SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended **31 December 2024**

2. SEC Identification Number **CS201320778**

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

4. Exact name of issuer as specified in its charter **CENTURY PACIFIC FOOD, INC.**

5. **MANILA, PHILIPPINES**
Province, Country or other jurisdiction of incorporation or organization

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

7. **7/F Centerpoint Building, Julia Vargas Avenue, Ortigas Center, Pasig City** **1605**
Address of principal office Postal Code

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

9. **NA**
Former name, former address, and former fiscal year, if changed since last report.

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	3,542,258,595

11. Are any or all of these securities listed on a Stock Exchange.

Yes [/] No [ ]

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

Philippine Stock Exchange **Common Shares**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 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 that the registrant was required to file such reports);

Yes [/] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [/]   No [   ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form.

PHP129,469,551,647.25 COMPUTED USING THE CLOSING PRICE OF PHP 36.55 AND ISSUED SHARES OF 3,542,258,595 AS OF MARCH 31, 2025

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes [/]   No [   ]

DOCUMENTS INCORPORATED BY REFERENCE

15. List of Stockholders attached as Annexes A-1 and A-2 referred to in Item 11 on page 22.

2024 Sustainability Report attached as Annex B.

2024 Consolidated Financial Statements of Century Pacific Food, Inc. and its Subsidiaries attached as Annex C and Financial Statements of Parent Company attached as Annex D referred to in Item 7 on page 11.

CENTURY PACIFIC FOOD, INC.

PART I - BUSINESS AND GENERAL INFORMATION

PART II - OPERATIONAL AND FINANCIAL INFORMATION

PART III - CONTROL AND COMPENSATION INFORMATION

PART IV - EXHIBITS AND SCHEDULES

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

a) 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 the canned and processed fish, canned meat, dairy and mixes, coconut, pet food, and plant-based business segments. 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, Choco Hero, and Goodest. CNPF exports its branded products to international markets, particularly where there are huge Filipino communities 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 coconut products.

CPFI traces its history from the Century Pacific Group, a consumer-focused branded food company for more than 40 years. Century Pacific Group began in 1978 when Mr. Ricardo S. Po, Sr. established Century Pacific Group, Inc. (formerly Century Canning Corporation) as an exporter of canned tuna. In subsequent years, Century Pacific Group, Inc. 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 the Century Pacific Group to maximize business synergies and shareholder value. It incorporated CPFI, carving out the branded canned seafood, meat, dairy, mixes, and OEM tuna export businesses, folding them into CPFI. On January 1, 2014, CPFI commenced business operations under the new corporate set-up.

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

The canned and processed fish segment is CPFI's largest business segment. It produces and markets a mix of tuna, sardine, and other fish and seafood-based products under the Century Tuna, 555, Ligo, Blue Bay, Fresca, Ligo, and Lucky 7 brands. Ligo is a legacy brand known for its range of high quality sardine and other marine products.

The canned meat segment, CPFI's second largest segment, 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, chocomalt powdered milk drink, and all-purpose creamer under the Angel, Birch Tree, and Choco Hero 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, CPFI 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.

During 2016, CPFI 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*. CPFI also acquired distribution companies in China which sell *Century Tuna*, the number one canned tuna brand in China.

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 2020, the Company entered the meat-free market with the launch of the *unMEAT* brand - the first vegan meat alternative brand in the Philippines. The brand is rolled out in the retail and institutional markets in the Philippines and in international locations such as the USA, Singapore, China, and the Middle East. unMEAT entered Europe in 2024, achieving distribution in more than 13,000 points of sale globally.

CPFI acquired Pacific Meat Company, Inc. (PMCI), an emerging player in the refrigerated food category. PMCI, which was added to CPFI'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 2024, CPFI acquired a 100% interest in Coco Harvest, Inc. (CHI), which owns a fully integrated coconut processing facility located in Misamis Occidental, Mindanao. The facility has the capability to produce higher value coconut-based products such as coconut water, coconut milk, desiccated coconut, and virgin coconut oil. The capacity expansion is expected to generate more than 1,500 quality manufacturing jobs in Mindanao.

b) Key Risks

Actual or alleged contamination or deterioration of, or safety concerns about, CPFI's food products or similar products produced by third parties could give rise to product liability claims and harm CPFI's reputation.

CPFI's operations may be impacted by natural or man-made calamities.

CPFI's financial performance may be materially and adversely affected by fluctuations in prices or disruption in the supply of key raw materials.

CPFI's revenue growth depends on successful introduction of new products and new product extensions, which is subject to consumer preference and other market factors at the time of introduction.
Competition in CPFI's businesses may adversely affect its financial condition and results of operations.

CPFI relies on key suppliers for certain raw materials and the failure by such suppliers to adhere to and perform contractual obligations may adversely affect CPFI's business and results of operations.
CPFI may be subject to risks in data breaches, cybersecurity system threats, and IT system failures.

CPFI may be subject to risks in asset misappropriations and financial misstatements.

CPFI generally does not have long-term contracts with many of its customers, and it is subject to uncertainties and variability in demand and product mix.

CPFI is exposed to the credit risks of its customers, and delays or defaults in payment by its customers could have a material adverse effect on CPFI's financial condition, results of operations and liquidity.

Any infringement or failure to protect CPFI's trademarks and proprietary rights could materially and adversely affect its business.

CPFI's strategy of growth, including acquisitions, entering new product categories and international expansion, may not always be successful or may entail significant costs, which could adversely affect its business, financial condition, and results of operations.

CPFI may be subject to labor unrest, slowdowns, and increased wage costs, as well as workplace safety due to accidents.

CPFI may be subject to risks in volatility in macroeconomic and political factors such as foreign exchange, interest rates, availability of funding, rule of law, among others.

CPFI is effectively controlled by the Po family and their interests may differ from the interests of other shareholders.

CPFI's international operations may present operating, financial, and legal challenges, particularly in countries where CPFI has little or no experience.

CPFI's existing insurance policies and self-insurance measures may not be sufficient to cover the full extent of all losses.

CPFI's businesses and operations are substantially dependent upon key executives.

Item 2. Properties

As of December 31, 2024, CPFI does not own land. CPFI leases several properties, including the Company's head office in Pasig City, Metro Manila, its tuna and coconut processing facilities in General Santos City, and its meat processing facility in Laguna, among others. The relevant lease agreements are typically for a term of 10 years at the prevailing market rates in their respective areas, renewable upon mutual agreement of the parties.

None of the leased premises is mortgaged or encumbered.

Item 3. Legal Proceedings

CPFI and its subsidiaries and affiliates are subject to various civil and criminal lawsuits and legal actions arising in the ordinary course of business. As of December 31, 2024, neither CPFI nor any of its subsidiaries are involved in, or the subject of, any legal proceedings which, if determined adversely to CPFI or the relevant subsidiary's interests, would have a material adverse effect on the business or financial position of CPFI or any of its subsidiaries.

Item 4. Submission of Matters to a Vote of Security Holders

Except for matters taken up during the annual meeting of the stockholders, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

a) Market Information

The Company's common shares are traded in the Main Board of The Philippine Stock Exchange, Inc. ("PSE"). The common shares were listed on May 6, 2014.

The following table shows the high and low prices (in pesos per common share) of the Company's shares in the PSE for each quarter within the last 2 years (2021 to 2023):

Period	High	Low
1st Quarter of 2022	29.00	19.80
2nd Quarter of 2022	24.60	20.10
3rd Quarter of 2022	26.35	21.00
4th Quarter of 2022	26.00	22.00
January 1, 2022 to December 31, 2022	**29.00**	**19.80**
1st Quarter of 2023	**26.45**	**23.70**
2nd Quarter of 2023	**26.80**	**21.70**
3rd Quarter of 2023	**31.80**	**24.65**
4th Quarter of 2023	**33.40**	**27.10**
January 1, 2023 to December 31, 2023	**33.40**	**27.10**
1st Quarter of 2024	**40,00**	**30.15**
2nd Quarter of 2024	**39.95**	**31.55**
3rd Quarter of 2024	**40.00**	**32.15**
4th Quarter of 2024	**45.50**	**37.95**
January 1, 2024 to December 31, 2024	**45.50**	**30.15**
January 1, 2024 2025 to March 31, 20242025	**44.80**	**36.15**

Source: Daily Quotation Reports of the Philippine Stock Exchange

The market capitalization of the Company's common shares as of end of 2024, based on the closing price of Php41.95 per share was Php148,597,748,060.25. The market capitalization of the Company's common shares as of March 31, 2025, based on the closing price of Php 36.55 per share was Php129,469,551,647.25.

b) Holders

Total shares outstanding as of December 31, 2024, was 3,542,258,595 with a par value of P1.00

The number of shareholders of record as of December 31, 2024, was 34. The shareholders as of the same date are as follows:

Name of Shareholder	Number of Shares	% Ownership
Century Pacific Group, Inc.	*2,320,120,781	65.5%*

PCD Nominee Corp. (Non-Fil)	851,856,109	24.04%
PCD Nominee Corp. (Filipino)	458,937,604	12.95%
Shinji Miyamoto	32,000	-
Alvin S. Tan	15,000	-
Myra P. Villanueva	3,000	-
Owen Nathaniel S. Au ITF: Li Marcus Au	2,365	-
Giselle Karen Y. Go	2,250	-
Rosauro Panergo Babia	1,500	-
Milagros P. Villanueva	1,500	-
Myrna P. Villanueva	1,500	-
John T. Lao	1,000	-
Christine F. Herrera	750	-
Leopoldo E. San Buenaventura ITF Mayrhilyn M. San Buenaventura	750	-
Julius Victor Emmanuel D. Sanvictores	750	-
Felicitas F. Tacub	750	-
Marietta Villanueva-Cabreza	750	-
Ernesto Kiong Lim and/or Iris Veronica Go Lim	400	-
Guillermo F. Gili, Jr.	150	-
Shareholders Association of the Philippines, Inc.	100	-
Jesus San Luis Valencia	100	-
M. J. Soriano Trading, Inc.	50	-
Gerardo L. Salgado	8	-
Joselito T. Bautista	1	-
Botschaft N. Cheng or Sevila Ngo	1	-
Johnip G. Cua	1	-
Fernan Victor P. Lukban	1	-
Christopher Paulus Tan Po	1	-
Leonardo Arthur Tan Po	1	-
Ricardo Sy Po	1	-
Ricardo Gabriel Tan Po	1	-
Teodoro Alexander Tan Po	1	-

* Century Pacific Group, Inc.'s owns 2,231,400,000 shares of the Registrant in its own name and another 88,720,781 shares of the Registrant lodged under PCD Nominee Corp. (Filipino).

c) Dividends

The company declared cash dividends last February 19, 2024 in the amount of Forty-Eight Centavos (Php 0.48) per share representing a regular dividend of twenty-four centavos (Php 0.24) and special dividend of twenty-four centavos (Php 0.24) per share.

The company also declared special dividends last July 1, 2024 amounting to Forty-Eight Centavos (Php 0.48).

d) Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

The following shares were issued to/subscribed by the Company's employees pursuant to its Employee Stock Purchase Plan (ESPP) confirmed by the Securities and Exchange Commission (SEC), in resolutions dated December 19, 2014, and June 2, 2016, to be exempt from the registration requirement pursuant to

Section 10.2 of the Code:

YEAR	NO. OF SHARES
2014	1,367,200
2015	1,059,200
2016	400,000
2017	1,229,700
2018	0
2019	0
2020	0
2021	0
TOTAL	4,056,100

Item 6. Management's Discussion and Analysis

The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes thereto, which form part of this SEC Form Amended 17-A as "Annex C". The consolidated financial statements and notes thereto have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

a) Results of Operation

CNPF's consolidated net income after tax amounted to Php 6.34 billion for the full year ending December 31, 2024. This is 14% higher than the reported net income after tax of Php 5.58 billion in 2023.

Consolidated net revenues for 2024 grew by 12%, amounting to Php 75.49 billion compared to the Php 67.12 billion revenues from the previous year.

Growth was driven by the OEM Exports business, which increased by 36% year-on-year, outperforming the Branded segment. The performance of OEM Exports may be attributed to a favorable commodity cycle and strong global demand for healthier products.

Meanwhile, theBranded business, which comprises the majority of the Company's sales, saw revenues increase by 7% year-on-year amid a soft domestic consumer environment. It continues to comprise the majority of the Company's overall topline.

CNPF's brands in the marine and meat segments have maintained market leadership. Market share gains were seen in both the meat and milk segments, while marine's dominant market shares were largely sustained.

For the full year ending December 31, 2024, cost of sales amounted to Php 55.79 billion, growing by 9% from the previous year. This resulted in a 22% increase in gross profit, which amounted to Php 19.70 billion. The Company's cost of sales consists primarily of raw material and packaging costs, manufacturing costs, and direct labor costs.

Gross margin ratio expanded by 210-basis points to 26.1% due to favorable input costs. Gains were reinvested into discretionary spending, leading operating expenses as a percentage of sales to increase by 170 basis points. These resulted in a 10% increase in operating income, which landed at Php 7.61 billion.

a) Financial Condition

The Company maintained its strong and healthy balance sheet. Current ratio was at 2.47x. Interest-bearing debt over equity and net gearing ratio decreased to 0.10x and 0.00x, respectively.

CNPF's total assets increased to Php 55.24 billion as of December 31, 2024 compared to Php 51.54 billion at the end of 2023.

Total equity grew from Php 32.85 billion at the end of December 2023 to Php 35.81 billion, coming primarily from the Company's generated net income during the year.

b) Key Performance Indicators

The following are the major financial ratios that the Company uses. Analyses are employed by comparisons and measurements based on the financial information of the current period against last year.

	Full Year 2023	Full Year 2024
Gross Profit Margin	24.0%	26.1%
Before Tax Return on Sales	9.7%	9.8%
Return on Sales	8.3%	8.4%
Interest-Bearing Debt-to-Equity	0.18X	0.10X
Current Ratio	2.50X	2.47X

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

Item 7. Financial Statements

The Company's financial statements and notes thereto form part of this SEC Form as "Annex C" and "Annex D".

Item 8. Information on Independent Public Accountants

a. External Auditor

The historical financial statements of wholly owned subsidiaries, General Tuna Corporation (GTC), Snow Mountain Dairy Corporation (SMDC), Century Pacific Food Packaging Ventures Inc. (CPFPVI), Century Pacific Agricultural Ventures Inc (CPAVI), General Odyssey Inc. (GOI), The Pacific Meat Company inc(PMCI), Millennium General Power Corporation ("MGPC") (formerly Century Pacific Solar Inc.), Allforward Warehousing Inc (AWI), Century Pacific Seacrest Inc (CPSI) and Coco Harvest Inc (CHI) as of and for the year ended December 31, 2024, were audited by *Sycip, Gorres, Velayo, & Co. ("SGV & Co.")*, a member firm within *Ernst & Young*, independent auditors, in accordance with PSA, as stated in their reports appearing herein.

SGV & Co. has acted as CPFI's external auditor since January 1, 2021. Christine G. Vallejo is the current audit partner for CPFI. CPFI has not had any material disagreements on accounting and financial disclosures with its current external auditor for the same periods or any subsequent interim period. *SGV & Co.* has neither shareholdings in CPFI nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of CPFI. *SGV & Co.* does not receive any direct or indirect interest in CPFI or its securities (including options, warrants or rights thereto). The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

The principal accountant for *SGV & Co.* is Christine G. Vallejo.

b. Audit Fees

Name of Auditor	**Audit Fee**		**Non-Audit Fees**	
	2024	**2023**	**2024**	**2023**
Sycip, Gorres, Velayo, & Co. (a member firm within Ernst & Young)	Php11,650,000	Php10,230,000	Php1,350,000	650,000

a) Audit Committee and Policies

There shall be an Audit Committee composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees. The Audit Committee meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit. The Audit Committee has the following duties and responsibilities, among others:

i.) Recommends the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;

ii.) Through the Internal Audit (IA) Department, monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (a) safeguard the company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data, and (d) ensure compliance with applicable laws and regulations;

iii.) Oversees the Internal Audit Department and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee should also approve the terms and conditions for outsourcing internal audit services;

iv.) Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;

v.) Reviews and monitors Management's responsiveness to the Internal Auditor's findings and recommendations;

vi.) Prior to the commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

vii.) Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence (as defined under the Code of Ethics for Professional Accountants). The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;

viii.) Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:

- Any change/s in accounting policies and practices
- Areas where a significant amount of judgment has been exercised
- Significant adjustments resulting from the audit
- Going concern assumptions
- Compliance with accounting standards
- Compliance with tax, legal and regulatory requirements

ix.) Reviews the disposition of the recommendations in the External Auditor's management letter;

x.) Performs oversight functions over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties, and personnel to enable them to perform their respective audit functions;

xi.) Coordinates, monitors, and facilitates compliance with laws, rules, and regulations; and

xii.) Recommends to the Board the appointment, reappointment, removal, and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

The Audit Committee was composed of the following members in 2024, the chairman of which is an independent director:

Name	Position
Philip G. Soliven	Chairman
Ricardo Gabriel T. Po	Member
Frances J. Yu	Member

b) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no disagreements with Accountants on Accounting and Financial Disclosure or Changes in Accounting Policies for the period ended December 31, 2024.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

a. Directors, Including Independent Directors, and Executive Officers

The overall management and supervision of the Company is undertaken by the Company's Board of Directors. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition, and results of operations for its review. Pursuant to the Company's articles of incorporation, the Board shall consist of nine members, of which three are independent directors. The directors were first elected at the Company's annual shareholders meeting on October 28, 2013, re-elected on July 1, 2024, and will hold office until their successors have been duly elected and qualified.

The incumbent Directors and Executive Officers of the Company are as follows:

Name	Age	Nationality	Position
Ricardo Gabriel T. Po	57	Filipino	Vice Chairman
Teodoro Alexander T. Po	55	Filipino	Vice Chairman, Chief Executive Officer, and President
Christopher T. Po	54	Filipino	Executive Chairman
Leonardo Arthur T. Po	47	Filipino	Director and Treasurer
Regina Jacinto-Barrientos	55	Filipino	Director
Frances J. Yu	55	Filipino	Independent Director
Regina Roberta L. Lorenzana	53	Filipino	Independent Director
Stephen T. CuUnjieng	64	Filipino	Independent Director
Philip G. Soliven	66	Filipino	Independent Director

Ricardo Gabriel T. Po, Jr. (first elected October 28, 2013) was re-elected as the Company's Vice Chairman on July 1, 2024. He concurrently serves as Vice Chairman of Shakey's Pizza Asia Ventures, Inc. (SPAVI) and as Vice Chairman of Arthaland Corporation (ALCO). He was the Executive Vice President and Chief Operations Officer of CPFI from 1990 to 2006 and became the Vice Chairman of its Board of Directors in 2006. He graduated magna cum laude from Boston University with a Bachelor of Science degree in Business Management in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in 2000.

Christopher T. Po (first elected October 28, 2013) was re-elected as the Company's Executive Chairman on July 1, 2024. He concurrently serves as Chairman of Shakey's Pizza Asia Ventures, Inc. (SPAVI), likewise a listed chain restaurant business, and as a Director of Arthaland Corporation (Arthaland). He is an independent director of Maya Bank, Inc. and a director of AB Capital and Investment Corporation. Prior to those roles, he was Managing Director for Guggenheim Partners, a U.S. financial services firm, where he was in charge of the firm's Hong Kong office. Previously, he was a Management Consultant at McKinsey & Company working with companies in the Asian region. He also worked as the Head of Corporate Planning for JG Summit Holdings, a Philippine-based conglomerate with interests in food, real estate, telecom, airlines, and retail. He graduated in 1991 from the Wharton School and College of Engineering of the University of Pennsylvania with dual degrees in Economics (finance concentration) and applied science (system engineering). He holds a Masters degree in Business Administration from the Harvard University Graduate School of Business Administration. He is a member of the Board of Trustees of the Ateneo de Manila University, serves as a Board member of the Child Protection Network as well as Asia Society Philippines, and is the President of the CPG-RSPo Foundation.

Teodoro Alexander T. Po (first elected October 28, 2013) was re-elected as the Company's Vice Chairman, President, and Chief Executive Officer on July 1, 2024. He concurrently serves as Vice Chairman of Shakey's Pizza Asia Ventures, Inc. (SPAVI). Since 1990, he has held various positions in Century Pacific Group. He graduated summa cum laude from Boston University with a Bachelor of Science degree in Manufacturing Engineering in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School.

Leonardo Arthur T. Po (first elected October 28, 2013) was re-elected as the Company's Director and Treasurer on July 1, 2024 and concurrently serves as Director and Treasurer of Shakey's Pizza Asia Ventures, Inc. (SPAVI) and President of Pacifica Homes Development Corporation (PHDC). He served as Treasurer and Executive Vice President of Arthaland Corporation from 2011 to 2021. He graduated magna cum laude from Boston University with a degree in Business Administration and has extensive and solid business development experience in consumer marketing, finance, and operations of fast-moving consumer goods (FMCG), foodservice, quick-serve restaurants, and real estate development. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in November 2023.

Regina Jacinto-Barrientos (first elected July 6, 2023) was elected as the Company's Director on July 1, 2024. Atty. Barrientos is the Managing Partner and name partner of PJS (Puyat Jacinto & Santos) Law, a full-service law firm that offers a comprehensive range of legal services in both established and emergent fields of practice, as well as in-depth knowledge and extensive transactional experience in specialized fields such as energy, infrastructure, and conflict resolution. She received her Juris Doctor (JD) degree from the Ateneo de Manila University in 1995 where she graduated in the top 15 of her class. She received her Bachelor of Science (Legal Management) degree with honors from the same University in 1991. She was a member of the Editorial Board of the Ateneo Law Journal. She was admitted to the Philippine Bar in 1996.

Frances J. Yu (first elected March 5, 2019) was re-elected as the Company's Independent Director on July 1, 2024. She concurrently serves as an Independent Director of SPAVI. She was previously the Chief Retail Strategist of Mansmith and Fielders, Inc., the largest marketing and sales training company in the Philippines. Prior to this, she was the Vice President and Business Unit Head of Rustan's Supermarket and the Vice President and Head of Marketing Operations for Rustan's Supercenters, Inc. She founded FJY Consulting, Inc., a corporate marketing and management consulting company which she managed as President. She was also the Vice President and General Manager of a marketing research and consulting firm catering to the top 500 corporations in several sectors. From 2003 to 2005, she served as the Chairperson for the National Retail Conference and Stores Asia Expo (NRCE) Programs Committee of the Philippine Retailers Association. She graduated summa cum laude from Fordham University, New York with a Bachelor of Arts degree in English Literature. She graduated magna cum laude from Augustine Institute in Denver, with a Master's degree in Theology.

Regina Roberta L. Lorenzana (first elected March 18, 2021) was re-elected as the Company's Independent Director on July 1, 2024. She is also a member of the Board of Directors of BetterBrandLabs, Inc., the Founder of Nada Debajo S.L., and board director in other privately owned companies. Ms. Lorenzana is an experienced global executive, having held various senior leadership positions, including Global Vice President for Fabric & Fashion at Unilever PLC, Regional Vice President for Deodorants in Asia, Africa & the Middle East, Vice President for Personal Care at Unilever Philippines, and Marketing Director roles in Unilever Indonesia and China. She graduated from Ateneo de Manila University with a degree in BS Management Engineering and has completed executive programs in Sustainability Leadership at the University of Cambridge, Leading Global Brands at Harvard Business School, and several senior executive programs on technology, leadership, and purpose at Harvard Business School and INSEAD. She is a fellow at the International Women's Forum, and holds a certification in Corporate Governance from INSEAD.

Stephen T. CuUnjieng (first elected July 6, 2023) was re-elected as the Company's Independent Director on July 1, 2024. Mr. CuUnjieng is a Filipino investment banker and an Independent Director at various publicly listed companies. Currently, he is an Independent Director of the Philippine Bank of Commerce, First Philippine Holdings Corporation, Century Pacific Food and Century Properties Group. He is also a member of the Board of Directors of Greenergy Holdings Incorporated, Cebuana Lhuillier Services and Pasay Harbor City. He is also currently an adviser to PAG and Openspace Ventures. He graduated from the Ateneo de Manila University and completed his Ll.B with honors. He also has Master's degree in Business Administration, major in Finance from the Wharton School of Business of the University of Pennsylvania.

Philip G. Soliven (first elected July 6, 2023) was re-elected as the Company's Independent Director on July 1, 2024. He became the lead independent director of Metrobank in 2020. He is also the Chairman of ARK, Philippines (Advancement for Rural Kids), Vice Chairman of Multico Prime Power Inc. and Treasurer and Director Ex-Officio of The American Chamber of Commerce of the Philippines. He concurrently serves as a Member of Management Association of the Philippines, Director of New Canipo San Vicente Corp. and Director and President of Scorbin Inc., he also holds Directorships in non-profit institutions such as The Rotary Club of Makati. He holds a degree in Business Management from the Ateneo de Manila University.

b. Significant Employees

Edwin C. Africa	54	Singaporean	Executive Vice-President- Corporate General Manager and Group Business Unit Head
Ronald M. Agoncillo	48	Filipino	Vice President and General Manager - Sardines
Mary Fatima G. Aquino	41	Filipino	Vice President and General Manager – Snow Mountain Dairy Corporation
Gregory H. Banzon	60	Filipino	Executive Vice President, Chief Operating Officer, and General Manager (Marine, Global Brands, Milk and Test Kitchen)
Marie Nicolette Dizon	41	Filipino	Vice President and General Manager – Refrigerated Products
Carlo S. Endaya	45	Filipino	Vice President and General Manager - Local Tuna Operations and Vita Coco PH Business
Manuel Z. Gonzalez	59	Filipino	Corporate Secretary
Teddy C. Kho	61	Filipino	Vice President and General Manager – General Tuna Canning, Packaging and Cold Storage
Gerald R. Manalansan*	57	Filipino	Vice President for Supply Chain Logistics
Ralph G. Umali		Filipino	Vice President - Domestic Sales
Richard Kristoffer S. Manapat	38	Filipino	VP – Finance, Chief Financial Officer, Chief Information Officer, and Chief Risk Officer
Wilhelmino D. Nicolasora	47	Filipino	Vice President and General Manager for the Pet food BU
Gwyneth S. Ong	47	Filipino	Assistant Corporate Secretary
Samuel V. Santillan	61	Filipino	Chief Audit Executive
Noel M. Tempongko, Jr.	62	Filipino	Vice President and General Manager – Integrated Coconut Operations
George Leander III Q. Wang	57	Filipino	Vice President – Human Resources and Corporate Affairs
Myrose April C. Victor	40	Filipino	Investor Relations Head
Maria Rosario L. Ybanez	48	Filipino	Legal Counsel and Compliance Officer

* resigned effective August 3, 2024

Edwin Raymond C. Africa was re-appointed as Executive Vice President – Corporate General Manager and Group Business Unit Head of the Company on July 1, 2024. He previously served as Senior Vice President-General Manager. Prior to joining the Company, Mr. Africa had 23 years of experience in various marketing, commercial and general management roles at Pepsico from 2004-2012, Nippon Paint from 2001-2004, and Procter & Gamble Asia from 1991 to 2001. Mr. Africa graduated from Ateneo de Manila University in 1991 with a degree in Bachelor of Science in Management Engineering.

Ronald M. Agoncillo was re-appointed as Vice President – General Manager (Sardines) of the Company on July 1, 2024. He joined the Century Group in 2009 as Vice President for Sales, Trade Marketing & Demand Planning and afterwards became Vice President and General Manager of Dairy from July 2017 to June 2021 where he tripled the business in 3 years & almost quadrupled it in 4 years. Prior to CPG, he had 10 years experience in various national sales management, systems engineering & logistics roles in Unilever Philippines & Indonesia, 3M, Shell, Cadbury & San Miguel. Mr. Agoncillo graduated from De La Salle University with a Bachelor of Science degree in Industrial Management Engineering minor in Mechanical Engineering & is an Alumni of Harvard Business School from his Executive Education Advanced Management Program.

Mary Fatima G. Aquino was re-appointed as Vice President and General Manager for the Dairy business on July 1, 2024. She has extensive marketing and general management experience in a diverse number of industries. She started her career in a leading fast moving consumer goods company and took roles of increasing responsibilities in Brand Management for top brands in the Philippines, Southeast Asia, and China. After a successful career in FMCG, she served as Vice President and Head of Marketing in one of the largest food companies in the Philippines, playing a strategic role and doubling sales and profit of a key business unit in five years.

Gregory H. Banzon was re-appointed as Executive Vice President and Chief Operating Officer of the Company on July 1, 2024. He served seven years as the General Manager and Business Unit Head at the Century Group. He is an Agora Awardee for Marketing Excellence (2014) and was recently conferred a CEO Excel Award for Marketing Communications (2017). Prior to the Century Group, Mr. Banzon had 22 years of experience in various general management, marketing and sales roles including Vice President – Marketing of Johnson & Johnson ASEAN, Managing Director of Johnson & Johnson Indonesia, and General Manager at RFM. Mr. Banzon graduated from De La Salle University with a Bachelor's degree in Commerce (Marketing).

Marie Nicolette Dizon was re-appointed as Vice President and General Manager for the Frozen Food Division of the Company on July 1, 2024. A seasoned executive with over a decade of experience in the food industry, prior to this, Ms. Dizon was Country Head of Froneri Philippines, Inc., and led the Ice Cream Business unit at Nestle Philippines, Inc. She also held various managerial roles in sales, marketing, and trade marketing at Nestle Philippines, Inc. from 2004 to 2016. Ms. Dizon obtained her Bachelor of Science Degree in Management Engineering from the Ateneo de Manila University.

Carlo S. Endaya was re-appointed as Vice President and General Manager for Local Tuna Operations and Vita Coco PH Business on July 1, 2024. Mr. Endaya has been with the company since 2019 as Marketing Director for Marine. He significantly grew CPFI domestic tuna Retail Market Share and Sardines in 2020 through brand building and innovations, including the topline and bottomline growth of the Tuna business for the past 5 years since joining in 2019. Mr. Endaya has proven capability in marketing and product development in both telco and consumer goods where he addressed the needs of a diverse local and international customer base. Mr. Endaya's background in Industrial Engineering will be a plus in managing the technical complexities of this business.

Manuel Z. Gonzalez was re-elected as Corporate Secretary and Compliance Officer of the Company on July 1, 2024. He is also a Senior Partner in the Martinez Vergara Gonzalez & Serrano Law Office since 2006 up to the present. Atty. Gonzalez was formerly a partner with the Picazo Buyco Tan Fider & Santos

Law Office until 2006. Atty. Gonzalez has been involved in corporate practice and has extensive experience in securities, banking, and finance law. Atty. Gonzalez serves as Director and Corporate Secretary to many corporations including to companies in the Century Pacific Group since 1995, Nomura Securities Philippines since 2006 and ADP Philippines, Inc. since 2010. Atty. Gonzalez graduated with honors and obtained a Bachelor of Arts degree in Political Science and Economics from New York University, and he has also received a Bachelor of Laws from the University of the Philippines, College of Law.

Teddy C. Kho was re-appointed as Vice President and General Manager of General Tuna Corporation of the Company on July 1, 2024. He joined Century Pacific Group, Inc. in July 2010 and served for three years as Business Unit Head of GTC. Prior to joining Century, Mr. Kho had 21 years of experience in various management, operations and technical roles including President and General Manager of San Miguel Foods Vietnam and Plant Manager of San Miguel Hoecheong. Mr. Kho graduated from Adamson University with a Bachelor of Science in Chemical Engineering and completed the Management Development Program from the Asian Institute of Management.

Richard Kristoffer S. Manapat was re-appointed as the Corporation's Vice President of Finance and Chief Financial Officer, Chief Information Officer, and Chief Risk Officer on July 1, 2024. Mr. Manapat is a Certified Public Accountant and has 17 years of experience in financial and management accounting, corporate planning, process excellence, and systems implementation. He first joined the Company in 2012 as AVP-Finance for the Marine Division and was later appointed as Head of Corporate Planning in 2015. Prior to CPFI, he held various Finance roles at Unilever Philippines. Mr. Manapat graduated cum laude from the University of the Philippines with a degree in Business Administration and Accountancy. He also completed the Strategic Business Economics Program from the University of Asia and the Pacific. He is also an Alumni of Harvard Business School from his Executive Education General Management Program. He currently serves as a Director and Treasurer of Generation Hope.

Wilhelmino D. Nicolasora was re-appointed as Vice President of Pet Food on July 1, 2024. Prior to this, he was the Vice President of Domestic Sales at CPFI. He started his career at CPFI in 2011 as National Sales Development Manager and eventually became Assistant Vice President of Trade Marketing and Sales Development prior to his current role. Before joining CPFI, he spent nine years working in various sales management roles and developmental stints in the Philippines and South Asia with multinational companies such as Unilever Philippines, PepsiCo International, Kimberly- Clark Philippines, Inc., and Kimberly-Clark Thailand Ltd.

Gwyneth S. Ong (first elected March 6, 2017) was re-elected as Assistant Corporate Secretary of the Company on July 1, 2024. Atty. Ong is a Partner at Martinez Vergara & Gonzalez Sociedad from 2015 up to the present, with extensive experience in a broad range of securities and capital market transactions. She graduated with a Bachelor of Science degree in Management major in Legal Management from the Ateneo de Manila University and a Bachelor of Laws degree from the University of the Philippines.

Noel M. Tempongko, Jr., was re-appointed as Vice President and General Manager for Integrated Coconut Operations of the Company on July 1, 2024. He served as the General Manager of The Pacific Meat Company, Inc. (Refrigerated Meats business of CPG) for two years. Prior to that, he had over 25 years of experience in various general management and sales management roles in both fast-moving consumer goods companies (The Purefoods-Hormel Company Inc., Frabelle Corporation, Magnolia, Inc.) and business-to-business companies such San Miguel Pure Foods - Great Food Solutions and San Miguel Packaging Products. He graduated with a B.S. Industrial Engineering degree from the University of the Philippines and is a recipient of the distinguished alumnus award from the UP Alumni Engineers. He also took up advanced management courses from the Asian Institute of Management and has MBA units from UP. He is currently a member of the Management Association of the Philippines.

Ralph G. Umali was re-appointed as Company's Vice President and General Manager for Domestic Sales on July 1, 2024. Mr. Umali started with the company in 2013 as AVP for Modern Trade where over the years, he has successfully transformed the MT team to be more customer-centric which has led to sustained growth. Through his leadership, Century Pacific has been recognized as a top 10 supplier in the FMCG industry. Prior to joining CPFI, Mr. Umali worked in Unilever Phils Modern Trade and Customer Marketing Head- Ice cream. Mr. Umali also had various roles in Unilever Modern Trade and General Trade and has also worked with Purefoods-Hormel in institutional sales.

Samuel V. Santillan was re-appointed as Chief Audit Executive on July 1, 2024. He joined Century Pacific Group in 2008 as Corporate Internal Audit Manager. Prior to that, he had 24 years of experience in auditing, finance and accounting management roles at various manufacturing, shipping, trading, and retail businesses, such as SGV & Co., Pepsico Inc., Baliwag Navigation Inc., Universal Food Corporation (now NutriAsia), Marsman Drysdale Inc. and Pilipinas Makro, Inc. as Systems and Audit Manager in the Philippines and as Finance Director in Beijing, China. Mr. Santillan graduated from Pamantasan ng Lungsod ng Maynila with a Bachelor of Science in Business Administration major in Accounting degree and has MBA units from De La Salle University.

Maria Demetria S. Siasoco, was appointed as Vice President and General Manager – Canned Meat Division last September 2, 2024. Ms. Siasoco has worked with the team and has led multiple innovations and brand building efforts for the domestic business for Canned Meat. More importantly, Ms. Siasoco has helped not just grow the category through deeper penetration and frequency of consumption for Canned Meat categories but has also grown market share by 500 bps over that period, cementing market leadership. She has achieved strong market leadership for both Argentina Corned Beef and Lucky 7 in their respective categories while achieving an optimized brand portfolio and spearheading product innovations such as Argentina Pork Giniling, with the latter achieving 12% penetration of households in Luzon in a short time. Ms. Siasoco has consistently demonstrated strong leadership of the marketing team while fostering cross-functional collaboration and teamwork with other departments. This new role will also allow Ms. Siasoco to expand beyond marketing function, to now lead the entire BU's strategy and operations, including Finance, Supply chain, HR, product development, and supplier management.

George Leander III Q. Wang was re-appointed Vice President – Human Resources and Corporate Affairs on July 1, 2024. Prior to joining the Corporation, he worked in 2Go Logistics where he was most recently the VP HR. Previous to this, he also headed up the Organization Effectiveness for Philip Morris as well as the Head of HR for Jollibee Philippines and Greenwich Pizza. Through his 30-year career, he has been a keen HR strategic partner with different business groups and a key builder of Organizations and People.

Myrose April C. Victor, was re-elected as the Company's Investor Relations Head on July 1, 2024. Ms. Victor has close to 20 years of work experience in the Finance and Accounting, Planning, Systems Implementation and General Management functions in various industries such as food retail, banking and energy. Prior to joining SPAVI, Ms. Victor was the Head of Finance for DOLE's Packaged Division, heading the functions of Finance Planning and Controllership for the Philippines and Other Distributor Markets. Ms. Victor also held various roles on general and finance management, leading for transformation and turnaround projects for companies in the food, banking and energy industries. She graduated in 2005 from the University of the Philippines with a degree in BS Business Administration and Accountancy (mcl). Ms. Victor also completed her Global Master in Finance from the IE Business School in 2019.

Maria Rosario L. Ybanez (First elected February 24, 2018) was re-appointed as the Compliance Officer of the Company on July 1, 2024. She concurrently serves as Legal Counsel of the Company and Corporate Secretary of Shakey's Pizza Asia Ventures, Inc. and several of Century Group's subsidiaries. She graduated with a Bachelor of Science degree in Legal Management from the Ateneo de Manila University and has a Juris Doctor degree from the Ateneo de Manila University School of Law.

Directorships in other listed companies are as follows:

Director's Name	Name of Listed Company	Type of Directorship
Ricardo Gabriel T. Po	Arthaland Corporation IP E-Game Ventures, Inc. Shakey's Pizza Asia Ventures Inc.	Non-Executive Non-Executive Non-Executive
Teodoro Alexander T. Po	Shakey's Pizza Asia Ventures Inc.	Non-Executive
Christopher T. Po	Arthaland Corporation Shakey's Pizza Asia Ventures Inc.	Non-Executive Non-Executive
Leonardo Arthur T. Po	Shakey's Pizza Asia Ventures Inc.	Non-Executive
Regina Jacinto-Barrientos	N/A	N/A
Frances J. Yu	Shakey's Pizza Asia Ventures Inc.	Independent
Regina Roberta L. Lorenzana	N/A	N/A
Stephen T. CuUnjieng	Philippine Bank of Commerce First Philippine Holdings Corporation Century Properties Group Greenergy Holdings Incorporated	Independent Independent Independent Director
Philip G. Soliven	Metropolitan Bank & Trust Company Multico Prime Power Inc. Scorbin Inc. American Chamber of Commerce of the Philippines Advancement for Rural Kids, NY Rotary Club of Makati	Independent Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive

b. Family Relationships

Mr. Ricardo Gabriel T. Po, Mr. Christopher T. Po, Mr. Teodoro Alexander T. Po, and Mr. Leonardo Arthur T. Po, Treasurer are brothers. Aside from the foregoing, there are no family relationships between any Directors and any members of the Company's senior management as of December 31, 2024.

Teodoro Alexander T. Po, Vice Chairman, President, and Chief Executive Officer, is the brother-in-law of Manuel Z. Gonzalez, Corporate Secretary.

There are no family relationships between the current members of the Board of Directors and key officers other than the above.

c. Involvement in Certain Legal Proceedings

None of the directors and officers have been involved in any bankruptcy proceeding, nor have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment, or decree of competent jurisdiction, permanent or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, or found in action by any court or administrative bodies to have violated a securities of commodities law, for the past five (5) years up to the latest date.

As of date of this report, the Company is not a party to any litigation or arbitration proceedings of material importance, which could be expected to have a material adverse effect on the Company or on the results of its operations. No litigation or claim of material importance is known to be pending or threatened against the Company or any of its properties.

Item 10. Executive Compensation

a. General

The levels of remuneration of the Company should be sufficient to be able to attract and retain the services of qualified and competent directors and officers. A portion of the remuneration of executive directors may be structured or be based on corporate and individual performance.

No director should participate in deciding on his remuneration.

