**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-Q QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended **September 30, 2026**

2. Commission identification number **CS201320778**

3. BIR Tax Identification No. **008-647-589-000**

4. **Century Pacific Food, Inc.**
   Exact name of issuer as specified in its charter

5. **Pasig City, Philippines**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **7/F Centerpoint Bldg., Julia Vargas Ave. Garnet Rd. Ortigas Center Pasig City, 1605**
   Address of issuer's principal office Postal Code

8. **+632 - 8633 - 8555**
   Issuer's telephone number, including area code

9. **Not Applicable**
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

| | |
|---|---|
| Title of each Class | **Common Stock P1 par value** |
| Number of shares of common stock outstanding | **3,542,258,595 Shares** |

11. Are any or all of the securities listed on a Stock Exchange?
    Yes [**x**] No []

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
    **Main Board of the Philippine Stock Exchange, Common Shares**

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
    Yes [**x**] No []

    (b) has been subject to such filing requirements for the past ninety (90) days.
    Yes [**x**] No []

## PART I – FINANCIAL INFORMATION

### Item 1. Financial Statements

The unaudited interim consolidated financial statements of Century Pacific Food, Inc. and its wholly owned subsidiaries General Tuna Corporation, Snow Mountain Dairy Corporation, Allforward Warehousing Inc., Century Pacific Agricultural Ventures Inc., Century Pacific Food Packaging Ventures Inc., Century Pacific Seacrest Inc., General Odyssey Inc., Millennium General Power Corporation., The Pacific Meat Co. Inc., Coco Harvest Inc., Centennial Global Corporation, and Century Pacific North America Enterprise Inc. (collectively, the "Company" or "CNPF") as of and for the period ended September 30, 2026, and the comparative period in 2025 is attached to this 17-Q report, comprising of the following:

1.1 Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025
1.2 Consolidated Statement of Income for the period ended September 30, 2026 and September 30, 2025
1.3 Consolidated Statement of Cash Flows for the period ended September 30, 2026 and September 30, 2025
1.4 Consolidated Statement of Changes in Shareholder's Equity for the period ended September 30, 2026 and September 30, 2025
1.5 Notes to Consolidated Financial Statements for the period ended September 30, 2026

### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Based on the unaudited consolidated financial statements for the period ended September 30, 2026)

***Business Overview***

Century Pacific Food, Inc. (PSE:CNPF or the Company) is one of the leading food and beverage companies in the Philippines. It owns a portfolio of well-recognized and trusted brands in canned and processed fish, canned meat, dairy and mixes, coconut, pet food, and plant-based alternatives. These brands include well-established names such as Century Tuna, 555, Ligo, Argentina, and Birch Tree, as well as emerging and challenger names such as Blue Bay, Fresca, Swift, Wow, Lucky Seven, Angel, Coco Mama, unMEAT, and Goodest. CNPF exports its branded products to international markets, such as the United States and Middle East. The Company is also among the Philippines' largest exporters of private label original equipment manufacturer (OEM) tuna and value-added coconut products.

CNPF traces its history from Century Pacific Group, Inc. (CPGI), a consumer-focused company for more than 40 years. CPGI (formerly Century Canning Corporation) was established in 1978 by Mr. Ricardo S. Po, Sr. as an exporter of canned tuna. In subsequent years, CPGI then expanded and diversified into other food-related businesses. Establishing market leading positions, it built a multi-brand, multi-product portfolio catering to a broad and diverse customer base and supported this with a distribution infrastructure with nationwide reach, directly serving hundreds of thousands of retail outlets and food service companies.

In October 2013, the Po Family reorganized CPGI to maximize business synergies and shareholder value. It incorporated CNPF, carving out the branded canned seafood, meat, dairy, mixes, and OEM tuna export

businesses from CPGI and folding them into CNPF. On January 1, 2014, CNPF commenced business operations under the new corporate set-up.

CNPF manages its food business through operating divisions and wholly-owned subsidiaries.

The canned and processed fish segment produces and markets a variety of tuna, sardine, and other fish and seafood-based products under *the Century Tuna*, *555, Ligo*, *Blue Bay*, *Fresca*, and *Lucky 7* brands. The Corporation acquired Ligo, a legacy brand known for its high quality marine products, in 2022.

The canned meat segmen produces corned beef, meat loaf, luncheon meat, and other meat-based products, which are sold under the *Argentina*, *Swift*, *555*, *Shanghai*, and *Wow* brands.

The dairy and mixes segment is comprised of products such as evaporated milk, condensed milk, full cream and fortified powdered milk, and all-purpose creamer under the *Angel* and *Birch Tree* brands.

The tuna export segment produces OEM canned tuna, pouched tuna, and vacuum-packed frozen tuna loin products for overseas markets including North America, Europe, Asia, Australia, and the Middle East.

At the end of 2015, CNPF acquired a 100% interest in Century Pacific Agricultural Ventures, Inc., an integrated coconut producer of high value organic-certified and conventional coconut products for both export and domestic markets. These products include retail-packaged coconut water, organic virgin coconut oil, desiccated coconuts, coconut flour, and coconut milk. It currently also has other coconut-based products under development. To expand its capacity in coconuts, the Company also acquired a 100% interest in Coco Harvest, Inc. (CHI), in 2024. CHI owns a fully integrated coconut processing facility located in Misamis Occidental, Mindanao.

During 2016, CNPF also acquired the license to the Kamayan trademark for North America and the Middle East. The brand is one of the top names in the U.S. market for shrimp paste – a popular condiment in Philippine cuisine, locally known as bagoong.

