023 are computed below:

	2025	2024	2023
Actuarial losses (gains) on DBO	<b>(₱70,256,584)</b>	(₱3,558,036)	₱111,183,062
Remeasurement gains (losses) on plan assets	<b>67,734,056</b>	(44,578,528)	14,167,317
Effect of asset ceiling	<b>734,540</b>	185,481	942,623
	<b>(1,787,988)</b>	(47,951,083)	126,293,002
Deferred tax	<b>(1,434,953)</b>	8,954,163	(26,296,679)
OCI, net of tax	<b>(₱3,222,941)</b>	(₱38,996,920)	₱99,996,323

Details on the expected contribution to the defined benefit pension plan in 2025 and the weighted average duration of the defined benefit obligation at the end of the reporting period of the Group are as follows:

	Expected contribution	Duration of the plan (in years)
CPFI	₱178,316,032	10.2
PMCI	–	16.3
GTC	14,431,124	12.4
CPAVI	15,877,772	16.7

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Change in basis points (bp)	Impact on post-employment defined benefit obligation	
		Increase in Assumption	Decrease in Assumption
<b>2025</b>			
<b>CPFI</b>			
Discount rate	+/- 100bp	<b>(₱106,856,651)</b>	<b>₱126,638,529</b>
Salary increase rate	+/- 100bp	<b>125,980,989</b>	<b>(108,249,651)</b>
<b>PMCI</b>			
Discount rate	+/- 100bp	<b>(1,573,763)</b>	<b>1,949,409</b>
Salary increase rate	+/- 100bp	<b>1,940,483</b>	<b>(1,594,760)</b>
<b>GTC</b>			
Discount rate	+/- 100bp	<b>(12,215,260)</b>	<b>14,504,668</b>
Salary increase rate	+/- 100bp	<b>14,427,820</b>	<b>(12,373,250)</b>
<b>CPAVI</b>			
Discount rate	+/- 100bp	<b>(8,715,999)</b>	<b>10,872,994</b>
Salary increase rate	+/- 100bp	<b>10,823,083</b>	<b>(8,831,783)</b>



	Impact on post-employment defined benefit obligation		
	Change in basis points (bp)	Increase in Assumption	Decrease in Assumption
2024			
<b>CPFI</b>			
Discount rate	+/- 100bp	(₱119,742,185)	₱100,731,999
Salary increase rate	+/- 100bp	118,619,392	(101,682,665)
<b>PMCI</b>			
Discount rate	+/- 100bp	(1,942,648)	1,559,655
Salary increase rate	+/- 100bp	1,924,012	(1,574,015)
<b>GTC</b>			
Discount rate	+/- 100bp	(13,928,632)	11,654,286
Salary increase rate	+/- 100bp	13,799,106	(11,764,948)
<b>CPAVI</b>			
Discount rate	+/- 100bp	(10,982,911)	8,755,740
Salary increase rate	+/- 100bp	10,876,075	(8,835,315)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the consolidated statements of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

## 18. Equity

### Share Capital

	Number of Shares	Amount
Authorized:		
At P1 par value	6,000,000,000	₱6,000,000,000
Issued, fully-paid and outstanding:		
Balance, December 31, 2025 and 2024	3,542,258,595	₱3,542,258,595

The Parent Company has one class of common shares which carry one vote per share and carry a right to dividends.

Share premium as at December 31, 2025 and 2024 amounted to ₱4.9 billion which pertains to the excess proceeds from issuance of share capital over the par value, net of issuance cost.

The history of the share issuances from the initial public offering IPO of the Parent Company is as follows:

Transaction	Subscriber	Registration	Number of Shares Issued
Issuance at incorporation	Various	2013	1,500,000,000
IPO	Various	2014	229,650,000
Issuance subsequent to IPO	Various	2014	500,004,404
Equity settled share-based compensation	Various	2014	1,367,200
Issuance	Various	2015	128,205,129
Equity-settled share-based compensation	Various	2015	1,059,200
Stock grants	Various	2015	400,000
Stock dividends	Various	2016	1,180,342,962
Equity-settled share-based compensation	Various	2017	1,229,700
			3,542,258,595



Retained Earnings

On December 21, 2022, the BOD authorized to appropriate retained earnings for capital expenditures, which is expected to be completed in 2027, specifically for the construction of a new tuna plant, corporate projects, and other projects in connection with the canned meat, sardines, and mixed business of the Parent Company and its subsidiaries.

In 2023 and 2024, there were no additional appropriations or reversals recognized. In 2025, the Group recognized a reversal of previously appropriated retained earnings amounting to ₱17.0 billion, based on reassessment of project timelines and funding requirements. During the same year, the BOD approved a new appropriation of retained earnings amounting to ₱23.0 billion for capital expenditures.

The appropriations as at December 31, 2025 and 2024 are as follows:

	2025	2024
CPFI	<b>₱18,500,000,000</b>	₱12,500,000,000
CPAVI	<b>1,500,000,000</b>	1,500,000,000
CPFPVI	<b>1,200,000,000</b>	1,200,000,000
GTC	<b>1,500,000,000</b>	1,500,000,000
AWI	<b>300,000,000</b>	300,000,000
	<b>₱23,000,000,000</b>	₱17,000,000,000

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries amounting to ₱6,916.7 million and ₱6,760.0 million as of December 31, 2025 and 2024, respectively, which are not available for dividend declaration by the Parent Company until these are declared by the investee companies.

**19. Net Sales**

	2025	2024	2023
Sales	<b>₱93,438,014,458</b>	₱84,192,423,043	₱75,501,039,370
Less:			
Sales discount	<b>(5,040,307,643)</b>	(4,531,788,154)	(4,276,245,186)
Variable considerations	<b>(1,660,100,218)</b>	(1,619,226,378)	(1,641,289,779)
Consideration payable to customers	<b>(3,441,929,735)</b>	(2,549,498,354)	(2,459,160,786)
	<b>₱83,295,676,862</b>	₱75,491,910,157	₱67,124,343,619

Details of the variable considerations and considerations payable to customers are shown below:

	2025	2024	2023
Variable considerations:			
Sales returns	<b>₱857,551,043</b>	₱894,938,230	₱964,552,411
Contractual trade terms	<b>712,808,234</b>	630,786,548	570,344,823
Price adjustments	<b>17,261,973</b>	22,586,283	45,387,887
Prompt payment discount	<b>72,478,968</b>	70,915,317	61,004,658
	<b>₱1,660,100,218</b>	₱1,619,226,378	₱1,641,289,779
Considerations payable to customers:			
Trade promotions	<b>₱2,674,805,421</b>	₱1,851,983,950	₱1,792,430,785
Display allowance	<b>356,408,027</b>	364,023,236	342,561,146
Distribution program	<b>352,644,593</b>	302,065,463	313,602,864
Other trade promotions	<b>58,071,694</b>	31,425,705	10,565,991
	<b>₱3,441,929,735</b>	2,549,498,354	₱2,459,160,786



## 20. Cost of Goods Sold

	2025	2024	2023
Raw materials used	<b>₱50,914,503,807</b>	₱47,184,813,047	₱43,225,135,541
Direct labor outsourced	<b>3,065,967,353</b>	2,833,950,825	1,881,864,209
Direct labor directly employed (see Note 24)	<b>104,865,101</b>	116,284,762	222,059,016
Factory overhead:			
Depreciation (see Notes 12 and 13)	<b>1,825,126,777</b>	1,609,810,115	1,489,508,620
Supplies	<b>1,526,952,345</b>	1,475,335,136	1,434,785,116
Outside manpower services	<b>965,894,028</b>	846,856,288	700,934,409
Compensation (see Note 24)	<b>957,536,280</b>	786,729,324	672,937,061
Utilities	<b>758,980,331</b>	635,843,524	582,966,076
Rental and storage fee	<b>585,845,845</b>	665,834,151	466,675,500
Toll packing fees	<b>312,027,212</b>	209,516,524	181,307,627
Repairs and maintenance	<b>184,460,112</b>	137,111,220	126,799,309
Freight trucking	<b>98,472,349</b>	51,668,110	44,954,007
Travel	<b>83,747,297</b>	68,782,793	52,747,665
Insurance	<b>81,743,574</b>	99,200,497	99,612,112
Professional fees	<b>49,527,133</b>	39,230,928	32,487,638
Provisions for (reversals of) slow moving inventories (see Note 9)	<b>9,828,031</b>	(6,582,749)	49,320,978
Taxes and licenses	<b>32,390,430</b>	21,427,762	18,326,703
Miscellaneous	<b>121,982,580</b>	63,500,043	169,393,741
Total manufacturing cost	<b>61,679,850,585</b>	56,839,312,300	51,451,815,328
Changes in finished goods and work in-process inventory	<b>671,435,339</b>	(1,052,218,084)	(464,505,901)
	<b>₱62,351,285,924</b>	₱55,787,094,216	₱50,987,309,427