The Company may, in exceptional cases, e.g., when the Company is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its directors and officers.

b. Summary Compensation Table

a. CEO and five other most highly compensated executive officers

<table>
<tr><th>Name</th><th>Principal Position</th><th>Year</th><th>Salary</th><th>Bonus</th><th>Other Compensation</th></tr>
<tr><td>Christopher T. Po</td><td>Executive Chairman</td><td rowspan="5">2024</td><td colspan="3" rowspan="5">Php 140,560,347</td></tr>
<tr><td>Teodoro T. Po</td><td>President & CEO</td></tr>
<tr><td>Gregory H. Banzon</td><td>EVP & COO</td></tr>
<tr><td>Edwin C. Africa</td><td>EVP - Corporate GM and Group BU Head</td></tr>
<tr><td>Richard Kristoffer S. Manapat</td><td>VP & CFO</td></tr>
</table>

b. Aggregate compensation paid to all Executive Officers and Directors

<table>
<tr><th>Name</th><th>Principal Position</th><th>Year</th><th>Salary</th><th>Bonus</th><th>Other Compensation</th></tr>
<tr><td colspan="2">Aggregate compensation paid to all executive officers and directors as a group unnamed</td><td>2024</td><td colspan="3">Php 343,446,918</td></tr>
</table>

c. Compensation of Directors

<table>
<tr><th>Remuneration Item</th><th>Executive Directors</th><th>Non-Executive Directors (other than independent directors)</th><th>Independent Directors</th></tr>
<tr><td>Fixed Remuneration</td><td colspan="3">None</td></tr>
<tr><td>Variable Remuneration</td><td colspan="3">None</td></tr>
<tr><td>Per diem Allowance</td><td>None</td><td>None</td><td>Php166,667</td></tr>
<tr><td>Bonuses</td><td colspan="3">None</td></tr>
</table>

Stock Options and/or other financial instruments	None
Others (Specify)	None

Other Benefits	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
Advances	None		
Credit granted			
Pension Plan/s Contributions			
Pension Plans, Obligations incurred			
Life Insurance Premium			
Hospitalization Plan			
Car Plan			
Others (Specify)			

c. Employment Contracts and Termination of Employment and Change-in-Control Arrangements.

There are no special employment contracts or other arrangements between the Company and its officers or directors.

d. Warrants and Options Outstanding

There are no outstanding warrants or options held by any of the Company's officers or directors.

Item 11. Security Ownership of Certain Beneficial Owners and Management

a. Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2024, the following were owners of more than 5% of the Company's outstanding shares:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	% to Total Outstanding
Common	Century Pacific Group, Inc. / 7F Centerpoint Building, Julia Vargas Avenue, Ortigas Center, Pasig City / Stockholder of Record	Ricardo Gabriel T. Po, Chairman Christopher T. Po, President Teodoro Alexander T. Po, COO Leonardo Arthur T. Po, Director	Filipino	2,320,120,781	65.5%*
Common	PCD Nominee Corp. (Non- Filipino) / The Enterprise Center, Ayala Avenue corner	Please see BDO Report as of December 31, 2024 attached as Annex "A-1"	Non-Filipino	851,856,109	24.04%

	Paseo de Roxas, Makati City / Stockholder of Record				
Common	PCD Nominee Corp. (Filipino) / The Enterprise Center, Ayala Avenue corner Paseo de Roxas, Makati City / Stockholder of Record	Please see BDO Report as of December 31, 2024 attached as Annex "A-1"	Filipino	458,937,604	12.95%

* Century Pacific Group, Inc. owns 2,231,400,000 shares of the Registrant in its own name and another 88,720,781 shares of the Registrant lodged under PCD Nominee Corp. (Filipino).

b. Security Ownership of the Board of Directors and Senior Management

The following are the number of shares owned of record by the directors and key officers of the Company as of December 31, 2024:

Title of Class	Name of Beneficial Owner	Citizenship	Amount and Beneficial Ownership		% of Capital Stock
			Number of Direct Shares	Number of Indirect Shares	
Common	Ricardo S. Po, Sr.	Filipino	1	-	-
Common	Ricardo Gabriel T. Po	Filipino	160,001	-	-
Common	Teodoro Alexander T. Po	Filipino	160,001	-	-
Common	Christopher T. Po	Filipino	160,001	-	-
Common	Leonardo Arthur T. Po	Filipino	160,001	-	-
Common	Regina Jacinto-Barrientos	Filipino	100	-	-
Common	Stephen T. CuUnjieng	Filipino	100	-	-
Common	Regina Roberta L. Lorenzana	Filipino	100	-	-
Common	Philip G. Soliven	Filipino	100	-	-
Common	Frances J. Yu	Filipino	100	-	-
Common	Richard Kristoffer S. Manapat	Filipino	137,500	-	-
Common	Manuel Z. Gonzalez	Filipino	145,200	-	-
Common	Gwyneth S. Ong	Filipino	10,000	-	-
Common	Edwin C. Africa	Singaporean	290,000	-	-
Common	Ronald M. Agoncillo	Filipino	100,000	-	-
Common	Gregory H. Banzon	Filipino	17,100	-	-
Common	Mary Fatima G. Aquino	Filipino	-	-	-
Common	Marie Nicolette Dizon	Filipino	-	-	-
Common	Carlo S. Endaya	Filipino	-	-	-
Common	Teddy C. Kho	Filipino	692,000	-	-
Common	Wilhelmino D. Nicolasora	Filipino	-	-	-
Common	Maria Demetria D. Siasoco	Filipino	-	-	-
Common	Noel M. Tempongko, Jr.	Filipino	100,000	-	-
Common	Ralph G. Umali	Filipino	50	-	-
Common	George Leander III Q. Wang	Filipino	-	-	-
Common	Maria Rosario L. Ybanez	Filipino	-	-	-

TOTAL	**2,132,355**	**-**	**-**

Summary of trading in the Company Shares by the Directors and Key Officers for the last Financial Year:

	Security	Balance as December 31, 2023	Addition	Disposal	Balance as of December 31, 2024
Directors					
Christopher T. Po	Common	160,001	-	-	160,001
Ricardo Gabriel T. Po	Common	160,001	-	-	160,001
Teodoro Alexander T. Po	Common	160,001	-	-	160,001
Leonardo Arthur T. Po	Common	160,001	-	-	160,001
Regina Jacinto-Barrientos	Common	100	-	-	100
Frances J. Yu	Common	100	-	-	100
Regina Roberta L. Lorenzana	Common	100	-	-	100
Stephen T. CuUnjieng	Common	100	-	-	100
Philip G. Soliven	Common	100	-	-	100
Officers					
Edwin C. Africa	Common	290,000	-	-	290,000
Ronald M. Agoncillo	Common	100,000	-	-	100,000
Mary Fatima G. Aquino	Common	-	-	-	-
Gregory H. Banzon	Common	17,100	-	-	17,100
Marie Nicolette Dizon	Common	-	-	-	-
Carlo S. Endaya	Common	-	-	-	-
Manuel Z. Gonzalez	Common	145,200	-	-	145,200
Teddy C. Kho	Common	692,000	-	-	692,000
Ralph G. Umali	Common	50	-	-	50
Richard Kristoffer S. Manapat	Common	105,600	31,900	-	137,500
Wilhelmino D. Nicolasora	Common	-	-	-	-
Maria Demetria D. Siasoco	Filipino	-	-	-	
Gwyneth S. Ong	Common	10,000	-	-	10,000
Samuel V. Santillan	Common	-	-	-	-
Noel M. Tempongko, Jr.	Common	100,000	-	-	100,000
George Leander III Q. Wang	Common	-	-	-	-
Myrose April C. Victor	Common	-	-	-	-
Maria Rosario L. Ybanez	Common	-	-	-	-

c. Voting Trust Holder of 5% or more

As of December 31, 2024, there are no persons holding more than 5% of a class under a voting trust or similar agreement.

d. Changes in Control

There has been no change in control of the Company as of December 31, 2024.

Item 12. Certain Relationships and Related Transactions

The Company is a subsidiary of Century Pacific Group, Inc (formerly Century Canning Corporation) and is subsequently a member of Century Pacific Group Inc's Group of Companies (the Group). As of December 31, 2024, Century Pacific Group, Inc held 65.5% of the outstanding shares of the Company.

The Company and its subsidiaries, in their ordinary course of business, engage in transactions with companies in the Group and other companies controlled by the Po Family.

The most significant of these transactions include the leases of:
a) office spaces in Pasig City, Metro Manila from Century Pacific Group, Inc and Rian Realty Corporation
b) a 151,248 sq. m. property in General Santos City from Century Pacific Group, Inc
c) a 20,375 sq. m. property in Taguig from Century Pacific Group, Inc
d) a 38,078 sq. m. property in Zamboanga from Rian Realty Corporation

In addition to the foregoing transactions, the Company also provides certain corporate services including, corporate finance, corporate planning, procurement, human resources, controller, and treasury services to companies in the Group and other companies controlled by the Po Family.

The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

Further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to affiliated companies, can be found in the notes to the Company's financial statements.

PART IV - EXHIBITS AND SCHEDULES

Item 13. Exhibits and Reports on SEC Form 17-C

Century Pacific Food, Inc. has eleven (11) subsidiaries as of December 31, 2024:

Subsidiary	Business	% Ownership	Country of Residence
Snow Mountain Dairy Corporation	Producing, canning, freezing, preserving, refining, packing, buying, and selling wholesale and retail, food products including all kinds of milk and dairy products, fruits and vegetable juices and other milk or dairy preparation and by-products.	100	Philippines
General Tuna Corporation	Manufacturing and exporting of private label canned, pouched and frozen tuna products.	100	Philippines
Allforward Warehousing Inc.	Operating warehouse facilities	100	Philippines
Century Pacific Agricultural Ventures, Inc.	Manufacturing high value organic-certified and conventional coconut products for both export and domestic markets.	100	Philippines
Century Pacific Seacrest Inc.	Developing, maintaining, licensing, and administering marks and all kinds of intellectual property	100	Philippines
Century Pacific Food Packaging Ventures Inc.	Developing and manufacturing of packaging materials	100	Philippines
Millennium General Power Corporation (formerly Century Pacific Solar, Inc.)	Developing and utilization of renewable energy source and the generation and distribution of power	100	Philippines
The Pacific Meat Company, Inc.	Manufacturing, importing, exporting, buying, selling of all kinds of food products, fish, seafoods, and other marine, cattle, hog and other animal and animal products.	100	Philippines
General Odyssey Inc.	Manufacturing and distribution of all kinds of feeds	100	Philippines
Centennial Global Corporation	Trademark holding company	100	BVI
Century (Shanghai) Trading Company Limited	Marketing and distribution of canned food products	100	China
Century International (China) Company Limited	Marketing and distribution of canned food products	100	China
Century Pacific North America Enterprise, Inc.	Marketing and distribution of canned food products	100	USA

Reports on SEC Form 17-C:

Date	Subject of Report
January 23, 2024	Press Release: Century Pacific Ramps Up Green Initiatives with Investments in Renewable Energy
February 19, 2024	Press Release: CPFI's Unmeat Luncheon Meat hits Walmart shelves, available in over 2,000 stores across the US
	Approval of the declaration of special cash dividends to all stockholders of record as of March 21, 2024 payable on April 19, 2024
	Approval of declaration of regular cash dividends to all stockholders of record as of March 21, 2024 payable on April 19, 2024
March 11, 2024	Press Release: Vita Coco and Century Pacific Enter into New Long-Term Agreement
April 04, 2024	Notice of Annual Stockholders' Meeting
April 08, 2024	Press Release: Century Pacific Delivers Profitable Growth In 2023 Amid Headwinds from Inflation: Net Income Up by 12%, Revenues Rise by 8%, Fueled by Double-Digit Growth in Branded Business
April 15, 2024	Annual Report (SEC Form 17-A)
May 06, 2024	Amendment to the Notice of Annual Stockholders' Meeting
May 06, 2024	Approval of the Board of Directors to the amendment to the By-Laws
May 08, 2024	Press Release: Century Pacific Kicks Off 2024 With 16% Revenue Growth In 1Q: OEM Exports Recover and Branded Delivers Consistent Performance Amid Inflationary Pressures Net Income increases by 15% year-on-year
May 30, 2024	Integrated Annual Corporate Governance Report for the year 2023
July 01, 2024	Results of the Annual Stockholders Meeting
July 01, 2024	Results of the Organizational Meeting of the Board of Directors
July 01, 2024	Approval of the Shareholders to the amendment to the By-Laws
July 01, 2024	Approval of the declaration of special cash dividends to all stockholders of record as of July 31, 2024 payable on August 16, 2024
August 07, 2024	Press Release: Century Pacific Sustains Growth Performance in 1H24: Sales Up by 13% Due to Continued OEM Recovery and Branded Resilience Net Income Improves by 14% Year-on-Year
September 05, 2024	Press Release: Century Pacific Acquires Coconut Processing Facility
September 05, 2024	Acquisition or Disposition of Shares of Another Corporation: Century Pacific Acquires Coconut Processing Facility
September 05, 2024	Material Information/Transaction: Century Pacific Acquires Coconut Processing Facility
October 02, 2024	Press Release: Century Pacific Recognized as One of the Most Honored Companies in the Institutional Investor 2024 Asia Ex-Japan Executive Team Survey
October 10, 2024	Press Release: Century Pacific Group Companies, CNPF and PIZZA, Recognized for Good Corporate Governance at the 2024 Golden Arrow Awards
November 06, 2024	Press Release: Century Pacific Continues Growth Trajectory in 3Q24: Year-to-date Revenues Increase by 13% as OEM Exports Recover and Branded Remains Resilient Net Income Rises by 14% Year-on-Year
Novembe 07, 2024	Material Information/Transactions: Century Pacific Appoints New Distributor in China
December 03, 2024	Press Release: Century Pacific Honored As One Of The World's Best Employers By Forbes
December 11, 2024	Press Release: Century Pacific Coconut Business Recognized at the 2024 Asian Export Awards

Reports on SEC Form 17-Q

Date Filed	Subject of Report
May 8, 2024	First Quarter Results
August 07, 2024	Second Quarter Results
November 06, 2024	Third Quarter Results

SIGNATURES

Pursuant to the requirement of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized in the City of Pasig City on APR 1 5 2025.

By:

Teodoro Alexander T. Po Principal Executive Officer	**Jayravi D. Maas** Principal Accounting Officer
Richard Kristoffer S. Manapat Principal Financial Officer	**Manuel Z. Gonzalez** Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 1 5 2025 day of ______ affiant(s) exhibiting to me his/her valid IDs as follows:

NAMES	IDENTIFICATION
Teodoro Alexander T. Po	105-633-470
Jayravi D. Maas	214 851 972
Richard Kristoffer S. Manapat	303-723-989
Manuel Z. Gonzalez	166-201-040

Doc No.: 249;
Page No.: 51;
Book No.: I;
Series of 2025.

GINO PAULO O. UY
Notary Public for Pasig and Pateros
Appointment No. 215 (2024-2025)
Until December 31, 2025
Attorney's Roll No. 81567
IBP OR No. 493513; 01.02.25; RSM
PTR Receipt No. 2863425; 01.02.25; Pasig City
33rd Floor, The Orient Square, F. Ortigas, Jr. Road
Ortigas Center, Pasig City, Metro Manila 1600
MCLE Compliance No. VIII-BEP003278; 04.14.28

ANNEX A

List of Stockholders

COMPANY NAME : CENTURY PACIFIC FOOD, INC.

ANNEX A-1

LIST OF TOP 100 STOCKHOLDERS
As Of December 31, 2024

STOCKHOLDER'S NAME	OUTSTANDING & ISSUED SHARES (FULLY PAID)	OUTSTANDING & ISSUED SHARES PARTIALLY PAID	TOTAL HOLDINGS (SUBSCRIBED)	PERCENTAGE TO TOTAL
CENTURY PACIFIC GROUP, INC.	2,231,400,000	0	2,231,400,000	62.994
PCD NOMINEE CORP.(NON-FIL)	851,856,109	0	851,856,109	24.048
PCD NOMINEE CORP.(FILIPINO)	458,937,604	0	458,937,604	12.956
SHINJI MIYAMOTO	32,000	0	32,000	0.001
ALVIN S. TAN	15,000	0	15,000	0.000
MYRA P. VILLANUEVA	3,000	0	3,000	0.000
OWEN NATHANIEL S. AU ITF: LI MARCUS AU	2,365	0	2,365	0.000
GISELLE KAREN Y. GO	2,250	0	2,250	0.000
ROSAURO PANERGO BABIA	1,500	0	1,500	0.000
MILAGROS P. VILLANUEVA	1,500	0	1,500	0.000
MYRNA P. VILLANUEVA	1,500	0	1,500	0.000
JOHN T. LAO	1,000	0	1,000	0.000
CHRISTINE F. HERRERA	750	0	750	0.000
LEOPOLDO E. SAN BUENAVENTURA ITF MAYRHILYN M. SAN BUENAVENTURA	750	0	750	0.000
JULIUS VICTOR EMMANUEL D SANVICTORES	750	0	750	0.000
FELICITAS F. TACUB	750	0	750	0.000
MARIETTA VILLANUEVA-CABREZA	750	0	750	0.000
ERNESTO KIONG LIM AND/OR IRIS VERONICA GO LIM	400	0	400	0.000
GUILLERMO F. GILI, JR.	150	0	150	0.000
STEPHEN ANTHONY T. CUUNJIENG	100	0	100	0.000
SHAREHOLDERS ASSOCIATION OF THE PHILIPPINES, INC.	100	0	100	0.000
PHILIP G. SOLIVEN	100	0	100	0.000
JESUS SAN LUIS VALENCIA	100	0	100	0.000
M. J. SORIANO TRADING, INC.	50	0	50	0.000
GERARDO L. SALGADO	8	0	8	0.000
JOSELITO T BAUTISTA	1	0	1	0.000
BOTSCHAFT N. CHENG OR SEVILA NGO	1	0	1	0.000
JOHNIP G. CUA	1	0	1	0.000
FERNAN VICTOR P. LUKBAN	1	0	1	0.000
CHRISTOPHER PAULUS TAN PO	1	0	1	0.000
LEONARDO ARTHUR TAN PO	1	0	1	0.000
RICARDO SY PO	1	0	1	0.000
RICARDO GABRIEL TAN PO	1	0	1	0.000
TEODORO ALEXANDER TAN PO	1	0	1	0.000
GRAND TOTAL (34)	3,542,258,595	0	3,542,258,595	

THIS IS A COMPUTER GENERATED REPORT AND IF ISSUED WITHOUT ALTERATION, DOES NOT REQUIRE ANY SIGNATURE.

CNPF00000000_12272024

OUTSTANDING BALANCES FOR SPECIFIC COMPANY

12/27/2024

CNPF00000000

BPNAME	QUANTITY
THE HONGKONG AND SHANGHAI BANKING CORP. LTD. -CLIENTS' ACCT.	398,731,189
CITIBANK N.A.	281,342,890
DEUTSCHE BANK MANILA-CLIENTS A/C	179,809,686
STANDARD CHARTERED BANK	156,266,245
FIRST METRO SECURITIES BROKERAGE CORP.	93,765,792
COL Financial Group, Inc.	47,946,129
DEUTSCHE BANK MANILA-CLIENTS A/C	39,876,301
THE HONGKONG AND SHANGHAI BANKING CORP. LTD. -CLIENTS' ACCT.	39,584,900
MBTC - TRUST BANKING GROUP	14,535,300
PHILIPPINE EQUITY PARTNERS, INC.	8,798,601
BANCO DE ORO - TRUST BANKING GROUP	6,026,190
BPI SECURITIES CORPORATION	5,455,276
BDO SECURITIES CORPORATION	4,433,601
A & A SECURITIES, INC.	4,278,558
SB EQUITIES,INC.	4,072,610
WEALTH SECURITIES, INC.	3,767,700
REGIS PARTNERS, INC.	3,045,215
LBP-TBG THIRD PARTY CUSTODIANSHIP & REGISTRY DEPT	2,777,856
PNB TRUST BANKING GROUP	2,502,410
S.J. ROXAS & CO., INC.	1,839,350
MAYBANK SECURITIES, INC.	1,308,600
STANDARD SECURITIES CORPORATION	1,031,600
SECURITIES SPECIALISTS, INC.	705,700
UNICAPITAL SECURITIES INC.	598,155
RCBC TRUST CORPORATION	547,085
GOVERNMENT SERVICE INSURANCE SYSTEM	487,700
CHINA BANKING CORPORATION - TRUST GROUP	390,400
ABACUS SECURITIES CORPORATION	380,488
RCBC SECURITIES, INC.	302,150
ANSALDO, GODINEZ & CO., INC.	290,040
DAVID GO SECURITIES CORP.	280,000
CHINA BANK SECURITIES CORPORATION	275,450
PAPA SECURITIES CORPORATION	260,456
IGC SECURITIES INC.	225,850
WESTLINK GLOBAL EQUITIES, INC.	210,000
AB CAPITAL SECURITIES, INC.	192,587
AB CAPITAL & INVESTMENT CORP. - TRUST & INVESTMENT DIV.	192,200
TOWER SECURITIES, INC.	188,800

APEX PHILIPPINES EQUITIES CORPORATION	188,550
PHILSTOCKS FINANCIAL INC	166,916
INTRA-INVEST SECURITIES, INC.	150,500
AP SECURITIES INCORPORATED	148,850
REGINA CAPITAL DEVELOPMENT CORPORATION	138,000
A. T. DE CASTRO SECURITIES CORP.	134,900
PAN ASIA SECURITIES CORP.	134,750
LAND BANK OF THE PHILIPPINES-TRUST BANKING GROUP	120,000
LUCKY SECURITIES, INC.	119,500
SUMMIT SECURITIES, INC.	119,500
TRITON SECURITIES CORP.	118,500
OPTIMUM SECURITIES CORPORATION	115,500
TIMSON SECURITIES, INC.	114,500
GLOBALINKS SECURITIES & STOCKS, INC.	111,850
CAMPOS, LANUZA & COMPANY, INC.	110,700
YU & COMPANY, INC.	109,450
EASTERN SECURITIES DEVELOPMENT CORPORATION	77,650
COL Inv Mgt Inc as Investment Company Adviser for Various Mutual Funds	72,000
QUALITY INVESTMENTS & SECURITIES CORPORATION	71,850
R. NUBLA SECURITIES, INC.	68,400
R. COYIUTO SECURITIES, INC.	62,000
ASTRA SECURITIES CORPORATION	61,850
MERIDIAN SECURITIES, INC.	60,450
EVERGREEN STOCK BROKERAGE & SEC., INC.	57,700
UPCC SECURITIES CORP.	55,700
LOPEZ, LOCSIN, LEDESMA & CO., INC.	54,100
VENTURE SECURITIES, INC.	53,950
SALISBURY SECURITIES CORPORATION	53,541
AAA SOUTHEAST EQUITIES, INCORPORATED	52,900
BELSON SECURITIES, INC.	52,100
MERCANTILE SECURITIES CORP.	50,000
YAO & ZIALCITA, INC.	50,000
SunSecurities, Inc.	50,000
BANK OF COMMERCE - TRUST SERVICES GROUP	50,000
ASIASEC EQUITIES, INC.	49,000
AURORA SECURITIES, INC.	45,100
R. S. LIM & CO., INC.	45,000
IMPERIAL,DE GUZMAN,ABALOS & CO.,INC.	44,950
E. CHUA CHIACO SECURITIES, INC.	44,450
EAGLE EQUITIES, INC.	42,300
MDR SECURITIES, INC.	42,000
PREMIUM SECURITIES, INC.	41,200
PNB SECURITIES, INC.	40,350
SOLAR SECURITIES, INC.	38,900

TANSENGCO & CO., INC.	33,100
FIDELITY SECURITIES, INC.	30,000
JSG SECURITIES, INC.	29,050
CTS GLOBAL EQUITY GROUP, INC.	27,700
HDI SECURITIES, INC.	23,300
FIRST ORIENT SECURITIES, INC.	22,550
STRATEGIC EQUITIES CORP.	21,000
LANDBANK SECURITIES, INC.	20,750
FIRST INTEGRATED CAPITAL SECURITIES, INC.	20,400
THE FIRST RESOURCES MANAGEMENT & SECURITIES CORP.	19,500
F. YAP SECURITIES, INC.	18,550
ALPHA SECURITIES CORP.	18,000
MANDARIN SECURITIES CORPORATION	17,850
RCBC TRUST CORPORATION	16,915
RTG & COMPANY, INC.	16,750
UCPB GENERAL INSURANCE CO., INC.	15,200
CUALOPING SECURITIES CORPORATION	15,000
DIVERSIFIED SECURITIES, INC.	15,000
GUILD SECURITIES, INC.	15,000
I. B. GIMENEZ SECURITIES, INC.	12,150
G.D. TAN & COMPANY, INC.	11,500
DRAGONFI SECURITIES, INC.	11,489
INVESTORS SECURITIES, INC,	10,200
EAST WEST CAPITAL CORPORATION	10,000
GOLDEN TOWER SECURITIES & HOLDINGS, INC.	5,400
SEEDBOX SECURITIES, INC.	5,000
ALAKOR SECURITIES CORPORATION	4,500
EQUITIWORLD SECURITIES, INC.	3,800
ASIA PACIFIC CAPITAL EQUITIES & SECURITIES CORP.	3,000
R & L INVESTMENTS, INC.	2,056
NEW WORLD SECURITIES CO., INC.	2,000
I. ACKERMAN & CO., INC.	1,500
LUYS SECURITIES COMPANY, INC.	1,500
VALUE QUEST SECURITIES CORPORATION	1,000
MOUNT PEAK SECURITIES, INC.	300
CLSA PHILIPPINES, INC.	122
H. E. BENNETT SECURITIES, INC.	100
CENTURY PACIFIC FOODS, INC.	8
LUNA SECURITIES, INC.	4
DEUTSCHE BANK MANILA-CLIENTS A/C	2
Total Lodged Shares	**1,310,793,713**

ANNEX B

Sustainability Report

CNPF Sustainability Report 2024

Table of Contents

Our Business and Sustainability Commitment

Century Pacific Food, Inc. in Brief

CNPF is one of the leading food companies in the Philippines, with a portfolio of brands in Marine, Meat, Dairy, and other emerging food segments such as Coconut and Pet Food, among others. Our portfolio includes household names such as Century Tuna, 555, Ligo, Argentina, and Birch Tree, as well as emerging brands like Coco Mama, unMEAT, and Goodest.

We are also among the Philippines' largest exporters of private label original equipment manufacturer (OEM) tuna and coconut products. For more information on CNPF's history, brands and operations please visit our website.

Trade Channels

Domestic Retail

Our Sales team oversees our performance with partner retailers and distributors. They execute trade plans domestically to expand our local reach, improve our service levels, and increase throughput in existing stores. We support our trade partners and our end consumers by ensuring product availability, despite headwinds brought about by a volatile geopolitical and economic landscape.

Direct points of sale covered	148k doors (↑3%)

Number of products sold in (domestic retail) across the Philippines	2.6 billion units (2023: 2.5 billion units)

Food Service

Our food services business caters to institutional clients. Our roster of customers ranges from consumer food service companies such as restaurants, hotels, and bakeshops to institutions such as hospitals, shipping lines, and canteens, among others. We also work with local government units, cooperatives, and wholesalers.

Our Culinary group develops innovative and healthy menu ideas using our portfolio of products. Our R&D team customizes pack sizes for our institutional clients' requirements while our Quality Assurance group ensures the quality and safety of all our products, positioning our food service products in the premium segment. Depots are strategically located in key cities to ensure seamless service and easy access to our clients.

Number of restaurants served in the Philippines	~28,000 (2023: ~23,000)
Equivalent percentage of the total consumer food service establishments in the country	30% (2023: 24%)

Global Brands

CNPF continuously pursues expansion in the international market. Our Global Brands business unit has established shelf presence in thousands of outlets and mainstream retail chains across 75 major markets.

The Company's flagship brands in our marine, meat, milk, and coconut businesses are carried by multinational retailers such as Walmart, Safeway, and Albertsons in North America; Carrefour and Giant in the Middle East, China, and selected European countries; El Corte Ingles in Spain, Woolworths and Coles in the Pacific; and the National Trade Union Congress (NTUC) Fairprice in Singapore.

Number of export countries	82 (2023: 79)
Units of branded products exported	66 million (2023: 63 million)

Our Sustainability Commitment

CNPF is deeply committed to delivering affordable nutrition with a strong focus on sustainability. We aspire to achieve profitable and sustainable growth by embedding environmental, social, and governance considerations into the core of our operations. This effort is driven by our dedicated team, who embody our company's values and contribute significantly to our broader sustainable development goals. Ultimately, we aim to create greater value not only for our customers and employees but also for our business partners, shareholders, and the communities we serve.

Our Environmental, Social, and Governance (ESG) Policy codifies our commitment by integrating our Sustainability Framework into every aspect of the business. Our Board-level Corporate Governance & Sustainability Committee and the Management's Sustainability Steering Committee mandate and guide our sustainability agenda, while our business units implement these on the ground.

[GRI 2-22: Statement on sustainable development strategy]

"Essential to our strategy going forward is our sustainability and ability to balance the needs of all our stakeholders. We believe that sustainability - whether coming up with healthier products, taking care of our people and communities, or being good stewards of our resources - is essential to our longevity.

We believe our commitment to responsible business will change the complexion and character of our business in a good way and will future-proof our enterprise."

CHRISTOPHER T. PO, Executive Chairman
TEODORO T. PO, President & Chief Executive Officer

Materiality Process

[GRI 3-1: Process to determine material topics]

At CNPF, our material topics are the foundation of our sustainability framework, reporting disclosures, and targets. Our process for identifying material topics is robust, inclusive, and holistic.

CNPF continues to uphold our previous strategy from our comprehensive materiality assessment conducted in 2018, which was updated with our renewed materiality assessment in late 2023. Our stakeholders (including leadership, investors, supply chain partners, and customers) continue to be an integral part of our strategic and growth initiatives.

Our Board-level Corporate Governance and Sustainability Committee and Sustainability Steering Committee regularly review risks, opportunities, and developments in sustainability to ensure our material topics adapt to the evolving landscape.

We maintain an ongoing dialogue to validate the relevance of these material topics and ensure our strategic decisions align with the evolving interests of our stakeholders and the well-being of the environment. For further information, please see this report's section on How We Engage.

Sustainability Framework

[GRI 3-2: List of material topics]

Our Sustainability Framework focuses on our three core pillars: Protein Delivery, Planet Preservation, and People Development. This framework directs our efforts towards the most pertinent sustainability challenges and opportunities for our business and stakeholders.

<table>
<tr><th colspan="3">3 Pillars</th></tr>
<tr><td>Protein Delivery
We commit to responsible manufacturing and development processes in providing sustainable, healthier, and affordable food products that address the nutritional needs of Filipinos as we aspire to become a Philippine leader in affordable nutrition.

SDG 2: Zero Hunger
SDG 3: Good health and well-being</td><td>Planet Preservation
We commit to the efficient use, reuse, and restoring of agriculture and fisheries resources, as well as better management of our environmental impacts by decreasing our water and energy consumption, lessening our greenhouse gas emissions, and actively monitoring our waste generation as we continue to grow our business and serve Filipinos.

SDG 12: Responsible Consumption and Production
SDG 14: Life Below Water
SDG 15: Life on Land</td><td>People Development
We commit to building a highly engaged, inclusive, and competitive workforce, as well as a workplace that provides equal opportunities, safeguards workforce well-being, and promotes professional and personal development, to support the company's current and future strategies and its sustainable success. We also commit to reducing hunger in the communities we adopt via impactful access to nutrition through our products and the livelihood projects we support.

SDG 1: No Poverty
SDG 4: Quality Education
SDG 5: Gender Equality
SDG 8: Decent Work and Economic Growth</td></tr>
<tr><th colspan="3">Focus Areas and Material Topics</th></tr>
<tr><td>Profit-Purpose Alignment

Product Affordability & Accessibility
We focus on continuously improving our products' affordability and availability in various distribution channels, making our products ubiquitous and accessible to consumers.

Product Development & Innovation

We constantly pursue customer delight and continuous market study through modern research and development techniques to come up with winning products.</td><td>Natural Resource Efficiency

Energy and Water Consumption Reduction
We strive to improve our efficiency in utilizing natural resources by adopting industry best practices in energy and water management.

Environmental Impact Management

Greenhouse Gas Emission Reduction
We manage our use of natural resources to control our impact on the environment, including</td><td>Employees

Diversity and Inclusion
We are committed to building a diverse and inclusive business that places a premium on skills and potential and does not discriminate based on ethnicity, religion, or gender.

Talent Development
We regard our employees as our partners. We invest considerably in promoting their professional and personal growth which in turn helps grow the business.</td></tr>
</table>

	the resulting greenhouse gas generated by the energy we utilize.	
Food Quality & Safety Product quality, that also focuses on consumer welfare, is a business aspect accounted for in all parts of our operations. **Healthier Products** **Sodium Reduction** We continue to monitor certain product ingredients which may have unfavorable effects on the body when consumed beyond the optimal level, such as sodium and nitrite. **Calcium, Iron & Vitamin C Fortification** We aim for the ideal balance of preserving the taste and quality our consumers love vis-à-vis enhancing the overall nutritional value of our products.	**Plastic Footprint Reduction** We are committed to reducing by 100% the plastic footprint (third-party verified) across all our brands that make use of flexible plastic packaging. **Landfill Waste Reduction** We explore ways to minimize our packaging and waste footprint. --- **Supply Chain Management** **Supplier Credibility** We adhere to standards that ensure our materials are ethically sourced. **Local Sourcing** We aim to source more materials locally via exploring contract farming and local processing. **Tuna Sustainability** We aspire to be a leader in tuna sustainability. We diligently comply with international regulations on conservation measures. **Sardine Sustainability** We aspire to be a leader in sardine sustainability. We aim to promote sustainable fishing practices and improve livelihoods through local community engagement.	**Employee Engagement** We continuously engage with our employees through living out our values, grievance mechanisms, providing competitive benefits, and embedding sustainability into our culture to ensure they are dedicated to their jobs and committed to the organization. **Workplace Safety** We are committed to ensuring the safety of our employees by protecting them from potential safety and health risks and hazards in the workplace. --- **Communities** **Job Creation** Our growth around the country generates jobs for local communities. **Hunger Alleviation** We aim to address some of the Philippines' major socio-economic problems such as hunger, malnutrition, lack of education, and environmental degradation. **Livelihood Support** We engage in community development and aim to create

		sustainable social impact.

Good Governance
The Company recognizes the importance of good governance. It underpins our ability to progress our sustainability journey and create long-term value for shareholders. This applies across our entire value chain, ensuring the organization behaves ethically, complies with rules and regulations, and adheres to fair labor practices and fulfills all other economic, moral, legal, and social obligations towards our stakeholders. *SDG 16: Peace, Justice, and Strong Institutions*

Governing and Operationalizing Sustainability

[GRI 2-12: Role of the highest governance body in overseeing the management of impacts]
[GRI 2-13: Delegation of responsibility for managing impacts]
[GRI 2-14: Role of the highest governance body in sustainability reporting]

CNPF ensures effective governance is in place to deliver on our sustainability commitments.

Our Board-level Corporate Governance and Sustainability Committee oversees the implementation of our sustainability framework and periodically reviews sustainability risks and opportunities. This is chaired by a Non-Executive Independent Director, ensuring an independent and objective view of business-critical issues in sustainability. The committee receives semi-annual updates on overall progress in sustainability and corporate governance and advises the Management's Sustainability Steering Committee accordingly. With the rest of the Board, the committee ensures the integrity of sustainability disclosures. See Committees of the Board of Directors and role and responsibilities of the Board of Directors sections for more information.

Composed of senior executives of key functions and business units and spearheaded by our Executive Chairman, Chief Executive Officer, and Executive Vice President & Corporate General Manager Executive Chairman and CEO, our Management's Sustainability Steering Committee is responsible for driving and embedding sustainability into every aspect of the business. Respective subcommittees manage, develop, and implement goals and action plans for each pillar of our framework with the Core Sustainability Steering Committee, leading the overall direction and ensuring continuous improvement in responsible business practices. Relevant sustainability goals and targets have been incorporated into the Company's Performance Management System as the basis of management's variable compensation, alongside business and operational KPIs.

Our Sustainability Steering Committees hold quarterly meetings with the Executive Chairman and CEO to discuss each pillar of our sustainability framework, monitor the status of ongoing initiatives, and discuss opportunities and next steps to advance CNPF's sustainability goals.

Our Investor Relations Department acts as secretariat to the meetings and ensures that this governance structure is organized and operating correctly.

At CNPF, we believe that sustainability is everybody’s job. Our sustainability efforts must become integral to our business operations to ensure lasting and scalable impact. Consequently, CNPF delegates responsibility to business unit heads, who empower their teams to make decisions aligning business objectives with sustainability goals. This integration ensures that business and sustainability are considered in tandem.

Sustainability Governance Structures in Place

Board’s Corporate Governance & Sustainability Committee		Management’s Sustainability Steering Committee	
Chairman		**Core**	
Stephen CuUnjieng	Independent Director Distinguished global investment banker; Former Chairman and CEO of Evercore Asia; Member of the Asia Advisory Board of Wharton; Director of the International Advisory Board of the New York Philharmonic	Christopher Po Teodoro Po Edwin Africa Jenifer San Juan-Tecson	Executive Chairman Chairman of the Sustainability Steering Committee President & CEO EVP - Corporate GM and Group BU Head Investor Relations Head
Members		**Planet**	
Philip Soliven Regina Lorenzana	Independent Director Seasoned banker; Former President and Chairman of Cargill Philippines, Inc. Independent Director Former Global Vice President of Unilever’s Global HomeCare Division; Completed executive programs in Sustainability Leadership from the University of Cambridge	Teddy Kho Ronald Agoncillo Fatima Aquino Mayette Siasoco Noel Tempongko Jinky Mercado Arlene Librella Arriel Onesa Joyce Rebosura Jenny Tan	VP & GM - OEM Tuna Exports VP & GM - Sardines VP & GM - Milk VP & GM - Meat VP & GM - OEM Coconut Exports AVP Meat Manufacturing AVP Milk Manufacturing AVP Sardine Manufacturing AVP Coconut Manufacturing VP for Group Procurement

	Protein	
	Honelet Sayas Rhoda Inocelda Cheryl Singson Carmina Olivenza Nicolette Dizon	AVP Corporate QA and Technical Services / OIC for Corporate R&D R&D Senior Department Manager Nutrition & Regulatory Affairs Nutrition & Regulatory Affairs, Registered Nutritionist & Dietitian VP & GM - Refrigerated Food
	People	
	George Wang, III Kamille Corpuz Joyce Espanola	VP Human Resources and Corporate Affairs RSPo Program Manager Senior HR Manager

Creating Impact Across our Business

[GRI 2-6: Activities, value chain and other business relationships]

Our sustainability strategy is anchored on the environmental, social, and economic impacts of CNPF's various business activities along our value chain. We map out our key sustainability issues against our value chain to help us manage our risks and negative impacts and identify opportunities to scale our positive impact and create greater value for our stakeholders.