In 2017, CPFI acquired the Philippine license for Hunt's, the country's number one pork & beans brand. The acquisition also included the transfer of manufacturing assets and inventory related to Hunt's product lineup. This lineup includes pork & beans, tomato-based spaghetti sauce, tomato sauce, and marinade sauce.

In 2019, the Corporation began marketing Coco Mama Fresh Gata for the Philippine coconut market. It is the Company's first major launch of a culinary coconut product using its own brand.

In 2020, the Company entered the meat-free market with the launch of the unMEAT brand, the first large-scale plant-based meat alternative brand in the Philippines. The brand was rolled out in retail and institutional markets in the Philippines and in international locations such as the USA, Singapore, China, and the Middle East. To date unMEAT can be found in more than 13,000 points of sale globally.

CNPF acquired Pacific Meat Company, Inc. (PMCI), an emerging player in the refrigerated food category. PMCI, which was added to the Corporation's portfolio on April 1, 2021, came equipped with its own manufacturing facilities, cold chain distribution, and pipeline of refrigerated products.

The Company also launched its pet food business in 2021, through a brand called Goodest.

In 2025, CNPF acquired plant-based brands Loma Linda, neat, Tuna, and Kaffree Roma. Based in the US, Loma Linda is a 130-year old brand catering predominantly to Seventh Day Adventists. Within the same year, the Company acquired a fully integrated coconut facility in Tupi, South Cotabato.

***Results of Operations***

- Amid persistent headwinds, the Company was able to keep its growth on track for the first nine months of 2026. Unaudited consolidated revenues amounted to Php 70.5 billion during the period, growing by 14% YoY. Consolidated sales in the third quarter increased by 12% YoY and 8% quarter-on-quarter.

- This performance was supported by its diversified portfolio spanning Branded and Original Equipment Manufacturing (OEM) Exports segments. Approximately 80% of its revenues come from the Branded Segment, comprised of Marine, Meat, Milk, Coconut, and other emerging categories. OEM Exports in Tuna and Coconut comprise the rest of its sales.

- Within the nine-month period, Branded remained resilient, delivering a volume-led growth rate of 12% on the back of the Company's portfolio of affordable and value-for-money pantry essentials. Meanwhile, CNPF's Original Equipment Manufacturer (OEM) Exports business maintained its recovery during the period. Export sales increased by 21% from a low base, supported by long-term contracts and continued demand in key markets.

- For the first nine months, CNPF posted improvements in gross margin and operating efficiency, driven by measured pricing action and tighter spending. Gross margin inched up by 10 bps to 25.6%, and operating expenses as a percentage of sales fell by 30 bps to 13.9%. These improvements supported the 20% YoY growth in operating income before non-recurring earthquake losses.

- In June, a 7.8-magnitude earthquake struck General Santos, where CNPF operates key production facilities. Operations fully resumed by the start of the third quarter, with no permanent impairment to the Company's production capabilities. These facilities and inventory are covered by insurance.

- Non-recurring earthquake-related losses amounting to Php 1.2 billion were recognized during the period, tempering headline operating income growth to 4% YoY. Insurance recoveries are expected to be recognized in future periods.

- Below the operating line, CNPF recorded higher effective tax rates and finance costs, due to the expiration of tax incentives and a moderate increase in leverage. Together with earthquake-related one-offs, these brought headline NIAT to Php 5.2 billion, reflecting a decline of 11% versus the same period last year. Nonetheless, core NIAT continued to grow by 10% YoY.

***Financial Condition***

The Company's financial stability and financial position as of September 30, 2026, is as follows:

- Cash and cash equivalents reached P1.8 billion as of September 30, 2026. Operating activities registered a Php 2.9 billion total outflow, primarily driven by the increase in working capital requirements to secure supply amidst a volatile operating environment. Net cash used in investing activities amounted to Php 5.3 billion, mostly for capacity expansion purposes, while net cash generated from financing activities was Php 7.2 billion.

- Current ratio stood at 1.53 times as of end September 2026, comparing to end-2025's ratio of 2.01 times. The cash conversion cycle was 105 days as of September 2026, with accounts receivable and inventory days at 69 and 149 respectively, while accounts payable days stood at 113 days. Net working capital to total assets ratio is measured at 0.24 times, lower versus end-2025's level of 0.33 times, reflecting continued investments in capacity expansion, higher inventory in light of volatile operating environment, and the increase in short-term borrowings.

- Property, plant and equipment - net registered at Php 14.2 billion as of end September 2026. Capital expenditures for the first nine months of the year totaled Php 5.3 billion, consisting of capacity expansion and the installation of new equipment and machinery at the different manufacturing facilities of the Company.

- As of end September 2026, the Company's total interest-bearing debt amounted to Php 19.2 billion, Php 16.1 billion of which are due in the next 12 months.

- Total stockholders' equity increases by Php 1.9 billion from Php 39.0 billion as of end December 2025 to Php 40.9 billion as of end September 2026, representing net income earned and declaration of dividends during the nine-month period ending September 30, 2026.

- CNPF debt levels continue to be manageable. Gearing ratio, measured as total interest-bearing debt over total equity, stood at 0.47 times as of end September 2026, slightly higher versus end December 2025. Net of cash available, net gearing is 0.42 times as of end September 2026. Cash is earmarked for working capital and planned Capex for the year.