## 21. Other Income

	2025	2024	2023
Gain from sale of scrap	<b>₱150,021,417</b>	₱158,236,569	₱152,731,941
Service income (see Note 25)	<b>205,181,004</b>	62,235,078	19,836,443
Foreign currency gain - net	<b>101,663,882</b>	174,697,735	-
Charges to suppliers	<b>42,082,458</b>	31,700,887	25,375,957
Shared services fee (see Note 25)	<b>1,721,219</b>	2,120,040	2,473,380
Reversal of accruals	-	16,592,964	249,744,829
Gain on sale of property, plant and equipment	-	-	9,645,804
Others	<b>39,247,898</b>	39,642,730	27,771,723
	<b>₱539,917,878</b>	₱485,226,003	₱487,580,077



## 22. Operating Expenses

	2025	2024	2023
Freight and handling	<b>₱3,278,686,796</b>	₱2,898,100,771	₱2,413,553,479
Advertising and trade promotion	<b>2,710,806,150</b>	3,889,507,463	2,560,375,760
Salaries and employee benefits (see Notes 17 and 26)	<b>2,581,756,662</b>	2,233,633,339	1,921,941,192
Legal and professional fees	<b>807,555,469</b>	454,321,439	450,912,166
Rent (see Note 30)	<b>527,183,263</b>	252,920,341	216,877,274
Outside services	<b>450,895,294</b>	318,281,156	342,875,410
Taxes and licenses	<b>293,397,251</b>	245,981,132	216,968,038
Depreciation and amortization (see Notes 11, 12, and 13)	<b>264,308,856</b>	216,974,005	190,573,108
Travel and entertainment	<b>266,752,119</b>	231,802,190	187,926,242
Repairs and maintenance	<b>258,431,706</b>	240,610,805	200,610,734
Supplies	<b>152,059,682</b>	124,989,954	77,269,607
Insurance	<b>110,126,039</b>	88,656,206	65,639,786
Utilities	<b>76,404,806</b>	95,457,285	83,604,188
Provision for ECLs (see Note 8)	<b>46,437,153</b>	93,830,146	95,696,427
Royalties (see Note 11)	<b>36,184,153</b>	43,444,055	36,881,501
Fees and dues	–	82,232,133	47,536,911
Provisions for slow moving inventories (see Note 9)	<b>21,770,509</b>	–	20,990,073
Others	<b>495,225,546</b>	199,748,052	108,348,156
	<b>₱12,377,981,454</b>	₱11,710,490,472	₱9,238,580,052

## 23. Other Expenses

	2025	2024	2023
Provision for loss on inventory write-down (see Note 9)	<b>₱157,045,402</b>	₱280,964,315	₱160,085,007
Penalties and other taxes	<b>88,415,262</b>	59,422,178	121,459,352
Input tax for government and exempt sales	<b>53,201,737</b>	27,860,152	15,974,935
Inventories written off	<b>35,360,863</b>	43,284,700	–
Depreciation (see Note 11, 12 and 13)	<b>33,445,390</b>	20,660,803	20,128,767
Bank charges	<b>27,376,195</b>	15,606,241	8,787,883
Provision for impairment of input tax (see Note 10)	<b>26,993,392</b>	11,982,044	–
Rent (see Note 30)	<b>8,690,922</b>	3,579,511	2,877,063
Documentary stamp tax	<b>5,417,159</b>	3,302,442	16,520,153
Loss on disposal of fixed assets (see Note 13)	<b>1,558,942</b>	973,879	–
Provision for ECLs (see Note 8)	–	175,217,434	–
Provision for impairment losses (see Note 11)	–	190,000,000	–
Foreign currency loss - net	–	–	45,741,819
Reimbursables	–	–	45,148,229
Others	<b>16,213,242</b>	40,129,349	17,310,424
	<b>₱453,718,506</b>	₱872,983,048	₱454,033,632



## 24. Employee Benefits

	2025	2024	2023
Cost of goods sold:			
Short-term benefits	₱1,014,530,839	₱861,331,163	₱861,830,335
Post-employment benefits (see Note 17)	47,870,542	41,682,923	33,165,742
	<b>1,062,401,381</b>	903,014,086	894,996,077
Operating expenses:			
Short-term benefits	2,482,166,615	2,139,383,012	1,850,189,186
Post-employment benefits (see Note 17)	99,590,047	94,250,327	71,752,006
	<b>2,581,756,662</b>	2,233,633,339	1,921,941,192
	<b>₱3,644,158,043</b>	₱3,136,647,425	₱2,816,937,269

## 25. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) enterprises or individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual.

In the normal course of business, the Group transacts with companies which are considered related parties under PAS 24, *Related Party Transactions*, as summarized below.

	Relationship
Century Pacific Group, Inc. (CPGI)	Ultimate parent company
Century Pacific Vietnam Co., Ltd. (CPVL)	Fellow subsidiary
Century Pacific Group RSPO Foundation Inc.	Related party under common ownership
Rian Realty Corporation (RRC)	Fellow subsidiary
Millennium Land Development Corporation (MLDC)	Fellow subsidiary
Shining Ray Limited (SRL)	Fellow subsidiary
Pacifica Homes Development Corporation (PHDC)	Fellow subsidiary
Pacific Pabahay Homes, Inc. (PPHI)	Fellow subsidiary
Centrobless Corp. (CBC)	Fellow subsidiary
DBE Project Inc. (DPI)	Fellow subsidiary
Shakey's Pizza Asia Ventures, Inc. (SPAVI)	Fellow subsidiary
Bakemasters, Inc. (BMI)	Fellow subsidiary
Shakey's Pizza Commerce, Inc. (SPCI)	Fellow subsidiary
Wow Brand Holdings, Inc. (WBHI)	Fellow subsidiary
World Stage International Network	Related party under common ownership
Hopex Environment Group Inc.	Related party under common ownership
Generationhope Inc.	Related party under common ownership
PCX Markets Philippines, Inc.	Related party under common ownership



The summary of the Group's transactions and outstanding balances with related parties as at and for the years ended December 31, 2025 and 2024 are as follows:

Related Party Category	Amount of Transactions During the Year			Outstanding Receivable (Payable)	
	2025	2024	2023	2025	2024
<b>Ultimate Parent Company</b>					
Service fee (Note c)	<b>₱3,294,371</b>	₱3,119,047	₱7,817,011	<b>₱3,609,761</b>	₱1,766,150
Cost reimbursements (Note c)	–	–	27,532	–	–
Rental expense (Note e)	<b>88,103,414</b>	79,458,344	75,775,843	<b>(18,436,915)</b>	(12,104,305)
Dividends (Note 27)	<b>2,454,540,000</b>	2,142,144,000	892,560,000	–	–
Miscellaneous deposit (Note e)	–	–	–	<b>18,681,880</b>	18,681,880
<b>Fellow Subsidiaries &amp; Associates</b>					
Shared services fee (Note d)	<b>1,721,219</b>	2,120,040	2,473,380	–	4,372,060
Sale of inventories (Note a)	<b>180,338,162</b>	272,498,756	340,119,571	<b>151,029,449</b>	208,183,968
Purchase of inventories (Note b)	<b>13,146,091</b>	10,601,226	9,634,237	<b>(12,958,695)</b>	(10,129,243)
Service fee (Note c)	<b>8,437,495</b>	11,384,998	8,653,155	<b>7,017,437</b>	15,722,752
Purchase of service	–	17,194,542	19,359,800	–	(907,026)
Cost reimbursements (Note c)	<b>75,162,801</b>	67,998,127	70,436,733	<b>(32,978,609)</b>	(16,318,729)
Rental expense (Note e)	<b>7,861,921</b>	7,581,875	7,487,544	<b>(701,021)</b>	(676,575)
Miscellaneous deposit (Note e)	–	–	–	<b>849,150</b>	849,150
Royalty fee	<b>913,604</b>	1,010,000	1,183,446	–	–
<b>Due from Related Parties</b>				<b>₱181,187,677</b>	₱249,575,960
<b>Due to Related Parties</b>				<b>(₱65,075,240)</b>	(₱40,135,878)



*Terms and conditions of transactions with related parties*

Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. As at December 31, 2025 and 2024, no related party has recognized any impairment losses of receivables relating to amounts advanced to another related party. This assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates.