	Research & Development Developing, reformulating, and testing new product recipes and formulations	**Sourcing** Having strict assessment and accreditation for raw material suppliers to ensure food quality	**Manufacturing** Enforcing food quality and safety, as well as regulatory requirements in food manufacturing	**Distribution** Ensuring sufficient accessibility to reach the demand of partner retailers in a timely and efficient manner	**Customer** Maintaining a wide network of local and international business partners to reach several markets	**Consumers** Engaging consumers to gain feedback for continuous improvement of product quality and consumer satisfaction
Impact Creation & Economic Flows						
PROTEIN	Nutrition					Nutrition

Delivery	Accessibility
	Product Innovation, Design & Lifecycle Management
	Food Quality & Safety
PLANET Preservation	Supplier Credibility
	Raw Materials Traceability
	Natural Resource Efficiency
	Environmental Impact Management
PEOPLE Development	Diversity & Inclusion
	Professional & Personal Growth
	Workplace Safety
	Community Development
Good Governance	**Business Ethics & Compliance**
	Labor Practices

How We Engage

[GRI 2-25: Processes to remediate negative impacts]
[GRI 2-26: Mechanisms for seeking advice and raising concerns]
[GRI 2-29: Approach to stakeholder]

Channels of Engagement	Concerns	How We Address Them
Consumers		
• Consumer touch points (phone, email, website, social media channels, regular field work, and trade show activities) • Regular internal satisfaction surveys • Research with third-party agencies	• Product affordability • Product quality • Product availability • Healthier products • Packaging issues	• Presence of value for money offerings in our portfolio and promotions program • Timely resolution of customer complaints • Expansion of manufacturing capacity to address demand • Continuous innovation to develop healthier products and to improve product and packaging

		quality
Customers & Retailers		
● Customer touch points (branches, personnel, phone, email, website, and social media channels) ● Regular site visits to existing retailers and participation in events such as conventions, new store opening, and in-store promotions ● Joint business reviews and planning	● Product affordability ● Quality of products (dented products) ● Reliability and timeliness of product deliveries ● Convenience of sales process and billing concerns ● Managing inflationary pressures	● Presence of value for money offerings in our portfolio and promotions program ● Timely resolution of complaints and regular feedback ● Continuous monitoring and upgrade of systems and processes ● Alignment of activation plans, budget, and promo effectiveness
Suppliers		
● Communication lines (phone, e-mail, meetings, and business reviews) ● Supplier accreditation process on eProc ● Delivery schedules ● Order placement/PO issuance ● Request for quotations/proposal/ bidding information ● Receiving of deliveries ● Email and contact number of Human Resources to report irregularities	● Issues with bidding through eProc portal ● Inefficiencies of the system (late delivery advice, sudden changes on the schedule, quantities, and location, out of lead-time orders)	● Coordination with IT and service provider on speed and performance optimization of eProc portal, and reactivation of vendor training program ● Close coordination with vendors to ensure seamless procurement process ● Proper material planning, close inventory monitoring, and cross-functional discussions with top management
Employees		
● Online communication through learning portal, email blasts, newsletters, social media ● Individual and group engagements (performance reviews, engagement surveys, and focus group discussions)	● Employee salaries and benefits, variable pay, and other financial assistance ● Career development and growth (programs, succession plans, opportunity for external training, rewards, and	● Review and continuous improvement of performance management system, as well as manpower and succession planning ● Adherence to policies on salary structure, benefits, incentive and

• Official company events (town hall meetings, planning, and trainings) • Team building activities (summer outings, Christmas parties, special wellness events and sports activities) • Grievance Mechanisms through our Whistleblower Policy	recognition) • Company culture and personal welfare • Occupational Health & Safety, hybrid work arrangement, work relationships, wellness programs	bonus system, and provision of access to loan programs (SSS, HDMF, company funds) • Partnership with DOLE on occupational health and safety training • Implementation of employee engagement, trainings, and recognition programs • Initiating wellness programs and social clubs for physical, mental, social, and spiritual health • Reconfiguration of the office space to adapt to hybrid working arrangement
Investors & Shareholders		
• Annual stockholders' meeting • Publication of Sustainability and Annual Report • Analysts' briefings • Conferences and roadshows hosted by institutional investors • Formal meetings, site visits, and conference calls with investors and analysts	• Trends on the macroeconomic and socio-political environment in the industry • Business outlook, viability, and growth • Environmental, social and governance issues	• Constant engagement with investors, analysts, corporate regulators, and the investing public through different channels such as regular meetings, conferences, and briefings • Risk management and good governance procedures • Transparency in the information provided in reports and timeliness of its publications
Government		
• Policy dialogues, consultations, and briefings • Invitation to events and lectures • Annual audits, required reports, and publications	• Compliance with laws and regulations • Opportunities and areas for public and private sector collaboration • Completeness and accuracy of reports	• Compliance, transparency, and timeliness on submission of required reports and renewal of permits and licenses • Updating of company

such as financial statements ● Official correspondence and formal proceedings	● Transparency and accountability	policies and systems based on latest government regulations ● Attendance and participation to government-sponsored learning sessions and compliance programs
Communities (Beneficiaries of CSR programs & residents of communities where we operate)		
● Feeding programs in partner schools, orphanages, and parishes ● Volunteer activities in chosen communities ● Meeting with other NGOs, CSOs, and government agencies	● Product quality and information ● Limits in product variety provided ● Recipe of food provided ● Timeliness in delivery of goods	● Pre- and post-evaluation with stakeholders (students, parent- volunteer, school representatives) ● Basic food handling and demo cooking using Century- prescribed recipes ● Dialogue with the feeding coordinators & parent- volunteers ● Planning and coordination with communities and government agencies prior to the volunteer activity ● Partnerships with other non-profit organizations to increase our reach
Communities (Surrounding Plant Operations)		
● Community meetings	● Environmental concerns and waste disposal ● Traffic congestion caused by the trucks coming in and out of the plant ● Market access for local produce ● Availability of jobs	● Dialogue with the communities in partnership with the local government unit ● Partnership with third party for recycling and upcycling of waste ● Adherence to the recommended traffic routes for private vehicles and trucks. ● Implementation of

		feeding programs in schools and communities ● Implementation of local community purchasing programs to support coconut farmers ● Partnership with government agencies to provide jobs to the community

Protein Delivery

Profit Purpose Alignment

CNPF builds a product portfolio around affordable nutrition catering to Filipino households. We strive to nourish millions by developing delicious products that address nutrient deficiencies, reduce the risk of non-communicable diseases, meet diverse nutritional needs across all life stages, and enhance nutrition education in the country.

Through continuous improvement and innovation of food products that are easy on the pocket and within reach, CNPF delivers quality proteins and additional nutrients to nourish and delight everyone, every day, everywhere.

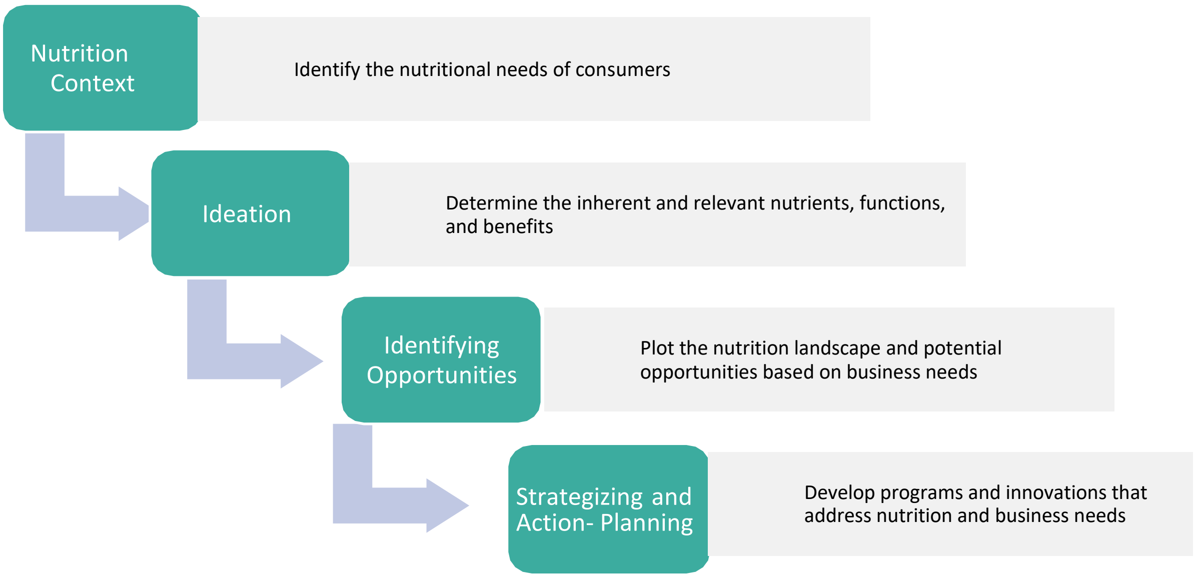
CNPF's Alignment with National Nutrition Goals

The National Nutrition Survey by the Philippine government, conducted in 2021, illuminates the complex dietary challenges facing our country. While strides have been made in reducing undernutrition, we are confronted with escalating rates of obesity and persistent malnutrition.

In response to this, CNPF's protein delivery strategies resonate deeply with the Philippine Plan of Action on Nutrition 2023-2028. We are committed to enhancing the availability and accessibility of healthy and safe food, helping improve the overall health of Filipinos nationwide and creating a supportive environment for consumers.

CNPF Nutrition Program

Our Nutrition Program aligns business objectives with the nutritional needs of our consumers. It represents a commitment to operational excellence, from innovative product development to informative consumer education and local community engagement, all aligned with the goal of fostering a healthier Philippines.



Underpinning our Nutrition Program is a commitment to collaboration and innovation. Our business units continuously seek out opportunities to address the nutritional needs of our consumers through product innovation. We actively seek out partnerships with suppliers to create product formulations that address changing nutritional requirements. Our connections with government agencies, academia, and industry experts lead to meaningful research and development, while our work with non-governmental organizations (NGOs) and healthcare organizations amplifies our outreach and impact within communities.

Nutrition Framework

Increased Availability of Healthy & Safe Food	**Increased Accessibility of Healthy & Safe Food**	**Increased Consumption of Healthy Diet**	**Improved Healthy Supportive Environment**
Food Fortification Launch products fortified with additional nutrients **Food Reformulation** Reduce the sodium content of core products **Dietary Supplementation** Expand the distribution of dietary supplements in the portfolio	**Food Assistance** Increase Kain Po protein servings delivered to partner communities	**Health/Nutrition Literacy and Nutrition Promotion Program for Behavioral Change** Increase branded nutrition campaigns fighting malnutrition and promoting health and wellness **Food Labelling** Rollout new labels across all innovations **Food Marketing Regulation** Ensure strict compliance to regulatory audits and certifications	**Behavior Change & Overweight and Obesity Management/Prevention** Launch inclusive and transformational branded nutrition campaign **Programs for Older Persons** Increase reach of branded activations for the elderly

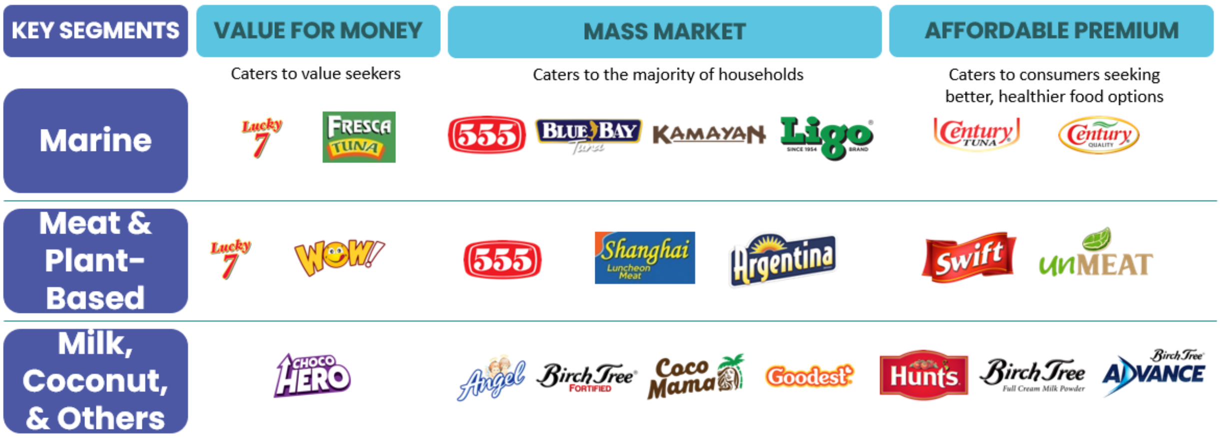
Food Availability

[GRI 3-3: Management of material topics]

CNPF is committed to enhancing food availability while tackling micronutrient deficiencies and mitigating the intake of nutrients with potentially adverse health impacts. Our integrated approach involves both product innovation and reformulation, with attention to nutrient fortification.

CNPF's social impact is deeply intertwined with our mission to offer affordable and accessible options. Recognizing that more than 80% of the Philippine population comes from lower-income classes, we have tailored our portfolio to span from value-for-money to affordable premium brands. This strategic positioning allows us to effectively serve major segments across the Philippine market.

Our products are accessible through diverse distribution channels, from traditional mom-and-pop sari-sari stores and wholesalers to modern convenience stores and supermarkets, ensuring that our products reach as broad an audience as possible. Through this comprehensive approach, CNPF not only advances our nutritional objectives but also supports broader socioeconomic inclusion and access to quality food options.



We strive to offer products that support consumer health. Our recently expanded portfolio includes products fortified with nutrients targeted to address specific health concerns and nutritional gaps, such as protein, calcium, zinc, iron, and Omega 3 DHA. Fortifying our dairy offerings with calcium and vitamin D3 exemplifies our commitment to bone health, while our high-fiber options are tailored to support digestive wellness.

We launched two new products in 2024, and made additional improvements on two of our existing products:

2024 Launch Fortified CNPF Products

Nutrition	Products	Function
Protein		Muscle Health, Growth Support

		
Calcium		Bone Health & Energy Support
Zinc		Immunity, Brain Function Support
Omega 3 DHA		Heart Health, Brain Function

In response to the established links between sodium intake and certain non-communicable diseases, our commitment to product research and development has been steadfast. The pursuit of this goal continues as we gear up to resume our sodium reduction research this year, coinciding with the transition of the CQA Laboratory to its new home within the CPFI Innovation Center of Excellence.

2024 Nutrition KPI

32 Million Kilograms of protein in products sold (2023: 31 Million)

CNPF delivered a total of 32 Million kilograms of protein across all products sold through domestic retail channels in 2024. We are currently developing relevant and meaningful targets that will enable us to measure and track the nutritional impact of our products.

Food Accessibility

[GRI 3-3: Management of material topics]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

We are committed to increasing access to safe and nutritious food, so that Filipino households can obtain the essentials for a healthy diet. CNPF's initiatives in this domain are multifaceted, aiming to provide both direct food assistance and employment assistance to bolster food security.

Kain Po and Daily Dairy Milk Program

Protein servings delivered to beneficiaries through Kain Po	15 Million (2023: 12.4 Million)
Protein servings delivered to beneficiaries through Kain Po since its inception in 2010	82.4 Million

CNPF continues our initiative of providing affordable nutrition and improving nutrition education to school-aged children in our partner schools across the country. Through our flagship KAIN Po feeding program and Daily Dairy Milk Program spearheaded by our partner RSPo Foundation, we seek to nourish youth and lift them out of the cycle of poverty.

In 2024, KAIN Po delivered 15 million servings of protein to partner schools and communities, an increase of 20% as compared to 2023. The program positively impacted the lives of more than 300 thousand beneficiaries during the year.

Daily Dairy Milk Program

Milk servings delivered to beneficiaries through Daily Dairy	183 Thousand (2023: 124 Thousand)

Through RSPo Foundation's Daily Dairy Milk Program, CNPF also continues to do our part in helping reduce micronutrient deficiencies among impoverished school-age youth. Working with 13 different institutions, we delivered 183 thousand servings of our leading milk brand Birch Tree in 2024 to various orphanages and welfare centers such as Hospicio de San Jose, White Cross, and Bridge Builder Foundation Norway, among others.

Consumption of Healthy Food

[GRI 3-3: Management of material topics]

Promoting nutritional awareness and empowering consumers to make informed food choices is central to CNPF's ethos.

#HuntsMySuperfood Campaign

Seeking to grow one of our brands through Nutrition-Based Planning, CNPF launched our #HuntsMySuperfood Campaign in 2024. This initiative seeks to bring awareness to more Filipinos about the health benefits of beans, especially regarding their health benefits.

CNPF drove the relevance of beans among young adults, a market that needed an easily accessible source of essential nutrients. Beans are highly nutritious, containing high amounts of protein compared to other food. They also contain Vitamins B1, B6, E, and K, making them pack plenty of benefits in one inexpensive, simple-to-eat, and healthy package.

It's this combination of nutrients that proudly makes us promote Hunt as a superfood: a healthy inclusion to the staple Filipino diet, helping our consumers get access to a variety of nutrients that few foods in the market can provide.

As a result of this campaign, Hunt's saw an uptick improvement of growth across multiple market segments and retailers. The campaign also saw active engagement from our audience, and CNPF anticipates steady continuous improvement in demand for our Beans products in 2025.

In 2024, apart from targeted nutrition education campaigns that increased public knowledge and facilitated healthier choices, we introduced products that used Inspire Labelling. This program supports our consumers in discerning the health benefits of our products at a glance.

Healthy Supportive Environment

[GRI 3-3: Management of material topics]

Fostering a healthy supportive environment is critical to our holistic approach to nutrition. Our work in this area includes initiatives aimed at creating an ecosystem that supports healthy lifestyle choices and addresses specific nutritional needs, particularly for the vulnerable segments of our population, such as the elderly.

Our efforts target behavior change and the management and prevention of obesity, a critical issue in public health today. We also focus on micronutrient supplementation to address specific dietary gaps. For the elderly, who are often at greater risk of nutritional deficiencies, we have tailored programs to ensure they receive the nourishment they need.

Century Tuna Superbods

In 2024, Century Tuna continued its tradition of promoting health and fitness through the highly anticipated Century Tuna Superbods competition. Under the theme "#BestYouEver," the event celebrated individuals who exemplified physical transformation, personal growth, and a commitment to healthy living. This year’s competition once again highlighted inspiring stories of resilience and positive change, reinforcing the brand’s belief that everyone has the potential to be the best version of themselves.

Launched in 2006, the Century Tuna Superbods competition has evolved into one of the most recognized health and fitness platforms in the Philippines. More than just a search for physically fit individuals, Superbods has become a nationwide movement advocating for active lifestyles, balanced nutrition, and mental well-being. Over the years, it has provided a stage for everyday Filipinos and public personalities alike to share their personal fitness journeys, empowering a broader community to embrace a healthier way of life. Through Superbods, Century Tuna continues to champion wellness as a sustainable and inclusive goal for all.

Birch Tree Advance

In 2024, Birch Tree Advance reaffirmed its commitment to enhancing the well-being of seniors through targeted nutritional support. Understanding the unique health challenges faced by individuals aged 60 and above, the brand emphasized the importance of proper nutrition in maintaining an active and fulfilling lifestyle. Birch Tree Advance, an affordable adult nutritional supplement drink, is enriched with essential nutrients such as protein, calcium, and vitamins D, A, C, and B12—key components for supporting muscle function, bone health, and immune strength. By providing these essential nutrients, the brand helps seniors address age-related concerns like muscle loss and weakened immunity, enabling them to continue living life to the fullest.

Beyond nutrition, Birch Tree Advance further promoted active aging by launching the Birch Tree Advance Fitness Dance Cup, a Zumba-inspired competition designed to get seniors moving while having fun. Participants from across the country showcased their energy and passion for dance, all while competing for a grand prize of PHP100,000. This joyful event not only reinforced the importance of regular physical activity but also celebrated community, vitality, and self-confidence in later life. Alongside this, the brand introduced a Loyalty Card program offering exclusive perks and discounts at partner retailers, strengthening its connection with consumers.

Together, these efforts reflect Birch Tree Advance's holistic approach to supporting seniors—through proper nutrition, engaging activities, and meaningful incentives that empower them to thrive in their golden years.

Product Development and Innovation

[GRI 3-3: Management of material topics]

Innovation is at the heart of CNPF's long-term strategy. Our entrepreneurial approach fosters a multidisciplinary process to develop high-quality, affordable products that meet consumer needs. This agile and collaborative methodology accelerates market delivery while driving continuous learning and improvement.

In July 2024, the Innovation Center of Excellence (ICE) was inaugurated, marking a new era of groundbreaking Research and Development (R&D) in our company. ICE houses a state-of-the-art pilot plant, central laboratories, and collaborative workspaces tailored for cutting-edge research, training, and development.

Innovation at CNPF results from synergistic efforts among cross-functional teams, including Research & Development, Marketing, Sales, Manufacturing, Supply Chain, and Finance. We take pride in our partnership with the Department of Science and Technology and the Food Nutrition Research Institute, which enhances our nutritional expertise, competitive edge, and ability to address consumer health gaps.

Century Tuna Superkids Crispy Tuna Nuggets

In 2024, CNPF expanded its product line with the introduction of Century Tuna Nuggets, a nutritious and flavorful alternative to traditional chicken nuggets. Designed to cater to health-conscious families, these nuggets are rich in Omega-3 DHA, known for supporting heart and brain health, thereby promoting cognitive development in children. The product aims to provide a convenient and healthy meal option that appeals to both parents and children.

The launch was highlighted by a "super launch party" featuring celebrity endorsers Marian Rivera-Dantes and her son, Sixto Dantes, underscoring the brand's commitment to family health and wellness. This product not only diversifies the company's offerings but also reinforces its commitment to promoting better nutrition among children. It also reflects CNPF's dedication to innovation and its mission to provide affordable nutrition to Filipino consumers.

Plant-Based Meats Updates (unMEAT Expansion)

2024 saw a continuous increase in both interest and demand for unMEAT, CNPF’s plant-based meat alternatives line of products. Since its launch in 2020, unMEAT has grown from a domestic offering to a global brand. Today, the brand is present in over 13,000 retail points of sale across US, Europe, Australia, and Asia, with major retailers such as Walmart, Albertsons, Carrefour, Woolworths, and Fairprice.

In 2024, unMEAT added new products to our line, increasing the range to 39 SKUs globally. Focusing on affordability, healthier and more sustainable ingredients, our campaign “Add Some Un—to Your Usual” showcased the versatile products of our unMEAT line, while also pushing for increased awareness of the brand in key markets internationally.

unMEAT continues to be recognized for its performance in the plant-based meat alternatives space, participating in The Wall Street Journal’s award-winning Future of Everything Festival. Hosted by The Wall Street Journal, the event brought together “leading thinkers, doers and change makers for a definitive look ahead at the groundbreaking innovations and ideas that are transforming the way we live, work and play,” which captures CNPF’s mission of innovating the way consumers experience plant-based food alternatives.

Food Quality and Safety

[GRI 3-3: Management of material topics]
[GRI 2-27: Compliance with laws and regulations]
[GRI 416-1: Assessment of the health and safety impacts of product and service categories]
[GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services]
[GRI 417-1: Requirements for product and service information and labeling]
[GRI 417-2: Incidents of non-compliance concerning product and service information and labeling]
[GRI 417-3: Incidents of non-compliance concerning marketing communications]

We recognize the imperative of ensuring food quality and safety, especially considering that our reach extends to 9 out of 10 households, making our responsibility to deliver exceptional and reliable products a fundamental aspect of our sustainability vision.

Our Quality Assurance and Research & Development teams safeguard the quality and safety of our products through technical training, proficiency testing, and raw material safety testing. Upholding our standards means that all products across our brands are subjected to rigorous controls and assessments.

Our Quality Assurance (QA) team ensures that we adhere to local and international food standards on safety and quality, such as the Philippine National Standard, Association of Official Agricultural Chemists, Compendium of Microbiological Criteria for Food, Codex Alimentarius, and ASTM International. The QA team also puts internal control systems in place at every stage of our operations to meet our safety and quality standards.

Raw Material Testing & Supplier Accreditation
Ingredients and packaging materials are evaluated for conformity with standards for production. Suppliers are accredited to ensure that raw materials are consistently manufactured and delivered according to agreed specifications.

Production & Process Control
A monitoring system is established at each phase of the production process, covering sampling frequency, time, temperature, testing procedure, and other control parameters.

Food Safety Audit
Our plants, toll manufacturers, suppliers, and products are audited to review and validate compliance with regulatory standards and buyer requirements.

Continuous Improvement
Product and process improvements are made based on the risks and feedback found during the audit. Controls are set based on the identified issues and updated quality standards.

Our R&D team assesses the functionality and taste of raw material inputs for production, making sure these are consistent with both consumers' tastes and product quality standards. R&D regularly conducts studies, including product trade audits through physical, chemical, sensory, and microbiological analyses.

We encourage and monitor consumer feedback around food quality and safety, which serves as input for product and process improvements. These are referred to the relevant department and promptly resolved through corrective measures and improvements. We also have a Traceability and Recall Program in place to further ensure product safety.

Product information and labeling

We comply with the relevant and applicable food safety requirements of the Food and Drug Administration Philippines, including regulations on packaging information, labels, and ingredients.

Local government agencies and third-party certifying bodies annually validate our certifications and permits. Our marketing and advertising materials also comply with all advertising guidelines, as reviewed and approved by the Ad Standards Council in the Philippines. As we expand our global reach, we also abide by the food safety labeling standards of our international markets, including the U.S., Canada, Europe, the U.K., Australia, Japan, U.A.E., Saudi Arabia, and Israel, among others.

During the year under review, there were no cases of non-compliance concerning laws or standards on product health, safety, and quality, as well as on product labeling and marketing practices.

For the full list of product labeling standards and regulations to which CNPF adheres, refer to the Sustainability Data Summary tables at the back of this report

Planet Preservation

Natural Resource Efficiency

[GRI 3-3: Management of material topics]

At CNPF, we strive to minimize our environmental impact by prioritizing efficient and sustainable use of natural resources. We continuously seek to improve our performance by implementing industry best practices for water and energy management and closely monitoring our consumption of these vital resources.

The Sustainability Steering Committee meets each quarter to review our resource management report, monitor developments, and identify new opportunities for reducing water and energy consumption.

Water Consumption Reduction

[GRI 3-3: Management of material topics]
[GRI 2-27: Compliance with laws and regulations]
[GRI 303-2: Management of water discharge-related impacts]
[GRI 303-3: Water withdrawal]
[GRI 303-4: Water discharge]
[GRI 303-5:Water consumption]

Water is vital to our operations, playing a critical role in manufacturing—from cleaning and sanitation to thawing frozen produce, generating steam, and product creation. We also recognize its importance to our suppliers, customers, and the communities where we operate, source, and distribute our products. With a strong focus on water quality and availability, we are especially mindful of our impact in high water-stress areas.

CNPF ensures the highest water quality standards across all our business units by utilizing a mix of sustainably sourced (deep well water and purified district) water. Our rigorous monitoring, sampling, and testing protocols across production processes strictly adhere to quality standards, reflecting our commitment to operational excellence and environmental stewardship.

To continuously improve our performance, we implement water efficiency measures, invest in water savings technology, and aim to deepen our understanding of our water-related impacts on the local communities in which we source our water.

In our Tuna, Coconut, and Sardines plants, we reclaim condensate, turning what would be waste into a resource. For instance, the water from softener backwash finds new life in washing processes, and we employ water recycling in our vacuum filling machines. In our Meat business, we're making significant strides in water conservation by reusing cooling water from previous cycles. We use reverse osmosis systems across our business units to reuse water wherever feasible.

Effluents

All wastewater discharged from CNPF facilities adheres to minimum standards established by the

Department of Environment and Natural Resources (DENR). Across all our plants, we treat our wastewater onsite in compliance with DENR Administrative Order (DAO) No. 35 Series of 1990 on Effluent Regulations as well as DAO 2016-08 on Water Quality Guidelines and General Effluent Standards. Our Milk and Meat plants adhere to the Laguna Lake Development Authority for Class C water in accordance with local requirements.

To mitigate our wastewater impact and promote a circular economy, we have continued to use wastewater sludge from our Tuna, Coconut, and Meat operations as either alternative fuel for our boilers or byproducts such as fertilizer and raw material for biodiesel production. In 2024, approximately 400 metric tonnes (MT) of sludge were repurposed by our Tuna and Milk businesses.

Water	**2022**	**2023**	**2024**
Water withdrawal (CBM)	3,863,575	3,928,586	4,954,214*
Water discharge (CBM)	3,110,582	3,200,926	4,038,727
Water consumption (CBM)	752,992	727,659	915,486
Water intensity** (CBM/mt)	9.26	9.77	9.99

**In 2024, total water withdrawal increased by 21%, resulting in a 0.22CBM/mt increase in water intensity. This was due to high production volumes and improved data collection. CNPF continues to pursue various initiatives to reduce our water demand, utilize alternative water sources, and recycle water as much as practicable.*
***Water intensity is calculated as total water withdrawal divided by total product volume produced in mt. This metric means that for every mt of product manufactured in 2024, CNPF withdrew 9.99 cubic meters of water.*

Energy Consumption Reduction

[GRI 3-3: Management of material topics]
[GRI 302-1: Energy consumption within the organization]
[GRI 302-3: Energy intensity]

Energy	**2022**	**2023**	**2024**
Total energy consumption (GJ)	2,259,607	2,130,379	2,488,931*
Non-renewable (GJ)	2,154,382	2,006,287	1,720,928
Renewable (GJ)	105,225	124,092	768,003
Energy intensity** (GJ/mt)	5.42	5.30	5.02

**In 2024, total energy consumption increased by 17%, nonetheless, energy intensity decreased by 0.28 GJ/mt. This was driven by the shift of CNPF's coconut processing facility from non-renewable fuel*

sources to biomass.
***Energy intensity is calculated as total energy consumption divided by total product volume produced in mt. This metric means that for every mt of CNPF product manufactured in 2024, CNPF consumed 5.02 gigajoules of energy.*

Environmental Impact Management

CNPF recognizes the importance of environmental stewardship. We are committed to understanding and responsibly managing our environmental impacts, including those related to climate change. Our goal is to progressively establish mitigation and adaptive measures that will enable us to manage environmental risks responsibly and to seize climate-related business opportunities as they arise.

Greenhouse Gas Emission Reduction

[GRI 3-3: Management of material topics]
[GRI 305-1: Direct (Scope 1) GHG emissions]
[GRI 305-2: Energy indirect (Scope 2) GHG emissions]
[GRI 305-4: GHG emissions intensity]

CNPF is committed to clear, effective climate action by advancing energy efficiency and expanding investment in renewable energy, moving us steadily towards reducing our emissions economically.

Investment in Renewable Energy

The carbon footprint directly controlled by our business is quantified as the volume of greenhouse gasses (GHGs) caused by energy consumption in our production facilities. In our production plants, our Scope 1 emissions derive from on-site combustion of coal to generate steam for our boilers at our production plants. We also consume diesel in backup generators for supplementary and backup power, as needed, as part of Scope 1 emissions. Our Scope 2 emissions derive from our consumption of purchased electricity.

CNPF Renewable Energy Push

During the year, the Company expanded its solar power facility in General Santos City, where it houses its largest manufacturing hub in the country for tuna and coconut. From a capacity of 5.2Mw, the operational solar capacity now stands at 8.6MW, representing a 65% increase.

CNPF’s tuna and coconut facilities predominantly use clean energy sourced from a hydroelectric power plant through the grid. In 2021, the Company commissioned its first solar PV plant in a move to double down on its commitment to more sustainable manufacturing practices.

At the end of 2024, close to 70% of the hub’s power requirements were harnessed from clean energy sources.

Coconut Processing Facility Biomass Boiler Improvement

In 2024, CNPF's Coconut processing facility made considerable progress in its capability to utilize biomass as fuel. After the initial investment in biomass capability in 2023, the business segment converted the rest of its boilers to be able to process waste coconut shells as fuel. By increasing biomass capability in the manufacturing process, our coconut processing facility takes one more step towards more eco-friendly operations while still ensuring its bottom line is met in terms of production—a win for the environment, our people, and the business.

These boiler improvements not only reduced health hazards for operators and boiler crew, but it also drastically improved cleanliness in the area. Previous processes would necessitate regular de-ashing and ash hauling due to the byproducts of using coal as a fuel source. With these improvements, coal ash waste was reduced close to zero percent from previously near 40%.

These improvements also mean that the boilers now have zero air pollutants and reduced carbon emissions.

GHG Emissions & GHG Intensity of CNPF (Scopes 1 & 2)

Emission	2022	2023	2024*
Scope 1 (tonnes CO_2e)	190,493	176,124	145,866**
Scope 2 (tonnes CO_2e)	27,138	27,828	29,309
Emission intensity (tonnesCO_2e/mt)***	0.52	0.51	0.35

**In 2024, total emissions decreased by 16%, driven by Scope 1 emissions.*
***Scope 1 emissions decreased by 21%, driven by a reduction in coal usage. As a result, CNPF's emission intensity was reduced by 0.16 tCO2e/mt.*
****Emission intensity is calculated as total GHG emissions divided by total product volume produced in mt. This metric means that for every mt manufactured in 2024, CNPF emitted 0.35 tonnes CO_2e of greenhouse gasses.*

Landfill Waste Reduction

[GRI 3-3: Management of material topics]
[GRI 301-1: Materials used by weight or volume]
[GRI 306-1: Waste generation and significant waste-related impacts]
[GRI 306-2: Management of significant waste-related impacts]
[GRI 306-3: Waste generated]
[GRI 306-4: Waste diverted from disposal]
[GRI 306-5: Waste directed to disposal]

At CNPF, we aim to promote the circular economy and strive to 'do more with less' by reducing waste at source and recycling or upcycling waste into new resources. As a food company, we focus on maximizing the use of our operations' biological and packaging materials before disposal.

In our Coconut business, we strive to incorporate as much of the fruit as possible in a wide range of products such as Coco Mama (cream and meat) and OEM products like coconut water, coconut oil, desiccated coconut, and coconut flour, among others. To minimize waste, we are exploring sustainable uses for coconut shells and husks, such as biofuel. Our Tuna business turns excess fish parts into byproducts such as fish meal, fish oil, and fish soluble.

In compliance with the Ecological Solid Waste Management Act, all business units conduct onsite segregation of their operational waste as part of daily operations. We sell recyclables from our operations, such as scrap metals, plastics, paper, and cardboard, to scrap recyclers, while accredited haulers collect our general rubbish for disposal at landfills. All our business units have systems in place to monitor and measure the amount and type of waste from their operations and report quarterly to our Sustainability Steering Planet Subcommittee.

We prioritize materials that are recyclable, renewable, or biodegradable. Our current packaging range— from tin cans and metal lids to glass bottles, plastic containers, paper labels, and cardboard cartons—is designed to support recyclability. Additionally, we actively collaborate with partners to enhance plastic recycling and co-processing, helping to minimize our environmental footprint. For more details, refer to this report’s Plastic Footprint Reduction section.

We are also committed to responsible waste management, ensuring that the waste we generate (plastic, compost, metal, scraps, sludge, etc.) is recovered and processed into reusable resources, whether for our own operations or external applications.

Materials used	**2022**	**2023***	**2024**
Total materials (mt)	590,405	590,911	696,766
Renewable (%)	79%	86%	87%
Non-renewable (%)	21%	14%	13%

**2023 data has been restated for accuracy.*

Waste	**2022**	**2023**	**2024***
Total waste generated (mt)	84,614	140,203	113,254
Waste diverted from disposal (%)	86%	74%	76%
Waste directed to disposal (%)	14%	26%	24%

**In 2024, waste was reduced significantly due to CNPF’s coconut processing facility, repurposing waste from coconut shells by converting it to biomass.*

Plastic Footprint Reduction

[GRI 3-3: Management of material topics]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

CNPF actively pursues a robust strategy to address our plastic footprint resulting from post-consumer waste. We continuously seek out viable eco-friendly substitutes to single-use plastics and explore ways to diminish our plastic dependency.

In 2021, our Tuna and Sardines businesses banned single-use plastics from plant and office canteens to encourage reusable food containers or paper packaging. Our Tuna business has replaced plastic stretch films with reusable wraps for palletized empty cans and finished goods in logistics and transport, reducing plastic waste by over 56% since implementation of these initiatives in 2022.

Additionally, 70-80% of our brands use paper and tin packaging, which are more easily recycled. Approximately 60% of our Supply Chain and Logistics' plastic waste is also being recycled into beads by a third party.

From Net Zero to Plastic Cleanup Partner: A Renewed Commitment to Plastic Waste Reduction

We have also transitioned from our Net Zero Plastic Waste initiatives into becoming a Plastic Cleanup Partner with the Plastic Credit Exchange (PCX). The Plastic Cleanup Partner label is awarded to companies and brands that deliver significant, measurable impact in cleaning up plastic waste. Products that are awarded the PCX Plastic Cleanup Partner label are held to a standard that the company behind its productions is working hard to keep plastic waste out of nature.

As a Plastic Cleanup Partner, CNPF purchases clean up credits that offsets 100% of our plastic footprint. CNPF actively engages in plastic waste footprint reduction through the PCX ecosystem, which facilitates the removal of post-consumer plastic waste from the environment, converting plastic into energy, and promoting the circular economy through plastic credits. We recognize that offsetting is only an interim solution to tackling plastic waste and are committed to continuously exploring sustainable solutions to minimize plastic use.

To uphold the integrity of our plastic offsets, PCX mandates third-party audits by Isla Lipana & Co. (PricewaterhouseCoopers). The audit validates CNPF's plastic footprint, supporting PCX in certifying our brands' Plastic Cleanup Partner status. It also verifies our brands' plastic footprints against our annual packaging usage, confirming that a matching amount of plastic waste has been responsibly recycled or co-processed.

2024 marks our fifth year of committing to reducing our brands' plastic footprint by 100% through an offsetting mechanism, ahead of the 40% footprint reduction required by the Extended Producer Responsibility Act of 2022.

We've advanced our commitment with now 14 brands under the Plastic Cleanup Program of PCX, encompassing all CNPF brands using flexible plastic packaging. We are committed to incorporating all new CNPF brands that use flexible packaging into our plastic waste reduction program. To offset our footprint in 2024, we purchased 2,904 mt worth of plastic credits.

Furthermore, the Control Union validates the impact of the plastic credits we purchased. This rigorous process, detailed in the PCX credit registry, not only enhances our plastic management but also aligns CNPF with the Extended Producer Responsibility Act of 2022. For more information on Plastic Footprint Reduction program or our Plastic Cleanup Partnership with PCX, visit our website.

Our Activities as a Plastic Cleanup Partner of PCX

CNPF's waste-to-cash program, developed in collaboration with PCX, empowers women-owned sari-sari stores in Manila to serve as collection hubs for post-consumer plastic, providing residents with a new income source while promoting sustainability.

We have two collection points stationed in Barangays 432 and Baseco Port, and 14 located in Anilao, Batangas. They are managed by women micro-entrepreneurs, incentivizing community-wide collection efforts. This initiative enhances the livelihoods of residents and store owners, increasing the average annual income of Aling Tindera participants (AT's) by an average of 48% nationwide, and plays a crucial role in our efforts to better manage post-consumer plastic waste.

Another key inclusion in our Plastic Waste Reduction initiatives is "Century Tuna Saving Our Seas" collaboration with HOPE, the Philippines' first certified B Corp,. This initiative goes beyond collecting plastic for reuse and recycling and emphasizes community involvement into plastic waste reduction and management efforts.

Some highlights of our 2024 activities include:

1. **April 2024: PALIT PLASTIC PROJECT in La Union with 16 out 20 LGUS participating**
2. **September 2024: INTERNATIONAL CLEAN-UP DAY in Brgy. Mainit, Mabini, Batangas**
3. **September-October 2024: SCHOOL PLASTIC DRIVE (Talaga Elementary School, Mainaga-San Francisco School, Mabini Central School) in Mabini, Batangas**

Overall, the Saving Our Seas collaboration marked a record high of almost 60,000 kgs of plastic waste diverted in 2024, four times the 15,000 kgs recorded in 2023.

Supply Chain Management

Supplier Credibility

[GRI 3-3: Management of material topics]
[GRI 2-25: Processes to remediate negative impacts]
[GRI 2-27: Compliance with laws and regulations]
[GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships]

In accordance with our Supplier Accreditation Policy, we seek business partners that meet our commercial standards, comply with relevant government regulations, and align with our social and environmental aspirations as a responsible member of the community.

Our Supplier Code of Conduct and Ethics (SCOCE) outlines the company's stance on responsible sourcing and supply chain sustainability and the corresponding requirements we expect our suppliers, manufacturers, and service providers to uphold.

The SCOCE covers our standards on:

- Human rights (child labor, forced labor and human trafficking, nondiscrimination, harassment, working hours, wages, and benefits)
- Health, safety, and quality
- Business ethics (business integrity, no gift policy, fair competition, privacy and intellectual property, and conflict of interest)
- Environmental compliance with applicable laws and regulations
- Management systems

As of 2024, 100% of our current suppliers have signed and acknowledged the SCOCE as a requirement to work with CNPF.

Currently, all supplier audits are primarily designed for quality assurance, which evaluates and ensures product quality and safety standards. Refer to the Accreditations and Certifications and the Tuna Sustainability sections of the report and the Purchases Assessment page on our website for the latest developments on the international standards, certifications, accrediting bodies, trade associations, and regulating agencies we align with.

CNPF is currently developing a roadmap to incorporate sustainability criteria into our supplier screening and accreditation process. This will help us assure and monitor partners' compliance with the social, environmental, and governance standards set in the SCOCE and identify and manage associated sustainability risks within our supply chain.

We are committed to engaging and educating our partner suppliers on sustainability practices to ensure they grasp the importance and can effectively implement them. Over the past year, we've focused on empowering supply chain manufacturers with the necessary knowledge and tools for accurate carbon footprint tracking.

These efforts are essential for informed decision-making and strategy development to lower carbon emissions across the value chain. Our objective is to work with our partners to create an efficient, cost-effective, and responsible supply chain that is responsive to the evolving demands of sustainability.

2nd Supplier Forum: Water Minimization and Cogeneration

In March 2024 our Corporate Procurement hosted another training on resource optimization entitled "Water Minimization for the Process Industry and Maximizing Energy with Cogeneration".

Headed by Ms. Mary Jennifer S. Tan (VP & Group Procurement Director), this workshop was attended by select key suppliers and CNPF plant engineers from different business units. A total of 50 participants joined the training conducted by Prof. Ir. Dr. Dominic Foo. Professor Foo is a specialist in process design and integration from the University of Nottingham Malaysia, a Founding Director of the Center of Excellence and Green Technologies and is ranked in the Stanford List among the top 2% of the most cited scientists and academics.

During this comprehensive training session, participants delved into the intricate realms of graphical, algebraic, and mathematical optimization, focusing on water management in the morning, and cogeneration strategies in the afternoon. Professor Foo discussed the challenges faced by industries in water minimization, teaching the participants different strategies for material recovery. Attendees gained valuable insights into these complex concepts, mastering both manual techniques and leveraging Excel tools to enhance their understanding and proficiency.

Moving forward, CNPF aims to include similar sessions in our Supplier Forums that can help our suppliers make better use of their resources, limit waste generation, and optimize their operations.