**Key Performance Indicators (KPIs)**

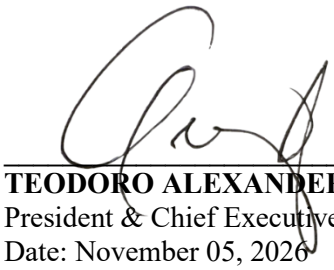
| | Unaudited Nine Months Ended September 30, 2026 | Unaudited Nine Months Ended September 30, 2025 |
|---|---|---|
| Gross Profit Margin | 25.6% | 25.5% |
| Before Tax Return on Sales | 10.0% | 11.4% |
| Return on Sales | 7.3% | 9.4% |
| Interest-Bearing Debt-to-Equity | 0.47X | 0.19X |
| Current Ratio | 1.53X | 2.00X |

***Notes:***
*1 Gross Profit margin = Gross Profit / Net Revenue*
*2 Before Tax Return on Sales = Net Profit Before Tax / Net Revenue*
*3 Return on Sales = Net Profit After Tax / Net Revenue*
*4 Interest-Bearing Debt-to-Equity = Loans Payable / Total Stockholders' Equity*
*5 Current Ratio = Total Current Assets / Total Current Liabilities*

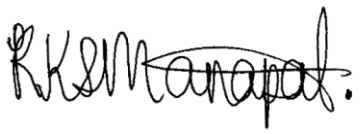
**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**CENTURY PACIFIC FOOD, INC.**



**TEODORO ALEXANDER T. PO**
President & Chief Executive Officer
Date: November 05, 2026



**RICHARD KRISTOFFER S. MANAPAT**
Vice President & Chief Finance Officer
Date: November 05, 2026

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

(A Subsidiary of Century Pacific Group Inc)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Amounts in Philippine Peso)

| | **Unaudited** | Audited |
|---|---|---|
| | **September 30, 2026** | December 31,2025 |
| **ASSETS** | | |
| **Current Assets** | | |
| Cash and cash equivalents | **₱1,839,406,325** | ₱2,884,541,289 |
| Trade and other receivables | **17,471,913,070** | 13,378,061,156 |
| Inventories | **28,023,860,059** | 21,251,678,938 |
| Due from related parties | **173,067,468** | 181,187,677 |
| Prepayments and other current assets | **10,842,165,168** | 5,336,384,790 |
| Total Current Assets | **58,350,412,090** | 43,031,853,850 |
| **Noncurrent Assets** | | |
| Property, plant and equipment | **14,161,374,109** | 12,387,312,903 |
| Intangible assets | **6,243,702,702** | 6,264,805,335 |
| Right-of-use assets | **2,056,519,207** | 1,502,324,827 |
| Deferred tax assets – net | **1,372,252,344** | 1,373,785,774 |
| Retirement asset – net | **29,606,822** | 29,606,822 |
| Other noncurrent assets | **2,371,152,457** | 385,973,878 |
| Total Noncurrent Assets | **26,234,607,642** | 21,943,809,539 |
| | **₱84,585,019,732** | ₱64,975,663,389 |
| **LIABILITIES AND EQUITY** | | |
| **Current Liabilities** | | |
| Short-term borrowings | **₱16,090,000,000** | ₱4,806,970,000 |
| Current portion of long-term borrowings | **24,882,854** | 23,747,808 |
| Trade and other payables | **21,271,599,653** | 15,933,874,621 |
| Income tax payable | **486,572,757** | 187,516,314 |
| Due to related parties | **65,396,265** | 65,075,240 |
| Lease liabilities - current portion | **234,289,281** | 403,261,266 |
| Total Current Liabilities | **38,172,740,810** | 21,420,445,249 |
| **Noncurrent Liabilities** | | |
| Long-term borrowings - net of current portion | **3,060,014,604** | 3,076,014,604 |
| Retirement benefit obligation - net | **331,289,392** | 133,203,708 |
| Lease liabilities - net of current portion | **2,097,566,912** | 1,356,530,508 |
| Total Noncurrent Liabilities | **5,488,870,908** | 4,565,748,820 |
| Total Liabilities | **43,661,611,718** | 25,986,194,069 |
| **Equity** | | |
| Share capital | **3,542,258,595** | 3,542,258,595 |
| Share premium | **4,936,859,146** | 4,936,859,146 |
| Share-based compensation reserve | **8,211,398** | 8,211,398 |
| Other reserves | **30,628,942** | 30,628,942 |
| Currency translation adjustment | **(7,374,914)** | 28,943,374 |
| Retained earnings: | | |
| Appropriated | **23,000,000,000** | 23,000,000,000 |
| Unappropriated | **9,412,824,847** | 7,442,567,865 |
| Total Equity | **40,923,408,014** | 38,989,469,320 |
| | **₱84,585,019,732** | ₱64,975,663,389 |

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**
(A Subsidiary of Century Pacific Group Inc)
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
(Amounts in Philippine Peso)

| | **For the Nine Months Ended September 30, 2026** | For the Nine Months Ended September 30, 2025 |
|---|---|---|
| Net Revenue | **₱70,452,088,283** | ₱61,787,149,456 |
| Cost of Goods Sold | **52,427,871,605** | 46,050,509,257 |
| **Gross Profit** | **18,024,216,678** | 15,736,640,199 |
| Other Income (Expense) | **(648,821,540)** | 357,158,940 |
| Operating Expenses | **(9,808,432,568)** | (8,793,950,181) |
| Operating Income | **7,566,962,570** | 7,299,848,958 |
| Financing Cost | **(555,318,511)** | (264,904,346) |
| Net Profit Before Tax | **7,011,644,059** | 7,034,944,612 |
| Income Tax Expense | **(1,853,354,342)** | (1,250,130,223) |
| Net Profit After Tax | **5,158,289,717** | 5,784,814,389 |
| Other Comprehensive Income | **(36,318,290)** | 14,365,704 |
| **Total Comprehensive Income** | **₱5,121,971,427** | ₱5,799,180,093 |
| **Basic and Diluted Earnings Per Share** | **1.46** | 1.63 |