- a. The Parent Company enters into sale transactions with its fellow subsidiaries for the distribution of products to certain areas where management deems it necessary to establish customers.
- b. The Parent Company purchases goods from its related parties. These purchase transactions are pass-through transactions, hence, they were made without mark-up.
- c. The Parent Company shares cost with its related parties relating to repairs and maintenance, supplies, fees and dues, utilities and other operating expenses. The Parent Company also charges service fees to, and receives reimbursements for shared costs from, related parties. Service income is included in other income account in the consolidated statements of comprehensive income as shown in Note 21
- d. The Parent Company entered into a Master Service Agreement (MSA) with related parties to provide corporate office services. In accordance with the terms of the MSA, the Parent Company provides management service for manpower, training and development. For and in consideration thereof, the Parent Company shall charge the related parties their share of the costs on a monthly basis for the services rendered.

The MSA shall be in effect from date of execution and shall automatically renew on a month-to-month basis, unless terminated by either party through the issuance of a written advice to that effect at least 30 days prior to the intended date of termination.

Shared services fee is included in other income account in the consolidated statements of comprehensive income as shown in Note 21.

- e. In 2025, 2024 and 2023, the Group has a lease agreement with CPGI and RRC for the use of land, warehouses and office space as a lessee (see Notes 12 and 30).

Remuneration of Key Management Personnel

The remuneration of key management personnel of the Group are set out below in aggregate for each of the categories specified in PAS 24, *Related Party Disclosures*:

	2025	2024	2023
Short-term employee benefits	<b>₱361,353,584</b>	₱343,446,918	₱308,208,402
Post-employment benefit	<b>56,685,261</b>	50,722,223	47,579,075
	<b>₱418,038,845</b>	₱394,169,141	₱355,787,477



The short-term employee benefits of the key management personnel are included as part of compensation and other benefits in the consolidated statements of comprehensive income.

The Group has provided share-based payments to its key management employees for the years ended December 31, 2025 and 2024 as disclosed in Note 26. There are no declared availments in 2025 and 2024.

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## 26. Share-Based Payments

### *Employee Stock Purchase Plan (ESPP)*

The ESPP gives benefit-eligible employees an opportunity to purchase the common shares of the Parent Company at a price lower than the fair market value of the stock at grant date. The benefit-eligible employee must be a regular employee of the Parent Company who possesses a strong performance record. The benefit-eligible employee shall be given the option to subscribe or purchase up to a specified number of shares at a specified option price set forth in which they have the option to participate or not. There are designated ESPP purchase periods and an employee may elect to contribute an allowable percentage of the base pay through salary deduction.

The plan took effect upon the shareholder's approval on September 26, 2014 and was approved by the SEC on December 19, 2014.

On June 3, 2015, the Parent Company's BOD authorized to amend the existing ESPP to increase the underlying shares from 3,269,245 shares to 8,269,245 shares and was approved by the SEC on May 31, 2016.

The number of options granted is calculated in accordance with the performance-based formula approved by shareholders at the previous annual general meeting and is subject to approval by the remuneration committee.

As at December 31, 2025 and 2024, the aggregate number of shares that may be granted to any single individual during the term of the ESPP in the form of stock purchase plans shall be determined in the following capping of shares as follows:

Level	Maximum Shares Allocated
Vice-President or Board members	40,000
Assistant Vice-Presidents	18,333
Managers	6,000
Supervisor	2,500
Rank and File	1,250
	68,083

Details of the share options outstanding as at December 31, 2025 and 2024 are as follows.

	Number of share options	Weighted average exercise price in PHP
Outstanding at beginning and end of year	4,213,145	₱14.41
Exercisable at the end of the year	4,213,145	



Of the total shares available under the ESPP, employees subscribed to 1,229,700 shares at ₱14.10 per share, 400,000 at ₱16.54 per share, 1,059,200 shares at ₱14.82 per share and 1,367,200 shares at ₱13.75 per share for a total of ₱17.3 million, ₱6.6 million, ₱15.7 million and ₱18.8 million in 2017, 2016, 2015 and 2014, respectively. There were no share options offered for purchase or subscription from the management in 2025, 2024, and 2023. Accordingly, the share options have no expiry if the employee is eligible and will exercise the right to purchase or subscribe specified number of shares at a specified option price once offer is available.

## 27. Dividends

The Parent Company declared the following cash dividends to its equity shareholders:

Year	Date of Declaration	Date of Record	Date of Payment	Dividends Per Share	Total Dividends
2025	March 3, 2025	March 3, 2025	March 26, 2025	0.55	₱1,948,242,227
2025	July 30, 2025	July 30, 2025	August 15, 2025	0.55	1,948,242,227
2024	July 31, 2024	July 31, 2024	August 16, 2024	0.48	1,700,284,126
2024	March 21, 2024	March 21, 2024	April 19, 2024	0.48	1,700,284,125
2023	February 20, 2023	March 20, 2023	April 4, 2023	0.40	1,416,903,438

Of the total cash dividends declared, the dividends paid to CPGI in 2025 and 2024 amounted to ₱2,454.5 million and ₱2,142.1 million, respectively.

On February 16, 2026, the Parent Company declared cash dividend of ₱0.60 per share amounting to ₱2,125.4 million with record date of March 3, 2026, and payable on March 26, 2026. This was fully paid as of March 26, 2026.

## 28. Earnings Per Share

The calculation of the basic and diluted earnings per share is based on the following data:

	2025	2024	2023
Profit for the year (a)	<b>₱7,065,732,412</b>	₱6,337,771,194	₱5,579,159,560
Weighted average number of common shares (b)	<b>3,542,258,595</b>	3,542,258,595	3,542,258,595
Weighted average number of share options granted (c)	<b>4,213,145</b>	4,213,145	4,213,145
Basic earnings per share (a)/(b)	<b>₱1.9947</b>	₱1.7892	₱1.5750
Diluted earnings per share (a)/[(b)+(c)]	<b>₱1.9923</b>	₱1.7871	₱1.5732

## 29. Commitments and Contingencies

### Credit Facilities

The credit facilities of the Group with several major banks are basically short-term omnibus lines intended for working capital use. Included in these omnibus bank lines are revolving promissory note line, import letters of credit and trust receipts line, export packing credit line, domestic and foreign bills purchase line, and foreign exchange line.



The credit facilities extended to the Group as at December 31, 2025 included a surety provision where loans obtained by the Group and its related parties, CPGI, are covered by cross-corporate guarantees. As at December 31, 2025, the total credit line facility amounted to ₱27.8 billion of which ₱7.9 billion is already used, as disclosed in Note 15.

#### Capital Commitments

As at December 31, 2025 and 2024, the Group has construction-in progress relating to its ongoing civil works and installation of new machinery and equipment as part of the plant expansion and upgrade of the Group. The construction is expected to be completed in 2026 and has remaining estimated costs to complete as follows:

	2025	2024
CPFI	<b>₱443,860,481</b>	₱343,120,143
GTC	<b>19,285,303</b>	94,329,700
CHI	<b>833,967,171</b>	–
CPAVI	–	57,721,648
	<b>₱1,297,112,955</b>	<b>₱495,171,491</b>

The Group shall finance the remaining estimated costs from internally generated cash from operations.

### 30. Lease Agreements the Group as a Lessee

The Group leased land, building, warehouses, office spaces, plant and equipment with an average lease term of 3 to 20 years. The Group has options to purchase the equipment for a nominal amount at the end of the lease terms.