Local Sourcing

[GRI 3-3: Management of material topics]
[GRI 204-1: Proportion of spending on local suppliers]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

By sourcing locally, CNPF is better positioned to launch new products and reach markets much faster while reducing shipping and storage costs. We believe that with this approach, we can minimize emissions, energy usage, and waste, while supporting local businesses and contributing to the economy, enabling market access for local producers.

To support the local economy, we allocate over 56% of our total procurement budget on suppliers registered in the Philippines. In 2024, 100% of the raw materials for our Coconut business were sourced from local farms. Through our Agripreneur programs, we source approximately 80% of the fresh produce we use in Tuna from local farmers. Our Sardine business also works with local fisherfolk, sourcing most of its major raw materials requirements locally. To know more about Sardine Sustainability, see this report's section on Sustenido Bulan.

We continuously seek opportunities to develop relationships with local suppliers in key provinces and regions.

Save Our Coconuts

In 2021, our OEM Coconut business, in partnership with GCash and HOPE, made a pledge to provide smallholder coconut farmers with one million coconut trees—a goal that was completed in 2022. To continue supporting smallholder coconut farmers, Coco Mama launched the Save Our Coconuts project.

The Philippines is one of the top producers of coconuts in the world. However, nearly a fifth of the coconut trees in the country are aging, with lower productivity. In order to ensure the long-term supply of coconuts and help boost the income of farmers, these aging trees need to be replaced.

Coco Mama's Save Our Coconuts aims to help smallholder coconut farmers improve their farm productivity while also ensuring long-term coconut supply—a win-win initiative for our partners and the business.

The goals of the project overall are:

- 100,000 trees planted over 5 years
- Approximately 12,000 metric tons CO2 sequestered
- 1,000 coconut farmers benefiting from the project
- Approximately 2x increase in yield per farmer
- +60% increase in income per farmer

For Coco Mama and its partners, the Save Our Coconuts project means more than just replenishing coconut supply. It's a commitment to help the farmers that help support the Philippine coconut industry, a push toward sustainable growth, and a partnership that promises to uphold the bright future of coconut farming in the country.

Our Coconut business, CPAVI, has established a local community purchasing program in various provinces in Mindanao. This program not only ensures a stable supply for our factory but also gives smallholder coconut farmers the opportunity to earn more from selling directly to CPAVI at a fair market price. For the past two years CPAVI has sourced 28% of its coconut supply from this program.

Tuna Sustainability

[GRI 3-3: Management of material topics] [GRI 2-28: Membership associations]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

As one of the leading manufacturers of tuna products both locally and worldwide, we recognize that the longevity of our tuna business hinges on the sustainability of the seafood industry. Biodiversity loss, climate change and unethical labor practices all threaten the health of our business and the tuna industry at large. CNPF is committed to responsible sourcing and fishing practices as the means to sustain the Tuna business while conserving the health of marine ecosystems.

Skipjack Tuna

We primarily utilize skipjack tuna, stocks of which are deemed to be at healthy levels per 2024 assessments by the International Seafood Sustainability Foundation (ISSF). This tuna species is the most abundant of all major commercial tuna species due to its short gestation period and ability to reproduce year-round in tropical and subtropical waters.

Traceability

We firmly believe that transparency in sourcing underpins sustainability. All our tuna raw materials are traceable at the source – vessels are registered at the Proactive Vessel Register and audited by a third- party assurance group, MRAG Americas. This ensures that we only source from suppliers who comply with industry best-practices and conservation measures.

International Seafood Sustainability Foundation (ISSF)

Through its wholly owned subsidiary General Tuna, CNPF is a member of the International Seafood Sustainability Foundation (ISSF). CNPF also sits on the Board of the ISSF and its executive committee to help shape sustainable tuna fishing practices globally. Together with more than 20 other members worldwide, we strive to fully comply with the ISSF's conservation measures. The major drivers for our continued involvement with this organization are remaining up to date with evolving expectations for corporate responsibility in our industry and achieving competitive advantage among more discerning consumers in developed markets.

ISSF's Conservation Measures cover the following areas:

1. Regional Fisheries Management Organization (RFMO) Support
2. Traceability & Data Collection
3. Bycatch Mitigation
4. Monitoring, Control and Surveillance
5. Illegal, Unreported and Unregulated Fishing
6. Capacity
7. ProActive Vessel Register
8. Exemption for Very Small Purse Seine Vessels
9. Social and Labor Standards

Pursuing Tuna Traceability with Other Global Standards and Industry Associations

CNPF is focused on improving our ability to screen and assess suppliers. We are a member of the Global Tuna Alliance—a market-led initiative that issued the Tuna Traceability Declaration in 2020 in support of the U.N. Sustainable Development Goal 14: Life Below Water.

In 2021, General Tuna adopted the Global Dialogue on Seafood Traceability (GDST) standards. This international platform for companies in the seafood supply chain, technical experts, and partner non-governmental organizations has in place the GDST Standards and Guidelines for Interoperable Seafood Traceability Systems, the first comprehensive set of global standards for end-to-end seafood traceability. This represents a significant global initiative to make global seafood traceability more reliable and affordable by allowing for interoperability across seafood traceability platforms and is critical for the industry to combat illegal fishing and unethical labor practices.

Partnering with various organizations and adhering to international standards demonstrate our commitment and give us the opportunity to be a leader in Tuna Sustainability to serve global markets.

For a full list of our partnerships and cooperation with international volunteer and regulating bodies, see our Tuna Purchase Assessment on the CNPF website.

Updates on Our Fisheries Improvement Project

Responding to the rising global demand for sustainable seafood, Century Pacific Food, Inc. (CNPF), through its subsidiary General Tuna Corporation, initiated a Fisheries Improvement Project (FIP) in 2021 to guide local fisheries towards best practices.

CNPF's FIP is a multi-stakeholder initiative in partnership with the Bureau of Fisheries and Aquatic Resources that aims to help fisheries in the Western Central Pacific Ocean High Seas Pocket 1 adopt more sustainable fishing practices and ensure sustainable stocks of Yellowfin and Skipjack tuna. Mounting pressure to become sustainable is making Marine Stewardship Council (MSC) Certification an increasing requirement for fisheries to continue supplying for corporations. The FIP is a steppingstone towards obtaining this certification.

General Tuna Corporation is working towards MSC Certification for its FIP by 2026, which will allow us to maintain our current customer base and open opportunities to serve new markets. The FIP enhances our local fishing fleet's competitiveness on a global scale, advancing skills and capabilities across all registered Filipino-flagged vessels in the fishery. CNPF is on track to meet our 2026 goals for the FIP.

Sardine Sustainability

[GRI 3-3: Management of material topics]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

Sustenido Bulan

Sardines play a vital role in Filipino food culture, with nine out of ten Filipinos relying on them for nutrition. As the most affordable and accessible seafood-based protein, sardines are a staple in many households, especially among the 70% of the population who consume seafood frequently. However, Zamboanga, the largest source of sardines in the country, has seen a downward trend in supply and is currently restoring fish stocks to health.

In response, CNPF diversified its sourcing with the vision of promoting sustainable fishing practices to ensure the longevity of the local industry.

On Bulan, its fisheries, and its community

The municipality of Bulan is abundant in sardine supply with an active local community of smallholder fisherfolk. The local fishing industry is vibrant yet still underdeveloped. Upon entering

Bulan, CNPF saw significant opportunities for growth and improvement.

CNPF's role

As one of the leading players in sardines, CNPF has taken a proactive approach to address the challenges in supply. The Company launched "Sustenido Bulan," a grassroots initiative named after the Bicolano word for "sustained," focused on Bulan, Sorsogon—an emerging sardine fishing ground. The program aims to promote sustainable fishing practices, improve livelihoods, ensure a long-term sardine supply, and enhance the community's nutrition.

With Sustenido Bulan, we have targeted three areas where we believe we can make effective and positive change:

• Partnership with the Local Government of Bulan, Sorsogon

CNPF collaborated with the local government of Bulan to perform a systematic analysis of the fishing processes in the town, identifying local opportunities for improvement and growth.

Through this partnership, the Company paves the way for long-term initiatives that can significantly impact Bulan's fishing industry. This collaboration serves as a testing ground for future local government partnerships and sets a precedent for more grassroots initiatives to reach those who will benefit most from the campaign.

• Proper Fish Handling Orientations

After identifying the necessary improvements in the fishing processes, CNPF, in partnership with the Department of Agriculture - Bureau of Fisheries and Aquatic Resources (DA-BFAR) and the Philippine Fisheries Development Authority (PFDA), conducted extensive orientations on proper fish handling among the local fisherfolk.

As a result, the overall rejection rate for poor quality fish improved from 13% down to 3% in 2024. Workshops on topics like safe fish handling drastically improved fish quality, decreased wasted fish, and improved fisherfolk's income, while lowering the risk of overfishing.

• Partnership with the Department of Agriculture-Bureau of Fisheries and Aquatic Resources (DA-BFAR) and the Philippine Fisheries Development Authority (PFDA)

In addition to conducting proper fish handling orientations, the Company partnered with DA-BFAR and PFDA to help accredit direct suppliers from Bulan, ensuring that members of its fishing communities can trade directly with the company, removing inefficiencies and enhancing fisherfolk's control over market prices.

CNPF also streamlined its accreditation processes to make it easier for Bulan fisherfolk, allowing the company to expand its roster of suppliers in the area by threefold. With the improvement on fish supply in Bulan, the group was able to process sardines in Luzon, creating 850 quality manufacturing jobs in the process.

• Food Distribution Programs

According to the Philippine Statistics Authority (PSA), there has been a notable increase in the number of families in Sorsogon who are struggling to meet their basic food needs in recent years. To tackle this issue and assist fisherfolk families, CNPF, along with the RSPo Foundation, organized food distribution programs at three elementary schools in Bulan. This initiative was carried out under the company's long-standing flagship feeding program for school-aged children, Kain Po.

Through the program, CNPF and RSPO provided protein-rich meals made with sardines to 1,075 children. This program ensures that the community also has food security and the chance to benefit from their families' efforts.

Our efforts in Bulan also translated to more protein delivered to our consumers. With improvements in supply, we were able to deliver approximately 65 million protein-rich meals to our consumers thanks to Sustenido Bulan.

Sustenido Bulan's tomorrow

Sustenido Bulan was all about building win-win solutions for the community in our endeavor to support the longevity of the industry and lay the foundations of a sustainable sardine business for CNPF. As we move forward, we aim to deepen our efforts in the Bulan community and create shared value for those we serve.

People Development

Employees

Diversity and Inclusion

[GRI 3-3: Management of material topics] [GRI 2-7: Employees]
[GRI 401-1: New employee hires and employee turnover]
[GRI 405-1: Diversity of governance bodies and employees]

CNPF is firmly committed to fostering a diverse and inclusive work environment that aligns with our strategic goals now and in the future. Embracing a range of skills and potentials, we maintain a non-discriminatory hiring approach that transcends ethnicity, religion, and gender, actively seeking talent from the diverse communities surrounding our operations. Guided by CNPF's policies, our Human Resources Department is instrumental in nurturing an inclusive culture where every employee's unique background, ideas, and perspectives are not only recognized but are also integral to our collective growth and success.

Diversity and inclusion must be reflected from the very top—a diverse Board of Directors sets the example for the rest of the organization. At the same time, diversity of expertise and perspectives enables the Board to make more strategic decisions to drive continuous growth, innovation, and business continuity. Our Board Charter states our Board Diversity Policy and commitment.

We aim to promote and practice diversity and inclusion across our business units. Most of our senior and middle managers are women. While gender distribution is still skewed towards males at the executive level, the ratio has improved over the years through our continuous efforts in seeking opportunities to empower women. We believe having diverse backgrounds in our leadership composition strengthens our competitive advantage and capacity to innovate. We are equally committed to facilitating educational opportunities for our employees to learn about diversity in the workplace.

5 out of 7 of our manufacturing divisions are headed by women.

Total employees in 2024: 3,201 (2023: 2,725)
CNPF defines employees as full-time permanent employees only, from our staff at the plants to executive leaders.

New employee hire rate: 21% (60% male: 40% female)
Turnover rate: 15% (56% male: 44% female)

Employee Breakdown	2022	2023	2024
By gender			
Female	1,216 (43%)	1,219 (45%)	1,438 (45%)
Male	1,582 (57%)	1,506 (55%)	1763 (55%)
By age			
Under 30 years old	996 (36%)	880 (32%)	1,050 (33%)
30-50 years old	1,586 (57%)	1,628 (60%)	1,910 (60%)
Over 50 years old	216 (8%)	217 (8%)	241 (8%)

Board of Directors Breakdown	2022	2023	2024
By gender			
Female	2 (25%)	3 (33%)	3 (33%)
Male	6 (75%)	6 (67%)	6 (67%)
By age			
Under 30 years old	0	0	0
30-50 years old	1 (13%)	1 (11%)	1 (11%)
Over 50 years old	7 (87%)	8 (89%)	8 (89%)

Talent Development

[GRI 3-3: Management of material topics]
[GRI 404-1: Average hours of training per year per employee]
[GRI 404-2: Programs for upgrading employee skills and transition assistance programs]
[GRI 404-3: Percentage of employees receiving regular performance and career development reviews]

We regard our employees as partners in growing the business and are committed to investing in their professional and personal development. Guided by our Employee Training and Development policy, our Human Resources Department works together with Department Heads to build competencies that support business needs, maximize performance efficiencies, and ensure career growth and succession planning.

Average training hours	2022	2023	2024
Female	10	16	18
Male	12	12	17
Per employee	11	14	17

2024 KPIs

Number of training hours	55,422 (2023: 38,329)
PHP investment in employee training	48.5 Million (2023: 12.2 Million)
% of total training hours given to women	47% (2023: 52%)

Performance Management System

CNPF promotes and rewards staff based on exemplary performance. Through our Performance Management System (PMS), employees and their immediate leaders are responsible for defining, monitoring, and evaluating progress on performance expectations and KPIs.

Employee KPIs are determined annually at the beginning of each year and structured around four pillars: Corporate Development & Business Growth, Sustainability, Process and Functional Excellence, and People and Organizational Development. The pillars enable individual and organizational development and business growth while integrating our sustainability framework into performance.
Immediate leaders ensure the progress of their direct reports through regular coaching and feedback, which reinforces CNPF's learning culture. Assessment results determine whether an employee is

eligible for salary increases (for all levels) and performance bonuses (for Supervisory levels and above).

100% of our full-time employees, from rank-and-file all the way to executive levels, underwent performance reviews in 2024.

Executive Succession Management Program and Individual Development Plan

Our Executive Succession Management Program supports business goals, strategies, and sustainability—equipping our high-potential talents who have been evaluated and selected to take on key senior management roles in the next three to five years.

To address development gaps and hone the competencies required by these leadership roles, each candidate is given an Individual Development Plan, which is then implemented through on-the-job learning, coaching, and classroom training. The program is capped with a comprehensive competency assessment and performance evaluation. Final recommendations are then referred to the Executive Committee to determine the candidates' readiness.

2024 KPI

% of employee population promoted to a higher rank	3% (2023:11%)

Employee Engagement

[GRI 3-3: Management of material topics]
[GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees]

CNPF believes that a caring culture drives productivity and performance and builds a highly motivated workforce with a passion for excellence. Our approach is founded on providing fair compensation, living out our core values, promoting wellbeing and embedding sustainability into our culture.

It is our duty to provide a fair and comfortable livelihood for our people. CNPF offers a fair salary structure, benefits, incentive and bonus systems, and access to loan programs. As outlined in our Employee Benefits policies, employees are entitled to benefits that go beyond statutory labor standards, such as healthcare coverage and medical services, vacation and sick leaves, paternity and maternity leave, flexible working arrangements depending on the nature of work, salary and housing loans to eligible employees, and retirement benefits and leaving service benefits to qualified employees. To continue to attract and retain the best talent, we stay current on market standards for salary and benefits and adopt best practices in developing strong employee relations.

We strive to instill our core values across our business, from onboarding our new hires to employees' individual duties and work as a team. Every individual at CNPF is evaluated against CNPF's values through our Performance Management System.

Sibol Awards

We aim to build a culture where sustainability is at the center of what we do and how we make decisions. Through our company-wide annual "Sibol Awards," we instill this purpose-driven mindset by empowering our business units to implement sustainability projects that drive our Sustainability Framework.

In 2024, the highest honors were bestowed upon the Sardines team, in collaboration with Corporate Procurement and RSPo Foundation, for their outstanding contributions. Please refer to the Sustenido Bulan section of this report for more information on their accomplishments.

Workplace Safety

[GRI 3-3: Management of material topics]
[GRI 2-27: Compliance with laws and regulations]
[GRI 403-1: Occupational health and safety management system]
[GRI 403-2: Hazard identification, risk assessment, and incident investigation]
[GRI 403-5: Worker training on occupational health and safety]
[GRI 403-6: Promotion of worker health]

A healthy and safe working environment is a prerequisite to the well-being of our workforce and paramount to the success of our operations. CNPF is committed to creating decent and safe working conditions for our employees working in our plant facilities, on the field, and in our corporate offices, as well as our contractors and subcontractors to prevent injury, illnesses, death, and health risks. We fulfill this through our Policy on Health, Safety and Welfare of Employees, in full compliance with RA 11058 and the Department of Labor and Employment (DOLE)'s standards.

Every business unit, subsidiary, and affiliate of CNPF has a governing Health and Safety Committee whose primary role is to oversee and safeguard the workplace. The Health and Safety Committee, supported by Safety Officers and marshals on the ground, develops and implements accident prevention and response programs. This involves conducting regular inspections, audits, and risk assessments, investigating and reporting incidents, implementing corrective actions, and providing safety and health training. The committee is also expected to maintain a Disaster Contingency Plan for emergency preparedness. The committee and officers have monthly meetings to ensure these measures and systems are upheld.

Supervisors and safety officers are responsible for implementing controls and corrective actions to ensure safe working conditions. Employees and workers have the right and responsibility to report any work-related hazards to their immediate superiors. Employees and workers also have the right to refuse work when work-related hazards are present in the workplace.

In accordance with R.A. No. 11058, CNPF also has put the following corporate policies in place to ensure a safe, productive, and supportive workplace:

1. Occupational Health and Safety Policy
2. Health and Safety Committee Policy
3. Drug-Free Workplace Policy
4. AIDS Prevention and Control Policy
5. Tuberculosis Prevention and Control Policy and Program

6. Hepatitis B Policy and Program
7. Mental Health in the Workplace Policy and Program

Promoting Occupational Safety and Health

Regular training and education programs instill a safety culture in our workplace. CNPF holds an annual mandatory Occupational Safety and Health Seminar and First Aid Seminar for selected employees both as an onboarding program for new hires and a refresher course for regular employees and third-party workers working in the plants, warehouses, and logistics. The annual seminar trains our people and workers to recognize safety hazards and apply appropriate control measures, overall complying with government-mandated standards.

Within our plants, we also have daily toolbox meetings, which act as safety briefings to remind our employees and workers of our protocols and to be proactive in identifying and addressing hazardous situations. These quick, informal, everyday huddles supplement our annual mandatory training and reinforce safety.

We also communicate safety guidelines and updates through our health and safety bulletin boards. Our Coconut business, for example, shares lessons learned from safety incidents by posting information on One-Point Lesson (OPL), an internal information-sharing platform, as well as through internal discussions and its Health and Safety bulletin boards.

Occupational Safety and Health	2022	2023	2024
Number of fatalities	0	0	0
Rate of high-consequence work-related injuries (per 200,000 hours)	0.02	0.17	0
Safe man-hours	8.57 million	4.64 million	5.82 million

The data above currently covers all CNPF employees only. For other data on safety and health, refer to the Sustainability Data Summary section.

Overall health, well-being, and human rights

CNPF promotes the overall health and wellbeing and upholds the rights of our people. As outlined in our Policy Statement on Human Rights, how we manage our business and interact with our stakeholders are guided by the Labor Code of the Philippines (P.D. No. 442 as amended, s. 1974) as well as global frameworks like the International Human Rights principles of the Universal Declaration of Human Rights and the United Nation Guiding Principles on Business and Human Rights.

We prohibit all forms of sexual harassment in our workplaces and in all business endeavors. Our Anti-Sexual Harassment and Safe Space Policy upholds our core value of Respect for Individual and ensures that our working environment supports the dignity, self-esteem, and security of individuals at all times. The Committee on Decorum and Investigation on Sexual Harassment Cases, primarily composed of and chaired by women from managerial, supervisory, and rank and file levels, is tasked to investigate and address complaints of gender-based sexual harassment and their immediate resolution.

All plant employees are covered by HMO and have access to medical services, such as regular consultations, both remote and in-person, annual physical examinations, and vaccinations. CNPF also prioritizes mental health, recognizing that emotional, psychological, and social well-being enables people to overcome challenges, have good relations, and realize their potential.

Our Policy and Program on Mental Health in the Workplace, instituted in 2021, articulates our obligation to promote mental health in the workplace. In compliance with R.A.s 11036 and 11058, the policy and program ensure that CNPF employees have access to adequate mental health services, treatment, and reasonable work arrangements. The HR team works with the Health and Safety Committee to further champion mental health through communicating awareness, identifying, and managing work-related stressors, and promoting work-life balance.

Community Engagement

CNPF is accountable to the stakeholders in the communities where we operate, hire our staff, and source our ingredients, supplies, and utilities. Our advocacies amplify our role in providing affordable nutrition and are in pursuit of enduring and meaningful partnerships with change agents who share our vision of a better future. For information on our targeted hunger alleviation programs please see the section of this report on Food Accessibility.

Job Creation and Livelihood Support

[GRI 3-3: Management of material topics]
[GRI 203-2: Significant indirect economic impacts]
[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

Total number of jobs supported across CNPF value chain in 2024: 29,250 (2023:28,336)

As CNPF grows, so do the jobs created and supported along our value chain ecosystem. Whether through our partners, vendors, or suppliers, we create livelihood opportunities and encourage decent working environments. Our Supplier Code of Conduct and Ethics (SCOCE) is one way in which we make a positive impact while expanding our locus of positive influence.

We also support women micro-entrepreneurs in earning additional income by participating in community-based plastic recycling through our Aling Tindera Waste-to-Cash program in partnership with Plastic Credit Exchange (PCX). For more information on this program, please refer to the Plastic Footprint Reduction section of this report.

In 2024, CNPF supported over 29,000 jobs, comprising of full-time employees, that of our subsidiaries and affiliates, outsourced workers, as well as jobs indirectly supported through our business relationships, such as project-based staff, consultants, exclusive corporate distributors, and employees of suppliers, vendors, contractors, and supply chain partners that are primarily dependent on CNPF.

In alignment with Community Engagement, CNPF launched Sustenido Bulan to enhance the livelihoods of local fisherfolk in 2024. Read more about this program in our Sustenido Bulan section.

Through RSPo Foundation, Inc., our philanthropic socio-civic arm and non-profit affiliate, we're able to extend the reach of the positive impact we can make. Through the Foundation's programs, employment opportunities are generated in various local communities while serving as reliable sources of raw materials for our Tuna and Sardines businesses. Through the Foundation, we provide livelihood for displaced marine workers in Zamboanga and farmer cooperatives in Sarangani through our Adopt-A-Farm and Agripreneur programs. Read our Local Sourcing section to learn more about our engagement with local coconut farmers, and our Farmer to Agripreneur Program in Saranggani.

Hunger Alleviation

Zero Hunger Alliance

The Zero Hunger Alliance is a multi-sectoral initiative led by Century Pacific Group's RSPo Foundation, in partnership with Gawad Kalinga, government agencies, local communities, and academic institutions. Its mission is to help end involuntary hunger in the Philippines through a holistic 5M approach: Magpakain (feeding), Magpakalusog (nutrition education), Magtanim (community food farming), Magtulungan (multi-sector collaboration), and Magkonek (digital mobilization). Anchored on sustainable and community-driven strategies, the alliance seeks to foster long-term food security, especially for children and vulnerable groups, while empowering local stakeholders to take ownership of the solution.

In 2024, the Alliance made significant strides in its mission, serving a million meals to children across the country. Beyond feeding programs, the Alliance activated 400 Family Health Champions and established 130 community food farms. It also hosted seven Zero Hunger Summits, including its flagship event in Iloilo, which convened over 200 partners and changemakers. Notably, Bacnotan, La Union — a model for the 5M approach — was awarded the "Walang Gutom Award" and PHP2 million in livelihood funding from the Office of the President. These accomplishments underscore the Alliance's commitment to a united, scalable, and sustainable approach to ending hunger in the Philippines.

Anti-Corruption

[GRI 205-1: Operations assessed for risks related to corruption]
[GRI 205-2: Communication and training about anti-corruption policies and procedures]
[GRI 205-3: Confirmed incidents of corruption and actions taken]

From new recruits all the way up to the Board, CNPF upholds its zero-tolerance policy against corruption. Anti-corruption training begins at the onboarding session for all new hires, while our Board of Directors receive annual 1:1 training on management and reporting for incidents. The anti-corruption program and procedures are outlined in our Code of Business Conduct and Ethics, covering all elements of anti-corruption with provisions on corruption, extortion, and bribery, conflict of interest, receipt of gifts, compliance with laws, and whistleblowing, among others.

In the reporting year, 29 operations (100%) were assessed for anti-corruption by Internal Audit. Audits resulted in insignificant risks.

In the reporting year, there was zero (0) confirmed case of corruption.

2024 Sustainability Data Summary

ECONOMIC

Economic Value Generated[1]

	UOM	2023	2024
Direct economic value generated (revenues)	billion Php	67.6	76.0
Economic value distributed		61.5	70.8
Employee wages and benefits		2.8	3.1
Payments to suppliers, workers, and other operating costs[2]		55.7	62.4
Dividends paid to stockholders and interest payments to loan providers		1.8	3.5
Taxes given to government		1.3	1.8
Economic value retained		6.1	5.2

Procurement practices[3]

	UOM	2022	2023	2024
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	%	52%	52%	56%

SOCIAL

Employees

Employees by Gender	UOM	2022			2023			2024		
		Male	Female	Female	Male	Female	Total	Male	Female	Total
Full-time employees	**head (% of total)**	**1,582 (57%)**	**1,216 (43%)**	**2,798**	**1,506 (55%)**	**1,219 (45%)**	**2,725**	**1,763 (55%)**	**1,438 (45%)**	**3,201**
Executive	head	28	19	47	23	16	39	25	21	46
Senior manager		50	73	123	48	67	115	57	72	129
Middle Manager		84	117	201	78	115	193	103	128	231
Supervisor		327	319	646	342	378	720	413	453	866
Rank and File		1,093	688	1,781	1,015	643	1,658	1,165	764	1,929

Employees by Age	UOM	2022			2023			2024		
		< 30 years	30-50 years	>50 years	< 30 years	30-50 years	>50 years	< 30 years	30-50 years	>50 years
Full-time employees	**head (% of total)**	**996 (36%)**	**1,586 (57%)**	**216 (8%)**	**880 (32%)**	**1,628 (60%)**	**217 (8%)**	**1,050 (33%)**	**1,910 (60%)**	**241 (8%)**
Executive	head	0	28	19	0	24	15	0	29	17
Senior Manager		2	98	23	1	90	24	2	96	31
Middle Manager		31	158	12	21	158	14	30	188	13
Supervisor		272	339	35	308	379	33	366	457	43
Rank and File		691	963	127	550	977	131	652	1,140	137

	UOM	2022			2023			2024		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
New hires (total)	head (% of total)	328 (57%)	249 (43%)	577 (100%)	281 (50%)	280 (50%)	561 (100%)	392 (60%)	266 (40%)	658 (100%)
New hire rate	**%**			**21%**			**21%**			**21%**
Turnover (total)	head (% of	328 (59%)	228 (41%)	556 (100%)	232 (59%)	164 (41%)	396 (100%)	269 (56%)	212 (44)	481 (100%)

[1] Economic Value Generated in 2023 was restated to remove non-cash items.

[2] This figure includes all other operating costs and investments to the community such as donations and CSR activities.

[3] Local suppliers are defined as entities registered and operating in the Philippines, denominated in local currency (Php).

	total)									
Turnover rate	**%**			**20%**			**15%**			**15%[4]**

Workers

Workers[5]	UOM	2022	2023	2024
Total	head	18,199	17,254	17,854

Jobs Supported

	UOM	2022	2023	2024
Jobs supported across the CNPF value chain[6]	number	22,152	28,336	29,250

Diversity and equality – Governance bodies

Board of Directors	UOM	2022			2023			2024		
By gender		Male	Female	Total	Male	Female	Total	Male	Female	Total
	head (% of total)	6 (75%)	2 (25%)	8 (100%)	6 (67%)	3 (33%)	9 (100%)	6 (67%)	3 (33%)	9 (100%)
By age		<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
	head (% of total)	0 (0%)	1 (13%)	7 (87%)	0	1 (11%)	8 (89%)	0	1 (11%)	8 (89%)

Parental leave - Maternity and Paternity Leave

	UOM	2022			2023			2024		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees entitled to parental leave	hours	639	1,207	1,846	772	903	1,675	1,055	1,162	2,217
Employees that took parental leave		30	30	60	39	65	104	36	65	101
Employees that returned to work within reporting period		30	28	58	39	63	102	34	45	79
Employees still employed 12 after their return to work		28	27	55	38	62	100	36	61	97

Occupational Health and Safety[7]

	UOM	2022	2023	2024
Fatalities as a result of work-related injury	number	0	0	0
Fatalities as a result of work-related ill health		0	0	0
High-consequence work-related injuries (excluding fatalities)		1	4	0
Recordable work-related injuries		121	9	35
Recordable work-related ill-health		0	212	225
Rate of high-consequence work-related injuries	number per 200,000 hours	0.02	0.17	0
Rate of work-related injuries		2.35	0.30	0.74
Total man-hours	hours	10,258,655	5,905,270	9,488,086

[4] The change in turnover in 2024 can be attributed to improvements in data collection. The turnover rate using the same employee base as 2023 demonstrates a decline driven by enhancements in employee engagement, training, and development.

[5] Workers include outsourced, project-based, and consultants.

[6] This metric comprises CNPF employees and that of our subsidiaries and affiliates, as well as outsourced workers, project-based staff, consultants, and employees of suppliers, vendors, and supply chain partners that are primarily dependent on CNPF. In 2024, this metric was expanded to include exclusive corporate distributors.

[7] In line with our reporting to the Department of Labor and Employment (DOLE), occupational health and safety data disclosed covers CNPF employees only. All our corporate policies and programs on OSH cover all people working at our facilities, plants, and offices - including outsourced workers.

Safe man-hours		8,573,535	4,642,076	5,822,880
Number of safety drills	number	11	16	18

Training and Development[8]

	UOM	2022			2023			2024		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Average training hours per employee (total)	hours	**10**	**12**	**11**	**12**	**16**	**14**	**17**	**18**	**17**
Executive		22	20	21	14	30	20	1	6	3
Senior manager		27	18	22	13	12	12	15	23	19
Middle manager		25	17	20	63	60	61	16	24	20
Supervisor		24	12	18	18	17	18	15	16	16
Rank and File		4	11	7	6	8	7	18	18	18
Total training hours	number			31,404			38,329			55,422
Total training hours given to women	number			14,912			19,834			25,878
Investment in employee training	million Php			7.3			12.2			48.5

Anti-Corruption

	UOM	2022	2023	2024
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	%	100	100	100
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	%	100	100	100
Percentage of directors and management that have received anti-corruption training	%	100	100	100
Total number and nature of confirmed incidents of corruption	number	0	0	0

[8] Training and development data counts from rank-and-file employees to executives only.

Marketing and Labeling

	2024
Requirements for product and service information and labeling	Food labeling standards followed: • Title 21 - Food and Drugs. CHAPTER I - FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED). SUBCHAPTER B - FOOD FOR HUMAN CONSUMPTION. • FOOD FACTS - Safe Food Handling from the U.S. Food and Drug Administration • Canadian Food Inspection Agency - Guide to Food Labeling and Advertising • Regulation (EU) No. 1169/2011 • Regulation (EC) No. 178/2002 • Regulation (EC) No. 1334/2008 • Department for Environment Food & Rural Affairs - The Food Information Regulations 2013: Guide to compliance (November 2012) • Food Standards Agency - Advice on Food Allergen Labeling • A Guide to Food Labeling and Advertisements by SFA • Sale of Food Act (Chapter 283, Section 56 (1)) Food Regulations • Ingredient Labeling of Foods: User Guide to Standard 1.2.4 - Labeling of Ingredients • Nutrition Information: User Guide to Standard 1.2.8 - Nutrition Information Requirements • GSO 05/FDS 2233: Requirements of Nutrition Labeling • GB7718 General Standards for Food Labeling • GB2760-2015 Chinese Standards for Food Additives • Asia Pacific Food Law Guide 2018 These standards apply to 100% of our branded products.

ENVIRONMENT

	UOM	2022	2023[9]	2024
Energy				
Total energy consumption within the organization	GJ	**2,259,607**	**2,130,379**	**2,488,931**
Non-renewable (total)	GJ	2,154,382	2,006,287	1,720,928
Gasoline	GJ	-	-	7,136
LPG	GJ	202	361	155
Diesel[10]	GJ	20,431	21,267	133,304
Coal[11]	GJ	1,996,574	1,843,992	1,370,006
Electricity	GJ	137,175	140,666	148,152
Renewable (total)[12]	GJ	105,225	124,092	768,003
Energy intensity (per mt of product)[13]	GJ/mt	5.42	5.30	5.02
Water				
Water consumption	CBM	752,992	727,659	915,486
Water discharge	CBM	3,110,582	3,200,926	4,038,727
Water withdrawal	CBM	3,863,575	3,928,586	4,954,214
Water intensity (per mt of product)	CBM/mt	9.26	9.77	9.99
Emissions[14]				

[9] 2023 data for Materials and Water have been restated for accuracy.

[10] The increase in diesel usage was driven by improvements in data collection in 2024.

[11] The decline in coal consumption was due to a shift to biomass usage by the coconut processing facility.

[12] In 2024, CNPF increased its solar and biomass capabilities, leading to a 519% increase in renewable energy.

[13] All intensity figures are computed based on the total volume of products manufactured in metric tonnes (mt).

[14] Standards used for the computation are based on the GHG Protocol Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Philippine Department of Energy. The gasses reported include carbon dioxide, methane, and nitrous oxide. Currently, there are no local emission factors for renewable energy. For simplicity, emission data represents non-renewable sources only.

GHG emissions (Scope 1 and 2)	**tCO2e**	**217,631**	**203,952**	**175,176**
GHG emissions (Scope 1)	tCO2e	190,493	176,124	145,866
GHG emissions (Scope 2)	tCO2e	27,138	27,828	29,309
GHG emissions intensity (per mt of product)	tCO2e/mt	0.52	0.51	0.35
Materials used[15]				
Total materials used	**mt**	**590,405**	**590,991[16]**	**696,766**
Renewable	mt	465,248	507,973	605,902
Non-renewable	mt	91,884	82,937	90,864
Waste				
Total waste generated	**mt**	**84,614**	**140,203[17]**	**113,254**
Total waste diverted from disposal	**mt**	**72,816**	**103,291**	**86,193**
Total waste directed to disposal	**mt**	**11,798**	**36,282**	**27,061**
Non-hazardous/solid waste (total)	**mt**	**65,128**	**105,538**	**90,038**
By method				
Disposed	mt	2,205	3,754	9,370
Incineration	mt	323	291	5,040
Landfilled	mt	1,878	3,463	4,330
Other disposal operations	mt	4	0	0
Diverted	mt	62,923	101,783	80,668
Preparation for reuse	mt	4,131	86,406	53,515
Recycling	mt	443	11,463	2,594
Other recovery operations, including composting	mt	58,349	3,915	24,560
By location				
Onsite recovery operation	mt	42,621	24,357	77,311
Offsite recovery operation	mt	20,302	77,426	3,357
Onsite disposal operation	mt	0	291	3
Offsite disposal operation	mt	2,205	3,463	9,367
Hazardous waste (total)	**mt**	**19,486**	**34,666**	**23,216**
By method				
Disposed	mt	9,593	32,528	17,691
Incineration	mt	95	3,877	4,442
Landfilled	mt	9,498	28,651	13,250
Other disposal operations	mt	0	0	0
Diverted	mt	9,893	2,138	5,525
Preparation for reuse	mt	3,834	779	3,709
Recycling	mt	1,481	1,358	1,335
Other recovery operations, including composting	mt	4,578	0	481
By location				
Onsite recovery operation	mt	5	0	71
Offsite recovery operation	mt	9,888	2,137	5,454
Onsite disposal operation	mt	5,054	3,877	14,652
Offsite disposal operation	mt	4,539	28,651	3,042

[15] Renewable materials mainly consist of our food items and paper packaging. Non-renewable materials cover our non-paper-based packaging such as tin cans and plastic pouches and exclude fuel sources.

[16] Materials in 2023 were restated for accuracy.

[17] Waste data nearly doubled in 2023 due to increased scope of waste types being tracked and reported across our business units as well as the inclusion of our supply chain logistics department. The significant increase was primarily driven by reporting more general landfilled waste, packaging waste, and food waste from our Sardines, Meat, and Tuna operations that are processed into fishmeal and other by-products.

Compliance with laws and regulations[18]

Non-compliance with Environmental Laws and Regulations	OUM	2024
Fines were incurred	number	1
Non-monetary sanctions were incurred	number	0

[18] In the reporting period, a non-compliance issue was identified and swiftly addressed. The company worked closely with the relevant authorities to resolve the matter and implemented corrective measures to prevent future occurrences. The financial impact was deemed immaterial to the business, and the company continues to prioritize adherence to regulatory standards and the enhancement of internal controls.

Content Indices for Sustainability Disclosures

PH SEC Form 17-A Annex B Content Index 2024

This report complies with the Philippine Stock Exchange Sustainability Reporting Guidelines for Publicly Listed Companies.

Contextual Information	**Location and additional information**
Name of Organization	Century Pacific Food, Inc. ("CNPF")
Location of Headquarters	Center Point, 7/F Garnet Rd, Ortigas Center, Pasig, Metro Manila
Locations of Operations	General Santos City, Zamboanga City, Taguig, Binan, Pasig City
Report Boundary	The sustainability disclosures provide information on the consolidated environment, social, and governance performance across our primary business units – Branded Marine, Meat, Milk, and other emerging businesses, as well as OEM Tuna and Coconut exports. This also includes all our company-owned manufacturing facilities, supply chain and logistics, and corporate support offices operating in the Philippines. Our international office and toll manufacturing operations have been excluded from our sustainability disclosures.
Business Model, including Primary Activities, Brands, Products, and Services	Engaged in manufacturing packaged food and beverages
Reporting Period	January 1, 2024 – December 31, 2024
Highest Ranking Person responsible for this report	Christopher Po, Executive Chairman
Contact for questions regarding the report	Investor Relations, investorrelations@centurypacific.com.ph
"Comply or Explain" Provisions	
Materiality Process	Our Business and Sustainability Commitment: Materiality Process
Economic: Economic Performance Direct Economic Value Generation and Distributed	Our Sustainability Commitment: Governing and Operationalizing Sustainability Sustainability Data Summary SEC 17-A 2023 Annual Report - Management's Discussion and Analysis or Plan of Operation
Economic: Economic Performance Climate-related risks and opportunities	Planet Preservation: Environmental Impact Management Sustainability Data Summary
Economic: Procurement Practices Proportion of spending on local suppliers	Supply Chain Management: Local Sourcing Sustainability Data Summary
Economic: Anti-corruption Training on Anti-corruption Policies and Procedures, Incidents of Corruption	Corporate Governance: Anti-Corruption Sustainability Data Summary
Environment: Resource Management Energy consumption within the organization, Reduction of energy consumption, Water consumption within the organization, Materials used by the organization	Planet Preservation: Natural Resource Efficiency, Environmental Impact Management Sustainability Data Summary

Environmental: Environmental Impact Management Air Emissions, Solid and Hazardous Wastes	Planet Preservation: Natural Resource Efficiency, Environmental Impact Management Sustainability Data Summary
Social: Employee Management Employee Hiring and Benefits, Employee Training and Development, Labor-Management Relations, Diversity and Equal Opportunity	People Development: Employees Sustainability Data Summary
Social: Workplace Conditions, Labor Standards, and Human Rights Occupational Health and Safety, Labor Laws, and Human Rights	People Development: Workplace Safety Sustainability Data Summary
Social: Supply Chain Management	Supply Chain Management Sustainability Data Summary
Social: Relationship with Community Significant Impacts on Local Communities	Protein Delivery: Food Accessibility Planet Preservation: Plastic Footprint Reduction, Local Sourcing, Tuna Sustainability, Sardine Sustainability People Development: Community Engagement

GRI Content Index 2024

CNPF has prepared its sustainability disclosures and annual report with reference to the latest 2021 GRI Standards. As part of our ongoing commitment to inspire our stakeholders to contribute to sustainable development, we continue to share not only our progress and opportunities, but also our challenges and learnings.

Together with available public information listed below, this report references Global Reporting Initiative Standards as summarized in the following table.