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**
(A Subsidiary of Century Pacific Group Inc)
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
(Amounts in Philippine Peso)

| | **For the Three Months Ended September 30, 2026** | For the Three Months Ended September 30, 2025 |
|---|---|---|
| Net Revenue | **₱24,623,412,748** | ₱22,072,230,725 |
| Cost of Goods Sold | **18,461,438,336** | 16,534,786,754 |
| **Gross Profit** | **6,161,974,412** | 5,537,443,971 |
| Other Income (Expense) | **(857,214,453)** | 154,182,617 |
| Operating Expenses | **(3,345,481,753)** | (3,288,053,387) |
| Operating Income | **1,959,278,206** | 2,403,573,201 |
| Financing Cost | **(254,604,986)** | (113,665,389) |
| Net Profit Before Tax | **1,704,673,220** | 2,289,907,812 |
| Income Tax Expense | **(689,165,881)** | (404,182,730) |
| Net Profit After Tax | **1,015,507,339** | 1,885,725,082 |
| Other Comprehensive Income | **(11,907,540)** | 6,675,308 |
| **Total Comprehensive Income** | **₱1,003,599,799** | ₱1,892,400,390 |
| **Basic and Diluted Earnings Per Share** | **0.29** | 0.53 |

**CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES**
(A Subsidiary of Century Pacific Group Inc)
**CONSOLIDATED CHANGES IN EQUITY**
(Amounts in Philippine Peso)

| | Capital Stock | Additional Paid in Capital | Shared Based Reserve | Other Reserves | Currency Translation Adjustment | Unappropriated Retained Earnings | Appropriated Retained Earnings | Total |
|---|---|---|---|---|---|---|---|---|
| Balance, January 1, 2026 | **₱3,542,258,595** | **₱4,936,859,146** | **₱8,211,398** | **₱30,628,942** | **₱28,943,374** | **₱7,442,567,865** | **₱23,000,000,000** | **₱38,989,469,320** |
| Net income | **–** | **–** | **–** | **–** | **–** | **5,158,289,718** | **–** | **5,158,289,718** |
| Currency translation adjustment | **–** | **–** | **–** | **–** | **(36,318,288)** | **–** | **–** | **(36,318,288)** |
| Total comprehensive income | **–** | **–** | **–** | **–** | **(36,318,288)** | **5,158,289,718** | **–** | **5,121,971,430** |
| Cash dividends | **–** | **–** | **–** | **–** | **–** | **(3,188,032,736)** | **–** | **(3,188,032,736)** |
| **Balance, September 30, 2026** | **₱3,542,258,595** | **₱4,936,859,146** | **₱8,211,398** | **₱30,628,942** | **(₱7,374,914)** | **₱9,412,824,847** | **₱23,000,000,000** | **₱40,923,408,014** |
| | | | | | | | | |
| Balance, January 1, 2025 | 3,542,258,595 | 4,936,859,146 | 8,211,398 | 30,628,942 | 25,734,788 | 10,270,096,965 | 17,000,000,000 | 35,813,789,835 |
| Net income | – | – | – | – | – | 5,784,814,389 | – | 5,784,814,389 |
| Currency translation adjustment | – | – | – | – | 14,365,704 | – | – | 14,365,704 |
| Total comprehensive income | – | – | – | – | 14,365,704 | 5,784,814,389 | – | 3,906,779,703 |
| Cash dividends | – | – | – | – | – | (3,896,484,454) | – | (3,896,484,454) |
| Balance, September 30, 2025 | ₱3,542,258,595 | ₱4,936,859,146 | ₱8,211,398 | ₱30,628,942 | ₱40,100,492 | ₱12,158,426,900 | ₱17,000,000,000 | ₱37,716,485,474 |

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

(A Subsidiary of Century Pacific Group Inc)

**CONSOLIDATED STATEMENT OF CASH FLOWS**

(Amounts in Philippine Peso)

| | **Unaudited** | Unaudited |
|---|---|---|
| | **September 30, 2026** | September 30,2025 |
| **Cash Flows from Operating Activities** | | |
| Profit before tax | **₱7,011,644,059** | ₱7,034,944,612 |
| Adjustments for: | | |
| Depreciation and amortization | **1,777,588,039** | 1,465,664,061 |
| Adjustments on foreign currency translation | **(36,318,288)** | 14,365,704 |
| Finance Costs | **555,318,511** | 264,904,346 |
| **Operating cash flows before working capital changes** | **9,308,232,321** | 8,779,878,723 |
| Decrease (increase) in trade and other receivables | **(4,093,851,914)** | (3,235,892,645) |
| Decrease (increase) in inventory | **(6,772,181,122)** | (1,651,147,840) |
| Decrease (increase) in related party | **8,441,234** | 103,784,785 |
| Decrease (increase) in prepayments and other current assets | **(3,411,197,609)** | (3,770,650,989) |
| Decrease (increase) in deferred tax assets | **1,533,430** | (18,473,585) |
| Decrease (increase) in non-current assets | **(1,985,178,575)** | 17,500,364 |
| Decrease (increase) in trade and other payables | **5,337,725,033** | 3,730,504,655 |
| Decrease (increase) in income taxes payables | **299,056,443** | 303,775,025 |
| Decrease (increase) in retirement payable | **198,085,684** | (41,295,010) |
| Cash generated from operations | **(1,109,335,075)** | 4,217,983,483 |
| Income taxes paid | **(1,853,354,342)** | (1,250,130,223) |
| **Net Cash from Operating Activities** | **(2,962,689,417)** | 2,967,853,260 |
| | | |
| **Cash flows from Investing Activities** | | |
| Acquisition of property plant and equipment | **(5,304,849,783)** | (1,954,835,348) |
| Disposal of property and equipment | **15,471,003** | 7,348,995 |
| Acquisition of intangible assets | **(899,999)** | (287,543,899) |
| **Net Cash From (Used in) Investing Activities** | **(5,290,278,779)** | (2,235,030,252) |
| | | |
| **Cash Flows from Financing Activities** | | |
| Proceeds from loan availments | **77,000,000,000** | 12,138,559,000 |
| Repayments of loans | **(65,731,834,954)** | (8,332,581,509) |
| Dividends Payment | **(3,188,032,736)** | (3,896,484,454) |
| Increase (decrease) in finance lease liability | **(316,980,567)** | (310,457,122) |
| Interest paid | **(555,318,511)** | (264,904,346) |
| **Net Cash From (Used in) Financing Activities** | **7,207,833,232** | (665,868,431) |
| | | |
| **Net Increase in Cash and Cash Equivalents** | **(1,045,134,964)** | (66,954,577) |
| **Cash and Cash Equivalents at the Beginning of Period** | **2,884,541,289** | 3,227,606,273 |
| **Cash and Cash Equivalents at the End of Period** | **₱1,839,406,325** | ₱3,294,560,850 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