The rollforward analysis of lease liabilities follows:

	2025	2024
Balance at beginning of year	<b>₱1,924,736,480</b>	₱1,700,491,976
Additions	<b>250,078,507</b>	612,708,176
Lease modification and pre-terminations	<b>106,179</b>	(41,843,536)
Interest expense	<b>142,103,946</b>	129,538,426
Payments	<b>(558,121,782)</b>	(476,158,562)
Revaluation adjustments	<b>888,444</b>	–
Balance at end of year	<b>1,759,791,774</b>	1,924,736,480
Less current portion	<b>403,261,266</b>	358,563,283
Noncurrent portion	<b>₱1,356,530,508</b>	<b>₱1,566,173,197</b>



The undiscounted lease payments are due to be paid as follows:

	2025	2024
Within one year	<b>₱507,671,959</b>	₱466,534,241
More than 1 year to 2 years	<b>626,816,930</b>	421,026,965
More than 2 years to 3 years	<b>248,282,766</b>	330,037,539
More than 3 years to 4 years	<b>148,426,138</b>	211,759,476
More than 4 years to 5 years	<b>114,406,882</b>	227,001,974
More than 5 years	<b>980,377,107</b>	1,099,686,389
	<b>₱2,625,981,782</b>	₱2,756,046,584

The following are the amounts recognized in profit or loss:

	2025	2024	2023
Depreciation expense of right-of-use assets recognized under:			
Cost of goods sold (see Note 20)	<b>₱284,158,835</b>	₱254,916,990	₱228,249,090
Operating expenses (see Note 22)	<b>138,414,604</b>	113,673,010	109,245,428
Other expenses (see Note 23)	<b>30,782,949</b>	19,858,890	20,119,982
Interest expense on lease liabilities	<b>142,103,946</b>	129,538,426	125,312,018
Expense relating to short-term leases and low-value assets:			
Cost of goods sold (see Note 20)	<b>585,845,845</b>	665,834,151	466,675,500
Operating expenses (see Note 22)	<b>527,183,263</b>	252,920,341	216,877,274
Other expenses (see Note 23)	<b>8,690,922</b>	3,579,511	2,877,063
	<b>₱1,717,180,364</b>	₱1,440,321,319	₱1,169,356,355

Interest rates underlying all obligations are fixed at respective contract dates ranging from 5.75% to 8.13% in 2025 and 2024. Total finance cost for these leases was included as part of finance costs presented in the consolidated statements of comprehensive income. Gain on lease termination amounted to nil, ₱2.2 million, and ₱19.3 million in 2025, 2024, and 2023, respectively.

As at December 31, 2025 and 2024, total security deposits recognized in the consolidated statements of financial position as part of noncurrent assets amounted to ₱151.6 million and ₱90.4 million, respectively (see Note 14).

### 31. Income Taxes

	2025	2024	2023
Current tax expense	<b>₱1,268,313,547</b>	₱1,514,282,782	₱1,081,522,339
Deferred tax benefit (see Note 32)	<b>(30,485,627)</b>	(457,113,507)	(134,250,862)
	<b>₱1,237,827,920</b>	₱1,057,169,275	₱947,271,477

CPFI is registered with the Board of Investments (BOI), pursuant to Executive Order No. 226 or the Omnibus Investments Code of 1987, as amended by Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act entitled for income tax holiday for canned tuna and its by-product from January 1, 2021 to December 31, 2024 and frozen loins from June 16, 2022 to December 2024. An extension has also been granted until December 31, 2025. On December 6, 2023, another entitlement for income tax holiday was granted for the expansion of corned beef from January 1, 2024 to December 31, 2026.



AWI registered its Cold Storage Facilities (Panda 1 and 2) with BOI for Income Tax Holiday (ITH) provided under Article 39(a) of Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, as amended by R.A 7918. AWI operations under Panda 1 and 2 are entitled for ITH up to February 28, 2020 and June 30, 2023, respectively. Other income that arises outside from the registered activities of the AWI and local services in excess of 30% is subject to the statutory rate of 25%.

CPAVI is registered with Philippine Economic Zone Authority (PEZA) on June 1, 2021 entitled for gross income tax (GIT) incentive and other PEZA incentives. Registered activity is limited to engage in the manufacturing, processing, including toll manufacturing of coconut products and by-products and the importation of raw materials, machinery, equipment, goods, or merchandise directly used in its registered operations at the MIEZ. CPAVI also have an existing ITH for coco milk and coco water expansion project from July 1, 2022 to June 30 2025 and will be entitled to GIT incentive after the expiration of ITH.

GTC is registered with PEZA on December 23, 2020 and is entitled for GIT incentive and other PEZA incentives. Registered activity shall be limited to engage in the manufacturing, processing, including toll manufacturing of canned tuna, tuna in pouch, frozen loin and by-products such as fishmeal and fish oil and the importation of raw materials, machinery, equipment, goods, or merchandise directly used in its registered operations at the Millennium Industrial Economic Zone.

CPSI and CFPVI use Optional Standard Deduction (OSD), while other subsidiaries use itemized deductions in the computation of their respective taxable income.

The reconciliation of the provision for income tax computed by applying the statutory tax rate with the provision for income tax as shown in the consolidated statements of comprehensive income follows:

	2025	2024	2023
Tax on pretax income at statutory tax rate	<b>₱2,075,890,083</b>	₱1,848,735,117	₱1,631,607,759
Tax effects of:			
Effects of using OSD instead of itemized deductions	<b>(347,899,569)</b>	(301,240,479)	(310,615,659)
Income under income tax holiday	<b>(492,192,987)</b>	(419,899,507)	(303,344,008)
Income subject to lower tax rates	<b>(366,307,350)</b>	(334,087,581)	(238,091,161)
Non-deductible expenses	<b>250,045,370</b>	267,817,536	202,849,867
Interest income subject to final tax	<b>(2,012,969)</b>	(6,557,128)	(15,937,602)
Effects of unrecognized deferred tax asset	<b>199,028,646</b>	12,883,134	(12,481,995)
Others	<b>(78,723,304)</b>	(10,481,817)	(6,715,724)
	<b>₱1,237,827,920</b>	₱1,057,169,275	₱947,271,477

#### *International Tax Reform – Pillar Two Model Rules*

The Organization for Economic Co-operation and Development (OECD) published the Global Anti-Base Erosion (GloBE) Model Rules which include a 15% minimum tax rate per jurisdiction on multinational companies with an annual consolidated group revenue of EUR 750 million or more for 2 out of the 4 immediately preceding fiscal years.

The Pillar Two model rules introduce new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)
- The Under Taxed Payments/Profits Rule (UTPR)



The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The QDMTT, IIR, and UTPR do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

According to these rules, the Group is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted in one jurisdiction in which the Group operates, effective for the financial year beginning January 1, 2024.

The Group has determined that the impact of Pillar Two Model Rules is not material to the financial consolidated statements in 2025 and 2024 based on the Group's country-by-country reporting and the most recent information available regarding the financial performance of the constituent entities in the Group.

For the years ended December 31, 2025 and 2024, the Group has applied the amendment to PAS 12, *Income Taxes*, which provides a mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two such that there is no material impact to the 2025 and 2024 financial statements.

### 32. Deferred Taxes

The components of the Group's net deferred tax assets (liabilities) are as follows:

	2025	2024
Deferred tax assets:		
Provisions	₱922,025,926	₱894,940,436
Lease liabilities	444,072,969	526,812,781
Allowance for inventory obsolescence	262,656,172	188,355,554
Post-employment benefit obligation	66,497,399	84,494,544
Allowance for doubtful accounts	53,602,942	25,003,596
MCIT	20,093,290	15,140,387
Unrealized foreign currency exchange loss	2,037,512	4,499,240
NOLCO	-	76,670,669
Others	13,970,171	-
	<b>1,784,956,381</b>	<b>1,815,917,207</b>
Deferred tax liabilities:		
Right of use asset	(378,482,234)	(467,370,847)
Unrealized foreign exchange gain	(12,109,760)	(1,036,092)
Debt issuance cost	(3,559,397)	(4,040,346)
Others	(17,019,216)	(17,019,216)
	<b>(411,170,607)</b>	<b>(489,466,501)</b>
	<b>₱1,373,785,774</b>	<b>₱1,326,450,706</b>



The reconciliation of net deferred tax assets (liabilities) follows:

	2025	2024
Balance at beginning of year	₱1,326,450,706	₱878,291,362
Recognized in profit or loss	30,485,627	457,113,507
Recognized in other comprehensive income (see Note 17)	1,434,953	(8,954,163)
Business combination (see Note 36)	13,970,171	-
Others	1,444,317	-
<b>Balance at end of year</b>	<b>₱1,373,785,774</b>	<b>₱1,326,450,706</b>

NOLCO that can be applied against future taxable income is as follows:

Year Incurred	Expiration	Amount	Applied in Previous Year/s	Expired	Applied in Current Year	Unapplied
2020	2025	₱125,207	₱-	₱125,207	₱-	₱-
2021	2026	99,691,720	(43,002,772)	-	-	56,688,948
2022	2025	114,558,891	(24,050,828)	(90,508,063)	-	-
2023	2026	94,900,204	(29,274,068)	-	(16,674,137)	48,951,999
2024	2027	221,636,349	-	-	-	221,636,349
2025	2028	427,287,642	-	-	-	427,287,642
		₱958,200,013	(₱96,327,668)	(₱90,633,270)	(₱16,674,137)	₱754,564,938

The MCIT that can be applied against future RCIT is as follows:

Year Incurred	Expiration	Amount	Applied in Previous Year/s	Expired	Applied in Current Year	Unapplied
2025	2028	₱11,514,871	₱-	₱-	₱-	₱11,514,871
2024	2027	8,952,782	-	-	-	8,952,782
2023	2026	7,564,040	-	-	(178,111)	7,385,929
2022	2025	5,623,622	-	(5,172,151)	(451,471)	-
2021	2026	354,668	-	-	-	354,668
2020	2025	310,584	-	(310,584)	-	-
		₱34,320,567	₱-	(₱5,482,735)	(₱629,582)	₱28,208,250

As of December 31, 2025 and 2024, the following deferred taxes were not recognized since the management believes that it is not probable that sufficient taxable income will be available to allow the deferred taxes to be utilized:

	2025	2024
NOLCO	₱754,564,939	₱181,342,954
MCIT	8,114,960	-
Lease liabilities	11,178,682	14,070,131
	<b>₱773,858,581</b>	<b>₱195,413,085</b>



### 33. Fair Value of Financial Instruments

As of December 31, 2025 and 2024, the carrying amounts approximate the fair values for the Group's financial assets and liabilities due to its short-term maturities except as follows:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Borrowings	₱7,906,732,412	₱7,257,741,001	₱3,323,838,614	₱3,124,044,957
Lease liabilities	1,759,791,774	1,349,979,760	1,924,736,480	1,513,071,127

The fair value of borrowings was obtained by discounting the instrument's expected cash flows using prevailing market rates ranging from 4.04% to 4.8% as at December 31, 2024 and 2025. Fair value category is Level 2, significant observable inputs. There have been no transfers between Level 1 and Level 2 in 2025 and 2024.

### 34. Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks: market risk (which include foreign currency exchange risk and interest rates risk), credit risk and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The policies for managing specific risks are summarized below:

#### Market risk

Market risk happens when the changes in market prices, such as foreign exchange rates and interest rates will affect the Group's profit or the value of its holdings of financial instruments. The objective and management of this risk are discussed below.

#### *Foreign currency exchange risk*

Foreign currency exchange risk arises when an investment's value changes due to movements in currency exchange rate. Foreign exchange risk also arises from future commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Group's functional currency.

The Group undertakes certain transactions denominated in US Dollar (USD), hence, exposures to exchange rate fluctuations arise with respect to transactions denominated in such currency. Significant fluctuation in the exchange rates could significantly affect the Group's financial position.

The net carrying amounts of the Group's foreign currency denominated monetary assets and financial liabilities at the end of each reporting period are as follows:

	2025	2024
Cash and cash equivalents	₱690,898,362	₱281,968,198
Trade and other receivables	5,707,103,639	3,983,903,868
Trade and other payables	(2,605,743,592)	(513,566,438)
	<b>₱3,792,258,409</b>	<b>₱3,752,305,628</b>

The following table demonstrates the sensitivity to a reasonably possible change, based on prior year percentage change in exchange rates in Philippine peso (PHP) rate to USD and CNY with all other variables held constant, of the Group's income before income tax (due to changes in the fair value of financial assets and liabilities).



	Change in currency	Effect on income/equity
<b>December 31, 2025</b>	<b>+4.40%</b>	<b>₱166,859,370</b>
<b>Philippine Peso</b>	<b>-4.40%</b>	<b>(166,859,370)</b>
December 31, 2024	+4.40%	₱165,101,448
Philippine Peso	-4.40%	(165,101,448)

Further, management assessed that the sensitivity analysis is not a representative of the currency exchange risk.

#### Interest rate risk

Interest rate risk refers to the possibility that the value of a financial instrument will fluctuate due to change in the market interest rates.

Presently, the Group's short-term and long-term bank loans are market-determined, with the long-term loan interest rates based on BVAL plus a certain mark-up. The sensitivity to a reasonably possible change in interest rates with all other variables held constant of the Group's profit before tax for the years ended December 31, 2025 and 2024 follows:

Change in Interest Rates (in Basis Points)	2025	2024
300bp rise	<b>(₱237,201,972)</b>	(₱99,715,158)
225bp rise	<b>(177,901,479)</b>	(74,786,369)
300bp fall	<b>237,201,972</b>	99,715,158
225bp fall	<b>177,901,479</b>	74,786,369

*1 basis point is equivalent to 0.01%.*

There is no other impact on the Group's equity other than those affecting the profit or loss.

#### *Credit risk*

Credit risk refers to the possibility that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is confirmed to independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group trades only with recognized, credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The Group does not grant credit terms without the specific approval of the credit departments.

Trade receivables consist of a large number of customers, spread across geographical areas. The remaining financial assets does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets. There is no concentration of credit risk to any other counterparty at any time during the year.



The table below shows the Group's maximum exposure to credit risk:

	<b>2025</b>	2024
Cash in banks and cash equivalents	<b>₱2,832,186,357</b>	₱3,222,930,507
Trade and other receivables	<b>13,378,061,156</b>	10,718,133,404
Due from related parties	<b>181,187,677</b>	249,575,960
Security deposits	<b>151,624,000</b>	90,396,717
Revolving funds	<b>45,618,403</b>	28,522,859
Deposits on utilities	<b>34,139,803</b>	34,005,813
Deposits for containers	<b>25,092,525</b>	21,369,779
	<b>₱16,647,909,921</b>	₱14,364,935,039



In order to minimize credit risk, the Group has tasked its credit management committee to develop and maintain the Group's credit risk grading to categorize exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. The aging analysis of financial assets are as follows:

2025	Days past due						Total
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	
ECL rate	0.117%	0.061%	0.130%	1.152%	1.324%	26.972%	
Estimated total gross carrying at default	₱6,112,839,562	₱2,768,843,521	₱1,331,821,668	₱752,026,306	₱514,000,638	₱1,779,906,885	₱13,259,438,580
ECL	₱7,150,034	₱1,689,812	₱1,736,480	₱8,663,447	₱6,806,460	₱480,078,097	₱506,124,330

2024	Days past due						Total
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	
ECL rate	0.022%	0.075%	0.108%	0.276%	0.457%	18.789%	
Estimated total gross carrying at default	₱3,688,030,944	₱2,577,867,360	₱1,035,145,568	₱563,503,018	₱290,435,942	₱2,410,702,544	₱10,565,685,376
ECL	₱816,188	₱1,931,194	₱1,118,967	₱1,552,622	₱1,327,681	₱452,940,525	₱459,687,177



The tables below detail the credit quality of the Group's financial assets and other items, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

	Internal credit rating	12m or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount
<b>2025</b>					
Cash and cash equivalents (Note 7)*	(i)	Lifetime ECL	₱2,363,864,023	₱-	₱2,363,864,023
Trade and other receivables (Note 8)	(i)	Lifetime ECL	13,884,185,486	506,124,330	13,378,061,156
Due from related parties (Note 25)	Performing	12m ECL	181,187,677	-	181,187,677
Security deposits (Note 14)	Performing	12m ECL	151,624,000	-	151,624,000
Deposits for containers (Note 14)	Performing	12m ECL	25,092,525	-	25,092,525
Deposits on utilities (Note 14)	Performing	12m ECL	34,139,803	-	34,139,803
Revolving funds (Note 14)	Performing	12m ECL	45,618,403	-	45,618,403
			<b>₱16,685,711,917</b>	<b>₱506,124,330</b>	<b>₱16,179,587,587</b>
<b>2024</b>					
Cash and cash equivalents (Note 7)*	(i)	Lifetime ECL	₱2,729,470,700	₱-	₱2,729,470,700
Trade and other receivables (Note 8)	(i)	Lifetime ECL	11,177,820,581	459,687,177	10,718,133,404
Due from related parties (Note 25)	Performing	12m ECL	249,575,960	-	249,575,960
Security deposits (Note 14)	Performing	12m ECL	90,396,717	-	90,396,717
Deposits for containers (Note 14)	Performing	12m ECL	21,369,779	-	21,369,779
Deposits on utilities (Note 14)	Performing	12m ECL	34,005,813	-	34,005,813
Revolving funds (Note 14)	Performing	12m ECL	28,522,859	-	28,522,859
			<b>₱14,331,162,409</b>	<b>₱459,687,177</b>	<b>₱13,871,475,232</b>

\*Excluding cash on hands

(i) For trade receivables, the Group has applied the simplified approach in PFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix.

#### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on contractual undiscounted principal payments of financial liabilities, based on the earliest date on which the Group can be required to pay.

	Within One Year	More Than 1 Year to 5 Years	More Than 5 to 10 Years	Total
<b>2025</b>				
Trade and other payables*	₱14,885,403,990	₱-	₱-	₱14,885,403,990
Borrowings**	3,717,142,886	-	3,540,316,932	7,257,459,818
Lease liabilities	403,261,266	818,516,713	538,013,795	1,759,791,774
Due to related parties	65,075,240	-	-	65,075,240
	<b>₱19,070,883,382</b>	<b>₱818,516,713</b>	<b>₱4,078,330,727</b>	<b>₱23,967,730,822</b>
<b>2024</b>				
Trade and other payables*	₱13,280,074,332	₱-	₱-	₱13,280,074,332
Borrowings**	358,745,611	623,743,976	3,226,460,283	4,208,949,870
Lease liabilities	466,534,241	1,189,825,954	1,099,686,389	2,756,046,584
Due to related parties	40,135,878	-	-	40,135,878
	<b>₱14,145,490,062</b>	<b>₱1,813,569,930</b>	<b>₱4,326,146,672</b>	<b>₱20,285,206,664</b>

\*Excluding withholding taxes payable and non-trade payable

\*\*Includes contractual interest payments



The Group's has cash and cash equivalents, trade and other receivables and due from related parties amounting to ₱16,443.8 million and ₱14,195.3 million as of December 31, 2025 and 2024, respectively, that are readily available to meet the Group's liquidity needs. The Group also expects to meet its working capital, capital expenditure, dividend payment and investment requirements for the next 12 months primarily from equity or debt financing and cash flows from operations. As at December 31, 2025, the Group has undrawn credit line facility that may be available in the future for the operating activities and settling capital commitments amounting to ₱19.9 billion.

Government payables, which are not considered as financial liabilities, are excluded in the carrying amount of trade and other payables for the purpose of presenting the liquidity risk.

### 35. Capital Risk Management

The Group's objectives when managing capital are to increase the value of shareholder's investment and maintain high growth by applying free cash flows to selective investments that would further the Group's growth. The Group sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure. There have been no changes for the Group's overall strategy.

The BOD has overall responsibility for monitoring working capital in proportion to risk. Financial analytical reviews are made and reported in the Group's financial reports for the BOD's review on a regular basis. In case financial reviews indicate that the working capital sourced from the Group's own operations may not support future operations of projected capital investments, the Group obtains financial support from its related parties.

The Group's management aims to maintain certain financial ratios that it deems prudent such as debt-to-equity ratio (not to exceed 2.47:1) and current ratio (at least 1.0:1). The Group regularly reviews its financials to ensure the balance between equity and debt is monitored.

In addition, when the Group is able to meet its targeted capital ratios and has a healthy liquidity position, the Group aims to pay dividends to its shareholders of up to 30% of previous year's net income.

The Group's debt-to-equity and current ratios as at December 31, 2025 and 2024 are as follows:

	2025	2024
Total liabilities	<b>₱25,986,194,069</b>	₱19,427,437,630
Total equity	<b>38,989,469,320</b>	35,813,789,833
Debt-to-equity ratio	<b>0.67:1</b>	0.54:1
Total current assets	<b>43,031,853,850</b>	35,985,022,346
Total current liabilities	<b>21,420,445,249</b>	14,578,340,980
Current ratio	<b>2.01:1</b>	2.47:1

Pursuant to the PSE's rules in minimum public ownership, at least 20% of the issued and outstanding shares of a listed company must be owned and held by the public. As at December 31, 2025 and 2024, the public ownership is 34.44%.



### 36. Business Combination

#### Loma Linda Business Acquisition

On August 12, 2025, CPNA has acquired the Loma Linda brand from Atlantic Natural Foods, Inc. (ANF). The agreement encompasses the acquisition of Loma Linda, other brands such as Tuno, neat, and Kaffree Roma, formulations, select manufacturing assets, licenses, and remaining inventory related to the ongoing business of ANF. The Group assessed the acquisition as strategically aligned with its objective to expand its plant-based product portfolio and accelerate growth in the sustainable food market.

The following table summarizes the consideration paid for Loma Linda business and the amounts of the assets acquired on acquisition date:

	<b>At August 12, 2025</b>
<b>Total consideration</b>	<b>₱446,918,000</b>
<b>Recognized amounts of identifiable assets acquired:</b>	
Inventories	₱89,037,973
Trademark and customer relationship	259,256,640
Property, plant and equipment	64,685,500
Deferred tax asset	13,970,171
Total identifiable assets	426,950,284
Goodwill	19,967,716
<b>Total</b>	<b>₱446,918,000</b>

As of December 31, 2025, the Group is still in the process of finalizing the purchase price allocation for the acquisition. Accordingly, the identifiable assets acquired have been recognized on a provisional basis, and the resulting goodwill represents the excess of the consideration transferred over the fair values recognized. The fair values of trademarks and customer relationships, recognized as intangible assets, are still being assessed and may be subject to adjustment within the one-year measurement period in accordance with PFRS 3.

The goodwill primarily relates to expected synergies from the integration of the acquired business and anticipated growth in the Group's plant-based food category.

Revenue and net income included in the 2025 consolidated statement of comprehensive income from the date of acquisition of Loma Linda business amounted to ₱295.2 million and ₱11.7 million, respectively.

#### Notes to cash flow – Acquisition of Loma Linda and the effect of business combination

	<b>At August 12, 2025</b>
Fair value of identifiable net assets	₱426,950,284
Goodwill	19,967,716
<b>Cashflow</b>	<b>₱446,918,000</b>

#### Coco Harvest Inc Acquisition

On January 4, 2024, CPF I entered into a Sale and Purchase Agreement (SPA) with Grand Asia Integrated Natural Coco Products Corp. ("GAINCOCO" or the "Seller") to establish a new entity for the sale of the business assets of the latter. On January 10, 2024, Coco Harvest, Inc. (CHI), the new entity created to hold the business assets, was incorporated and registered with the SEC, and on April 2024, the Seller executed the deed of absolute sale to transfer the business assets to CHI.



On September 5, 2024, the Seller submitted and executed the deed of absolute sale of shares for the 100% shares of CHI in favor of CPFI. Management determined that control over CHI was fully transferred on this date. This assessment was based on the transfer of rights to participate in CHI's operations and board matters of CHI, which was finalized with the actual transfer of shares and the resignation of the incumbent directors.

The total consideration for the acquisition of CHI was ₱880.1 million, with ₱694.5 million paid in cash. As of December 31, 2024, the Group has recorded a share purchase payable of ₱185.6 million for the remaining unpaid portion of the purchase price. This is recorded under "Trade and other payables" account in the consolidated statements of financial position and was fully paid as of December 31, 2025.