GRI Standards		Location of Disclosure In This Report	Additional References
GRI 1: Foundation			
GRI 2: General Disclosures			
2-1	Organizational details	PH SEC Form 17-A Annex B Content Index 2024	
2-2	Entities included in the organization's sustainability reporting	PH SEC Form 17-A Annex B Content Index 2024	
2-3	Reporting period, frequency, and contact point	PH SEC Form 17-A Annex B Content Index 2024	
2-4	Restatement of information	Sustainability Data Summary	
2-6	Activities, value chain and other business relationships	Sustainability at Century: Creating Impact Across our Business	About Century Pacific Our Brands & Products
2-7	Employees	People Development: Employees Sustainability Data Summary	
2-8	Workers who are not employees	Sustainability Data Summary	
2-9	Governance structure and composition		Board Committees Board of Directors
2-10	Nomination and selection of the highest governance body		Corporate Governance & Sustainability Committee Charter
2-11	Chair of the highest governance		Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	Our Business and Sustainability Commitment: Governing and Operationalizing Sustainability	
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability report		
2-15	Conflicts of interest		Governance Documents - Policies
2-16	Communication of critical concerns		SEC 17-A Annual Report 2024 – Corporate Governance
2-17	Collective knowledge of the highest governance body		
2-19	Remuneration practices		SEC 17-A Annual Report 2024 - Executive Compensation
2-20	Process to determine remuneration		
2-22	Statement on sustainable development strategy	Sustainability at Century: Our Business and Sustainability Commitment	
2-23	Policy commitments		Governance Documents - Policies
2-24	Embedding policy commitments		
2-25	Processes to remediate negative impacts	Sustainability At Century: How We Engage	
2-26	Mechanisms for seeking advice and raising concerns	Sustainability At Century: How We Engage	
		Sustainability at Century: How We Engage Protein Delivery: Food Quality and Safety	

2-27	Compliance with laws and regulations	Planet Preservation: Water Consumption Reduction, Supplier Credibility People Development: Workplace Safety Sustainability Data Summary	
2-28	Membership associations	Planet Preservation: Tuna Sustainability	Tuna Purchase Assessment
2-29	Approach to stakeholder engagement	Sustainability at Century: How We Engage	
GRI 3: Material Topics			
3-1	Process to determine material topics	Our Business and Sustainability Commitment: Materiality Process, Governance and Operationalizing Sustainability	
3-2	List of material topics	Our Business and Sustainability Commitment: Sustainability Framework, Governance and Operationalizing Sustainability	
3-3	Management of Material topics	Protein Delivery Planet Preservation People Development	
GRI 200: Economic Disclosures			
GRI 201: Economic Performance			
201-1	Direct economic value generated and distributed	Sustainability Data Summary	
201-3	Defined benefit plan obligations and other retirement plans		SEC 17-A Annual Report 2024 - Retirement Plan Obligations
GRI 203: Indirect Economic Impacts			
203-2	Significant indirect economic impacts	Protein Delivery: Food Accessibility Community Engagement: Job Creation and Livelihood Support	
GRI 204: Procurement Practices			
204-1	Proportion of spending on local suppliers	Supply Chain Management: Local Sourcing Sustainability Data Summary	
GRI 205: Anti-corruption			
205-1	Operations assessed for risks related to corruption	Direct Answer: 100% of operations were assessed for risks related to corruption There were (0) incidents of corruption during the reporting period.	
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		
GRI 206: Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Direct Answer: There were zero (0) incidents of legal action during the reporting period.	
GRI 300: Environmental Disclosures			
GRI 301: Materials			
301-1	Materials used by weight or volume	Planet Preservation: Landfill Waste Reduction, Plastic Footprint Reduction Sustainability Data Summary	
GRI 302: Energy			
302-1	Energy consumption within the organization	Planet Preservation: Energy Consumption Reduction, Greenhouse Gas Emissions	

302-3	Energy intensity	Sustainability Data Summary	
GRI 303: Water and Effluents			
303-2	Management of water discharge-related impacts	Planet Preservation: Water Consumption Reduction Sustainability Data Summary	
303-3	Water withdrawal		
303-4	Water discharge		
303-5	Water consumption		
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Planet Preservation: Greenhouse Gas Emissions Sustainability Data Summary	
305-2	Energy indirect (Scope 2) GHG emissions		
305-4	GHG emissions intensity		
GRI 306: Waste			
306-1	Waste generation and significant waste-related impacts	Planet Preservation: Landfill Waste Reduction, Plastic Footprint Reduction Sustainability Data Summary	
306-2	Management of significant waste-related impacts		
306-3	Waste generated		
306-4	Waste diverted from disposal		
306-5	Waste directed to disposal		
GRI 400: Social Disclosures			
GRI 401: Employment			
401-1	New employee hires and employee turnover	Sustainability Data Summary	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People Development: Employee Engagement	
401-3	Parental leave	Sustainability Data Summary	
GRI 403: Occupational Health and Safety			
403-1	Occupational health and safety management system	People Development: Workplace Safety	
403-2	Hazard identification, risk assessment, and incident investigation		
403-4	Worker participation, consultation, and communication on occupational health and safety		
403-5	Worker training on occupational health and safety		
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Planet Preservation: Supply Chain Management	
403-9	Work-related injuries	People Development: Workplace Safety	

403-10	Work-related ill health	Sustainability Data Summary	
GRI 404: Training and Education			
404-1	Average hours of training per year per employee	People Development: Talent Development Sustainability Data Summary	
404-2	Programs for upgrading employee skills and transition assistance programs	People Development: Talent Development	
404-3	Percentage of employees receiving regular performance and career development reviews	People Development: Talent Development	
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	People Development: Diversity and Inclusion Sustainability Data Summary	
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Direct Answer: There were zero (0) incidents of discrimination during the reporting period.	
GRI 413: Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	Protein Delivery: Food Accessibility Planet Preservation: Plastic Footprint Reduction, Local Sourcing, Tuna Sustainability, Sardine Sustainability People Development: Community Engagement	
GRI 416: Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Protein Delivery: Food Quality and Safety Direct Answer: 100% of significant product categories for which health and safety impacts were assessed for improvement	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Direct Answer: There were zero (0) incidents of non- compliance during the reporting period.	
GRI 417: Marketing and Labeling			
417-1	Requirements for product and service information and labeling	Protein Delivery: Consumption of Healthy Food, Food Quality and Safety Sustainability Data Summary	
417-2	Incidents of non-compliance concerning product and service information and labeling	Protein Delivery: Food Quality and Safety	
417-3	Incidents of non-compliance concerning marketing communications	Protein Delivery: Food Quality and Safety	
GRI 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Direct Answer: There were zero (0) incidents of substantiated complaints on customer privacy during the reporting period.	

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

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, 2024 and 2023, in accordance with Philippine Financial Reporting 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 its report to the stockholders, has expressed its 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 Kristoffer S. Manapat
Chief Financial Officer

Signed this 10th day of April, 2025.

SUBSCRIBED AND SWORN to before me this APR 11 2025, 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. 234;
Page No. 48;
Book No. II;
Series of 2025.

GERALDINE MARIE V. PAULO
Appointment No. 181 (2024-2025)
Notary Public for Pasig City and Pateros
Until December 31, 2025
Attorney's Roll No. 81565
33rd Floor, The Orient Square
F. Ortigas Jr. Road, Ortigas Center, Pasig City
PTR Receipt No. 2863412; 01.02.25; Pasig City
IBP OR No. 497003; 01.03.25; RSM
MCLE Compliance VIII 0011644; 4.14.28

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	3	2	0	7	7	8

C O M P A N Y   N A M E

CENTURY PACIFIC FOOD, INC. AND
SUBSIDIARIES

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

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

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N.A.

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
N.A.	8863-8555	N.A.

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
32	6/30	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Manuel Z. Gonzales	manuel.gonzales@mvgslaw.com	8687-1195	0918-843-8888

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.*

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The 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, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

Accounting for the Acquisition of Coco Harvest, Inc. (CHI)

On September 5, 2024, the Group acquired 100% ownership of CHI for a total consideration of ₱880.1 million. This transaction is a key audit matter as the amounts involved are material to the consolidated financial statements. In addition, management judgment was required to determine that the acquisition has met the requirements of a business acquisition. The transaction also involves significant judgments and estimates such as the identification and determination of the fair value of the assets acquired and the allocation of the purchase price to these assets.

The Group disclosed the details of the acquisition of CHI in Note 36 to the consolidated financial statements.

Audit Response

We obtained and reviewed the related documents, including any arrangements entered into in connection with the transaction. We reviewed management's analysis and assessment of the transaction. We also reviewed the provisional purchase price allocation prepared by the management. Furthermore, we reviewed the Group's disclosures in the 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, 2024, the Group's goodwill, attributable to coco and meat businesses, amounted to ₱3,610.4 million and trademarks with indefinite useful life amounted to ₱2,019.7 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, long-term growth rate, operating expenses and gross margins 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 17-A for the year ended December 31, 2024 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, 2024, 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
Partner
CPA Certificate No. 99857
Tax Identification No. 206-384-906
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-105-2022, November 7, 2022, valid until November 6, 2025
PTR No. 10465397, January 2, 2025, Makati City

April 10, 2025

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 7)	**₱3,227,606,273**	₱5,050,017,194
Trade and other receivables - net (Note 8)	**10,718,133,404**	9,386,654,691
Inventories - net (Notes 9 and 36)	**18,593,752,925**	16,901,959,562
Due from related parties (Note 25)	**249,575,960**	258,634,411
Prepayments and other current assets - net (Notes 10 and 36)	**3,195,953,784**	2,878,991,150
Total Current Assets	**35,985,022,346**	34,476,257,008
Noncurrent Assets		
Property, plant and equipment - net (Note 13)	**10,023,483,010**	8,980,273,509
Goodwill and intangible assets - net (Note 11)	**6,010,223,028**	5,526,648,873
Right-of-use assets - net (Note 12)	**1,705,105,397**	1,520,443,376
Deferred tax assets - net (Note 31)	**1,326,450,706**	878,291,362
Retirement asset - net (Note 17)	**16,647,808**	11,036,687
Other noncurrent assets (Note 14)	**174,295,168**	149,143,486
Total Noncurrent Assets	**19,256,205,117**	17,065,837,293
	₱55,241,227,463	₱51,542,094,301
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans payables (Note 15)	**₱200,000,000**	₱2,870,000,000
Trade and other payables (Note 16)	**13,786,983,036**	10,452,242,572
Current portion of borrowings (Note 15)	**24,076,203**	7,360,791
Income tax payable	**168,582,580**	143,502,629
Due to related parties (Note 25)	**40,135,878**	30,545,975
Lease liabilities - current portion (Note 30)	**358,563,283**	297,536,128
Total Current Liabilities	**14,578,340,980**	13,801,188,095
Noncurrent Liabilities		
Borrowings - net of current portion (Note 15)	**3,099,762,411**	3,156,982,518
Retirement benefit obligation - net (Note 17)	**183,161,042**	330,438,483
Lease liabilities - net of current portion (Note 30)	**1,566,173,197**	1,402,955,848
Total Noncurrent Liabilities	**4,849,096,650**	4,890,376,849
	19,427,437,630	18,691,564,944
Equity		
Share capital (Note 18)	**3,542,258,595**	3,542,258,595
Share premium (Note 18)	**4,936,859,146**	4,936,859,146
Share-based compensation reserve (Note 26)	**8,211,398**	8,211,398
Other reserves	**30,628,942**	30,628,942
Currency translation adjustment	**25,734,786**	38,674,173
Retained earnings (Notes 18 and 27):		
Appropriated	**17,000,000,000**	17,000,000,000
Unappropriated	**10,270,096,966**	7,293,897,103
	35,813,789,833	32,850,529,357
	₱55,241,227,463	₱51,542,094,301

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		
	2024	2023	2023
REVENUE FROM CONTRACTS WITH CUSTOMERS (Note 19)	**₱75,491,910,157**	₱67,124,343,619	₱62,258,920,244
COST OF GOODS SOLD (Note 20)	**55,787,094,216**	50,987,309,427	47,885,162,632
GROSS PROFIT	**19,704,815,941**	16,137,034,192	14,373,757,612
OPERATING EXPENSES (Note 22)	**(11,710,490,472)**	(9,238,580,052)	(8,713,881,749)
OTHER INCOME (Note 21)	**485,226,003**	487,580,077	836,353,330
OTHER EXPENSES (Note 23)	**(872,983,048)**	(454,033,632)	(411,997,405)
INCOME FROM OPERATIONS	**7,606,568,424**	6,932,000,585	6,084,231,788
FINANCE COSTS (Notes 15 and 30)	**(316,498,015)**	(483,876,139)	(315,173,214)
INTEREST INCOME (Notes 7 and 8)	**104,870,060**	78,306,591	8,498,205
INCOME BEFORE INCOME TAX	**7,394,940,469**	6,526,431,037	5,777,556,779
INCOME TAX EXPENSE (Note 31)	**(1,057,169,275)**	(947,271,477)	(778,387,954)
NET INCOME	**6,337,771,194**	5,579,159,560	4,999,168,825
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified to profit or loss in subsequent years:			
Remeasurement gain (loss) on retirement benefit obligation - net of tax effect (Note 17)	**38,996,920**	(99,996,323)	161,608,553
Currency translation adjustment - (Note 4)	**(12,939,387)**	9,276,734	5,510,626
	26,057,533	(90,719,589)	167,119,179
TOTAL COMPREHENSIVE INCOME	**₱6,363,828,727**	₱5,488,439,971	₱5,166,288,004
EARNINGS PER SHARE (Note 28)			
Basic	**₱1.7892**	₱1.5750	₱1.4113
Diluted	**₱1.7871**	₱1.5732	₱1.4096

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, 2024, 2023 AND 2022

	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, 2022	₱3,542,258,595	₱4,936,859,146	₱8,211,398	₱30,628,942	₱23,886,813	₱13,314,473,313	₱3,031,599,707	₱24,887,917,914
Net income	–	–	–	–	–	4,999,168,825	–	4,999,168,825
Currency translation adjustment	–	–	–	–	5,510,626	–	–	5,510,626
Remeasurement gain on retirement plans - net of tax (Note 17)	–	–	–	–	–	161,608,553	–	161,608,553
Total comprehensive income	–	–	–	–	5,510,626	5,160,777,378	–	5,166,288,004
Cash dividends (Note 27)	–	–	–	–	–	(1,275,213,094)	–	(1,275,213,094)
Reversal of appropriation						3,031,599,707	(3,031,599,707)	–
Appropriation of retained earnings	–	–	–	–	–	(8,736,038,578)	8,736,038,578	–
Balance, December 31, 2022	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 (Note 17)	–	–	–	–	–	(99,996,323)	–	(99,996,323)
Total comprehensive income	–	–	–	–	9,276,734	5,479,163,237	–	5,488,439,971
Cash dividends (Note 27)	–	–	–	–	–	(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 (Note 17)	**–**	**–**	**–**	**–**	**–**	**38,996,920**	**–**	**38,996,920**
Total comprehensive income	**–**	**–**	**–**	**–**	**(12,939,387)**	**6,376,768,114**	**–**	**6,363,828,727**
Cash dividends (Note 27)	**–**	**–**	**–**	**–**	**–**	**(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**

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, 2024, 2023 AND 2022

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱7,394,940,469**	₱6,526,431,037	₱5,777,556,779
Adjustments for:			
Depreciation and amortization (Notes 11, 12, 13, 20, 22 and 23)	**1,847,444,928**	1,700,210,495	1,504,542,830
Finance costs (Notes 15 and 30)	**316,498,015**	483,876,139	315,173,214
Loss on impairment of trademark (Note 11)	**190,000,000**	–	–
Defined benefit cost - net (Note 17)	**135,933,250**	104,917,748	136,656,062
Interest income (Notes 7 and 8)	**(104,870,060)**	(78,306,591)	(8,498,205)
Unrealized foreign exchange loss (gain) – net	**(12,939,387)**	9,276,734	5,510,626
Gain on lease termination (Note 30)	**(2,246,271)**	(19,344,166)	–
Loss (gain) on disposal of property, plant and equipment - net (Note 13, 21 and 23)	**973,879**	(9,645,804)	(746,662)
Recovery from insurance (Note 21)	**–**	–	(62,712,630)
Operating income before working capital changes	**9,765,734,823**	8,717,415,592	7,667,482,014
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Trade and other receivables	**(1,331,478,713)**	(615,070,265)	(865,882,824)
Due from related parties	**9,058,451**	(61,186,265)	(77,962,400)
Inventories (Note 36)	**(1,688,268,908)**	826,914,305	(3,616,473,436)
Prepayments and other current assets (Note 36)	**(297,545,296)**	(83,062,525)	(182,443,388)
Increase (decrease) in:			
Trade and other payables	**3,153,710,603**	660,271,128	643,076,154
Due to related parties	**9,589,903**	4,627,138	(59,022,300)
Cash generated from operations	**9,620,800,863**	9,449,909,108	3,508,773,820
Income tax paid	**(1,489,202,831)**	(1,039,915,385)	(983,426,398)
Contributions to plan assets (Note 17)	**(240,834,751)**	(177,559,032)	(177,559,032)
Interest received	**104,870,060**	78,306,591	8,498,205
Insurance proceeds received	**–**	–	62,712,630
Net cash generated from operating activities	**7,995,633,341**	8,310,741,282	2,418,999,225
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Property, plant and equipment (Note 13)	**(2,323,199,716)**	(1,516,430,323)	(1,388,609,771)
Subsidiary - net of cash acquired (Note 36)	**(689,921,625)**	–	–
Intangible assets (Note 11)	**–**	–	(1,719,655,295)
Proceeds from sale of property, plant and equipment	**2,089,741**	18,538,922	3,060,076
Collection (payment) of deposits	**(25,151,682)**	75,749,833	(94,872,475)
Net cash used in investing activities	**(3,036,183,282)**	(1,422,141,568)	(3,200,077,465)

(Forward)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of:			
Short-term borrowings (Note 15)	**₱6,240,000,000**	₱5,140,000,000	₱5,010,000,000
Long-term borrowings (Note 15)	**–**	–	1,200,000,000
Payments of:			
Short-term borrowings (Note 15)	**(8,910,000,000)**	(6,910,000,000)	(3,170,000,000)
Dividends (Note 27)	**(3,400,568,251)**	(1,416,903,438)	(1,275,213,094)
Lease liabilities (Note 30)	**(476,158,562)**	(427,578,725)	(367,136,901)
Finance costs	**(215,134,167)**	(353,548,387)	(166,432,093)
Long-term borrowings (Note 15)	**(20,000,000)**	(20,000,000)	(20,000,000)
Debt issuance costs (Note 15)	**–**	–	(9,000,000)
Net cash generated from (used in) financing activities	**(6,781,860,980)**	(3,988,030,550)	1,202,217,912
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,822,410,921)**	2,900,569,164	421,139,672
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**5,050,017,194**	2,149,448,030	1,728,308,358
CASH AND CASH EQUIVALENTS, END OF YEAR (Note 7)	**₱3,227,606,273**	₱5,050,017,194	₱2,149,448,030

See accompanying Notes to Consolidated Financial Statements.

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 63% owned subsidiary of Century Pacific Group, Inc. (CPGI, the ultimate parent), as at December 31, 2024 and 2023. 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 7th floor, Centerpoint Building, Julia Vargas St., Ortigas Center, Pasig City.

The Parent Company has the following subsidiaries as at December 31, 2024 and 2023:

Name of Subsidiary	Ownership Interest
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 International (China) Co. Ltd. (CIC) *	–
Century (Shanghai) Trading Co. Ltd. (CST) *	–
Century Pacific North America Enterprise Inc. (CPNA)	100%

**100% as of December 31, 2023*

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.

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.

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 formerly Century Pacific Solar, Inc. 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.

CIC was incorporated in China and was registered on June 9, 2003. CIC is engaged in the selling of hardware and electrical apparatus, auto spare parts, building decoration materials and products, telecommunication equipment, stationery commodities, mechanical equipment, pre-package food; wholesales of beverage; development and sale of computer software and hardware; and consulting services. The Company was deregistered November 5, 2024.

CST was incorporated in China and was registered on August 24, 2005. CST is engaged in the wholesale, import and export of food, provision of ancillary services, relevant business consulting services subject to administrative approval and relevant authority. CST was deregistered on March 28, 2024.

CRL was originally incorporated in the BVI under The International Business Companies Act (CAP.291) on March 27, 2002. CRL is engaged in the purchase or otherwise acquire and undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm or company, to import, export, buy, sell, exchange, barter, commercial and consumer products of any kind. On December 28, 2023, the BOD approved the return of capital and execute deed of assignment to assign all right, title and interest over the “Ligo” trademark to CPFI.

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.

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.

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, 2025.

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 Reporting Standards (PFRS) Accounting Standards.

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.

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 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements.

Effective beginning on or after January 1, 2025
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027
- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

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

4. Material 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 December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024.

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

Business Combination and Goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost where cost is the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss and included under "other income (expenses)."

Where goodwill forms part of a CGU (or group of CGUs) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Financial Assets at Amortized Cost
With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at amortized cost at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers.*

The Group's financial assets at amortized cost are subsequently measured using the effective interest (EIR) method. The Group applies the simplified approach in measuring expected credit losses (ECL) for trade receivables which uses a lifetime expected loss allowance for all trade receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. The Group also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due. Meanwhile, impairment of other financial assets is assessed based on potential liquidity of counterparties based on available financial information.

The Group considers a financial asset in default when contractual payments are over 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities
The Group's financial liabilities are classified as loans and borrowings 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.

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

**Presented as buildings and building and leasehold improvements in Note 13*

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.

Licensing agreements with definite useful lives is 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.

Goodwill and intangible assets with indefinite useful lives, such as 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.

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 investments in property, plant and equipment, right-of-use assets, intangible assets with definite useful lives and other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Provisions
Provisions arising from present obligation are recognized in profit or loss when the timing and amount of settlement can be reliably measured.

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 classifies its retirement benefit as defined benefit plans. Under the defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Retirement benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and return on plan assets (excluding net interest on defined benefit liability or asset) are recognized immediately in the consolidated statements of financial position with a corresponding debit or credit to unappropriated retained earnings through other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Various actuarial assumptions are used in estimating the defined benefit obligation, including discount rates, salary increase rates, employee turnover rates and mortality rates. These assumptions are based on experience, current market conditions, and expert judgment, and they are reviewed and updated regularly to reflect changes in circumstances.

Currency translation adjustment
Currency translation adjustment represents the exchange differences resulting from translating the financial position and results of operations of GTC, CGC, CPNA, CIC, CRL and CST, whose functional currencies differ from the functional currency of the Group.

Revenue from Contracts from Customers
The Group's revenue from contracts with customers primarily consist of revenue from the sale of manufactured goods. Revenue from contracts with customers is recognized when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group

expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

Sale of goods
The Group contracts to sells goods to the wholesale market and retailers. It identifies each party's rights and payment terms regarding goods to be transferred.

For sales of goods to the wholesale market and retailers, revenue is recognized at a point in time when control of the goods has transferred, either when the goods have been delivered to the wholesalers' and retailers' specific location or when the goods have been shipped out of the Company's warehouse.

Transaction price
The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

The transaction price is also adjusted for any consideration payable to the customer. Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to the customer (or to other parties that purchase the Group's goods from the customer). Consideration payable to a customer also includes credit or other items that can be applied against amounts owed to the Group (or to other parties that purchase the Group's goods or services from the customer).

Variable consideration
The amount of consideration can vary because of discounts, rebates, refunds, credits, incentives, penalties or other similar items.

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.

The Group estimated the value of the variable consideration by obtaining the most likely amount in a range of possible consideration amounts.

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved, the Group considers both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, any of the following:

- The amount of consideration is highly susceptible to factors outside the Group's influence. Those factors may include volatility in a market, the judgment or actions of third parties, weather conditions and a high risk of obsolescence of the promised goods.
- The uncertainty about the amount of consideration is not expected to be resolved for a long period of time.
- The Group's experience (or other evidence) with similar types of contracts is limited, or that experience (or other evidence) has limited predictive value.
- The Group has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances.

- The contract has a large number and broad range of possible consideration amounts.

The Group re-assessed the variable considerations based on their evaluation of actual trade promotional activities.

Service income
Service income pertains to management fees and is recognized over time as the services are rendered.

Other income
Other income is income generated outside the normal course of business and is recognized at a point in time when control of the goods and services have been transferred to the customer.

Revenue outside the scope of PFRS 15

Interest income
Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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 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.

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

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

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. 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 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.

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.

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.

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, and the results of operations and financial position of CIC, CST and CRL, which are measured using Chinese Yuan, were translated into Philippine Peso using the accounting policies in Note 4.

Acquisition of 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 acquisition of CHI in 2024 was considered a business since the Group acquired a set of assets including the operational processes of CHI's coconut business. This transaction was accounted for as a business combination (see Note 36).

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 one CGU related to the Group's coco business which is also the operating entity acquired through business combination 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 10.07% to 11.73% and 11.3% to 15.6% in 2024 and 2023, 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, 2024 and 2023 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	2024: 10.07% to 11.7% (10.9%) 2023: 14.4% to 15.6% (15.0%)	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	2024: 4% 2023: 1%	1% increase (decrease) in the growth rate would result in an increase (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	2024: 10.07% to 11.7% (10.9%) 2023: 13.6% to 14.8% (14.2%)	0.5% (2023: 0.6%) increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱3,186.9 million; (2023: ₱1,139 million)
		Long-term growth rate for cash flows for subsequent years	2024: 4% 2023: 1%	1% (2023: 1%) increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱7,022.8 million; (2023: ₱3,551.5 million)
Value in use of the CGU of the "Swift" trademark	Relief from royalty method	Discount rate	2024: 10.07% to 11.7% (10.9%) 2023: 13.6% to 14.8% (14.2%)	0.5% (2023: 0.5%) increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱27.7 million; (2023:₱25.5 million)
		Long-term growth rate for cash flows for subsequent years	2024: 4% 2023: 1%	1% (2023: 2%) increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱59.2 million; (2023: ₱94.3 million)

(Forward)

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to value in use
Value in use of the CGU of the Group's coco business 1	Discounted cash flow method	Discount rate	2024: 10.7% to 11.73% (11.8%) 2023: 11.3% to 12.3% (11.8%)	0.5% (2023: 0.5%) increase (decrease) in the discount rate would result in a decrease (increase) in value in use by ₱674.1 million (2023: 361.0 million)
		Long-term growth rate for cash flows for subsequent years	2024: 4% 2023: 1%	1% (2023: 1%) increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱1,146.5 million and; (2023: ₱455.5 million)
Value in use of the CGU of the Group's coco business 2	Discounted cash flow method	Discount rate	2024: 10.07% to 11.7%	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	2024: 4%	1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱574.3 million.

The carrying amount of goodwill and trademarks with indefinite lives is 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 value of the Group's lease liabilities is 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 costs. The Group applied the following judgements and estimates that significantly affect the computation of ECL under PFRS 9.

Definition of Default and Credit-Impaired Financial Assets. The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria*. The borrower is more than 120 days past due on its contractual payments, which is consistent with the Group's definition of default.

- *Qualitative Criteria*. The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
  a. The borrower is experiencing financial difficulty or is insolvent;
  b. Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty; or
  c. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes, unless otherwise stated. The default definition has been applied consistently to model the probability of default, loss given default and expected actual default throughout the Group's ECL calculation.

- *General approach for cash and cash equivalents, other receivables, due from related parties, security deposits and deposits on utilities*. Under the general approach, at each reporting date, the Group recognizes a loss allowance based on either 12-month ECLs or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Group has leveraged on available market data for cash in banks to calculate the ECL.
- *Simplified approach for trade receivables*. The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.
- *Grouping of instruments for losses measured on collective basis*. For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. The characteristic used to determine groupings is based on the type of customer.

- *Macro-economic forecasts and forward-looking information*. Macro-economic forecasts are determined by evaluating a range of possible outcomes and using reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group takes into consideration using different macro-economic variables to ensure linear relationship between internal rates and outside factors. Regression analysis was used to objectively determine which variables to use.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past three (3) years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

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

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 values of the Group's inventories is 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.

The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There are no changes in the estimation of useful lives of property, plant and equipment, intangible assets with definite useful life and right-of-use assets in 2024 and 2023. The carrying values of the Group's licensing agreement is disclosed in Note 11, right-of-use assets in Note 12, and property, plant and equipment in Note 13.

Determination of impairment of nonfinancial assets. Impairment review is performed when certain impairment indicators are present.

Determining the value in use of the nonfinancial assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements.

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, 2024, 2023 and 2022, except for input VAT as disclosed in Note 10.

Determination of pension costs. The cost of defined benefit pension plans and present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is derived by discounting all expected benefit payments using interest rates of government bonds that correspond to the timing of benefit payments, after which, a single discount rate is computed considering the aggregate amount of all discounted values.

The mortality rate is based on publicly available mortality tables in the Philippines and is modified accordingly with estimates of mortality improvements. Future salary and pension increases are based on expected future inflation rates in the Philippines.

Carrying value of the retirement benefit obligation of the Group and further details about the assumptions used are provided in Note 17.

Recoverability of deferred tax assets. The Group performs an annual evaluation of the realizability of deferred tax assets in determining the portion of deferred tax assets which should be recognized. The Group's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the forecasted taxable income of the following period. This forecast is based on the Group's past results and future expectations on revenue and expenses. However, there is no assurance that the Group will generate sufficient taxable income to allow all or part of its deferred tax assets to be utilized.

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
	Other emerging products
Corporate and others	Shared services
	Warehousing
	Packaging
	Other services

The segments' results of operations of the reportable segments in 2024, 2023 and 2022 are as follows:

	Total Revenue	**Inter-segment Revenue**	**External Revenue**	**Segment Income Before Tax**
2024				
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)**
				₱7,394,940,469

	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

	Total Revenue	Inter-segment Revenue	External Revenue	Segment Income Before Tax
2022				
Marine	₱28,819,604,608	(₱1,753,765,468)	₱27,065,839,140	₱1,823,159,184
Meat	15,578,117,581	(310,463,947)	15,267,653,634	1,621,642,379
Milk and emerging	20,700,889,307	(1,426,407,422)	19,274,481,885	141,900,735
Corporate and others	6,351,288,633	(5,700,343,048)	650,945,585	5,644,457,026
Segment total	₱71,449,900,129	(₱9,190,979,885)	₱62,258,920,244	9,231,159,324
Eliminations				(3,453,602,545)
				₱5,777,556,779

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, 2024 and 2023 are as follows:

	2024		2023	
	Assets	**Liabilities**	Assets	Liabilities
Marine	**11,265,199,734**	**6,778,112,294**	₱11,782,670,302	₱5,347,790,198
Meat	**3,354,235,329**	**3,589,059,662**	4,101,894,297	3,394,035,858
Milk and emerging	**15,389,957,643**	**7,635,483,137**	12,161,426,738	5,908,634,111
Corporate and others	**41,093,441,577**	**13,178,394,220**	34,695,839,897	13,238,980,283
Segment total	**71,102,834,283**	**31,181,049,313**	62,741,831,234	27,889,440,450
Eliminations	**(15,861,606,818)**	**(11,753,611,683)**	(11,199,736,933)	(9,197,875,506)
	₱55,241,227,465	**₱19,427,437,630**	₱51,542,094,301	₱18,691,564,944

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.

			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**	**–**
	₱2,483,753,314	**₱1,847,444,928**	**₱104,870,060**	**₱316,498,015**	**₱190,000,000**

		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
	₱1,517,367,573	₱1,700,210,495	₱78,306,591	₱483,876,139

		2022		
	Additions to Property, Plant, and Equipment	Depreciation and Amortization	Interest Income	Finance Costs
Marine	₱674,192,430	₱538,992,888	₱661,972	₱22,925,576
Meat	107,790,613	254,229,228	523,002	27,658,854
Milk and emerging	317,007,285	460,116,686	393,002	25,203,330
Corporate and others	291,932,858	251,204,028	6,920,229	239,385,454
	₱1,390,923,186	₱1,504,542,830	₱8,498,205	₱315,173,214

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	
	2024	2023	2022	**2024**	2023
Philippines	**₱75,115,166,504**	₱66,696,575,746	₱61,767,483,903	**₱19,254,180,364**	₱17,062,283,919
USA	**314,353,111**	281,704,023	278,321,091	**2,024,753**	2,561,416
China	**62,390,542**	146,063,850	213,115,250	**–**	991,958
	₱75,491,910,157	₱67,124,343,619	₱62,258,920,244	**₱19,256,205,117**	₱17,065,837,293

7. Cash and Cash Equivalents

	2024	2023
Cash on hand	**₱4,675,766**	₱19,308,471
Cash in banks	**2,729,470,701**	1,535,123,940
Cash equivalents	**493,459,806**	3,495,584,783
	₱3,227,606,273	₱5,050,017,194

Cash in banks earned average interest rate ranging from 0.025 % to 0.125 % per annum in 2024 and 2023, 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 2024 and 4.8% to 5.1% in 2023. These placements are from excess cash and can be withdrawn anytime.

Interest income earned from bank deposits and placements amounted to ₱103.2 million, ₱76.9 million, and ₱7.0 million, in 2024, 2023, and 2022, respectively.

8. Trade and Other Receivables

	2024	2023
Trade receivables from third parties	**₱10,565,685,376**	₱9,198,091,315
Allowance for ECLs	**(459,687,177)**	(190,639,597)
	10,105,998,199	9,007,451,718
Advances to officers and employees	**72,864,078**	48,966,011
Others	**539,271,127**	330,236,962
	₱10,718,133,404	₱9,386,654,691

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 ₱1.7 million, ₱1.4 million, and ₱1.5 million in 2024, 2023, and 2022, 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:

	2024	2023
Balance, January 1	**₱190,639,597**	₱94,943,170
Provision for ECLs (see Note 22 and 23)	**459,687,177**	161,162,925
Reversal (see Note 22 and 23)	**(190,639,597)**	(65,466,498)
Balance, December 31	**₱459,687,177**	₱190,639,597

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further allowance for ECLs required in excess of those that were already provided.

9. **Inventories**

	2024	2023
Inventories at cost:		
Raw materials	**₱7,789,877,348**	₱7,723,613,293
Finished goods	**10,562,042,762**	8,744,316,887
Spare parts and supplies	**1,190,836,324**	1,069,899,736
Work in process	**101,617,688**	140,369,277
	19,644,374,122	17,678,199,193
Allowance for inventory obsolescence	**(1,050,621,197)**	(776,239,631)
	₱18,593,752,925	₱16,901,959,562

Cost of inventories recognized in the consolidated statements of comprehensive income in 2024, 2023 and 2022 amounted to ₱55,787.1 million, ₱50,987.3 million, and ₱47,885.2 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:

	2024	2023
Balance, January 1	**₱776,239,631**	₱623,411,093
Provision on slow moving inventories (see Notes 20, 22 and 23)	**289,077,363**	152,828,538
Reversal (see Notes 20, 22 and 23)	**(14,695,797)**	–
Balance, December 31	**₱1,050,621,197**	₱776,239,631

10. **Prepayments and Other Current Assets**

	2024	2023
Advances to suppliers	**₱2,178,165,670**	₱1,974,040,937
Prepaid taxes	**513,046,046**	544,359,499
Input VAT	**401,485,077**	211,551,540
Prepaid insurance	**16,343,000**	27,758,248
Prepaid rent	**19,862,341**	6,390,807
Others	**87,251,179**	123,107,604
	3,216,153,313	2,887,208,635
Allowance for VAT claims	**(20,199,529)**	(8,217,485)
	₱3,195,953,784	₱2,878,991,150

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.

The Group recognized provision for impairment on input VAT amounting to ₱12.0 million in 2024 and nil in 2023 and 2022, as disclosed in Note 23.

Movement in the allowance for VAT claims are as follows:

	2024	2023
Balance, January 1	**₱8,217,485**	₱8,217,485
Provision (see Note 23)	**11,982,044**	–
Balance, December 31	**₱20,199,529**	₱8,217,485

Others include advance payments related to maintenance of software and system used by the Group and biological assets which comprise fingerlings and mature milk fish.

11. **Goodwill and Intangible Assets**

	2024	2023
Goodwill (see Note 36)	**₱3,610,415,199**	₱2,915,325,199
Trademarks	**2,019,694,668**	2,209,694,668
Licensing agreement	**380,113,161**	401,629,006
	₱6,010,223,028	₱5,526,648,873

Goodwill

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

Based on management review of recoverable amount, goodwill arising from the acquisition of CPAVI and CHI is not impaired in 2024, 2023 and 2022. Meanwhile, the goodwill arising from the acquisition of CIC and CST was fully impaired as at December 31, 2024 and 2023.

The Group performs an impairment review on goodwill annually. The structure of the impairment review is at the CGU level.

Trademarks

In July 2008, the Group purchased Kaffe de Oro and Home Pride trademarks amounting to ₱40.0 million from General Milling Corporation (GMC) owned and registered with the Intellectual Property Office.

In 2016, the Group acquired the "KAMAYAN" trademark from Concentrated Foodline Corporation for a total purchase price of US$1.3 million or ₱61.5 million. The deed of assignment for the said trademark was dated August 17, 2016 and the purchase price was paid in full in the same year.

In April 2021, the Group acquired the "Swift" trademark as a result of the acquisition of PMCI (see Note 1).

The Group has recognized impairment loss on trademarks in amounting to ₱190.0 million in 2024 and nil in 2023 and 2022 (see Note 23). The carrying value of the Swift trademark amounted to ₱210.0 million and ₱400.0 million as of December 31, 2024 and 2023, respectively. These amounts are net of ₱390.0 million and ₱200.0 million accumulated impairment loss as of December 31, 2024 and 2023, respectively.

The recoverable amount of ₱210.0 million as at December 31, 2024 was based on value in use computed using the five-year cash flow forecasts under the relief from royalty method for the Swift trademark. In determining value in use for the CGU, the cash flows were discounted at a rate of 10.4% on a pre-tax basis.

Acquisition of "Ligo" Assets

In March 2022, the Group and CPGI entered into an Asset Purchase Agreement (Agreement) to purchase and acquire the operational assets of A. Tung Chingco Manufacturing Corporation, Dragon Land Holdings Corp., Gold Star Seafoods and their other related parties (collectively "ATCMC Group"). The Agreement involved assets related to the manufacturing of 'Ligo' product line up, which is composed of shelf-stable marine products.

The Agreement was accounted for as acquisition of group of assets and the purchase price was allocated to the respective assets based on their relative fair values. The Group recognized the "Ligo" trademark while CPGI recognized the other "Ligo" assets such as land and property, plant and equipment (e. g., buildings, improvements, equipment, machineries, and other fixed assets). The difference between the total trademarks and the amounts associated to trademarks acquired prior to 2022 as discussed above, is the amount attributable to the acquisition cost of "Ligo" trademark, as of December 31, 2024 and 2023.

Licensing Agreement

In 2017, CPFI has acquired the Philippine license for the Hunt's brand from Hunt-Universal Robina Corporation ("HURC").

The licensing agreement shall have an initial term of 25 years subject to renewal of 3 years thereafter subject to the terms of the licensing agreement.

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

	2024	2023
	(in Thousands)	
Cost -		
Beginning and ending balance	**₱537,896**	₱537,896
Accumulated Depreciation:		
Beginning balance	**136,266**	114,751
Amortization (see Note 22)	**21,517**	21,515
Ending balance	**157,783**	136,266
Carrying Amount	**₱380,113**	₱401,630

In 2024 and 2023, the remaining useful life of the intangible asset acquired is 17.33 and 18.33 years, respectively.

As at December 31, 2024, 2023 and 2022, royalty fee expense to ConAgra amounted to ₱24.0 million, ₱22.9 million, and ₱22.1 million (see Note 22).

Royalties

The Group has royalty agreement with All Market Singapore Inc., with royalty fee of ₱18.4 million, ₱12.7 million, ₱12.9 million in 2024, 2023 and 2022, respectively. Furthermore, the Group has also trademark licensing agreement with Shakey's Pizza Asia Ventures, Inc., with royalty fees of ₱1.0 million, ₱1.2 million, and ₱1.7 million in 2024, 2023 and 2022, respectively (see Note 22).

12. Right of Use Asset

	Warehouse	**Office Space**	**Equipment**	**Plant**	**Total**
Cost					
Balance January 1, 2023	1,210,220,185	75,196,460	369,188,973	409,580,204	2,064,185,822
Additions	480,155,363	9,414,934	52,538,363	57,178,614	599,287,274
Adjustment	–	–	–	(51,760,995)	(51,760,995)
Termination	(220,652,291)	(11,177,400)	(20,260,526)	–	(252,090,217)
Balance, December 31, 2023	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	**(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**
Accumulated Depreciation					
Balance January 1, 2023	435,927,252	37,505,170	76,513,944	122,586,865	672,533,231
Depreciation (see Notes 20, 22 and 30)	272,311,967	9,960,115	43,439,441	31,902,977	357,614,500
Adjustments	–	–	(2,913,629)	(11,994,738)	(14,908,367)
Termination	(146,129,295)	(10,867,957)	(19,063,604)	–	(176,060,856)
Balance December 31, 2023	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**
Adjustments	–	–	**(176,562)**	–	**(176,562)**
Termination	**(290,838,868)**	**(23,148,451)**	**(48,085,341)**	**–**	**(362,072,669)**
Balance, December 31, 2024	**548,220,122**	**24,152,248**	**94,626,568**	**198,379,238**	**865,378,176**
Carrying Amount December 31, 2024	**₱949,595,155**	**₱69,672,479**	**₱287,295,780**	**₱398,541,983**	**₱1,705,105,397**
Carrying Amount December 31, 2023	₱907,613,333	₱36,836,666	₱303,490,658	₱272,502,719	₱1,520,443,376

Management believes that there are no impairment indicators on its right-of-use assets as at December 31, 2024 and 2023.