Century Pacific Food, Inc. (the "Parent Company") was incorporated and registered with the Philippine Security 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.

The Parent Company's shares of stocks were listed in the Philippines Stock Exchange (PSE) on May 6, 2014 through initial public offering (IPO) and listing of 229.65 million shares in the PSE at a total value of P3.3 billion.

The Parent Company is 65.5% owned subsidiary of Century Pacific Group, Inc. (CPGI) the ultimate parent, as at September 30, 2026. CPGI is a corporation registered with SEC and is domiciled in the Philippines.

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

### 2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

The consolidated financial statements of the Parent Company and its subsidiaries (the "Group") have been prepared in accordance with Philippine Financial ReportingStandards (PFRSs).

Basis of Preparation and Presentation

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.

**Subsidiaries**

Details of the Company's subsidiaries as of September 30, 2026, are as follows:

| Subsidiary | Business | % Ownership | Country of Residence |
|---|---|---|---|
| Snow Mountain Dairy Corporation (SMDC) | Leasing services | 100 | Philippines |
| General Tuna Corporation (GTC) | Manufacturing and exporting of OEM canned, pouched and frozen tuna products. | 100 | Philippines |

| | | | |
|---|---|---|---|
| Allforward Warehousing Inc. (AWI) | Operating warehouse facilities | 100 | Philippines |
| Century Pacific Agricultural Ventures, Inc. (CPAVI) | Manufacturing high value organic-certified and conventional coconut products for both export and domestic markets. | 100 | Philippines |
| Century Pacific Seacrest Inc. (CPSI) | Developing, maintaining, licensing and administering marks and all kinds of intellectual property | 100 | Philippines |
| Centennial Global Corporation (CGC) | Trademark holding company | 100 | BVI |
| Century Pacific Food Packaging Ventures, Inc. (CPFPVI) | Manufacturing tin cans and other packaging materials | 100 | Philippines |
| General Odyssey Inc (GOI) | Manufacturing and distribution of feeds | 100 | Philippines |
| Millenium General Power Corporation (MGPC) | Development and utilization of renewable energy sources | 100 | Philippines |
| The Pacific Meat Co. Inc (PMCI) | Manufacturing and distribution of frozen food products | 100 | Philippines |
| Coco Harvest Inc (CHI) | Manufacturing high value organic-certified and conventional coconut products for both export and domestic markets. | 100 | Philippines |
| Century Pacific North America Enterprise Inc. (CPNA) | Marketing and distribution of various food products | 100 | USA |

## 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 these new standards 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*

## SIGNIFICANT ACCOUNTING AND FINANCIAL REPORTING POLICIES

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all subsidiaries it controls as at September 30, 2026 and 2025.

The Parent Company's subsidiaries including its ownership interest for each entity is disclosed in Note 2.

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:

| Asset | Number of years |
|---|---|
| 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.

**Significant Judgments in Applying Accounting Policies**

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 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.

*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.

*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.

*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.

*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 unlikeliness 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.

*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.

*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.

*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.

*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.

*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.

## 3. 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 |

| Business Segment | Products and Services |
|---|---|
| | Other emerging products |
| Corporate and others | Shared services |
| | Warehousing |
| | Packaging |
| | Other services |

## 4. CASH AND CASH EQUIVALENTS

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Cash on hand | **₱7,182,697** | ₱52,354,932 |
| Cash in bank | **1,681,396,118** | 2,363,864,023 |
| Cash equivalents | **150,827,510** | 468,322,334 |
| | **₱1,839,406,325** | ₱2,884,541,289 |

Cash on hand includes petty cash fund.

Cash in banks earn an average interest at rates based on daily bank deposit rates. These are unrestricted and immediately available for use in the current operations of the Group.

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value. The Group classifies an investment as cash equivalent if that investment has a maturity of three months or less from the date of acquisition. Cash equivalents represent short-term fund placements with local banks maturing on various dates. These placements are from excess cash and can be withdrawn anytime for operations.

## 5. TRADE AND OTHER RECEIVABLES

The Group's trade and other receivables consist of:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Trade receivables from third parties | **₱17,526,998,322** | ₱13,259,438,580 |
| Advances to officers & employees | **129,916,928** | 95,708,623 |
| Other receivables | **389,861,664** | 529,038,283 |
| | **18,046,776,914** | 13,884,185,486 |
| Less: Allowance for doubtful accounts | **(574,863,844)** | (506,124,330) |
| | **₱17,471,913,070** | ₱13,378,061,156 |

Trade receivables represent short-term, non-interest bearing receivables from various customers and generally have 60 day terms or less.