The following table summarizes the consideration paid for CHI and the amounts of the assets acquired at the acquisition date:

<b>Consideration</b>	<b>At September 5, 2024</b>
Cash	₱694,480,000
Share purchase payable	185,620,000
<b>Total consideration</b>	<b>₱880,100,000</b>
<b>Recognized amounts of identifiable assets acquired:</b>	
Financial assets	₱4,558,375
Inventories	3,524,455
Prepayments and other current assets	19,417,338
Property, plant and equipment	157,509,832
Total identifiable assets	185,010,000
Goodwill	695,090,000
<b>Total</b>	<b>₱880,100,000</b>

The fair value assessment of the identifiable assets acquired was finalized as of December 31, 2024.

CHI's revenue and net income included in the 2025 consolidated statement of comprehensive income from the date of acquisition amounted to nil and ₱20.1 million, respectively.

The goodwill amounting to ₱695.1 million arising from the acquisition of CHI comprises the value of potential efficiencies in its operations and its expected growth and expansion of its existing coconut business.

**Notes to cash flow – Acquisition of CHI and the effect of business combination**

	At September 5, 2024
Fair value of identifiable net assets	₱185,010,000
Purchase consideration:	
Goodwill	695,090,000
Share purchase payable	(185,620,000)
Net cash in subsidiary acquired	(4,558,375)
<b>Cashflow</b>	<b>₱689,921,625</b>



### 37. Notes to the Consolidated Statement Cash Flows

The following are the Group's noncash investing and financing activities:

	2025	2024
Movement in unpaid share purchase relating to acquisition of business	<b>₱185,620,000</b>	(₱185,620,000)
Movement in ROU assets	<b>(250,575,818)</b>	(573,110,911)

The changes in the Group's liabilities arising from financing activities are as follows:

	2025					
	January 1	Additions	Interest	Cash flows	Others	December 31
Lease liabilities	₱1,924,736,480	₱250,078,507	₱142,103,946	(₱558,121,782)	₱994,623	₱1,759,791,774
Dividends payable	-	3,896,484,454	-	(3,896,484,454)	-	-
Short-term borrowings	200,000,000	-	-	4,606,970,000	-	4,806,970,000
Long-term borrowings	3,123,838,614	-	1,923,798	(26,000,000)	-	3,099,762,412
Accrued interest	26,640,455	-	243,125,738	(228,242,348)	-	41,523,846
	<b>₱5,275,215,549</b>	<b>₱4,146,562,961</b>	<b>₱387,153,482</b>	<b>(₱101,878,584)</b>	<b>₱994,623</b>	<b>₱9,708,048,032</b>

	2024					
	January 1	Additions	Interest	Cash flows	Others	December 31
Lease liabilities	₱1,700,491,976	₱612,708,176	₱129,538,426	(₱476,158,562)	(₱41,843,536)	₱1,924,736,480
Dividends payable	-	3,400,568,251	-	(3,400,568,251)	-	-
Short-term borrowings	2,870,000,000	-	-	(2,670,000,000)	-	200,000,000
Long-term borrowings	3,164,343,309	-	(20,504,695)	(20,000,000)	-	3,123,838,614
Accrued interest	34,310,338	-	207,464,284	(215,134,167)	-	26,640,455
	<b>₱7,769,145,623</b>	<b>₱4,013,276,427</b>	<b>₱316,498,015</b>	<b>(₱6,781,860,980)</b>	<b>(₱41,843,536)</b>	<b>₱5,275,215,549</b>

“Others” include noncash movements on lease liabilities as at December 31, 2025 and 2024. The Group classifies interest paid as part of cash flows from financing activities.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Century Pacific Food, Inc.  
7th Floor, Centerpoint Building  
Julia Vargas St., Ortigas Center  
Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Pacific Food, Inc. and Subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules 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 financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

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

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 10, 2026



## INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors  
Century Pacific Food, Inc.  
7th Floor, Centerpoint Building  
Julia Vargas St., Ortigas Center  
Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Pacific Food, Inc. and Subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 10, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the 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, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

*Christine G. Vallejo*

Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

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

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 10, 2026



**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
**Additional Requirements for Issuers of Securities to the Public**  
**Required by the Securities and Exchange Commission**  
**As at December 31, 2025**

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**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
**Schedule A - Financial Assets**  
**As of December 31, 2025**

<b>HTM Investments</b>	<b>Name of Issuing Entity</b>	<b>Face Value</b>	<b>Amount Shown in Balance Sheet</b>	<b>Income Received and Accrued</b>
<b>Total</b>			-	-

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
**Schedule B - Amounts Receivable from Employees**  
**As of December 31, 2025**

<b>Name and Designation of Debtor</b>	<b>Balance at Beginning of Period</b>	<b>Additions</b>	<b>Amounts Collected</b>	<b>Amounts Written-off</b>	<b>Current</b>	<b>Non-Current</b>	<b>Balance at end of Period</b>
Employees	P72,864,078	P357,959,028	P335,114,483	P -	P95,708,623	P -	P95,708,623

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**

**Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements**

**As of December 31, 2025**

<b>Name and Designation of Debtor</b>	<b>Balance at Beginning of Period</b>	<b>Additions</b>	<b>Amounts Collected</b>	<b>Amounts Written-off</b>	<b>Current</b>	<b>Non-Current</b>	<b>Balance at end of Period</b>
Century Pacific Food Inc	P5,241,402,208	P4,661,599,258		P -	P9,903,001,465	P -	P9,903,001,465
General Tuna Corporation	1,601,821,242		893,442,303	-	708,378,939	-	708,378,939
Snow Mountain Dairy Corporation	455,540,016	247,000,000		-	702,540,016	-	702,540,016
Allforward Warehousing, Inc.	270,856,184		172,657,204	-	98,198,981	-	98,198,981
Century Pacific Agri Ventures Inc	575,520,570	544,938,270		-	1,120,458,840	-	1,120,458,840
Century Pacific Seacrest Inc	749,727,845		121,480,874	-	628,246,971	-	628,246,971
Century Pacific Food Packaging Ventures Inc.	27,620,958	325,981,691		-	353,602,649	-	353,602,649
General Odyssey Inc.	3,812,777	4,317,304		-	8,130,081	-	8,130,081
Millenium General Power Corporation	50,464,096	15,423,928		-	65,888,024	-	65,888,024
The Pacific Meat Company Inc	8,323,325	24,868,763		-	33,192,088	-	33,192,088
Century Pacific North America Enterprise Inc.	-	3,194,030		-	3,194,030	-	3,194,030
Coco Harvest Inc	-	50,716,659		-	50,716,659	-	50,716,659
Centennial Global Corporation	50,004,439		50,004,439	-	-	-	-
<b>Total</b>	<b>P9,035,093,660</b>	<b>P5,878,039,903</b>	<b>P1,237,584,819</b>	<b>-</b>	<b>P13,675,548,744</b>	<b>-</b>	<b>P13,675,548,744</b>

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**  
**Schedule D - Intangible Assets**  
**As of December 31, 2025**