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:

	2024	2023	2022
Cost of goods sold	**₱254,916,990**	₱228,249,090	₱199,706,445
Operating expenses	**113,673,010**	109,245,428	90,855,443
Other expenses	**19,858,890**	20,119,982	23,385,942
Total amortization	**₱388,448,890**	₱357,614,500	₱313,947,830

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
Cost								
Balance, January 1, 2023	₱59,016,586	₱3,995,134,439	₱9,732,262,136	₱102,718,961	₱697,724,969	₱175,040,207	₱475,830,021	₱15,237,727,319
Additions	–	110,659,974	188,429,934	6,875,031	42,641,539	23,860,402	1,144,900,693	1,517,367,573
Reclassifications	722,615	169,872,322	756,421,742	2,464,060	12,347,769	639,236	(942,467,744)	–
Disposals	–	(471,067)	(69,575,647)	(970,712)	(34,029,657)	(13,060,833)	(180,826)	(118,288,742)
Balance, December 31, 2023	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**	**11,496,359,472**	**123,265,984**	**746,678,347**	**233,477,935**	**1,651,369,907**	**18,889,562,541**
Accumulated Depreciation and Impairment Losses								
Balance, January 1, 2023	53,649,903	1,318,030,844	4,351,176,660	83,351,838	521,845,322	115,856,293	–	6,443,910,860
Depreciation (see Notes 20 and 22)	1,195,703	257,931,450	951,635,637	11,450,882	75,197,021	23,669,462	–	1,321,080,155
Reclassification	–	(46,098)	(2,312,848)	(94,961)	(12,063)	2,465,970	–	–
Disposals	–	(447,389)	(65,183,097)	(953,777)	(32,573,423)	(10,190,286)	–	(109,347,972)
Others	–	937,274	63,367	(206,642)	95,599	–	–	889,598
Balance, December 31, 2023	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**	**1,022,623,481**	**9,017,071**	**72,194,223**	**25,471,045**	**–**	**1,437,480,193**
Reclassifications	**–**	**(46,098)**	**(2,312,848)**	**(136,089)**	**138,206**	**2,356,829**	**–**	**–**
Disposals	**–**	**(19,315,978)**	**(154,198,471)**	**(2,818,819)**	**(35,781,555)**	**(15,818,480)**	**–**	**(227,933,303)**
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**
Carrying Amounts As at 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**
Carrying Amounts As at December 31, 2023	₱4,893,595	₱2,698,789,587	₱5,372,158,446	₱17,540,000	₱154,132,164	₱54,677,573	₱678,082,144	₱8,980,273,509

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

	2024	2023	2022
Cost of goods sold (see Note 20)	**₱1,354,893,125**	₱1,261,259,530	₱1,109,397,202
Operating expenses (see Note 22)	**81,785,155**	59,811,840	59,673,172
Other expenses	**801,913**	8,785	8,785
	₱1,437,480,193	₱1,321,080,155	₱1,169,079,159

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.

The Group recognized loss on sale of certain equipment amounting to ₱0.9 million in 2024, gain on sale of certain equipment amounting to ₱9.6 million, and ₱0.7 million in 2023 and 2022, respectively, as disclosed in Notes 21 and 23.

Management believes that there are no impairment indicators on its property, plant and equipment as at December 31, 2024 and 2023.

14. Other Noncurrent Assets

	2024	2023
Security deposits (see Note 30)	**₱90,396,717**	₱67,113,179
Deposits on utilities	**34,005,813**	33,159,084
Revolving funds	**28,522,859**	22,938,791
Deposits for containers	**21,369,779**	25,932,432
	₱174,295,168	₱149,143,486

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

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

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

<u>Short-term loans</u>

	2024	2023
Balance at beginning of year	**₱2,870,000,000**	₱4,640,000,000
Availments	**6,240,000,000**	5,140,000,000
Payments	**(8,910,000,000)**	(6,910,000,000)
Balance at end of year	**₱200,000,000**	₱2,870,000,000

The Group acquired several short-term loans amounting to ₱6,240.0 million and ₱5,140.0 million in 2024 and 2023, respectively, with interest ranging from 4.8 % to 6.0 % per annum in 2024 and 4.2 % to 5.7 % per annum in 2023.

Interest expense pertaining to short-term loans amounting to ₱73.5 million, ₱214.0 million, and ₱94.0 million, was recognized in 2024, 2023 and 2022, respectively.

Long-term Borrowings

	2024	2023
Balance at beginning of year	**₱3,164,343,309**	₱3,174,213,995
Payments and amortization	**(40,504,695)**	(9,870,686)
Balance at end of year	**3,123,838,614**	3,164,343,309
Less current portion	**24,076,203**	7,360,791
Noncurrent portion	**₱3,099,762,411**	₱3,156,982,518

In 2024, 2023 and 2022, amortization (reversal) of debt issue cost amounted to (₱20.5 million), ₱10.1 million, ₱11.3 million, respectively.

The Group has entered into a ₱2.0 billion, ten-year term loan facility with Banco de Oro (BDO) in 2021. The proceeds were used to refinance the existing long-term borrowings.

On March 18, 2022, the Group entered into a ₱1.2 billion, ten-year term loan with Bank of the Philippine Islands (BPI).

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	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. 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.	a. Fixed pricing for the initial five-year period ("5Y initial interest rate"): 4.04% p.a. 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 at the repricing date plus a spread of 0.80% p.a.	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 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 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
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, 2024 and 2023, the Group is in compliance with all the debt covenants.

Interest expense pertaining to long-term loans amounted to ₱134.0 million, ₱134.5 million, and ₱119.5 million in 2024, 2023 and 2022, respectively.

Total finance costs incurred on these loans amounted to ₱207.5 million, ₱348.4 million, ₱213.5 million in 2024, 2023 and 2022, respectively, as presented in the consolidated statements of comprehensive income.

Total accrued interest on these loans amounted to ₱26.6 million and ₱34.3 million as at December 31, 2024 and 2023, respectively, as part of accrued expenses (see Note 16).

16. Trade and Other Payables

	2024	2023
Trade payables to third parties	**₱3,678,907,476**	₱3,127,867,036
Accrued expenses	**9,397,205,443**	6,668,243,477
Withholding taxes payable	**295,269,986**	231,587,177
Non-trade payables	**211,638,718**	188,579,757
Others	**203,961,413**	235,965,125
Total	**₱13,786,983,036**	₱10,452,242,572

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:

	2024	2023
Product-related costs	**₱6,103,899,844**	₱3,761,160,000
Advertising and promotion	**2,588,735,646**	2,405,600,983
Professional services and other fees	**371,315,407**	240,902,389
Share purchase payable (see Note 36)	**185,620,000**	–
Employee benefits	**127,648,266**	103,746,146
Rent	**36,599,709**	48,716,605
Interest (see Note 15)	**26,640,455**	34,310,338
Utilities	**23,275,321**	12,336,221
Others	**119,090,796**	61,470,795
	₱9,397,205,443	₱6,668,243,477

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, 2024, 2023 and 2022, 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, 2024.

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, 2024, 2023 and 2022 were as follows:

	2024		2023		2022	
	Discount Rate	**Expected Rate of Salary Increase**	Discount Rate	Expected Rate of Salary Increase	Discount Rate	Expected Rate of Salary Increase
CPFI	**6.14%**	**6.00%**	7.32%	6.00%	3.95%	6.00%
GTC	**6.15%**	**6.00%**	7.35%	6.00%	3.95%	6.00%
CPAVI	**6.18%**	**6.00%**	7.38%	6.00%	3.95%	6.00%
PMCI	**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:

	2024	2023	2022
Service costs:			
Current service cost and others	**₱122,370,409**	₱91,006,537	₱114,263,425
Net interest expense	**13,562,841**	13,911,211	22,392,637
Components of defined benefit costs recognized in profit or loss	**135,933,250**	104,917,748	136,656,062
Remeasurement on the net defined benefit asset:			
Loss (gain) on plan assets (excluding amounts included in net interest expense)	**(44,578,528)**	14,167,317	62,505,072
Effect of asset ceiling	**185,481**	942,623	2,341,551
Actuarial (gains) losses from:			
Changes in financial assumption	**8,531,777**	124,611,401	(234,457,464)
Changes in experience adjustment	**(12,089,813)**	(13,428,339)	(32,512,637)
Components of defined benefit costs recognized in other comprehensive income	**(47,951,083)**	126,293,002	(202,123,478)
	₱87,982,167	₱231,210,750	(₱65,467,416)

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

Net Retirement Asset

	2024	2023
Fair value of plan assets	**₱89,793,548**	₱22,448,959
Present value of retirement benefit obligation	**(69,289,388)**	(7,955,057)
Effect of the asset ceiling	**(3,856,352)**	(3,457,215)
Retirement asset - net	**₱16,647,808**	₱11,036,687

Net Retirement Obligation

	2024	2023
Present value of retirement benefit obligation	**₱1,136,142,962**	₱1,057,154,200
Fair value of plan assets	**(952,981,920)**	(726,715,717)
Retirement benefit obligation - net	**₱183,161,042**	₱330,438,483

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:

	2024	2023
Balance, January 1	**₱1,065,109,257**	₱828,515,628
Current service cost	**122,370,409**	91,006,537
Interest cost	**65,430,116**	60,692,502
Benefits paid	**(43,919,396)**	(26,288,472)
Remeasurement loss (gain) from:		
Changes in financial assumption	**8,531,777**	124,611,401
Changes in experience adjustment	**(12,089,813)**	(13,428,339)
Balance, December 31	**₱1,205,432,350**	₱1,065,109,257

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

	2024	2023
Balance, January 1	**₱745,707,461**	₱562,765,550
Contributions paid into the plan	**240,834,751**	177,559,032
Benefits paid	**(43,919,396)**	(26,288,472)
Interest income	**52,080,931**	46,954,331
Return on plan assets (excluding amounts included in net interest expense/income)	**44,578,528**	(14,167,317)
Others	**(363,159)**	(1,115,663)
Balance, December 31	**₱1,038,919,116**	₱745,707,461

The following is the composition of plan assets as at the December 31, 2024 and 2023:

	2024	2023
Cash and cash equivalents	**2.00%**	3.00%
Debt instruments - government bonds	**66.24%**	53.42%
Debt instruments - other bonds	**3.35%**	6.80%
Unit investment trust funds	**29.41%**	12.70%
Others	**0.98%**	(0.84%)
	100.00%	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, 2024 and 2023 are as follows:

	2024	2023
Interest income	**₱52,080,931**	₱46,954,331
Remeasurement gain (loss)	**44,578,528**	(14,167,317)
Actual return	**₱96,659,459**	₱32,787,014

Movements in the OCI relating to retirement obligation for 2024, 2023 and 2022 are as follows:

	2024	2023	2022
Accumulated OCI, beginning	**₱421,725,718**	₱295,432,716	₱497,556,194
Actuarial losses (gains) on DBO	**(3,558,036)**	111,183,062	(266,970,101)
Remeasurement losses on plan assets	**(44,578,528)**	14,167,317	62,505,072
Effect of asset ceiling	**185,481**	942,623	2,341,551
	(47,951,083)	126,293,002	(202,123,478)
Accumulated OCI, end	**₱373,774,635**	₱421,725,718	₱295,432,716

Amounts of OCI, net of tax recognized in the consolidated statements of comprehensive income for 2024, 2023 and 2022 are computed below:

	2024	2023	2022
Actuarial losses (gains) on DBO	**(₱3,558,036)**	₱111,183,062	(₱266,970,101)
Remeasurement gains (losses) on plan assets	**(44,578,528)**	14,167,677	62,505,072
Effect of asset ceiling	**185,481**	942,263	2,341,551
	(47,951,083)	126,293,002	(202,123,478)
Deferred tax	**8,954,163**	(26,296,679)	40,514,925
OCI, net of tax	**(₱38,996,920)**	₱99,996,323	(₱161,608,553)

Details on the expected contribution to the defined benefit pension plan in 2024 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	₱203,262,001	10.6
PMCI	–	17.1
GTC	18,385,357	13.1
CPAVI	19,187,393	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.

		Impact on post-employment defined benefit obligation	
	Change in basis points (bp)	Increase in Assumption	Decrease in Assumption
2024			
CPFI			
Discount rate	+/- 100bp	**(₱119,742,185)**	**₱100,731,999**
Salary increase rate	+/- 100bp	**118,619,392**	**(101,682,665)**
PMCI			
Discount rate	+/- 100bp	**(1,942,648)**	**1,559,655**
Salary increase rate	+/- 100bp	**1,924,012**	**(1,574,015)**
GTC			
Discount rate	+/- 100bp	**(13,928,632)**	**11,654,286**
Salary increase rate	+/- 100bp	**13,799,106**	**(11,764,948)**
CPAVI			
Discount rate	+/- 100bp	**(10,982,911)**	**8,755,740**
Salary increase rate	+/- 100bp	**10,876,075**	**(8,835,315)**
2023			
CPFI			
Discount rate	+/- 100bp	(₱103,529,491)	₱87,312,845
Salary increase rate	+/- 100bp	102,622,136	(88,183,630)
PMCI			
Discount rate	+/- 100bp	(1,223,301)	1,525,209
Salary increase rate	+/- 100bp	1,512,170	(1,235,605)
GTC			
Discount rate	+/- 100bp	(10,516,687)	12,596,475
Salary increase rate	+/- 100bp	12,486,962	(10,621,918)
CPAVI			
Discount rate	+/- 100bp	(7,834,951)	9,846,786
Salary increase rate	+/- 100bp	9,762,257	(7,913,425)

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, 2024 and 2023	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, 2024 and 2023 amounted to ₱4,936.9 million 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 SharesIssued
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

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. Appropriations as at December 31, 2024 and 2023 are as follows:

	Amount
CPFI	₱12,500,000,000
CPAVI	1,500,000,000
CPFPVI	1,200,000,000
GTC	1,500,000,000
AWI	300,000,000
Balance, December 31	₱17,000,000,000

Retained Earnings
Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries amounting to ₱2,260.0 million and ₱2,159.0 million as of December 31, 2024 and 2023, respectively, which are not available for dividend declaration by the Parent Company until these are declared by the investee companies. The Group's retained earnings as of December 31, 2024 and 2023 also includes gain on acquisition of a subsidiary amounting to ₱41.1 million which is not available for dividend declaration (see Note 27).

19. Net Sales

	2024	2023	2022
Sales	**₱84,192,423,043**	₱75,501,039,370	₱70,042,486,406
Less:			
Sales discount	**(4,531,788,154)**	(4,276,245,186)	(3,958,461,644)
Variable considerations	**(1,619,226,378)**	(1,641,289,779)	(1,398,228,397)
Considerations payable to a customer	**(2,549,498,354)**	(2,459,160,786)	(2,426,876,121)
	₱75,491,910,157	₱67,124,343,619	₱62,258,920,244

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

	2024	2023	2022
Variable considerations:			
Sales returns	**₱894,938,230**	₱964,552,411	₱744,697,145
Contractual trade terms	**630,786,548**	570,344,823	505,219,931
Price adjustments	**22,586,283**	45,387,887	65,768,579
Prompt payment discount	**70,915,317**	61,004,658	82,542,742
	₱1,619,226,378	₱1,641,289,779	₱1,398,228,397
Considerations payable to a customer:			
Trade promotions	**₱1,851,983,950**	₱1,792,430,785	₱1,825,911,087
Display allowance	**364,023,236**	342,561,146	330,825,119
Distribution program	**302,065,463**	313,602,864	244,367,265
Other trade promotions	**31,425,705**	10,565,991	25,772,650
	2,549,498,354	₱2,459,160,786	₱2,426,876,121

20. Cost of Goods Sold

	2024	2023	2022
Raw materials used	**₱47,184,813,047**	₱43,225,135,541	₱42,766,124,375
Direct labor outsourced	**2,833,950,825**	1,881,864,209	1,765,680,166
Direct labor directly employed (see Note 26)	**116,284,762**	222,059,016	208,349,358
Factory overhead:			
Depreciation (see Notes 12 and 13)	**1,609,810,115**	1,489,508,620	1,309,103,647
Supplies	**1,475,335,136**	1,434,785,116	1,597,996,728
Outside manpower services	**846,856,288**	700,934,409	663,733,986
Compensation (see Note 26)	**786,729,324**	672,937,061	599,684,245
Utilities	**635,843,524**	582,966,076	640,974,024

(Forward)

	2024	2023	2022
Rental and storage fee	**₱665,834,151**	₱466,675,500	₱361,301,467
Toll packing fees	**209,516,524**	181,307,627	30,735,150
Repairs and maintenance	**137,111,220**	126,799,309	80,870,838
Insurance	**99,200,497**	99,612,112	68,008,936
Travel	**68,782,793**	52,747,665	35,966,704
Freight trucking	**51,668,110**	44,954,007	43,083,232
Professional fees	**39,230,928**	32,487,638	32,052,328
Provisions for (reversals of) slow moving inventories (see Note 9)	**(6,582,749)**	49,320,978	150,500,847
Taxes and licenses	**21,427,762**	18,326,703	11,302,794
Miscellaneous	**63,500,043**	169,393,741	69,247,996
Total manufacturing cost	**56,839,312,300**	51,451,815,328	50,434,716,821
Changes in finished goods and work in-process	**(1,052,218,084)**	(464,505,901)	(2,549,554,189)
	₱55,787,094,216	₱50,987,309,427	₱47,885,162,632

21. **Other Income**

	2024	2023	2022
Foreign currency gain - net	**₱174,697,735**	₱–	₱409,288,365
Gain from sale of scrap	**158,236,569**	152,731,941	144,182,612
Service income (see Note 25)	**62,235,078**	19,836,443	8,062,094
Charges to suppliers	**31,700,887**	25,375,957	45,932,957
Reversal of accruals	**16,592,964**	249,744,829	121,704,066
Shared services fee (see Note 25)	**2,120,040**	2,473,380	–
Gain on sale of property, plant and equipment	**–**	9,645,804	746,662
Recovery from insurance	**–**	–	62,712,630
Others	**39,642,730**	27,771,723	43,723,944
	₱485,226,003	₱487,580,077	₱836,353,330

22. **Operating Expenses**

	2024	2023	2022
Advertising and trade promotion	**₱3,889,507,463**	₱2,560,375,760	₱2,247,386,603
Freight and handling	**2,898,100,771**	2,413,553,479	2,329,478,038
Salaries and employee benefits (see Notes 17 and 26)	**2,233,633,339**	1,921,941,192	1,829,157,265
Legal and professional fees	**454,321,439**	450,912,166	637,342,063
Outside services	**318,281,156**	342,875,410	233,455,306
Rent (see Note 30)	**252,920,341**	216,877,274	189,455,114
Taxes and licenses	**245,981,132**	216,968,038	216,267,737
Repairs and maintenance	**240,610,805**	200,610,734	142,919,276
Travel and entertainment	**231,802,190**	187,926,242	153,378,858
Depreciation and amortization (see Notes 11, 12, and 13)	**216,974,005**	190,573,107	172,044,455
Supplies	**124,989,954**	77,269,607	63,692,264
Utilities	**95,457,285**	83,604,188	69,207,595

(Forward)

	2024	2023	2022
Provision for ECLs (see Note 8)	**₱93,830,146**	₱95,696,427	₱67,794,642
Insurance	**88,656,206**	65,639,786	31,130,495
Fees and dues	**82,232,133**	47,536,911	41,127,735
Royalties (see Note 11)	**43,444,055**	36,881,501	36,806,126
Provisions for slow moving inventories (see Note 9)	**–**	20,990,073	5,580,002
Others	**199,748,052**	108,348,157	247,658,175
	₱11,710,490,472	₱9,238,580,052	₱8,713,881,749

23. Other Expenses

	2024	2023	2022
Provision for loss on inventory write-down (see Note 9)	**₱280,964,315**	₱160,085,007	₱89,333,205
Provision for impairment losses (see Note 11)	**190,000,000**	–	–
Provision for ECLs (see Note 8)	**175,217,434**	–	–
Penalties and other taxes	**59,422,178**	121,459,352	199,179,391
Inventories written off	**43,284,700**	–	–
Input tax for government and exempt sales	**27,860,152**	15,974,935	28,042,057
Bank charges	**15,606,241**	8,787,883	6,767,595
Provision for impairment of input tax (see Note 10)	**11,982,044**	–	–
Rent (see Note 30)	**3,579,511**	2,877,063	3,988,276
Documentary stamp tax	**3,302,442**	16,520,153	36,433,970
Loss on disposal of fixed assets (see Note 13)	**973,879**	–	–
Foreign currency loss – net	**–**	45,741,819	–
Reimbursables	**–**	45,148,229	9,139,115
Others	**60,790,152**	37,439,191	39,113,796
	₱872,983,048	₱454,033,632	₱411,997,405

24. Employee Benefits

	2024	2023	2022
Cost of goods sold:			
Short-term benefits	**₱861,331,163**	₱861,830,335	₱780,099,778
Post-employment benefits (see Note 17)	**41,682,923**	33,165,742	27,933,825
	903,014,086	894,996,077	808,033,603
Operating expenses:			
Short-term benefits	**2,139,383,012**	1,850,189,186	1,720,435,028
Post-employment benefits (see Note 17)	**94,250,327**	71,752,006	108,722,237
	2,233,633,339	1,921,941,192	1,829,157,265
	₱3,136,647,425	₱2,816,937,269	₱2,637,190,868

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
Shakey's Asia Foods, Holding Inc. (SAFHI)	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, 2024 and 2023 are as follows:

	Amount of Transactions During the Year			Outstanding Receivable (Payable)	
Related Party Category	**2024**	2023	2022	**2024**	2023
Ultimate Parent Company					
Service fee (Note c)	**₱3,119,047**	₱7,817,011	₱921,331	**₱1,766,150**	₱8,079,465
Cost reimbursements (Note c)	**–**	27,532	126,093	**–**	–
Rental expense (Note e)	**79,458,344**	75,775,843	70,902,313	**(12,104,305)**	(7,760,457)
Dividends (Note 29)	**2,142,144,000**	892,560,000	803,304,000	**–**	–
Miscellaneous deposit (Note e)	**–**	–	–	**18,681,880**	18,681,880
Fellow Subsidiaries & Associates					
Shared services fee (Note d)	**2,120,040**	2,473,380	–	**4,372,060**	508,556
Sale of inventories (Note a)	**272,498,756**	340,119,571	294,229,875	**208,183,968**	222,325,111
Purchase of inventories (Note b)	**10,601,226**	9,634,237	4,810,448	**(10,129,243)**	(15,261,099)
Service fee (Note c)	**11,384,998**	8,653,155	7,140,763	**15,722,752**	8,190,250
Purchase of service	**17,194,542**	19,359,800	–	**(907,026)**	–
Cost reimbursements (Note c)	**67,998,127**	70,436,733	74,665,655	**(16,318,729)**	(6,856,779)
Rental expense (Note e)	**7,581,875**	7,487,544	3,407,722	**(676,575)**	(667,640)
Miscellaneous deposit (Note e)	**–**	–	–	**849,150**	849,149
Royalty fee	**1,010,000**	1,183,446	1,747,904	**–**	–
Due from Related Parties				**₱249,575,960**	₱258,634,411
Due to Related Parties				**(₱40,135,878)**	(₱30,545,975)

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, 2024 and 2023, 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 ultimate consolidated and 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. Service fee from related parties amounted to ₱14.5 million, ₱16.5 million, and ₱8.1 million in 2024, 2023 and 2022, respectively, as disclosed in Note 21. Shared cost reimbursement from related parties amounted to ₱68.0 million, ₱70.4 million, and ₱74.6 million in 2024, 2023 and 2022, respectively.

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 amounted to ₱2.1 million, ₱2.5 million, and nil in 2024, 2023 and 2022, respectively, which is included in other income account in the consolidated statements of comprehensive income as shown in Note 21.

e. In 2024, 2023 and 2022, 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*:

	2024	2023	2022
Short-term employee benefits	**₱343,446,918**	₱308,208,402	₱280,495,656
Post-employment benefit	**50,722,223**	47,579,075	37,738,693
	₱394,169,141	₱355,787,477	₱318,234,349

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, 2024 and 2023 as disclosed in Note 26. There are no declared availments in 2024 and 2023.

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, 2024 and 2023, 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, 2024 and 2023 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 2024, 2023, and 2022. 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
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
2022	June 30, 2022	July 29, 2022	August 15, 2022	0.36	1,275,213,094

Of the total cash dividends declared, the dividends paid to CPGI in 2024 and 2023 amounted to ₱2,142.1 million and ₱892.6 million, respectively.

On February 17, 2025, the Parent Company declared cash dividend of ₱0.55 per share with record date of March 3, 2025 and payable on March 26, 2025.

28. **Earnings Per Share**

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

	2024	2023	2022
Profit for the year (a)	**₱6,337,771,194**	₱5,579,159,560	₱4,999,168,825
Weighted average number of common shares (b)	**3,542,258,595**	3,542,258,595	3,542,258,595
Weighted average number of share options granted (c)	**4,213,145**	4,213,145	4,213,145
Basic earnings per share (a)/(b)	**₱1.7892**	₱1.5750	₱1.4113
Diluted earnings per share (a)/[(b)+(c)]	**₱1.7871**	₱1.5732	₱1.4096

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, 2024 included a surety provision where loans obtained by the Group and its related parties, CPGI and PMCI, are covered by cross-corporate guarantees. As at December 31, 2024, the total credit line facility amounted to ₱15.8 billion of which ₱3.2 billion is already used, as disclosed in Note 15.

Capital Commitments

As at December 31, 2024 and 2023, 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 2025 and has remaining estimated costs to complete as follows:

	2024	2023
CPAVI	**₱57,721,648**	₱62,043,890
CPFI	**343,120,143**	251,856,652
GTC	**94,329,700**	11,187,111
	₱495,171,491	₱325,087,653

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

Contingencies

As at April 10, 2025, there are legal claims against the Group which have not yet been resolved. In the opinion of management and the Group's outside legal counsel, the ultimate resolution of these claims will not have a material effect on the Group's financial position and financial performance.

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:

	2024	2023
Balance at beginning of year	**₱1,700,491,976**	₱1,541,987,234
Additions	**612,708,176**	599,287,274
Lease modification and pre-terminations	**(41,843,536)**	(138,515,825)
Interest expenses	**129,538,426**	125,312,018
Payments	**(476,158,562)**	(427,578,725)
Balance at end of year	**1,924,736,480**	1,700,491,976
Less current portion	**358,563,283**	297,536,128
Noncurrent portion	**₱1,566,173,197**	₱1,402,955,848

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

	2024	2023
Within one year	**₱466,534,241**	₱408,489,413
More than 1 year to 2 years	**421,026,965**	345,703,835
More than 2 years to 3 years	**330,037,539**	264,231,327
More than 3 years to 4 years	**211,759,476**	223,131,298
More than 4 years to 5 years	**227,001,974**	149,435,383
More than 5 years	**1,099,686,389**	916,758,824
	₱2,756,046,584	₱2,307,750,080

The following are the amounts recognized in profit or loss:

	2024	2023	2022
Depreciation expense of right-of-use assets recognized under:			
Cost of goods sold (see Note 20)	**₱254,916,990**	₱228,249,090	₱199,706,445
Operating expenses (see Note 22)	**113,673,010**	109,245,428	90,855,443
Other expenses (see Note 23)	**19,858,890**	20,119,982	23,385,942
Interest expense on lease liabilities	**129,538,426**	125,312,018	90,364,260
Expense relating to short-term leases and low-value assets:			
Cost of goods sold (see Note 20)	**665,834,151**	466,675,500	361,301,467
Operating expenses (see Note 22)	**252,920,341**	216,877,274	189,455,114
Other expenses (see Note 23)	**3,579,511**	2,877,063	3,988,276
	₱1,440,321,319	₱1,169,356,355	₱959,056,947

Interest rates underlying all obligations are fixed at respective contract dates ranging from 5.75% to 8.13% and from 6.00% to 8.26% in 2024 and 2023, respectively. 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 ₱2.2 million, ₱19.3 million, and nil in 2024, 2023, and 2022, respectively.

As at December 31, 2024 and 2023, total security deposits recognized in the consolidated statements of financial position as part of noncurrent assets amounted to ₱90.4 million and ₱67.1 million, respectively (see Note 14).

31. Income Taxes

	2024	2023	2022
Current tax expense	**₱1,514,282,782**	₱1,081,522,339	₱981,492,487
Deferred tax benefit (see Note 32)	**(457,113,507)**	(134,250,862)	(203,104,533)
	₱1,057,169,275	₱947,271,477	₱778,387,954

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:

	2024	2023	2022
Tax on pretax income at statutory tax rate	**₱1,848,735,117**	₱1,631,607,759	₱1,444,389,195
Tax effects of:			
Effects of using OSD instead of itemized deductions	**(301,240,479)**	(310,615,659)	(305,508,673)
Income under income tax holiday	**(419,899,507)**	(303,344,008)	(293,206,308)
Income subject to lower tax rates	**(334,087,581)**	(238,091,161)	(276,699,903)
Non-deductible expenses	**267,817,536**	202,849,867	218,509,394
Interest income subject to final tax	**(6,557,128)**	(15,937,602)	(1,768,693)
Effects of previously unrecognized deferred tax asset	**12,883,134**	(12,481,995)	(4,500,000)
Nontaxable income	**(10,481,817)**	(6,715,724)	(2,827,058)
	₱1,057,169,275	₱947,271,477	₱778,387,954

32. **Deferred Taxes**

Net deferred tax assets as at December 31, 2024 and 2023 comprise the following:

	2024	2023
Deferred tax assets	**₱1,815,917,207**	₱1,314,855,052
Deferred tax liabilities	**(489,466,501)**	(436,563,690)
	₱1,326,450,706	₱878,291,362

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

	2024	2023
Deferred tax assets:		
Provisions	**₱894,940,436**	₱500,987,919
Lease liabilities	**526,812,781**	469,855,557
Allowance for write-down of inventory	**188,355,554**	148,640,710
Post-employment benefit obligation	**84,494,544**	115,056,865
NOLCO	**76,670,669**	54,322,371
Allowance for doubtful accounts	**25,003,596**	12,056,124
MCIT	**15,140,387**	10,143,113
Unrealized foreign currency loss	**4,499,240**	2,706,566
Others	–	1,085,827
	₱1,815,917,207	₱1,314,855,052

Forward

	2024	2023
Deferred tax liabilities:		
Right of use asset	**(₱467,370,847)**	(₱419,191,791)
Gain in changes in fair value	**(17,019,216)**	(17,019,216)
Unrealized foreign exchange gain	**(1,036,092)**	(352,683)
Debt issuance cost	**(4,040,346)**	–
	(489,466,501)	(436,563,690)
	₱1,326,450,706	₱878,291,362

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	(16,325,471)	–	(26,677,301)	56,688,948
2022	2025	114,558,891	–	–	–	114,558,891
2023	2026	97,474,035	–	–	–	97,474,035
2024	2027	219,288,549	–	–	–	219,288,549
		₱531,138,402	(₱16,325,471)	₱–	(₱26,677,301)	₱488,135,630

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
2024	2027	₱7,285,770	₱–	₱–	₱–	₱7,285,770
2023	2026	4,990,211	–	–	–	4,990,211
2022	2025	2,864,406	–	–	–	2,864,406
2021	2024	2,288,495	–	(2,288,495)	–	–
		₱17,428,882	₱–	(₱2,288,495)	₱–	₱15,140,387

The Group's deferred tax on NOLCO amounting to ₱181.4 million was not recognized since management believes that it is not probable that taxable profit will be available against which the deferred tax asset on NOLCO can be utilized.

The Group has also an unrecognized deferred tax asset on lease liabilities amounting to ₱14.0 million and deferred tax liability on right of use asset amounting to ₱11.8 million. These amounts reflect the application of the initial recognition exemption for leases.

33. **Fair Value of Financial Instruments**

As of December 31, 2024 and 2023, the carrying amounts approximate the fair values for the Group's financial assets and liabilities due to its short-term maturities except as follows:

	2024		2023	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Borrowings	**₱3,323,838,614**	**₱3,124,044,957**	₱6,034,343,309	₱5,318,976,084
Lease liabilities	**1,924,736,480**	**1,513,071,127**	1,700,491,976	1,288,635,591

The fair value of borrowings was obtained by discounting the instrument's expected cash flows using prevailing market rates ranging from 4.8 % to 6.0 % as at December 31, 2023 and 2024. Fair value category is Level 2, significant observable inputs. There have been no transfers between Level 1 and Level 2 in 2024 and 2023.

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) and Chinese Yuan (CNY), 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:

	2024	2023
Cash and cash equivalents	**₱281,968,198**	₱352,011,470
Trade and other receivables	**3,983,903,868**	2,670,563,615
Trade and other payables	**(513,566,438)**	(542,360,985)
	₱3,752,305,628	₱2,480,214,100

Breakdown of Group's foreign currency denominated monetary assets and liabilities at the end of each reporting period are as follows:

	2024		2023	
	USD	**CNY**	USD	CNY
Cash and cash equivalents	**281,968,198**	–	272,643,510	79,367,960
Trade and other receivables	**3,983,903,868**	–	2,663,377,537	7,186,077
Trade and other payables	**(513,566,438)**	–	(236,732,792)	(305,628,192)
	3,752,305,628	–	2,699,288,255	(219,074,155)

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
December 31, 2024		
Philippine Peso	+/-4.40%	₱165,101,448
December 31, 2023		
Philippine Peso	+/-1.87%	₱46,380,004

The following table details the Group's sensitivity to a 4.40%% and 1.87% increase (decrease) in the functional currency of the Group against the USD and CNY as at December 31, 2024 and 2023 respectively. The sensitivity rate used in reporting foreign currency risk internally to key management personnel is 4.40% and 1.87% and it represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the period for a 4.40% and 1.87% change in foreign currency rate.

The sensitivity analysis includes all of the Group's foreign currency denominated monetary assets and liabilities. A positive number below indicates an increase in profit when the functional currency of the Group strengthens 4.40% and 1.87% against the relevant currency. For a 4.40% and1.87% decline of the functional currency of the Group against the relevant currency, there would be an equal and opposite impact on the profit as shown below:

	2024	2023
	Effect in profit and loss	Effect in profit and loss
Cash and cash equivalents	**(₱12,406,601)**	(₱6,582,614)
Trade and other receivables	**(175,291,770)**	(49,939,540)
Trade and other payables	**22,596,923**	10,142,150
	(₱165,101,448)	(₱46,380,004)

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, 2024 and 2023 follows:

Change in Interest Rates (in Basis Points)	**2024**	2023
300bp rise	**(₱99,715,158)**	(₱181,030,299)
225bp rise	**(74,786,369)**	(135,772,724)
300bp fall	**99,715,158**	181,030,299
225bp fall	**74,786,369**	135,772,724

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:

	2024	2023
Cash in banks and cash equivalents	**₱3,227,606,273**	₱5,050,017,194
Trade and receivables	**10,718,133,404**	9,386,654,691
Due from related parties	**249,575,960**	258,634,411
Security deposits	**90,396,717**	67,113,179
Deposits for containers	**21,369,779**	25,932,432
Deposits on utilities	**34,005,813**	33,159,084
Revolving funds	**28,522,859**	22,938,791
	₱14,369,610,805	₱14,844,449,782

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:

2024		**Days past due**					
	Current	**<30 days**	**30-60 days**	**61-90 days**	**90-120 days**	**>121 days**	**Total**
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**

2023		Days past due					
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	Total
ECL rate	0.007%	0.048%	0.126%	0.225%	0.241%	11.668%	
Estimated total gross carrying at default	₱4,946,539,703	₱1,630,650,836	₱520,020,859	₱208,926,094	₱283,313,640	₱1,608,640,183	₱9,198,091,315
ECL	₱346,589	₱786,054	₱653,360	₱470,236	₱684,040	₱187,699,318	₱190,639,597

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
2024					
Trade receivables (Note 8)	(i)	Lifetime ECL	**₱10,565,685,376**	**₱459,687,177**	**₱10,105,998,199**
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	**28,522,862**	**–**	**28,522,862**
			₱10,989,556,507	**₱459,687,177**	**₱10,529,869,330**
2023					
Trade receivables (Note 8)	(i)	Lifetime ECL	₱9,198,091,315	₱190,639,597	₱9,007,451,718
Due from related parties (Note 25)	Performing	12m ECL	258,634,411	–	258,634,411
Security deposits (Note 14)	Performing	12m ECL	67,113,179	–	67,113,179
Deposits for containers (Note 14)	Performing	12m ECL	25,932,432	–	25,932,432
Deposits on utilities (Note 14)	Performing	12m ECL	33,159,086	–	33,159,086
Revolving funds (Note 14)	Performing	12m ECL	22,938,793	–	22,938,793
			₱	₱190,639,597	₱9,415,229,619

(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
2024				
Trade and other payables*	**₱12,872,600,638**	**₱–**	**₱–**	**₱12,872,600,638**
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**
	13,738,016,368	**1,813,569,930**	**4,326,146,672**	**19,877,732,970**
2023				
Trade and other payables*	₱10,032,075,639	₱–	₱–	₱10,032,075,639
Borrowings**	3,104,674,233	638,102,880	3,360,672,744	7,103,449,857
Lease liabilities	408,489,413	982,501,843	916,758,824	2,307,750,080
Due to related parties	30,545,975	–	–	30,545,975
	₱13,575,785,260	₱1,620,604,723	₱4,277,431,568	₱19,473,821,551

**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 ₱14,195.3 million and ₱14,695.3 million as of December 31, 2024 and 2023, 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, 2024, the Group has undrawn credit line facility that may be available in the future for the operating activities and settling capital commitments amounting to ₱13.5 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, 2024 and 2023 are as follows:

	2024	2023
Total liabilities	**₱19,427,437,630**	₱18,691,564,944
Total equity	**35,813,789,833**	32,850,529,357
Debt-to-equity ratio	**0.54:1**	0.57:1
Total current assets	**35,985,022,346**	₱34,476,257,008
Total current liabilities	**14,578,340,980**	13,801,188,095
Current ratio	**2.47:1**	2.50:1

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, 2024 and 2023, the public ownership is 34.44%.

36. Business Combination

Coco Harvest Inc Acquisition

On January 4, 2024, CPFI 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.

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

Consideration	**At September 5, 2024**
Cash	₱694,480,000
Share purchase payable	185,620,000
Total consideration	₱880,100,000
Recognized amounts of identifiable assets acquired:	
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
Total	₱880,100,000

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

CHI's revenue and net loss included in the 2024 consolidated statement of comprehensive income from the date of acquisition amounted to nil and ₱93.0 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.

Consolidated revenues and net income in the 2024 consolidated statement of comprehensive income will be ₱75,491.9 million and ₱6,333.1 million, respectively, if CHI was acquired beginning January 1, 2024.

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)
	(₱689,921,625)

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

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

a. In 2024, the Company acquired CHI for a total purchase price of ₱880.1 million, ₱185.6 million of which remain unpaid as of December 31. Cash acquired from the transaction amounted to ₱4.6 million.

b. Noncash additions to property, plant and equipment amounting to nil, ₱0.9 million, ₱4.8 million for 2024, 2023 and 2022, respectively.

   In 2024, the Group acquired various item of property, plant and equipment amounting to a total of ₱2,326.2 million, remaining unpaid portion amounted to ₱4.0 million. The Group also paid ₱0.9 million from 2023 acquisition of property, plant and equipment.

   In 2022, the Group acquired various plant machinery and equipment, and cost incurred in relation with the ongoing construction of the new production plant and administration building amounting to ₱2,302.5 million, of which ₱2.3 million was unpaid in 2022.

c. Noncash additions to right-of-use assets amounting to ₱490.6 million, ₱599.3 million, ₱411.2 million for 2024, 2023, and 2022, respectively.

d. Unamortized debt issuance cost on borrowings amounted to ₱16.2 million, ₱4.3 million, ₱5.8 million for 2024, 2023 and 2022, respectively.