Advances to suppliers pertain to the Group's deposits on purchases.

## 6. INVENTORIES – net

Details of the Group's inventories are as follows:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Finished goods | **₱15,527,853,784** | ₱10,255,263,945 |
| Raw and packaging materials | **11,804,344,034** | 10,867,283,611 |
| Work in process | **530,141,786** | 143,853,794 |
| Spare parts and supplies | **1,993,951,717** | 1,224,542,727 |
| | **29,856,291,321** | 22,490,944,077 |
| Less: Allowance for doubtful accounts | **(1,832,431,262)** | (1,239,265,139) |
| | **₱28,023,860,059** | ₱21,251,678,938 |

No inventories are pledged as security for any liability as of September 30, 2026.

## 7. PREPAYMENTS AND OTHER CURRENT ASSETS

The account consists of:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Advances to suppliers | **₱8,444,664,688** | ₱3,293,193,376 |
| Tax credits | **1,255,399,985** | 1,055,319,656 |
| Input value added tax (VAT) – net | **839,709,332** | 796,563,350 |
| Prepaid insurance | **68,694,030** | 29,781,956 |
| Prepaid rent | **37,585,888** | 15,155,250 |
| Other prepayments | **196,111,245** | 146,371,202 |
| | **₱10,842,165,168** | ₱5,336,384,790 |

Tax credits include creditable withholding taxes withheld by the Group's customers and tax credit certificates (TCC) issued by the Bureau of Customs (BOC). TCCs from BOC 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. The Group can apply its TCC against tax liabilities other than withholding tax or can be refunded as cash.

## 8. PROPERTY, PLANT AND EQUIPMENT – net

Movements in the carrying amounts of the Group's property plant and equipment are as follows:

| | 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 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Balance, January 1, 2025 | ₱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 | 26,492,224 | 489,359,771 | 1,310,547,694 | 13,705,039 | 138,332,098 | 24,583,618 | 1,950,943,527 | 3,953,963,971 |
| Acquisition arising from business combination | – | – | 64,685,500 | – | – | – | – | 64,685,500 |
| Reclassifications | 700,261 | 445,134,732 | 1,089,307,928 | 3,894,475 | 8,739,075 | 280,625 | (1,548,057,096) | – |
| Disposals | – | (84,396,918) | (21,907,635) | (4,891,599) | (30,162,433) | (15,906,909) | (889,779) | (158,155,273) |
| Balance, December 31, 2025 | **90,449,512** | **5,426,376,454** | **13,937,867,959** | **135,973,899** | **863,587,087** | **242,435,269** | **2,053,366,559** | **22,750,056,739** |
| Additions | **6,018,099** | **153,252,144** | **1,186,918,411** | **29,054,798** | **105,147,814** | **43,066,517** | **1,686,809,225** | **3,210,267,008** |
| Reclassifications | **14,574,578** | **372,006,789** | **757,449,619** | **192,538** | **15,416,125** | – | **(1,159,639,649)** | – |
| Disposals | – | **(77,075,706)** | **(5,808,678)** | **(29,762,499)** | **(176,210,805)** | **(44,840,239)** | **952,333** | **(332,745,594)** |
| **Balance, September 30, 2026** | **111,042,189** | **5,874,559,681** | **15,876,427,311** | **135,458,736** | **807,940,221** | **240,661,547** | **2,581,488,468** | **25,627,578,153** |
| **Accumulated Depreciation and Impairment Losses** | | | | | | | | |
| Balance, January 1, 2025 | 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 | 1,630,934 | 367,972,474 | 1,159,202,920 | 12,034,116 | 77,890,918 | 29,277,433 | – | 1,648,008,795 |
| Disposals | – | (81,182,546) | (20,005,820) | (4,891,038) | (30,023,000) | (15,242,086) | – | (151,344,490) |
| Balance, December 31, 2025 | **57,796,189** | **2,150,688,657** | **7,240,688,981** | **106,752,581** | **648,971,248** | **157,846,180** | **–** | **10,362,743,836** |
| Depreciation | **2,331,148** | **293,839,422** | **1,014,403,934** | **11,315,717** | **73,685,036** | **25,124,717** | – | **1,420,699,975** |
| Reclassification | – | **26,341** | **(26,341)** | – | – | – | – | – |
| Disposals | – | **(61,887,922)** | **(7,171,523)** | **(29,755,514)** | **(173,726,928)** | **(44,697,879)** | – | **(317,239,765)** |
| **Balance, September 30, 2026** | **₱60,127,337** | **₱2,382,666,498** | **₱8,247,895,051** | **₱88,312,784** | **₱548,929,356** | **₱138,273,018** | **₱–** | **₱11,466,204,046** |
| **Carrying Amount, September 30, 2026** | **₱50,914,852** | **₱3,491,893,183** | **₱7,628,532,260** | **₱47,145,952** | **₱259,010,865** | **₱102,388,529** | **₱2,581,488,468** | **₱14,161,374,109** |
| Carrying Amount, December 31, 2025 | ₱32,653,323 | ₱3,275,687,797 | ₱6,697,178,978 | ₱29,221,318 | ₱214,615,839 | ₱84,589,089 | ₱2,053,366,559 | ₱12,387,312,903 |