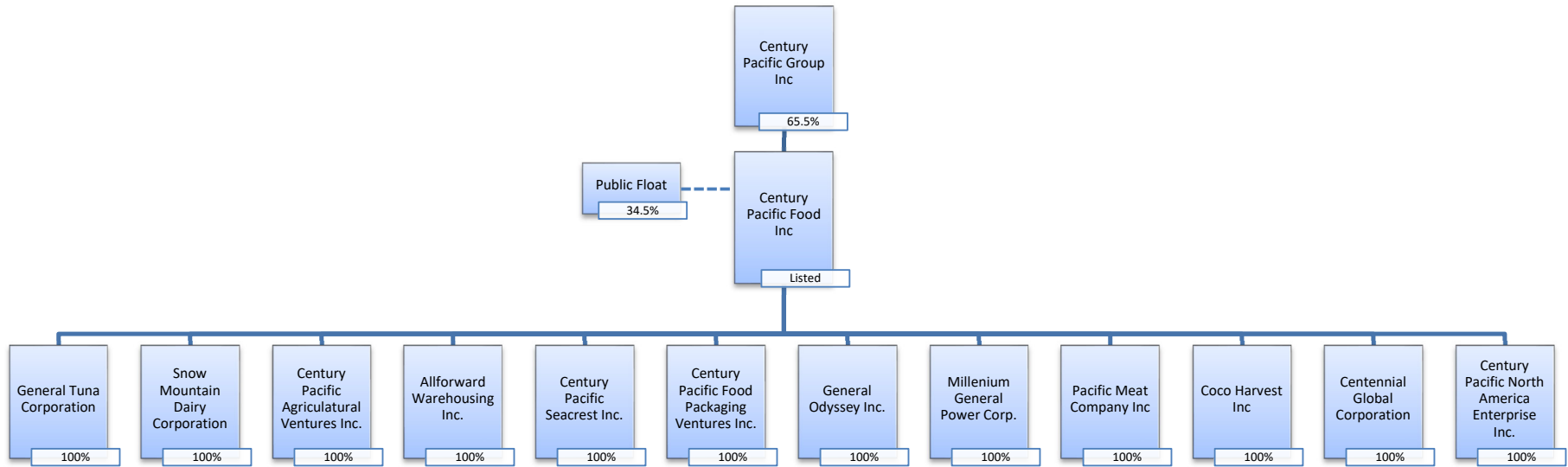
<b>Description</b>	<b>Beginning Balance</b>	<b>Additions at Cost</b>	<b>Charged to Cost and Expenses</b>	<b>Charged to Other Accounts</b>	<b>Other Changes</b>	<b>Ending Balance</b>
Goodwill	P3,610,415,199	P19,967,716	P -	P -	P -	P3,630,382,915
Trademark	P2,019,694,655	P71,684,089	P -	P -	P -	P2,091,378,744
Licensing Agreement	P380,113,174	P -	(21,515,840)	P -	P -	P358,597,334
Customer Relationship		P187,572,551	(3,126,209)	P -	P -	P184,446,342
<b>Total</b>	<b>P6,010,223,029</b>	<b>P279,224,368</b>	<b>(24,642,049)</b>	<b>P -</b>	<b>P -</b>	<b>P6,264,805,335</b>

**CENTURY PACIFIC FOOD INC. AND SUBSIDIARIES**  
**Schedule E - Long Term Debt**  
**As of December 31, 2025**

<b>Bank</b>	<b>Beginning Balance</b>	<b>Availment</b>	<b>Payment</b>	<b>Ending Balance</b>	<b>Current</b>	<b>Non Current</b>
BDO	P1,928,461,097	-	P18,951,755	P1,909,509,342	P18,281,632	P1,891,227,710
BPI	P1,195,377,517	-	P5,124,447	P1,190,253,070	P5,466,176	P1,184,786,894
<b>Total</b>	<b>P3,123,838,614</b>	<b>-</b>	<b>P24,076,202</b>	<b>P3,099,762,412</b>	<b>P23,747,808</b>	<b>P3,076,014,604</b>

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES****Schedule H - Capital Stock****As of December 31, 2025**

<b>Title of Issue</b>	<b>Number of Shares Authorized</b>	<b>Number of Shares Issued and Outstanding</b>	<b>Number of Shares reserved for options, warrants, conversion and other rights</b>	<b>Number of Shares Held By</b>		
				<b>Related Parties</b>	<b>Directors, Officers and Employees</b>	<b>Others</b>
Ordinary Shares	6,000,000,000	3,542,258,595	-	2,320,120,781	2,309,205	1,219,828,609



**CENTURY PACIFIC FOOD, INC.**  
**CONGLOMERATE MAP**  
 DECEMBER 31, 2025

**Reconciliation of Retained Earnings Available for Dividend Declaration**

For the reporting period ended December 31, 2025

**Century Pacific Food, Inc.**7th Floor, Centerpoint Building, Julia Vargas St., Ortigas Center,  
Pasig City

<b>Unappropriated Retained Earnings, beginning of reporting period</b>		<b>₱7,138,095,482</b>
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>		
Reversal of Retained Earnings Appropriation/s	₱12,500,000,000	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	<b>12,500,000,000</b>
		<hr/>
<b>Less: Category A: Items that are directly debited to Unappropriated Retained Earnings</b>		
Dividend declaration during the reporting period	(3,896,484,454)	
Retained Earnings appropriated during the reporting period	(18,500,000,000)	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	<b>(22,396,484,454)</b>
		<hr/>
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>(2,758,388,972)</b>
<b>Add/Less: Net Income (loss) for the current year</b>		<b>9,231,175,995</b>
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	<b>(3,887,165)</b>	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
		<hr/>
Sub-total		<b>(3,887,165)</b>
<b>Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
		<hr/>
Sub-total		—

<b>Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—
Reversal of previously recorded fair value gain of Investment Property	—
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—
Sub-total	—
<b>Adjusted Net Income/Loss</b>	<b>9,227,288,830</b>
<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>	
Depreciation on revaluation increment (after tax)	—
Sub-total	—
<b>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP</b>	
Amortization of the effect of reporting relief	—
Total amount of reporting relief granted during the year	—
Others (describe nature)	—
Sub-total	—
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>	
Net movement of treasury shares (except for reacquisition of redeemable shares)	—
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 same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	(76,603,267)
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others – Remeasurement of retirement benefit obligation, net of tax	275,701,757
Sub-total	199,098,490
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	<b>₱6,667,998,348</b>

**FINANCIAL SOUNDNESS INDICATORS**

As of December 31, 2025

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES  
7TH Floor Centerpoint Bldg., Julia Vargas St., Ortigas Center, Pasig City

<b>Ratio</b>	<b>Formula</b>	<b>Current Year</b>	<b>Prior Year</b>
Current ratio	Total Current Assets divided by Total Current Liabilities	2.01x	2.47x
	Total Current Assets Divide by: Total Current Liabilities	43,031,853,850 21,420,445,249	
	Current Ratio	2.01	
Quick/Acid test ratio	Quick Assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	0.77x	0.97x
	Total Current Assets Less: Inventories	43,031,853,850 (21,251,678,938)	
	Prepayments and other Current Assets	(5,336,384,790)	
	Quick assets Divide by: Total Current Liabilities	16,443,790,122 21,420,445,249	
	Quick/Acid test ratio	0.77	
Debt-to-equity ratio	Total Liabilities divided by Total Equity	0.67x	0.55x
	Total Liabilities Divide by: Total Equity	25,986,194,069 38,989,469,320	
	Debt-to-equity ratio	0.67	
Asset-to-equity ratio	Total Assets divided by Total Equity	1.67x	1.54x
	Total Assets Divide by: Total Equity	64,975,663,389 38,989,469,320	
	Asset-to-equity ratio	1.67	
Interest rate coverage ratio	Earnings before Interest and Taxes (EBIT) divided by Interest Expense	22.35x	24.03x
	EBIT Divide by: Interest Expenses	8,652,608,856 387,153,482	
	Interest rate coverage ratio	22.35	
Working capital turnover	Net Sales divided by Working Capital (Current Assets less Current Liabilities)	3.85x	3.53x
	Net Sales Divide by: Working capital	83,295,676,862	
	Current Assets Less: Current Liabilities	43,031,853,850 (21,420,445,249)	
	Working Capital	21,611,408,601	
	Working Capital Turnover	3.85	
Return on equity	Profit before Taxes (PBT) divided by Total Equity	21.30%	20.65%
	Net Income before tax Divide by: Total Equity	8,303,560,332 38,989,469,320	
	Return on equity	21.30%	
Return on assets	Net Income after tax divided by Total Assets	12.78%	13.39%
	Profit after tax Divide by: Total Assets	7,065,732,412 64,975,663,389	
	Return on assets	10.87%	
Net profit margin	Profit before Taxes (PBT) divided by Net Sales	9.97%	9.80%
	Net Income before tax Divide by: Net Sales	8,303,560,332 83,295,676,862	
	Net profit margin	9.97%	
Gross profit margin	Gross profit divided by Net Sales	25.14%	26.10%
	Gross Margin Divide by: Net Sales	20,944,390,938 83,295,676,862	
	Net profit margin	25.14%	

**CENTURY PACIFIC FOOD INC AND SUBSIDIARIES**  
Supplementary Schedule of External Auditors Fee – Related Information  
As at December 31, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>Total Audit Fees</b>	<b>₱12,565,000</b>	<b>₱11,650,000</b>
Non-audit services fees		
Transfer pricing study	-	1,350,000
All other services	-	-
<b>Total Non-audit fees</b>	<b>-</b>	<b>1,350,000</b>
<b>Total Audit and Non-audit Fees</b>	<b>₱12,565,000</b>	<b>₱13,000,000</b>