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

	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**
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**
	₱7,769,145,623	**₱612,708,176**	**₱316,498,015**	**(3,381,292,729)**	**(₱41,843,536)**	**₱5,275,215,549**

	2023					
	January 1	Additions	Interest	Cash flows	Others	December 31
Lease liabilities	₱1,541,987,234	₱599,287,274	₱125,312,018	(₱427,578,725)	(₱138,515,825)	₱1,700,491,976
Short-term borrowings	4,640,000,000	–	–	(1,770,000,000)	–	2,870,000,000
Long-term borrowings	3,174,213,995	–	10,129,314	(20,000,000)	–	3,164,343,309
Accrued interest	39,423,918	–	348,434,807	(353,548,387)	–	34,310,338
	₱9,395,625,147	₱599,287,274	₱483,876,139	(₱2,571,127,112)	(₱138,515,825)	₱7,769,145,623

"Others" include modification and termination adjustments pertaining to lease liability as at December 31, 2024 and 2023. The Group classifies interest paid as part of cash flows from financing activities.

SGV
Building a better working world

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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, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 10, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the 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
BIR Accreditation No. 08-001998-105-2022, November 7, 2022, valid until November 6, 2025
PTR No. 10465397, January 2, 2025, Makati City

April 10, 2025

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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, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 10, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

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
BIR Accreditation No. 08-001998-105-2022, November 7, 2022, valid until November 6, 2025
PTR No. 10465397, January 2, 2025, Makati City

April 10, 2025

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, 2024

TABLE OF CONTENTS

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
Schedule A - Financial Assets
As of December 31, 2024

HTM Investments	Name of Issuing Entity	Face Value	Amount Shown in Balance Sheet	Income Received and Accrued
Total			**-**	**-**

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
Schedule B - Amounts Receivable from Employees
As of December 31, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written-off	Current	Non-Current	Balance at end of Period
Employees	P48,966,011	P293,027,122	P269,129,056	P -	P72,864,078	P -	P72,864,078

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, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written-off	Current	Non-Current	Balance at end of Period
Century Pacific Food Inc	P3,751,091,901	P1,490,310,307		P -	P5,241,402,208	P -	P5,241,402,208
General Tuna Corporation	648,317,360	P953,503,883		-	1,601,821,242	-	1,601,821,242
Snow Mountain Dairy Corporation	445,013,845	10,526,172		-	455,540,016	-	455,540,016
Allforward Warehousing, Inc.	56,046,532	214,809,652		-	270,856,184	-	270,856,184
Century Pacific Agri Ventures Inc	338,078,742	237,441,828		-	575,520,570	-	575,520,570
Century Pacific Seacrest Inc	422,415,308	327,312,536		-	749,727,845	-	749,727,845
Century Pacific Food Packaging Ventures Inc.	544,256,225		516,635,267	-	27,620,958	-	27,620,958
General Odyssey Inc.	38,967	3,773,810		-	3,812,777	-	3,812,777
Millenium General Power Corporation	30,532,113	19,931,983		-	50,464,096	-	50,464,096
The Pacific Meat Company Inc	21,513,584		13,190,260	-	8,323,325	-	8,323,325
Century Pacific North America Enterprise Inc.	4,828,998		4,828,998	-	-	-	-
Century International (China) Co., Ltd.	-			-	-	-	-
Centennial Global Corporation	50,004,439			-	50,004,439	-	50,004,439
Total	**P6,312,138,014**	**P3,257,610,171**	**P534,654,525**	**-**	**P9,035,093,660**	**-**	**P9,035,093,660**

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
Schedule D - Intangible Assets
As of December 31, 2024

Descritption	Beginning Balance	Additions at Cost	Charged to Cost and Expenses	Charged to Other Accounts	Other Changes	Ending Balance
Goodwill	P2,915,325,199	P695,090,000		P -	P -	P3,610,415,199
Trademark	P2,209,694,668	-	(190,000,000)	P -	P -	P2,019,694,668
Licensing Agreement	P401,629,006		(21,515,845)			P380,113,161
Total	**P5,526,648,873**	**P695,090,000**	**(211,515,845)**	**P -**	**P -**	**P6,010,223,028**

CENTURY PACIFIC FOOD INC. AND SUBSIDIARIES
Schedule E - Long Term Debt
As of December 31, 2024

Bank	Beginning Balance	Availment	Payment	Ending Balance	Current	Non Current
BDO	P1,970,651,006	-	P42,189,909	P1,928,461,097	P18,951,755	P1,909,509,342
BPI	P1,193,692,303	-	(1,685,214)	P1,195,377,517	P5,124,448	P1,190,253,069
Total	**P3,164,343,309**	**-**	**P40,504,695**	**P3,123,838,614**	**P24,076,203**	**P3,099,762,411**

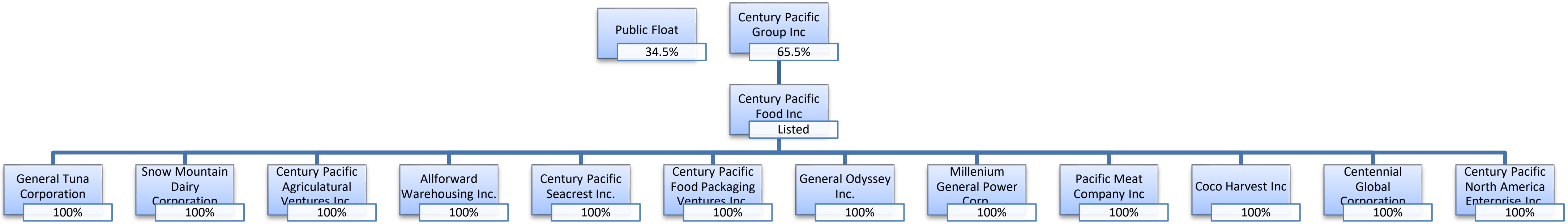
CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES

Schedule H - Capital Stock

As of December 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares reserved for options, warrants, conversion and other rights	Number of Shares Held By		
				Related Parties	Directors, Officers and Employees	Others
Ordinary Shares	6,000,000,000	3,542,258,595	-	2,320,120,781	2,132,355	1,220,005,459

CENTURY PACIFIC FOOD, INC.
CONGLOMERATE MAP
DECEMEBER 31, 2024



Annex A

Reconciliation of Retained Earnings Available for Dividend Declaration

For the reporting period ended December 31, 2024

Century Pacific Food, Inc.

7th Floor, Centerpoint Building, Julia Vargas St., Ortigas Center,
Pasig City

Unappropriated Retained Earnings, beginning of reporting period	**₱3,378,220,334**
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
Reversal of Retained Earnings Appropriation/s	**-**
Effect of restatements or prior-period adjustments	**-**
Others (describe nature)	**-**
Less: Category A: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	**3,400,568,251**
Retained Earnings appropriated during the reporting period	**-**
Effect of restatements or prior-period adjustments	**-**
Others (describe nature)	**-**
Unappropriated Retained Earnings, as adjusted	**(22,347,917)**
Add/Less: Net Income (loss) for the current year	**7,134,015,301**
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	**-**
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	**4,563,276**
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)	**-**
Sub-total	**4,563,276**
Less: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	**-**
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)	**-**
Sub-total	**-**

Add:	**Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)**	
	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	**-**
	Adjusted Net Income/Loss	**7,138,578,577**
Add:	**Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)**	
	Depreciation on revaluation increment (after tax)	**-**
	Sub-total	**-**
Add/Less:	**Category E: Adjustments related to relief granted by the SEC and BSP**	
	Amortization of the effect of reporting relief	**-**
	Total amount of reporting relief granted during the year	**-**
	Others (describe nature)	**-**
	Sub-total	**-**
Add/Less:	**Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution**	
	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	**(374,505,768)**
	Adjustment due to deviation from PFRS/GAAP - gain (loss)	**-**
	Others – Remeasurement of retirement benefit obligation, net of tax	**302,129,853**
	Sub-total	**(72,375,915)**
Total Retained Earnings, end of the reporting period available for dividend		**₱7,043,854,744**

CENTURY PACIFIC FOOD INC AND SUBSIDIARIES
Supplementary Schedule of External Auditors Fee – Related Information
As at December 31, 2024 and 2023

	2024	2023
Total Audit Fees	**₱11,650,000**	**₱10,230,000**
Non-audit services fees		
Transfer pricing study	1,350,000	–
All other services	–	650,000
Total Non-audit fees	**1,350,000**	**650,000**
Total Audit and Non-audit Fees	**₱13,000,000**	**₱10,880,000**

FINANCIAL SOUNDNESS INDICATORS
As of December 31, 2024

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

Ratio	Formula		Current Year	Prior Year
Current ratio	Total Current Assets divided by Total Current Liabilities		2.47x	2.50x
	Total Current Assets	35,985,022,346		
	Divide by: Total Current Liabilities	14,578,340,980		
	Current Ratio	2.47		
Quick/Acid test ratio	Quick Assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities		0.97x	1.06x
	Total Current Assets	35,985,022,346		
	Less: Inventories	(18,593,752,925)		
	Prepayments and other Current Assets	(3,195,953,784)		
	Quick assets	14,195,315,637		
	Divide by: Total Current Liabilities	14,578,340,980		
	Quick/Acid test ratio	0.97		
Debt-to-equity ratio	Total Liabilities divided by Total Equity		0.54x	0.57x
	Total Liabilities	19,427,437,630		
	Divide by: Total Equity	35,813,789,833		
	Debt-to-equity ratio	0.54		
Asset-to-equity ratio	Total Assets divided by Total Equity		1.54x	1.57x
	Total Assets	55,241,227,463		
	Divide by: Total Equity	35,813,789,833		
	Asset-to-equity ratio	1.54		
Interest rate coverage ratio	Earnings before Interest and Taxes (EBIT) divided by Interest Expense		24.03x	14.33x
	EBIT	7,606,568,424		
	Divide by: Interest Expenses	316,498,015		
	Interest rate coverage ratio	24.03		
Working capital turnover	Net Sales divided by Working Capital (Current Assets less Current Liabilities)		3.53x	3.25x
	Net Sales	75,491,910,157		
	Divide by: Working capital			
	Current Assets	35,985,022,346		
	Less: Current Liabilities	(14,578,340,980)		
	Working Capital	21,406,681,366		
	Working Capital Turnover	3.53		
Return on equity	Profit before Taxes (PBT) divided by Total Equity		17.70%	16.98%
	Net Income	6,337,771,194		
	Divide by: Total Equity	35,813,789,833		
	Return on equity	17.70%		
Return on assets	Net Income divided by Total Assets		13.39%	12.66%
	Profit Before Tax	7,394,940,469		
	Divide by: Total Assets	55,241,227,463		
	Return on assets	13.39%		
Net profit margin	Profit before Taxes (PBT) divided by Net Sales		8.40%	8.31%
	Net Income	6,337,771,194		
	Divide by: Net Sales	75,491,910,157		
	Net profit margin	8.40%		
Operating profit margin	Net Income divided by Net Sales		10.08%	10.33%
	Gross Margin	7,606,568,424		
	Divide by: Net Sales	75,491,910,157		
	Net profit margin	10.08%		

Outlook

Fw: [External]Your BIR AFS eSubmission uploads were received

From Marilou R. Hernandez <mhernandez@centurypacific.com.ph>
Date Tue 15-Apr-25 10:23 AM
To John Ver D. Villajin <jvillajin@centurypacific.com.ph>
Cc Vivian T. Zamora <vbtan@centurypacific.com.ph>

MARILOU **HERNANDEZ**
Tax Compliance Department Manager
CENTURY PACIFIC FOOD, INC.
Nourishing a Better Life
mhernandez@centurypacific.com.ph +63 917 8805309 centurypacific.com.ph
Center Point, 7/F Garnet Rd., Ortigas Center, Pasig, Metro Manila, Philippines

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From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 15, 2025 10:16 AM
To: Marilou R. Hernandez <MHERNANDEZ@CENTURYPACIFIC.COM.PH>
Cc: Marilou R. Hernandez <MHERNANDEZ@CENTURYPACIFIC.COM.PH>
Subject: [External]Your BIR AFS eSubmission uploads were received

Hi CENTURY PACIFIC FOOD INC,

Valid files

- EAFS008647589AFSTY122024.pdf
- EAFS008647589ITRTY122024.pdf
- EAFS008647589RPTTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-3ZX32WVS04RQ2VQTWPZ4Q3X3M04SRX4TPX**
Submission Date/Time: **Apr 15, 2025 10:16 AM**
Company TIN: **008-647-589**

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- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;

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ANNEX D

PARENT 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

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR PARENT COMPANY FINANCIAL STATEMENTS

The Management of Century Pacific Food, Inc. (the "Company") is responsible for the preparation and fair presentation of the parent company financial statements including the schedules attached therein, as at and for the years ended December 31, 2024 and 2023, in accordance with Philippine financial Reporting Standards, and for such internal control as Management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, Management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

The Board of Directors reviews and approves the parent company 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 parent company financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its 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 Kristoffer S. Manapat
Chief Financial Officer

Signed this 10th day of April, 2025.

SUBSCRIBED AND SWORN to before me this APR 1 1 2025, 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. 233;
Page No. 48;
Book No. II;
Series of 2025.

GERALDINE MARIE V. PAULO
Appointment No. 181 (2024-2025)
Notary Public for Pasig City and Pateros
Until December 31, 2025
Attorney's Roll No. 81565
33rd Floor, The Orient Square
F. Ortigas Jr. Road, Ortigas Center, Pasig City
PTR Receipt No. 2863412; 01.02.25; Pasig City
IBP OR No. 497003; 01.03.25; RSM
MCLE Compliance VIII 0011644; 4.14.28

C O V E R S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	3	2	0	7	7	8

C O M P A N Y N A M E

CENTURY PACIFIC FOOD, INC.

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

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

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N.A.

C O M P A N Y I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
N.A.	8863-8555	N.A.

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
32	6/30	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Manuel Z. Gonzales	manuel.gonzales@mvgslaw.com	8687-1195	0918-843-8888

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 Parent Company Financial Statements

Opinion

We have audited the parent company financial statements of Century Pacific Food, Inc (the Company), which comprise the parent company statements of financial position as at December 31, 2024 and 2023, and the parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended 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 Parent Company 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 (Code of Ethics) together with the ethical requirements that are relevant to our audit of the parent company financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company 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 parent company 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 parent company 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 Company'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 Company'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 parent company 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company financial statements, including the disclosures, and whether the parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, related safeguards.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the parent company financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 38 to the parent company financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Century Pacific Food, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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
BIR Accreditation No. 08-001998-105-2022, November 7, 2022, valid until November 6, 2025
PTR No. 10465397, January 2, 2025, Makati City

April 10, 2025

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

PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 7)	**₱1,956,462,127**	₱2,824,025,093
Trade and other receivables - net (Note 8)	**7,755,612,170**	7,383,784,605
Inventories - net (Note 9)	**13,907,680,487**	12,732,056,470
Due from related parties (Note 18)	**5,333,356,493**	3,849,553,562
Prepayments and other current assets (Note 10)	**1,062,520,971**	1,410,210,382
Total Current Assets	**30,015,632,248**	28,199,630,112
Noncurrent Assets		
Investments in subsidiaries - net (Note 11)	**9,714,382,174**	7,334,282,174
Property, plant and equipment - net (Note 12)	**2,632,991,045**	2,635,031,765
Right-of-use assets - net (Note 13)	**1,678,222,990**	1,644,128,537
Intangible assets - net (Note 15)	**2,049,768,568**	2,071,284,408
Deferred tax assets - net (Note 31)	**1,170,631,653**	796,125,885
Other noncurrent assets (Note 14)	**128,131,234**	100,188,984
Total Noncurrent Assets	**17,374,127,664**	14,581,041,753
	₱47,389,759,912	₱42,780,671,865
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Note 17)	**₱–**	₱2,500,000,000
Current portion of borrowings (Note 17)	**24,076,203**	7,360,791
Trade and other payables (Note 16)	**10,677,933,152**	8,448,507,975
Due to related parties (Note 18)	**3,401,695,876**	2,182,272,937
Lease liabilities - current portion (Note 29)	**413,144,369**	335,033,040
Total Current Liabilities	**14,516,849,600**	13,473,174,743
Noncurrent Liabilities		
Borrowings - net of current portion (Note 17)	**3,099,762,411**	3,156,982,518
Lease liabilities - net of current portion (Note 29)	**1,465,169,932**	1,479,553,689
Retirement benefit obligation - net (Note 19)	**182,553,348**	305,411,442
Total Noncurrent Liabilities	**4,747,485,691**	4,941,947,649
	19,264,335,291	18,415,122,392
Equity		
Share capital (Note 22)	**3,542,258,595**	3,542,258,595
Share premium (Note 22)	**4,936,859,146**	4,936,859,146
Share-based compensation reserve (Note 20)	**8,211,398**	8,211,398
Retained earnings (Note 22):		
Appropriated	**12,500,000,000**	12,500,000,000
Unappropriated	**7,138,095,482**	3,378,220,334
Total Equity	**28,125,424,621**	24,365,549,473
	₱47,389,759,912	₱42,780,671,865

See accompanying Notes to Parent Company Financial Statements.

CENTURY PACIFIC FOOD, INC.

(A Subsidiary of Century Pacific Group, Inc.)

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2024	2023
REVENUE FROM CONTRACTS WITH CUSTOMERS (Note 24)	**₱57,654,655,010**	₱53,837,675,454
COST OF GOODS SOLD (Note 25)	**42,108,072,657**	41,340,745,973
GROSS PROFIT	**15,546,582,353**	12,496,929,481
OPERATING EXPENSES (Note 26)	**(12,724,896,775)**	(10,380,563,230)
OTHER INCOME (Note 27)	**5,491,649,484**	2,679,102,035
OTHER EXPENSES (Note 28)	**(483,328,986)**	(399,588,551)
INCOME FROM OPERATIONS	**7,830,006,076**	4,395,879,735
FINANCE COSTS (Notes 17 and 29)	**(290,478,958)**	(462,851,017)
INTEREST INCOME (Notes 7 and 8)	**57,784,067**	58,107,060
INCOME BEFORE INCOME TAX	**7,597,311,185**	3,991,135,778
INCOME TAX EXPENSE (Note 30)	**(463,295,883)**	(348,661,325)
NET INCOME	**7,134,015,302**	3,642,474,453
OTHER COMPREHENSIVE INCOME (LOSS) ITEM THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		
Remeasurement gain (loss) on retirement benefit obligation - net of tax effect (Note 19)	**26,428,097**	(78,511,075)
TOTAL COMPREHENSIVE INCOME	**₱7,160,443,399**	₱3,563,963,378
Earnings Per Share (Note 32)		
Basic	**₱2.014**	₱1.028
Diluted	**₱2.012**	₱1.027

See accompanying Notes to Parent Company Financial Statements.

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

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital (Note 22)	**Share Premium** (Note 22)	**Share-based Compensation Reserve** (Note 20)	**Unappropriated Retained Earnings** (Note 22)	**Appropriated Retained Earnings** (Note 22)	**Total**
Balance, January 1, 2023	₱3,542,258,595	₱4,936,859,146	₱8,211,398	₱9,495,121,815	₱4,236,038,579	₱22,218,489,533
Net income	–	–	–	3,642,474,453	–	3,642,474,453
Remeasurement loss on retirement benefit obligation - net of tax (Note 19)	–	–	–	(78,511,075)	–	(78,511,075)
Total comprehensive income	–	–	–	3,563,963,378	–	3,563,963,378
Cash dividends (Note 23)	–	–	–	(1,416,903,438)	–	(1,416,903,438)
Reversal of appropriation	–	–	–	4,236,038,579	(4,236,038,579)	–
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	₱3,378,220,334	₱12,500,000,000	₱24,365,549,473
Net income	**–**	**–**	**–**	**7,134,015,302**	**–**	**7,134,015,302**
Remeasurement loss on retirement benefit obligation - net of tax (Note 19)	**–**	**–**	**–**	**26,428,097**	**–**	**26,428,097**
Total comprehensive income	**–**	**–**	**–**	**7,160,443,399**	**–**	**7,160,443,399**
Cash dividends (Note 23)	**–**	**–**	**–**	**(3,400,568,251)**	**–**	**(3,400,568,251)**
Balance, December 31, 2024	**₱3,542,258,595**	**₱4,936,859,146**	**₱8,211,398**	**₱7,138,095,482**	**₱12,500,000,000**	**₱28,125,424,621**

See accompanying Notes to Parent Company Financial Statements.

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

PARENT COMPANY STATEMENT OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱7,597,311,185**	₱3,991,135,778
Adjustments for:		
Dividend income (Note 27)	**(4,425,228,154)**	(1,857,437,391)
Depreciation (Notes 12, 13, 25, 26, and 28)	**957,327,106**	852,315,438
Finance costs (Notes 17 and 29)	**290,478,958**	462,851,017
Interest income (Notes 7 and 8)	**(57,784,067)**	(58,107,060)
Net movement in accrued retirement benefit (Note 19)	**(87,620,633)**	(52,806,855)
Amortization of intangible asset (Note 15)	**21,515,840**	21,515,839
Gain on lease termination (Note 29)	**(1,301,401)**	(6,152,921)
Loss (gain) on disposal of property, plant and equipment (Notes 12, 27 and 28)	**836,931**	(6,449,271)
Impairment of investment in subsidiaries (Notes 11 and 28)	**–**	35,077,639
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Trade and other receivables	**(371,827,565)**	(524,009,016)
Inventories	**(1,175,624,017)**	1,145,442,446
Due from related parties	**(1,483,802,931)**	(518,863,176)
Prepayments and other current assets	**347,689,411**	(214,113,747)
Increase in:		
Trade and other payables	**2,050,905,571**	694,240,705
Due to related parties	**1,219,422,939**	718,765,674
Cash from operating activities	**4,882,299,173**	4,683,405,099
Income taxes paid	**(846,611,015)**	(443,574,466)
Interest received	**57,784,067**	58,107,060
Net cash from operating activities	**4,093,472,225**	4,297,937,693
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received (Notes 18 and 27)	**4,425,228,154**	1,857,437,391
Additions to investment in subsidiaries (Notes 11 and 37)	**(2,194,480,000)**	–
Acquisition of property, plant and equipment (Note 12)	**(1,450,850,655)**	(622,566,371)
Proceeds from disposal of property, plant and equipment	**911,502,614**	49,263,992
Collection (payment)of deposits	**(27,942,250)**	26,605,081
Net cash from investing activities	**1,663,457,863**	1,310,740,093

(Forward)

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of short-term borrowings (Notes 17 and 37)	**₱5,100,000,000**	₱4,400,000,000
Payments of:		
Short-term borrowings - principal (Notes 17 and 37)	**(7,600,000,000)**	(6,170,000,000)
Dividends (Note 23)	**(3,400,568,251)**	(1,416,903,438)
Lease liabilities (Notes 29 and 37)	**(509,881,792)**	(463,916,748)
Interest (Notes 29 and 37)	**(194,043,011)**	(337,475,646)
Long-term borrowings - principal (Notes 17 and 37)	**(20,000,000)**	(20,000,000)
Net cash from (used in) financing activities	**(6,624,493,054)**	(4,008,295,832)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(867,562,966)**	1,600,381,954
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**2,824,025,093**	1,223,643,139
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	**₱1,956,462,127**	₱2,824,025,093

See accompanying Notes to Parent Company Financial Statements.

1. Corporate Information

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

The 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 Company is a subsidiary of Century Pacific Group, Inc. (CPGI, ultimate parent), an entity registered with the SEC and is domiciled in the Philippines owning 65.5% interest as at December 31, 2024 and 2023, respectively.

The 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.

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

The Company has the following subsidiaries as at December 31, 2024 and 2023:

Name of Subsidiary	Ownership Interest
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%
Coco Harvest Inc. (CHI)	100%
Centennial Global Corporation (CGC)	100%
Century Pacific Food Packaging Ventures, Inc. (CPFPVI)	100%
General Odyssey Inc (GOI)	100%
Millennium General Power Corporation (MGPC)	100%
The Pacific Meat Company, Incorporated (PMCI)	100%
Century International (China) Co. Ltd. (CIC) *	–
Century (Shanghai) Trading Co. Ltd. (CST) *	–
Century Pacific North America Enterprise Inc. (CPNA)	100%

** 100% as of December 31, 2023*

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.

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 Company acquired 100% interest in CPFPVI.

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 formerly Century Pacific Solar, Inc. 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.

CIC was incorporated in China and was registered on June 9, 2003. CIC is engaged in the selling of hardware and electrical apparatus, auto spare parts, building decoration materials and products, telecommunication equipment, stationery commodities, mechanical equipment, pre-package food; wholesales of beverage; development and sale of computer software and hardware; and consulting services. The Company was deregistered November 5, 2024.

CST was incorporated in China and was registered on August 24, 2005. CST is engaged in the wholesale, import and export of food, provision of ancillary services, relevant business consulting services subject to administrative approval and relevant authority. CST was deregistered on March 28, 2024.

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.

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

Approval and Authorization for Issuance of Parent Company Financial Statements
The parent company financial statements were approved and authorized for issue by the Board of Directors (BOD) on April 10, 2025.

2. Financial Reporting Framework and Basis of Preparation

Statement of Compliance
The parent company financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Preparation
The parent company financial statements of the Company have been prepared on the historical cost basis, unless otherwise stated. The parent company financial statements are presented in Philippine peso, the Company's functional currency.

3. Adoption of New and Revised Accounting Standards

Changes in Accounting Policies and Disclosures
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Company 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 financial statements of the Company.

- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Standards Issued but not yet Effective
The Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2026
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027
- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21*, Lack of exchangeability*

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*

4. **Material Accounting and Financial Reporting Policies**

Financial Assets at Amortized Cost
With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at amortized cost at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers.*

The Group's financial assets at amortized cost are subsequently measured using the effective interest (EIR) method. The Company applies the simplified approach in measuring expected credit losses (ECL) for trade receivables which uses a lifetime expected loss allowance for all trade receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Company uses its historical experience, external indicators and forward-looking information using a provision matrix. The Company also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due. Meanwhile, impairment of other financial assets is assessed based on potential liquidity of counterparties based on available financial information.

The Company considers a financial asset in default when contractual payments are over 120 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company'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 financial statements.

Financial Liabilities
The Company's financial liabilities are classified as loans and borrowings and payables. These are recognized initially at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost. 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 Company's profit or loss.

The Company'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 (NRV). The costs of inventories are calculated as follows:

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

NRV 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 Company 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.

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

Land improvements	5-15 years
Buildings	5 - 15 years
Building improvements	5-15 years
Plant machinery and equipment	2 - 25 years
Office furniture, fixtures and equipment	2 - 5 years
Laboratory tools and equipment	2 - 14 years
Transportation and delivery equipment	2 - 7 years

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.

Licensing agreements with definite useful lives is 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 trademarks are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized 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 Tangible and Intangible Assets
The Company's investments in property, plant and equipment, right-of-use assets, intangible assets with definite useful lives and other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Provisions
Provisions arising from present obligation are recognized in profit or loss when the timing and amount of settlement can be reliably measured.

Share-based Payments
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 Company classifies its retirement benefit as defined benefit plans. Under the defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Retirement benefit costs are categorized as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and return on plan assets (excluding net interest on defined benefit liability or asset) are recognized immediately in the parent company statements of financial position with a corresponding debit or credit to unappropriated retained earnings through other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Various actuarial assumptions are used in estimating the defined benefit obligation, including discount rates, salary increase rates, employee turnover rates and mortality rates. These assumptions are based on experience, current market conditions, and expert judgment, and they are reviewed and updated regularly to reflect changes in circumstances.

Revenue from Contracts with Customers
The Company's revenue from contracts with customers primarily consist of revenue from the sale of manufactured goods. Revenue from contracts with customers is recognized when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

Sale of goods
The Company contracts to sells goods to the wholesale market and retailers. It identifies each party's rights and payment terms regarding goods to be transferred.

For sales of goods to the wholesale market and retailers, revenue is recognized at a point in time when control of the goods has transferred, either when the goods have been delivered to the wholesalers' and retailers' specific location or when the goods have been shipped out of the Company's warehouse.

Transaction price
The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

The transaction price is also adjusted for any consideration payable to the customer. Consideration payable to a customer includes cash amounts that the Company pays, or expects to pay, to the customer (or to other parties that purchase the Company's goods from the customer). Consideration payable to a customer also includes credit or other items that can be applied against amounts owed to the Company (or to other parties that purchase the Company's goods from the customer).

Variable consideration
The amount of consideration can vary because of discounts, rebates, refunds, credits, incentives, penalties or other similar items.

The Company 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.

The Company estimated the value of the variable consideration by obtaining the most likely amount in a range of possible consideration amounts.

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved, the Company considers both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, any of the following:

- The amount of consideration is highly susceptible to factors outside the Company's influence. Those factors may include volatility in a market, the judgment or actions of third parties, weather conditions and a high risk of obsolescence of the promised goods.
- The uncertainty about the amount of consideration is not expected to be resolved for a long period of time.
- The Company's experience (or other evidence) with similar types of contracts is limited, or that experience (or other evidence) has limited predictive value.
- The Company has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances.
- The contract has a large number and broad range of possible consideration amounts.

The Company re-assessed the variable considerations based on their evaluation of actual trade promotional activities.

Service income
Service income pertains to management fees and is recognized over time as the services are rendered.

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 it can be measured reliably.

<u>Revenue outside the scope of PFRS 15</u>

Rental income
Revenue recognition for rental income is disclosed in the Company's policy for leases.

Interest income
Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income
Dividend income from investments is recognized when the shareholders' rights to receive payment have been established, provided that it is probable that the future economic benefits will flow to the Company and the amount of income can be measured reliably.

<u>Leases</u>

The Company as a lessee
Subsequent to initial recognition, the Company 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 20 years.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment and other rentals (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.

The Company as a lessor
Rental income is accounted for on a straight-line basis over the lease term and is included in "Other income" account in the parent company statements of comprehensive income.

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.

The Company 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. 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.

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.

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; or
- receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the tax authority is included as part of receivables or payables in the parent company statements of financial position.

5. Management's Use of Estimates and Assumptions

In the application of the Company'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 have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the parent company financial statements.

Determination of Functional and Presentation Currency. Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be Philippine Peso.

The Philippine Peso is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences the Company in determining the costs and the selling price of its inventories. It is the currency in which the Company measures its performance and reports its results.

Determination of Lease Term of Contracts with Renewal option - Company as a Lessee. The Company has lease contracts that includes extension option. The Company 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 Company 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 Company included the renewal period as part of the lease term for leases of land and buildings. The Company 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 Company. As such, there will be a significant negative effect on production if a replacement asset is not readily available. The Company has determined that the lease term of these lease contracts ranges from 5 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 Company based its assumptions and estimates on parameters available when the parent company 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 Company. Such changes are reflected in the assumptions when they occur.

Impairment Assessment of Trademark with Indefinite Life. The Company performs recoverability testing annually or more frequently when there are indications of impairment for trademarks with indefinite lives. Recoverability testing requires an estimation of the value in use or fair value less cost of disposal of the CGU to which the trademark with indefinite life is 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 trademark is determined by comparing: (a) the carrying amount of the CGU; and (b) the value in use computed using the five-year cash flow forecasts under the relief from royalty method.

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 "Ligo" trademark will be flat on the assumption that it will also grow at par with the economy. Historically, the business growth had a direct correlation with economic growth. A 4% perpetuity growth rate was assumed at the end of the five-year forecast period.

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 Company'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 10.45% to 11.73% and 14.4% to 15.6% in 2024 and 2023, respectively.

The significant unobservable inputs used in the computation of value in use for trademark, together with a quantitative sensitivity analysis as at December 31, 2024 and 2023 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	2024: 10.45% to 11.73% 2023: 14.4% to 15.6%	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	2024: 4% 2023: 1%	1% increase (decrease) in the growth rate would result in an increase (decrease) in value in use by ₱348.7 million and (₱250.0 million)

The carrying amount of trademark with indefinite life is disclosed in Note 15 to the financial statements.

The recoverable amount of the CGU to which the trademark with indefinite life is allocated is greater than its carrying amount. No impairment loss was recognized on trademark for the years ended December 31, 2024 and 2023.

Any reasonable changes in the key assumptions will not cause the carrying amount of the CGU to exceed their recoverable amount as at December 31, 2024 and 2023.

Leases - Estimating the Incremental Borrowing Rate. The Company 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 Company 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 Company ‘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 Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

The Company’s carrying value of the Company’s lease liabilities is disclosed in Note 29.

Determination of Fair Value of Financial Instruments. Where the fair value of financial assets and liabilities recorded in the parent company 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 35.

Impairment of Financial Assets at Amortized Cost. The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria*. The borrower is more than 120 days past due on its contractual payments, which is consistent with the Company’s definition of default.

- *Qualitative Criteria*. The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

    a. The borrower is experiencing financial difficulty or is insolvent;
    b. Concessions have been granted by the Company, for economic or contractual reasons relating to the borrower’s financial difficulty; or
    c. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes, unless otherwise stated. The default definition has been applied consistently to model the probability of default, loss given default and expected actual default throughout the Company’s ECL calculation.

- *General approach for cash and cash equivalents, other receivables, due from related parties, security deposits and deposits on utilities*. Under the general approach, at each reporting date, the Company recognizes a loss allowance based on either 12-month ECLs or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Company has leveraged on available market data for cash in banks to calculate the ECL.
- *Simplified approach for trade receivables*. The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.
- *Grouping of instruments for losses measured on collective basis*. For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. The characteristic used to determine groupings is based on the type of customer.
- *Macro-economic forecasts and forward-looking information*. Macro-economic forecasts are determined by evaluating a range of possible outcomes and using reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company takes into consideration using different macro-economic variables to ensure linear relationship between internal rates and outside factors. Regression analysis was used to objectively determine which variables to use.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past three (3) years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

The carrying value of the Company's financial assets which consists of trade and other receivables is disclosed in Note 8, due from related parties in Note 18, and security deposits, deposits on utilities, and revolving funds in Note 14.

Evaluation of NRV of Inventories. The Company writes down the cost of inventories whenever NRV of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price level or other causes. The lower of cost and NRV 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 parent company statements of comprehensive income.

The carrying values of inventories is 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.

The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There are no changes in the estimation of useful lives of property, plant and equipment, intangible assets with definite useful life and right-of-use assets in 2024 and 2023. The carrying values of these assets which consist of property, plant and equipment is disclosed in Note 12, right-of-use assets in Note 13, and intangible assets with definite useful life in Note 15.

Determination of Pension Costs. The cost of defined benefit pension plans and present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Carrying value of the retirement benefit obligation is disclosed in Note 19.

The discount rate is derived by discounting all expected benefit payments using interest rates of government bonds that correspond to the timing of benefit payments, after which, a single discount rate is computed considering the aggregate amount of all discounted values.

The mortality rate is based on publicly available mortality tables in the Philippines and is modified accordingly with estimates of mortality improvements. Future salary and pension increases are based on expected future inflation rates in the Philippines.
Further details about the assumptions used are provided in Note 19.

Recoverability of Deferred Tax Assets. The Company performs an annual evaluation of the realizability of deferred tax assets in determining the portion of deferred tax assets which should be recognized. The Company's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the forecasted taxable income of the following period. This forecast is based on the Company's past results and future expectations on revenue and expenses. The Company computes for deferred tax using the 25% corporate tax rate.

Deferred tax assets recognized by the Company is disclosed in Note 31.

6. Segment Information

Business segment
For management purposes, the Company 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 Company 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
Marine	Tuna Sardines Other seafood-based products
Meat	Corned beef Meatloaf Processed beans Other meat-based product
Milk and emerging	Distribution of other products Canned milk Powdered milk
Corporate and others	Shared services Sale of supplies

The results of operations of the reportable segments for the years ended December 31, 2024 and 2023 are as follows:

	2024	
	Segment Revenue	**Segment Income Before Tax**
Marine	**₱22,226,882,549**	**₱1,217,100,576**
Meat	**14,722,816,301**	**1,821,077,701**
Milk and emerging	**20,704,116,435**	**339,014,289**
Corporate and others	**839,725**	**4,220,118,619**
Total revenue and profit for the year	**₱57,654,655,010**	**₱7,597,311,185**

	2023	
	Segment Revenue	Segment Income (Loss) Before Tax
Marine	₱20,792,455,648	₱890,578,814
Meat	14,898,068,954	2,056,408,181
Milk and emerging	18,146,355,154	(169,625,560)
Corporate and others	795,698	1,213,774,343
Total revenue and profit for the year	₱53,837,675,454	₱3,991,135,778

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

The segment assets and liabilities as at December 31, 2024 and 2023 are as follows:

	Assets	**Liabilities**
2024		
Marine	**₱107,658,077,811**	**₱99,163,096,373**
Meat	**49,152,896,928**	**39,111,881,526**
Milk and emerging	**37,659,064,783**	**38,810,711,339**
Corporate and others	**112,035,901,660**	**101,294,827,323**
Segment total	**306,505,941,182**	**278,380,516,561**
Eliminations	**(259,116,181,270)**	**(259,116,181,270)**
	₱47,389,759,912	**₱19,264,335,291**

	Assets	Liabilities
2023		
Marine	₱104,956,391,649	₱97,708,487,931
Meat	49,138,283,933	40,463,076,806
Milk and emerging	34,447,155,886	35,853,063,158
Corporate and others	108,020,172,393	98,171,826,489
Segment total	296,562,003,861	272,196,454,384
Eliminations	(253,781,331,996)	(253,781,331,992)
	₱42,780,671,865	₱18,415,122,392

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 borrowings, 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.

Other segment information as at and for the years ended December 31, 2024 and 2023 are as follows:

	Additions to Property, Plant and Equipment	**Depreciation and Amortization**	**Interest Income**	**Finance Costs**
2024				
Marine	**₱216,431,439**	**₱386,527,018**	**₱203,668**	**₱19,114,900**
Meat	**12,543,071**	**181,490,946**	**102,388**	**21,400,913**
Milk and emerging	**171,023,989**	**211,576,933**	**159,633**	**42,047,065**
Corporate and others	**1,050,852,156**	**199,248,049**	**57,318,378**	**207,916,080**
Total	**₱1,450,850,655**	**₱978,842,946**	**₱57,784,067**	**₱290,478,958**
2023				
Marine	₱293,789,196	₱330,999,080	₱153,407	₱16,435,557
Meat	144,406,826	190,107,309	96,536	25,003,755
Milk and emerging	70,348,926	185,951,150	135,783	45,631,461
Corporate and others	114,021,423	166,773,738	57,721,334	375,780,244
Total	₱622,566,371	₱873,831,277	₱58,107,060	₱462,851,017

Revenues and non-current assets are mainly based in the Philippines, which is the Company’s country of domicile.

7. Cash and Cash Equivalents

	2024	2023
Cash on hand and in banks	**₱1,943,793,430**	₱894,479,557
Cash equivalents	**12,668,697**	1,929,545,536
	₱1,956,462,127	₱2,824,025,093

Cash in banks earned average interest rate ranging from 0.05% to 0.06% in 2024 and 2023 and is unrestricted and immediately available for use in the current operations of the Company.

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 acquisitions with annual average interest rates ranging from 1.25% up to 3.05% both in 2024 and 2023. These placements are from excess cash and can be withdrawn anytime.

Interest income earned from bank deposits and placements amounted to ₱56.8 million and ₱57.3 million in 2024 and 2023, respectively.

8. Trade and Other Receivables

	2024	2023
Trade receivables from third parties	**₱7,754,890,212**	₱7,340,479,196
Allowance for ECLs	**(83,226,899)**	(31,429,583)
	7,671,663,313	7,309,049,613
Other receivables	**40,592,306**	39,912,128
Advances to officers and employees	**43,356,551**	34,822,864
	₱7,755,612,170	₱7,383,784,605

Trade receivables represent short-term, non-interest bearing receivables from various customers and generally have 30 to 90 days term or less. No interest is charged on trade receivables.

Advances to 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 ₱1.0 million and ₱0.8 million in 2024 and 2023 respectively.

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

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

	2024	2023
Balance, January 1	**₱31,429,583**	₱26,216,134
Provision for ECLs (see Note 26)	**347,320,479**	75,515,473
Write off	**(264,093,580)**	(44,085,891)
Reversal (see Note 26)	**(31,429,583)**	(26,216,133)
Balance, December 31	**₱83,226,899**	₱31,429,583

9. Inventories

	2024	2023
Inventories at cost:		
Raw and packaging materials (see Note 25)	**5,952,995,397**	5,774,370,952
Spare parts and supplies	**345,560,424**	320,884,219
Work in process (see Note 25)	**72,445,161**	121,481,855
Finished goods (see Note 25)	**8,313,983,325**	7,125,865,250
	14,684,984,307	13,342,602,276
Allowance for inventory obsolescence	**(777,303,820)**	(610,545,806)
	₱13,907,680,487	₱12,732,056,470

Cost of inventories recognized as expense amounted to ₱42,108.0 million and ₱41,340.7 million in 2024 and 2023, respectively, as disclosed in Note 25.