## 9. OTHER NON-CURRENT ASSETS

Details of the Group's other non-current assets as of September 30, 2026, and December 31, 2025, are as follows:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Advances to suppliers | **₱2,094,582,774** | ₱129,499,147 |
| Deferred charges | **33,231,475** | – |
| Security deposits | **221,352,984** | 231,382,206 |
| Returnable containers | **21,985,224** | 25,092,525 |
| | **₱2,371,152,457** | ₱385,973,878 |

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

## 10. LOANS PAYABLE

Details of the Group's loans payable as of September 30, 2026, and December 31, 2025, are as follows:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Short term loans payable | **₱16,114,882,854** | ₱4,830,717,808 |
| Long term loans payable | **3,060,014,604** | 3,076,014,604 |
| | **₱19,174,897,458** | ₱7,906,732,412 |

## 11. TRADE AND OTHER PAYABLES

The Group's trade and other payables consist of:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Trade payables | **₱7,034,438,588** | ₱3,444,208,852 |
| Accrued payable | **12,945,626,465** | 10,347,658,154 |
| Non trade payables | **644,591,017** | 1,214,370,689 |
| Vat Output payable – net | **315,831,492** | 270,634,103 |
| Withholding taxes payables | **208,806,913** | 636,252,056 |
| Other current payables | **122,305,178** | 20,750,767 |
| | **₱21,271,599,653** | ₱15,933,874,621 |

Trade payables and non-trade payables are generally on a 30 to 90-day term.

No interest is charged on trade and non-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.

## 12. RELATED PARTY TRANSACTIONS

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

The outstanding balances as of September 30, 2026, and December 31, 2025, are presented as follows:

| | Amount of Transactions during the year | | Outstanding Receivable/Payable | | |
|---|---|---|---|---|---|
| **Related Party Category** | **2026** | 2025 | **2026** | 2025 | |
| **Ultimate Parent Company** | | | | | |
| Service fee | **₱635,831** | ₱3,294,371 | **₱3,718,016** | ₱3,609,761 | On demand; non interest bearing; unsecured |
| Rental expense | **73,133,178** | 88,103,414 | **(34,352,414)** | (18,436,915) | On demand; non interest bearing; unsecured |
| Dividends | **2,008,260,000** | 2,454,540,000 | **–** | – | On demand; non interest bearing; unsecured |
| Miscellaneous deposit | **–** | – | **18,681,880** | 18,681,880 | On demand; non interest bearing; unsecured |
| **Fellow Subsidiaries & Associates** | | | | | |
| Shared services fee | **4,855,052** | 1,721,219 | – | – | On demand; non interest bearing; unsecured |
| Sale of inventories | **152,051,028** | 180,338,162 | **142,788,884** | 151,029,449 | On demand; non interest bearing; unsecured |
| Sale of PPE | **82,143** | – | – | – | On demand; non interest bearing; unsecured |
| Purchase of inventories | **7,849,447** | 13,146,091 | **(13,629,976)** | (12,958,695) | On demand; non interest bearing; unsecured |
| Service fee | **6,185,346** | 8,437,495 | **7,029,538** | 7,017,437 | On demand; non interest bearing; unsecured |
| Cost reimbursements | **53,997,140** | 75,162,801 | **(16,703,471)** | (32,978,609) | On demand; non interest bearing; unsecured |
| Rental expense | **5,969,182** | 7,861,921 | **(710,404)** | (701,021) | On demand; non interest bearing; unsecured |
| Miscellaneous deposit | **–** | – | **849,150** | 849,150 | On demand; non interest bearing; unsecured |
| Royalty fee | **868,293** | 913,604 | **–** | – | On demand; non interest bearing; unsecured |
| **Due from Related Parties** | | | **₱173,067,468** | ₱181,187,677 | |
| **Due to Related Parties** | | | **(₱65,396,265)** | (₱65,075,240) | |

## 13. SHARE CAPITAL

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Authorized Capital: | | |
| 6,000,000,000 ordinary shares at P1 par value | **6,000,000,000** | 6,000,000,000 |
| Issued and subscribed | **3,542,258,595** | 3,542,258,595 |

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

## 14. EARNINGS PER SHARE

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

| | **Amount in Php** |
|---|---|
| | **For the Period Ended September 30, 2026** |
| Income for the period | **5,158,289,717** |
| Weighted Average Number of Shares | **3,542,258,595** |
| Basic and Diluted Earnings Per Share | **1.46** |

As of September 30, 2026, the Company has no potential dilutive shares. Accordingly, the basic earnings per share of P1.46 is the same as the diluted earnings per share.

## 15. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The fair values of the Group's financial assets and financial liabilities are shown below:

| | **As of September 30, 2026** | | As of December 31, 2025 | |
|---|---|---|---|---|
| | **Carrying Amount** | **Fair Value** | Carrying Amount | Fair Value |
| **Financial Assets** | | | | |
| Cash and cash equivalents | **₱1,839,406,325** | **₱1,839,406,325** | ₱2,884,541,289 | ₱2,884,541,289 |
| Trade and Other Receivables – net | **17,471,913,070** | **17,471,913,070** | 13,378,061,156 | 13,378,061,156 |
| Due from Related Parties | **173,067,468** | **173,067,468** | 181,187,677 | 181,187,677 |
| Security Deposits | **221,352,984** | **221,352,984** | 151,624,000 | 151,624,000 |
| | **₱19,705,739,847** | **₱19,705,739,847** | ₱16,595,414,122 | ₱16,595,414,122 |
| **Financial Liabilities** | | | | |
| Notes Payable | **₱19,174,897,458** | **₱19,174,897,458** | ₱7,906,732,411 | ₱7,906,732,411 |
| Trade and Other Payables | **21,271,599,653** | **21,271,599,653** | 15,933,874,621 | 15,933,874,621 |
| Due to Related Parties | **65,396,265** | **65,396,265** | 65,075,240 | 65,075,240 |
| | **₱40,511,893,376** | **₱ 40,511,893,376** | ₱23,905,682,272 | ₱23,905,682,272 |

*Note: The amount does not include government liabilities which are not considered financial liabilities.*

Due to the short-term maturities of cash and cash equivalents, trade and other receivables, due from related parties, security deposits, trade and other payables, and due to related parties, their carrying amounts approximate their fair values.

The loans payable is determined based on the discounted cash flow analysis using effective interest rates for similar types of instruments.

**Financial Risk Management**

The Group is exposed to certain financial risks which result from both their operating and investing activities. The Group's risk management is coordinated with their Parent Company, in close cooperation with the BOD, and focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets.

The Group does not engage in the trading of financial assets for speculative purposes nor do they write options. The most significant financial risks to which the Group is exposed to are described below.

*Market risk*

The Group is exposed to market risk through their use of financial instruments and specifically interest risk which result from both their operating and financing activities.

*Interest rate risk*

The Group has limited exposure to changes in market interest rates through their interest-bearing loans and cash, which are subject to variable interest rates. These financial instruments have historically shown small or measured changes in interest rates.

*Credit Risk*

Credit risk is the risk that the counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments arising from selling goods to customers, including related parties, providing security deposits to lessors, and placing deposits with banks.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into their credit risk controls. Where available at a reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the combined statements of financial position (or in the detailed analysis provided in the notes to combined financial statements), as summarized below.

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |

| | | |
|---|---|---|
| Cash and Cash Equivalent | **₱1,839,406,325** | ₱2,884,541,289 |
| Trade and Other Receivables – net | **17,471,913,070** | 13,378,061,156 |
| Due from Related Parties | **173,067,468** | 181,187,677 |
| Security Deposits | **221,352,984** | 151,624,000 |
| | **₱19,705,739,847** | ₱16,595,414,122 |

As part of the Group's policy, bank deposits are only maintained with reputable financial institutions. Cash in banks which are insured by the Philippine Deposit Insurance Corporation (PDIC) up to a maximum coverage of (₱1,000,000) per depositor per banking institution, as provided for under Memorandum No. 2025-01 PDIC board resolution, are still subject to credit risk.

The Group's Management considers that all the above financial assets that are not impaired or past due for each reporting period are of good credit quality.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The aging analysis of the Group's financial assets that are not impaired as of September 30, 2026, is as follows:

| | **As of September 30, 2026** | | | |
|---|---|---|---|---|
| | **Past Due Accounts but Not Impaired** | | | |
| | **0 to 60 Days Past Due** | **61 to 90 Days Past Due** | **91 to 120 Days Past Due** | **Over 120 Days Past Due** |
| Cash and cash equivalents | **₱1,839,406,325** | **₱–** | **₱–** | **₱–** |
| Trade and Other Receivables – net | **17,471,913,070** | **–** | **–** | **–** |
| Due from Related Parties | **173,067,468** | **–** | **–** | **–** |
| Security Deposits | **–** | **–** | **–** | **221,352,984** |
| | **₱19,484,386,863** | **₱–** | **₱–** | **₱221,352,984** |

The aging analysis of the Group's individual receivables as of September 30, 2026, and December 31, 2025, is as follows:

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| 60 to 90 days | **₱17,471,913,070** | ₱13,378,061,156 |
| | **₱17,471,913,070** | ₱13,378,061,156 |

*Liquidity Risk*

The ability of the Group to finance their operations and to meet obligation as these become due is extremely crucial to its viability as a business entity. The Companies adopt a prudent liquidity risk management where they maintain sufficient cash to meet trade and other short term payables as they fall due.

The Group manages their liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities:

| | Amount in Php | | |
|---|---|---|---|
| | Within One Year | More than One Year | Total |
| **As of September 30, 2026** | | | |
| Notes Payable | **₱19,174,897,458** | **₱–** | **₱19,174,897,458** |
| Trade and Other Payables | **21,271,599,653** | **–** | **21,271,599,653** |
| Due to Related Parties | **65,396,265** | **–** | **65,396,265** |
| | **₱40,511,893,376** | **₱–** | **₱40,511,893,376** |

| | Amount in Php | | |
|---|---|---|---|
| | Within One Year | More than One Year | Total |
| **As of December 31, 2025** | | | |
| Notes Payable | ₱7,906,732,412 | ₱– | ₱7,906,732,412 |
| Trade and Other Payables | 15,933,874,621 | – | 15,933,874,621 |
| Due to Related Parties | 65,075,240 | – | 65,075,240 |
| | ₱23,905,682,272 | ₱– | ₱23,905,682,272 |

*Note: The amount does not include government liabilities which are not considered financial liabilities.*

## 16. CAPITAL MANAGEMENT RISK

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the profits of the shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes loans, trade and other payables and due to related parties as offset by cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The debt to equity ratio of the Group at each reporting period is within the acceptable range as **t**he Group regularly reviews its financials to ensure compliance with this capital requirement.

| | Amount in Php | |
|---|---|---|
| | **As of September 30, 2026** | As of December 31, 2025 |
| Debt | **₱43,661,611,718** | ₱25,986,194,069 |
| Less: Cash and cash equivalents | **1,839,406,325** | 2,884,541,289 |
| Net debt | **41,822,205,393** | 23,101,652,780 |
| Equity | **40,923,408,014** | 38,989,469,323 |
| Net Debt to equity ratio | **1.02:1** | 0.59:1 |