Movement in the Company's allowance for inventory obsolescence, which are deducted from the cost of raw materials and finished goods, are as follows:

	2024	2023
Balance, January 1	**₱610,545,806**	₱505,980,700
Provision for inventory obsolescence (see Notes 25 and 28)	**217,600,176**	576,250,362
Reversal (see Note 25)	**(50,842,162)**	(471,685,256)
Balance, December 31	**₱777,303,820**	₱610,545,806

10. Prepayments and Other Current Assets

	2024	2023
Advances to suppliers	**₱590,549,544**	₱804,806,860
Creditable withholding tax	**287,664,635**	357,406,413
Prepaid services	**82,307,770**	68,997,678
Input VAT	**74,434,360**	132,433,590
Prepaid rentals	**18,285,064**	5,644,376
Prepaid insurance	**9,279,598**	6,539,782
Others	**–**	34,381,683
	₱1,062,520,971	₱1,410,210,382

Advances to suppliers, contractors, and deposits pertain to the Company's advance payments for goods and services that can be recovered within one (1) year.

Creditable withholding taxes will be utilized through application against the Company's future income tax payable.

Prepaid services pertain to advance payments related to maintenance on software and system used by the Company.

11. **Investments in Subsidiaries**

	2024	2023
Cost:		
Beginning of year	**₱7,461,616,069**	₱9,131,271,463
Addition	**2,380,100,000**	–
Dissolution	**(127,333,895)**	–
Return of investment (see Note 15)	–	(1,669,655,394)
End of year	**9,714,382,174**	7,461,616,069
Accumulated impairment:		
Beginning of year	**(127,333,895)**	(92,256,256)
Addition	–	(35,077,639)
Dissolution	**127,333,895**	–
End of year	–	(127,333,895)
	₱9,714,382,174	₱7,334,282,174

In 2024, the Company acquired a 100% stake in Coco Harvest, Inc. (CHI). 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. 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 (see Note 16).

Subsequent to acquisition of CHI, the Company also paid ₱1,500.0 million for additional capital infusion to CHI in 2024.

To optimize operations and leverage local market expertise to accelerate growth in China, the company transition its operations from direct servicing to a distributorship model in partnership with the local entity distributor. In relation to the transition, the board of directors approved the dissolution of Century International Company, Ltd. (CIC) and Century (Shanghai) Trading Company Limited (CST) which mainly distributes the Company's products in China. The dissolution of CST and CIC has been completed in 2024.

Management believes that there is no indication of impairment on the carrying amounts of its investment in subsidiaries.

12. Property, Plant and Equipment

	Land Improvements	Building Improvements	Plant Machinery and Equipment	Office Furniture, Fixtures and Equipment	Laboratory, Tools and Equipment	Transportation and Delivery Equipment	Computer Equipment	Construction in Progress	Total
Cost:									
January 1, 2023	₱1,268,144	₱1,018,732,735	₱2,499,730,144	₱50,907,489	₱153,661,441	₱115,484,334	₱200,509,425	₱258,443,064	₱4,298,736,776
Additions	–	26,173,890	71,922,011	3,842,574	5,411,677	17,206,428	21,754,111	476,255,680	622,566,371
Disposals	–	(937,249)	(64,410,847)	(7,480)	(2,575,653)	(11,193,661)	(1,324,700)	(44,834)	(80,494,424)
Transfers	722,615	53,095,230	381,760,305	1,814,107	2,110,006	128,661	3,998,220	(443,629,144)	–
December 31, 2023	1,990,759	1,097,064,606	2,889,001,613	56,556,690	158,607,471	121,625,762	224,937,056	291,024,766	4,840,808,723
Additions	**1,850,000**	**22,497,683**	**99,088,076**	**8,073,934**	**10,184,083**	**37,233,900**	**29,506,011**	**1,242,416,968**	**1,450,850,655**
Disposals	–	**(18,206,194)**	**(126,965,823)**	**(1,782,433)**	**(27,683,307)**	**(10,428,903)**	**(7,029,907)**	**(911,008,240)**	**(1,103,104,807)**
Transfers	**1,667,826**	**104,980,924**	**167,190,700**	**177,650**	**2,888,827**	–	**1,433,082**	**(278,339,009)**	–
December 31, 2024	**5,508,585**	**1,206,337,019**	**3,028,314,566**	**63,025,841**	**143,997,074**	**148,430,759**	**248,846,242**	**344,094,485**	**5,188,554,571**
Accumulated Depreciation:									
January 1, 2023	432,353	278,743,316	1,117,555,902	42,430,847	108,786,913	73,150,634	155,277,659	–	1,776,377,624
Depreciation (see Notes 25 and 26)	345,190	90,759,522	314,889,757	4,509,113	24,269,411	14,544,218	17,761,826	–	467,079,037
Disposals	–	(937,249)	(25,472,275)	(6,537)	(1,800,641)	(8,445,170)	(1,017,831)	–	(37,679,703)
Transfers	–	–	–	41,129	–	–	(41,129)	–	–
December 31, 2023	777,543	368,565,589	1,406,973,384	46,974,552	131,255,683	79,249,682	171,980,525	–	2,205,776,958
Depreciation (see Notes 25 and 26)	**505,436**	**121,685,472**	**355,029,432**	**5,015,256**	**20,287,297**	**16,684,223**	**21,344,714**	**–**	**540,551,830**
Disposals	**–**	**(18,206,122)**	**(126,952,920)**	**(1,782,366)**	**(27,219,127)**	**(9,881,642)**	**(6,723,085)**	**–**	**(190,765,262)**
Transfers	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
December 31, 2024	**1,282,979**	**472,044,939**	**1,635,049,896**	**50,207,442**	**124,323,853**	**86,052,263**	**186,602,154**	–	**2,555,563,526**
Carrying Amounts December 31, 2024	**₱4,225,606**	**₱734,292,080**	**₱1,393,264,670**	**₱12,818,399**	**₱19,673,221**	**₱62,378,496**	**₱62,244,088**	**₱344,094,485**	**₱2,632,991,045**
Carrying Amounts December 31, 2023	₱1,213,216	₱728,499,017	₱1,482,028,229	₱9,582,138	₱27,351,788	₱42,376,080	₱52,956,531	₱291,024,766	₱2,635,031,765

The Company recognized loss (gain) from disposal of property, plant and equipment amounting to ₱0.8 million and (₱6.4 million) in 2024 and 2023, respectively, as disclosed in Note 28.

Management believes that there are no impairment indicators on its property, plant and equipment as at December 31, 2024 and 2023.

13. **Right-Of-Use Assets**

	Warehouse	**Office Space**	**Equipment**	**Plant**	**Total**
Cost:					
January 1, 2023	2,102,157,876	72,567,097	13,967,440	59,215,228	2,247,907,641
Additions	493,836,201	9,414,935	11,962,451	36,910,628	552,124,215
Expiration	(220,652,291)	(11,177,400)	(5,442,579)	–	(237,272,270)
December 31, 2023	2,375,341,786	70,804,632	20,487,312	96,125,856	2,562,759,586
Additions	**395,811,531**	**66,041,732**	**28,540,879**	**249,415**	**490,643,557**
Expiration	**(308,110,146)**	**(45,651,001)**	**(13,243,420)**	**–**	**(367,004,567)**
December 31, 2024	**2,463,043,171**	**91,195,363**	**35,784,771**	**96,375,271**	**2,686,398,576**
Accumulated Depreciation:					
January 1, 2023	635,251,883	36,635,080	7,696,910	16,250,606	695,834,479
Depreciation (see Notes 25 and 26)	355,039,535	9,867,522	10,724,056	9,605,288	385,236,401
Expiration	(146,129,295)	(10,867,957)	(5,442,579)	–	(162,439,831)
December 31, 2023	844,162,123	35,634,645	12,978,387	25,855,894	918,631,049
Depreciation (see Notes 25 and 26)	**367,825,627**	**10,610,779**	**13,109,474**	**25,229,396**	**416,775,276**
Expiration	**(290,838,868)**	**(23,148,451)**	**(13,243,420)**	–	**(327,230,739)**
December 31, 2024	**921,148,882**	**23,096,973**	**12,844,441**	**51,085,290**	**1,008,175,586**
Carrying Amounts December 31, 2024	**₱1,541,894,289**	**₱68,098,390**	**₱22,940,330**	**₱45,289,981**	**₱1,678,222,990**
Carrying Amounts December 31, 2023	₱1,531,179,663	₱35,169,987	₱7,508,925	₱70,269,962	₱1,644,128,537

Management believes that there is no indication that an impairment loss has occurred on its right-of-use assets for the years ended December 31, 2024 and 2023.

<u>Amounts recognized in profit or loss</u>
Amortization charged to cost of goods sold under factory overhead and operating expenses in relation to right of use assets are as follows:

	2024	2023
Cost of goods sold (see Note 25)	**₱301,536,473**	₱273,721,050
Operating expenses (see Note 26)	**95,379,912**	91,395,369
Other expenses (see Note 28)	**19,858,891**	20,119,982
	₱416,775,276	₱385,236,401

14. **Other Noncurrent Assets**

	2024	2023
Security deposits (see Note 29)	**₱90,556,356**	₱63,148,906
Returnable containers	**15,852,398**	19,366,442
Deposits on utilities	**9,521,305**	9,250,109
Deposits on agencies	**1,496,000**	1,350,000
Revolving fund	**10,705,175**	7,073,527
	₱128,131,234	₱100,188,984

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

Returnable containers are assets used in the delivery of the Company's products. Products for delivery do not include the value of these containers.

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

15. **Intangible Assets**

	2024	2023
Trademarks	**₱1,669,655,394**	₱1,669,655,394
Licensing agreement	**380,113,174**	401,629,014
	₱2,049,768,568	₱2,071,284,408

Trademark
On December 28, 2023, CRL executed a deed of assignment to transfer and assign all of its right, title and interest of the "Ligo" trademark to the Company. The agreement was accounted for as return of capital.

Licensing agreement
In 2017, the Company acquired the Philippine license for the Hunt's brand from Hunt - Universal Robina Corporation ("HURC"). HURC is a joint venture corporation of Universal Robina Corporation ("URC") and ConAgra Grocery Products Company, Limited Liability Company (LLC) established for the purpose of manufacturing, selling and distributing of Hunt's licensed products. HURC entered into various agreements with URC to act as HURC's exclusive partner for the manufacture, sale and distribution of the licensed products. The acquisition is expected to support the growth of the Company's branded businesses, as well as expand its presence into adjacent shelf- stable categories.

The total consideration paid to ConAgra and URC for the Hunt's business amounted to ₱573.5 million comprising payments for the license, asset purchase and compensation. Total consideration has been allocated to the identifiable assets on the basis of the relative fair values at acquisition date as follows:

	Amount
Plant, machinery and equipment	₱35,651,000
Intangible asset on licensing agreement	537,896,000
Identifiable assets acquired	₱573,547,000

No goodwill resulted from the acquisition of Hunt's business.

Trademark licensing agreement
On the same year, the Company entered into a trademark licensing agreement with ConAgra Foods RDM, Inc. ("ConAgra"). The trademark license will entitle the Company an exclusive revocable right and license to manufacture and sell in the Philippines and other licensed territories the licensed products in accordance with the formulas and specifications furnished by ConAgra and to affix to the products the licensed marks after the grant date and during the term of the agreement. The licensing agreement shall have an initial term of 25 years subject to renewal of 3 years thereafter subject to the terms of the licensing agreement.

On each contract year, the Company shall pay ConAgra the following:

- Guaranteed royalty to be paid quarterly and serves as a non-refundable advance towards the earned royalty for the licensed products; and
- Earned royalty is non-refundable and to be paid based on an agreed percentage of net sales per contract year.

Further, under the licensing agreement, the Company purchased plant machinery and equipment (the “plant assets”) that could be used to manufacture the licensed products.

Royalty fee expense to ConAgra amounted to ₱24.0 million and ₱22.9 million for the years ended December 31, 2024 and 2023, respectively, as disclosed in Note 26 under “Royalties”.

The remaining useful life of the intangible asset acquired is years 17.33 and 18.33 as of December 31, 2024 and 2023, respectively.

Movements in carrying amounts of the Company’s intangible asset are as follows:

	2024	2023
Cost -		
Beginning and ending balance	**₱537,896,000**	₱537,896,000
Accumulated depreciation:		
Beginning balance	**136,266,986**	114,751,147
Amortization (see Note 26)	**21,515,840**	21,515,839
Ending balance	**157,782,826**	136,266,986
Carrying amount	**₱380,113,174**	₱401,629,014

Management believes that there is no indication that an impairment loss has occurred on its intangible asset for the years ended December 31, 2024 and 2023.

16. Trade and Other Payables

	2024	2023
Trade payables	**₱2,520,398,143**	₱2,156,901,288
Accrued expenses	**7,752,572,528**	5,890,832,432
Withholding tax payable	**252,387,384**	209,272,277
Non-trade payables	**152,575,097**	136,914,300
Output VAT - net	–	54,587,678
	₱10,677,933,152	₱8,448,507,975

The credit period on purchases of certain goods from supplier’s 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.

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

Details of accrued expenses are shown below:

	2024	2023
Product-related costs	**₱4,071,658,646**	₱3,051,660,150
Advertising and promotion	**2,517,277,027**	2,255,661,469
Professional services and other fees	**285,312,141**	216,341,898
Share purchase payable (see Note 11)	**185,620,000**	–
Employee benefits	**93,303,917**	74,394,679
Interest (see Note 17)	**25,976,777**	33,077,171
Utilities	**22,654,894**	11,417,887
Others	**550,769,126**	248,279,178
	₱7,752,572,528	₱5,890,832,432

Others pertain to accruals for rental and insurance expenses of the Company.

17. **Short-term Loans and Borrowings**

Short-term loans

	2024	2023
Balance at beginning of year	**₱2,500,000,000**	₱4,270,000,000
Availments	**5,100,000,000**	4,400,000,000
Payments	**(7,600,000,000)**	(6,170,000,000)
Balance at end of year	**₱–**	₱2,500,000,000

The Company acquired several short-term loans amounting to ₱5.1 billion and ₱4.4 billion as at December 31, 2024 and 2023, respectively, with interest ranging from 4.8% to 5.85% per annum in 2024, and 4.2% to 5.7% per annum in 2023.

Interest expense pertaining to short-term loans amounting to ₱53.0 million and ₱197.1 million was recognized in 2024 and 2023, respectively.

Long-term facility

The carrying value of this long-term borrowing as at December 31, 2024 and 2023 is as follows:

	2024	2023
Balance at beginning of year	**₱3,164,343,309**	₱3,174,213,995
Payments and amortization	**(40,504,695)**	(9,870,686)
Balance at end of year	**3,123,838,614**	3,164,343,309
Less current portion	**24,076,203**	7,360,791
Noncurrent portion	**₱3,099,762,411**	₱3,156,982,518

Movement of the Company's debt issuance cost is as follows:

	2024	2023
Balance at beginning of year	**(₱4,343,309)**	₱5,786,005
Amortization and other adjustments	**20,504,695**	(10,129,314)
Balance at end of year	**₱16,161,386**	(₱4,343,309)

The Company has entered into a ₱2.0 billion, ten-year term loan facility with Banco de Oro (BDO) in April and May 2021. The proceeds were used to refinance the existing long- term borrowings.

On March 18, 2022 the Company entered into a ₱1.2 billion, ten-year term loan with Bank of the Philippine Islands (BPI) to finance capital expenditures for business expansion.

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	a. Fixed pricing for the initial 5-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. 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.	a. Fixed pricing for the initial five-year period ("5Y initial interest rate"): 4.04% p.a. 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 at the repricing date plus a spread of 0.80% p.a.	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 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 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
Prepayment penalty	The Borrower may, subject to the penalty of 3% for Peso Borrowing and 1% for Foreign Borrowing, prepay the Term Loanin 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 Company 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 Company 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 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.

The Company is also required to maintain a maximum of debt-to-equity ratio which shall be at 3:1 and minimum debt service coverage ratio of 1.05x.

As at December 31, 2024 and 2023, the Company is in compliance with the aforementioned covenants.

Interest expense pertaining to long-term loans amounting to ₱133.9 million and ₱134.5 million were recognized in 2024 and 2023, respectively.

Total finance costs incurred on these loans amounted to ₱186.9 million and ₱331.6 million in 2024 and 2023, respectively, as presented in the parent company statements of comprehensive income.

Total accrued interest payable on these loans amounting to ₱26.0 million and ₱33.1 million as at December 31, 2024 and 2023, respectively, is presented as part of accrued expenses as disclosed in Note 16.

18. Related Party Transactions

In the normal course of business, the Company 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
Century Pacific Vietnam Co., Ltd. (CPVL)	Fellow Subsidiary
CPG Holdings, Inc. (CHI)	Fellow Subsidiary
Rian Realty Corporation (RRC)	Fellow Subsidiary
Millennium Land Development Corporation (MLDC)	Fellow Subsidiary
Shinning Ray Limited (SRL)	Fellow Subsidiary
Pacific Pabahay Homes, Inc. (PPHI)	Fellow Subsidiary
Centrobless Corp. (CBC)	Fellow Subsidiary
Shakey’s Pizza Commerce Inc (SPCI)	Fellow Subsidiary
Bakemaster Inc (BMI)	Fellow Subsidiary
Arthaland Corporation (ALCO)	Associate of a Fellow Subsidiary
Moresby International Holdings, Inc. (MIHI)	Joint venture of ultimate parent
Majestic Seafood Corporation Ltd. (MSCL)	Related party through Moresby
DBE Project Inc. (DPI)	Fellow Subsidiary
Shakey's Pizza Asia Ventures, Inc. (SPAVI)	Fellow Subsidiary
Century Pacific Group – RSPO Foundation Inc (RSPO)	Related Party under common ownership
General Tuna Corporation (GTC)	Subsidiary
Snow Mountain Dairy Corporation (SMDC)	Subsidiary
Allforward Warehousing Inc. (AWI)	Subsidiary
Century Pacific Agricultural Venture Inc. (CPAVI)	Subsidiary
The Pacific Meat Company, Incorporated (PMCI)	Subsidiary
Century Pacific Seacrest, Inc. (CPSI)	Subsidiary
Centennial Global Corporation (CGC)	Subsidiary
Century Pacific Food Packaging Ventures, Inc. (CPFPVI)	Subsidiary
General Odyssey Inc (GOI)	Subsidiary
Millenium General Power Inc (MGPC)	Subsidiary
Coco Harvest Inc. (CHI)	Subsidiary
Century Pacific North America (CPNA)	Subsidiary

The summary of the Company's transactions and outstanding balances with related parties as at and for the years ended December 31, 2024 and 2023 is as follows:

		Amount of Transactions		Receivable / (Payable)		
Related Party Category	**Notes**	**2024**	2023	**2024**	2023	Remarks
Ultimate Parent Company						
Dividends	27	**₱2,142,144,000**	₱892,560,000	**₱–**	₱–	g
Rental expense	26	**28,965,910**	28,575,757	**(2,914,345)**	(4,288,992)	e
Service income	27	**2,979,164**	7,453,452	**1,753,823**	8,038,581	b
Miscellaneous deposit		**–**	–	**7,501,180**	7,501,180	e
Shared cost reimbursement		**–**	27,532	**–**	–	b
Fellow Subsidiaries						
Shared services fee		**2,120,040**	2,473,380	**4,372,060**	508,556	c
Sale of inventories		**69,175,135**	82,562,048	**68,319,997**	81,564,194	a
Purchase of inventories		**1,991,555**	2,409,511	**(3,794,116)**	(10,008,108)	a
Miscellaneous deposit		**–**	–	**849,150**	849,150	e
Service income	27	**3,882,292**	3,208,355	**4,729,337**	–	B
Shared cost reimbursement		**23,456,237**	24,577,827	**(100,533)**	–	B
Rental expense	26	**7,581,875**	7,487,544	**(676,575)**	(667,639)	E
Subsidiaries						
Shared services fee		**269,001,615**	149,918,569	**–**	–	C
Sale of inventories		**1,382,414,747**	1,149,333,932	**2,926,688,294**	2,091,257,427	A
Purchase of inventories		**7,435,836,365**	6,562,265,098	**(1,887,663,095)**	(1,957,308,198)	A
Cash advances		**399,833,776**	103,485,112	**1,760,341,156**	1,534,061,374	D
Service income	27	**225,785,024**	106,964,233	**539,131,496**	106,103,100	B
Miscellaneous deposit		**–**	–	**19,670,000**	19,670,000	E
Shared cost reimbursement		**891,517,900**	902,410,194	**–**	–	B
Cash borrowings		**–**	–	**(210,000,000)**	(210,000,000)	D
Sale of assets		**911,183,566**	46,479,290	**–**	–	G
Rental expense	26	**118,020,000**	118,020,000	**(295,540,016)**	–	E
Dividend income	27	**4,425,228,154**	1,857,437,391	**–**	–	H
Rental income	27	**7,059,257**	1,498,200	**–**	–	E
Royalties	26	**2,526,238,408**	2,351,097,036	**(747,420,955)**	–	F
Purchase of fixed assets		**634,687**	135,022	**(253,586,241)**	–	G
Due from related parties				**₱5,333,356,493**	₱3,849,553,562	
Due to related parties				**₱3,401,695,876**	₱2,182,272,937	

Terms and Conditions of Transactions with Related Parties

Outstanding balances at year-end are unsecured, interest free and settlement occurs using cash or non-cash consideration. There have been no guarantees provided nor received for any related party receivables or payables. As at December 31, 2024 and 2023, 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 Company enters into sale transactions with fellow subsidiaries and subsidiaries for the distribution of products to certain areas where management deems it necessary to establish customers.

b. The Company shares cost with its related parties relating to repairs and maintenance, supplies, fees and dues, utilities and other operating expenses. Service income from related parties is shown as part of service income in Note 27.

c. The 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 Company provides shared service for manpower, training and development. For and in consideration, thereof, the Company shall charge the related parties a shared service fee 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.

d. The Company, in the normal course of business, either provides to or borrows from its related parties funds for working capital requirements. These advances are non-interest bearing and short-term in nature. Included in the balance are advances to CPAVI to pay off its infrastructure expenses, GTC, CPFPVI and AWI for operational purposes. The outstanding amount of these advances amounted to ₱1,760.3 million and ₱1,534.1 million in 2024 and 2023, respectively.

   In addition, cash borrowing from CGC and SMDC amounting to ₱210 million for operation purposes. This is still outstanding as at December 31, 2024 and 2023.

e. The Company, as a lessee, has a lease agreement with CPGI, RRC and SMDC for the use of the office space, plant and equipment. Total rental expense on lease agreements with related parties amounted to ₱154.6 million and ₱154.1 million in 2024 and 2023, respectively.

f. Total royalty fee to CPSI amounted to ₱2,526.2 million and ₱2,351.1 million in 2024 and 2023, respectively (see Note 26).

g. In 2024, the company sold property, plant and equipment amounting to ₱911.1 million to CHI. In 2023, the company sold property, plant and equipment amounting to ₱46.5 million to CPFPVI.

h. Total dividend income earned by the Company from subsidiaries for the years ended December 31, 2024 and 2023 amounted to ₱4,425.2 and ₱1,857.4 million, respectively, as disclosed in Note 27.

Remuneration of Key Management Personnel
The remuneration of the Directors and other members of key management personnel of the Parent Company are set out below in aggregate for each of the categories specified in PAS 24, *Related Party Disclosures*:

	2024	2023
Short-term employee benefits	**₱343,446,918**	₱308,208,402
Post-employment benefits	**50,722,223**	47,579,075
	₱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 parent company statements of comprehensive income.

No share-based payments were made during 2024 and 2023. No stock dividends were issued during 2024 and 2023.

19. **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 25% 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. 7641, 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, 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 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 obligation. However, this will be partially offset by an increase in return in on the plan's debt investment.

Longevity risk
The present value of the retirement 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 retirement benefit 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 valuations of plan assets and the present value of the retirement benefit obligation were carried out as at December 31, 2024 by an independent actuary.

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

The principal assumptions used in determining the retirement benefit cost as of January 1, 2024 and 2023 are as follows:

	2024	2023
Discount rate	**6.14%**	7.32%
Expected rate of salary increases	**6.00%**	6.00%
Mortality rate	The 2001 CSO Table – Generational (Scale AA, Society of Actuaries)	

The Company's demographic information of its qualified employees is as follows:

	2024	2023
Average age	**35.4**	35.8
Average years of service	**5.6**	6.0

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

	2024	2023
Service costs:		
Current service cost	**₱101,907,862**	₱75,452,819
Net interest expense	**13,733,507**	14,124,695
Components of retirement benefit costs recognized in profit or loss	**115,641,369**	89,577,514
Actuarial losses (gains) from:		
Changes in financial assumptions	**6,539,694**	101,553,132
Experience adjustments	**(6,162,115)**	(9,049,328)
Loss (gain) on plan assets net of amounts included in net interest expense	**(35,615,041)**	12,177,630
Components of retirement benefit costs recognized in other comprehensive income	**(35,237,462)**	104,681,434
	₱80,403,907	₱194,258,948

The retirement expense was recognized as part of cost of goods sold and operating expenses as shown below:

	2024	2023
Cost of goods sold	**₱37,725,297**	₱31,340,530
Operating expenses	**77,916,072**	58,236,984
	₱115,641,369	₱89,577,514

The amounts included in the parent company statements of financial position arising from the Company's defined benefit retirement plan are as follows:

	2024	2023
Present value of defined benefit obligation	**₱1,038,167,057**	₱919,225,760
Fair value of plan assets	**(855,613,709)**	(613,814,318)
	₱182,553,348	₱305,411,442

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

	2024	2023
Balance, January 1	**₱919,225,760**	₱719,810,282
Current service cost	**101,907,862**	75,452,819
Interest expense	**56,440,462**	52,690,113
Benefits paid	**(39,784,606)**	(21,231,258)
Actuarial loss (gains) arising from:		
Changes in financial assumptions	**6,539,694**	101,553,132
Experience adjustments	**(6,162,115)**	(9,049,328)
Balance, December 31	**₱1,038,167,057**	₱919,225,760

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

	2024	2023
Balance, January 1	**₱613,814,318**	₱466,273,419
Interest income	**42,706,955**	38,565,418
Contributions from the employer	**203,262,001**	142,384,369
Benefits paid	**(39,784,606)**	(21,231,258)
Remeasurement gain (loss) on plan assets	**35,615,041**	(12,177,630)
Balance, December 31	**₱855,613,709**	₱613,814,318

The following are the composition of plan assets as at December 31, 2024 and 2023:

	2024	2023
Cash and cash equivalents	**0.02%**	0.04%
Debt instruments - government bonds	**66.24%**	74.08%
Debt instruments - other bonds	**3.35%**	9.43%
Unit investment trust funds (UITF)	**29.41%**	17.61%
Others (market gains or losses, accrued receivables)	**0.98%**	(1.16%)
	100.00%	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.

Actual return on plan assets in 2024 and 2023 are as follows:

	2024	2023
Interest income	**₱42,706,955**	₱38,565,418
Remeasurement gain (losses) on plan assets	**35,615,041**	(12,177,630)
Actual return	**₱78,321,996**	₱26,387,788

Movement in the OCI relating to retirement obligation in 2024 and 2023 are as follows:

	2024	2023
Accumulated OCI, January 1	**₱302,129,853**	₱223,618,778
Actuarial losses on defined benefit obligation	**377,579**	92,503,804
Remeasurement losses (gains) on plan assets	**(35,615,041)**	12,177,630
	(35,237,462)	104,681,434
Deferred tax	**(8,809,365)**	26,170,359
OCI, net of tax	**(26,428,097)**	78,511,075
Accumulated OCI, December 31	**₱275,701,757**	₱302,129,853

Significant actuarial assumptions for the determination of the retirement benefit obligation are discount rate, expected salary increase and mortality. 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 Assumption	**Increase (Decrease) on Retirement Benefit Obligation**
2024		
Discount rate	**+100 basis points**	**(₱100,731,999)**
	-100 basis points	**119,742,185**
Expected salary growth rate	**+100 basis points**	**118,619,392**
	-100 basis points	**(101,682,665)**
2023		
Discount rate	+100 basis points	(₱87,312,845)
	-100 basis points	103,528,491
Expected salary growth rate	+100 basis points	102,622,136
	-100 basis points	(88,183,630)

The sensitivity analysis presented above may not be representative of the actual change in the retirement 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 parent company statements of financial position.

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

The weighted average duration of the plan is calculated as 10 years and expected future contribution for 2024 is ₱203.3 million.

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

The Company 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 Company'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 Company to the Retirement Fund.

20. **Share-Based Payments**

Employee Stock Purchase Plan (ESPP or Plan)

The ESPP gives benefit-eligible employees 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. The benefit-eligible employee must be a regular employee of the 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 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, 2024 and 2023, 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 as follows:

Level	Maximum Share 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 in 2024 and 2023 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. There was no share options offered for purchase or subscription from the management in 2018 to 2024. 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.

21. **Employee Benefits**

Aggregate remuneration charged to profit or loss consists of the following:

	2024	2023
Cost of goods sold:		
Short-term benefits	**₱1,972,372,635**	₱1,504,319,464
Post-employment benefits	**37,725,297**	31,340,531
	2,010,097,932	1,535,659,995
Operating expenses:		
Short-term benefits	**1,898,999,960**	1,661,019,776
Post-employment benefits	**77,916,072**	58,236,983
	1,976,916,032	1,719,256,759
	₱3,987,013,964	₱3,254,916,754

22. **Share Capital**

	Number of Shares	Amount
Authorized:		
At ₱1 par value	6,000,000,000	₱6,000,000,000
Issued, fully-paid and outstanding:		
Balance, January 1 and December 31	3,542,258,595	₱3,542,258,595

The Company declared cash dividends amounting ₱3,400.6 million in 2024 and ₱1,416.9 million in 2023 as disclosed in Note 23.

The 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, 2024 and 2023 amounted to ₱4,936.9 million which pertains to the excess proceeds from issuance of share capital over the par value, net of issuance cost.

Retained Earnings
In 2022, the BOD authorized to appropriate ₱12,500.0 million of the total unappropriated retained earnings for capital expenditures, specifically for construction of new corporate projects and other projects in connection with the canned meat, sardines and mixed business of the Company for the next five years.

23. Dividends

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

Date of declaration	Date of Record	Date of Payment	Dividend Per Share	Total Dividends
July 31, 2024	July 31, 2024	August 16, 2024	0.48	₱1,700,284,126
March 21, 2024	March 21, 2024	April 19, 2024	0.48	1,700,284,125
February 20, 2023	March 20, 2023	April 4, 2023	0.40	1,416,903,438

Of the total cash dividend declared, the dividends paid to CPGI in 2024 and 2023 amounted to ₱2,142.1 million and ₱892.6 million, respectively, as disclosed in Note 18.

24. Net Sales

	2024	2023
Sales	**₱65,982,596,955**	₱61,977,799,839
Less:		
Sales discount	**(4,335,595,984)**	(4,129,637,191)
Variable considerations	**(1,521,005,529)**	(1,601,650,217)
Considerations payable to a customer	**(2,471,340,432)**	(2,408,836,977)
	₱57,654,655,010	₱53,837,675,454

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

	2024	2023
Variable considerations:		
Sales returns	**₱814,532,602**	₱940,782,804
Contractual trade terms	**614,942,599**	554,480,213
Price adjustments	**22,586,283**	45,387,887
Prompt payment	**68,944,045**	60,999,313
	₱1,521,005,529	₱1,601,650,217
Considerations payable to a customer:		
Trade promotions	**₱1,777,673,248**	₱1,744,995,839
Display allowance	**362,259,736**	340,136,405
Distribution program	**302,065,463**	313,602,864
Other trade promotions	**29,341,985**	10,101,869
	₱2,471,340,432	₱2,408,836,977

25. **Cost of Goods Sold**

	2024	2023
Raw materials, beginning (see Note 9)	**₱5,774,370,952**	₱7,172,256,787
Purchased raw materials	**34,475,569,255**	32,050,517,998
Raw materials - non-production receipts, net	**338,021,057**	805,179,829
Raw materials, ending (see Note 9)	**(5,952,995,397)**	(5,774,370,952)
Raw materials, used	**34,634,965,867**	34,253,583,662
Direct labor	**1,540,816,198**	1,155,129,699
Factory overhead		
Toll packing fees	**979,167,866**	930,527,293
Depreciation (see Notes 12 and 13)	**784,564,358**	705,435,551
Supplies	**608,327,286**	571,806,153
Outside manpower services	**462,669,851**	403,513,712
Rental and storage fee	**422,017,560**	390,597,158
Compensation	**469,281,734**	380,530,296
Utilities	**304,794,256**	275,916,687
Insurance	**82,633,694**	61,492,752
Repairs and maintenance	**68,638,693**	78,296,091
Provision for inventory obsolescence (net of reversal, see Note 9)	**(48,179,677)**	39,918,586
Travel	**28,633,135**	23,293,570
Professional fees	**14,816,099**	14,584,502
Taxes and licenses	**11,882,621**	8,607,929
Freight trucking	**7,888,449**	8,741,385
Miscellaneous	**42,468,587**	52,958,943
Total manufacturing cost	**40,415,386,577**	39,354,933,969
Work-in-process, beginning (see Note 9)	**121,481,855**	160,152,473
Work-in-process, ending (see Note 9)	**(72,445,161)**	(121,481,855)
Total finished goods manufactured	**40,464,423,271**	39,393,604,587
Finished goods, beginning (see Note 9)	**7,125,865,250**	6,752,296,115
Finished goods, purchased	**3,054,201,624**	2,622,972,764
Cost of goods available for sale	**50,644,490,145**	48,768,873,466
Finished goods, issuance	**(222,434,163)**	(302,262,243)
Finished goods, ending (see Note 9)	**(8,313,983,325)**	(7,125,865,250)
	₱42,108,072,657	₱41,340,745,973

Direct labor includes salaries and employee benefits incurred from contractual and permanent employees while factory overhead includes employee benefit expenses.

26. Operating Expenses

	2024	2023
Advertising trade promotions	**₱3,619,354,230**	₱2,308,593,728
Royalties (see Notes 15 and 18)	**2,550,286,861**	2,374,000,326
Freight	**2,284,870,855**	2,104,988,538
Salaries and employee benefits (see Note 21)	**1,976,916,032**	1,719,256,759
Professional fees	**410,529,879**	395,600,272
Provision for ECLs (see Note 8)	**315,890,896**	49,299,340
Repairs and maintenance	**237,405,067**	201,333,455
Travel and entertainment	**190,237,625**	158,556,610
Outside manpower	**185,759,951**	262,618,160
Depreciation (see Notes 12 and 13)	**152,880,600**	126,751,119
Rental (see Note 29)	**145,914,017**	116,197,882
Taxes and licenses	**134,518,831**	133,828,246
Supplies	**96,256,754**	64,495,149
Utilities	**79,973,609**	75,641,738
Insurance	**41,634,212**	46,814,338
Amortization (see Note 15)	**21,515,840**	21,515,839
Others	**280,951,516**	221,071,731
	₱12,724,896,775	₱10,380,563,230

Others pertain to subscriptions, donations in cash and in-kind and other fees and dues.

27. Other Income

	2024	2023
Dividend income (see Note 18)	**₱4,425,228,154**	₱1,857,437,391
Sale of scrap	**426,087,688**	313,785,465
Shared services fee (see Note 18)	**271,121,655**	152,391,949
Service income (see Note 18)	**232,646,480**	117,626,040
Foreign exchange gain	**53,948,782**	–
Reversal of accruals	**15,104,386**	141,716,652
Rent income (see Note 18)	**7,059,257**	1,498,200
Supplier's incentive	**2,813,176**	8,370,955
Gain on disposal of property, plant and equipment (see Note 12)	**–**	6,449,271
Others	**57,639,906**	79,826,112
	₱5,491,649,484	₱2,679,102,035

Reversal of accruals pertain to long outstanding liability to third party vendors.

Others pertains to proceeds on sale of dented stocks, price/payment and rounding differences, and other miscellaneous income.

28. Other Expenses

	2024	2023
Provision for inventory obsolescence (see Note 9)	**₱214,937,691**	₱64,646,520
Supplier charges	**147,765,120**	83,996,896
Inventories written off	**43,284,700**	84,252,217
Depreciation (see Notes 12 and 13)	**19,882,148**	20,128,768
Allocated input VAT of exempt sales	**15,728,259**	15,974,935
Taxes and licenses	**11,116,786**	43,122,695
Bank charges	**4,842,650**	1,521,765
Documentary stamp tax	**3,302,442**	14,166,482
Loss on disposal of property, plant and equipment (see Note 12)	**836,931**	–
Loss on impairment of investment in subsidiaries (see Note 11)	–	35,077,639
Foreign exchange loss	–	26,011,344
Rentals and storage fees	**3,201,126**	2,824,027
Others	**18,431,133**	7,865,263
	₱483,328,986	₱399,588,551

Others pertain to penalties, surcharges and unutilized creditable withholding taxes.

29. Lease Liabilities

The Company leases warehouses, office spaces, plant and equipment under finance leases. The average lease term is one (1) to 10 years. The Company has options to purchase the equipment for a nominal amount at the end of the lease terms. The Company's lease liabilities are secured by the lessors' title to the leased assets.

Rental and storage fees for short-term and low-value assets that are charged to cost of goods sold under factory overhead and operating expenses are recognized as follows:

	2024	2023
Cost of goods sold (see Note 25)	**₱422,017,560**	₱390,597,158
Operating expenses (see Note 26)	**145,914,017**	116,197,882
Other expenses (see Note 28)	**3,201,126**	2,824,027
	₱571,132,703	₱ 509,619,067

The roll forward analysis of lease liabilities follows:

	2024	2023
Balance at beginning of year	**₱1,814,586,729**	₱1,692,404,895
Additions	**490,643,557**	552,124,215
Terminations	**(39,773,828)**	(74,832,439)
Adjustments	**(1,301,401)**	(12,442,591)
Interest expense	**124,041,036**	121,249,397
Payments	**(509,881,792)**	(463,916,748)
Balance at end of year	**1,878,314,301**	1,814,586,729
Less current portion	**413,144,369**	335,033,040
Noncurrent portion	**₱1,465,169,932**	₱1,479,553,689

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

	2024	2023
Not later than one year	**₱ 529,122,618**	₱440,341,321
Later than one year but not later than five years	**1,447,934,313**	1,244,365,219
Later than five years	**400,676,559**	537,413,378
	₱2,377,733,490	₱2,222,119,918

The following are the amounts recognized in profit or loss:

	2024	2023
Depreciation expense of right-of-use assets recognized under:		
Cost of goods sold (see Note 25)	**₱301,536,473**	₱273,721,050
Operating expenses (see Note 26)	**95,379,912**	91,395,369
Other expenses (see Note 28)	**19,858,891**	20,119,982
Interest expense on lease liabilities	**124,041,036**	121,249,397
Expense relating to short-term leases and low-value assets:		
Cost of goods sold (see Note 25)	**422,017,560**	390,597,158
Operating expenses (see Note 26)	**145,914,017**	116,197,882
Other expenses (see Note 28)	**3,201,126**	2,824,027
	₱1,111,949,015	₱1,016,104,865

Incremental borrowing rates underlying all obligations are fixed at respective contract dates ranging from 5.75% to 8.13% in 2024. Gain on lease termination recognized by the Company amounted to ₱1.3 million and ₱6.2 million in 2024 and 2023, respectively.

Escalation clause ranges from 5% to 8% every two years. As at December 31, 2024 and 2023, total refundable security deposits recognized as part of other non-current assets amounted to ₱90.6 million and ₱63.1 million, respectively, as disclosed in Note 14.

30. **Income Taxes**

	2024	2023
Current income tax	**₱846,611,015**	₱443,574,466
Benefit from deferred income tax	**(383,315,132)**	(94,913,141)
	₱463,295,883	₱348,661,325

A numerical reconciliation between tax expense and the product of accounting income multiplied by 25% is shown below:

	2024	2023
Accounting income	**₱7,597,311,185**	₱3,991,135,778
Tax on pretax income at 25%	**1,899,327,796**	997,783,945
Tax effects of:		
Nontaxable income	**(1,106,307,039)**	(464,359,348)
Income subject to income tax holiday	**(334,374,188)**	(216,304,478)
Unallowable deduction	**5,431,782**	26,574,517
Interest income subject to final tax	**(14,192,463)**	(14,318,009)
Others	**13,409,995**	19,284,698
	₱463,295,883	₱348,661,325

31. **Deferred Taxes**

The components of the Company's net deferred tax assets are as follows:

	2024	2023
Deferred tax assets:		
Provisions	**₱844,758,498**	₱488,462,160
Provision for inventory obsolescence	**173,098,435**	139,703,219
Retirement benefit obligation	**45,638,337**	114,064,315
Lease liabilities	**455,343,351**	441,031,137
Allowance for doubtful accounts	**20,104,243**	7,445,982
Unrealized foreign exchange loss	**2,415,756**	1,452,857
Unamortized past service cost	**38,959,238**	–
Debt issuance cost	–	1,085,827
	1,580,317,858	1,193,245,497
Deferred tax liabilities:		
Right of use asset	**(405,645,859)**	(397,119,612)
Others	**(4,040,346)**	–
	(409,686,205)	(397,119,612)
Net deferred tax assets	**₱1,170,631,653**	₱796,125,885

The Company has also an unrecognized deferred tax asset on lease liabilities amounting to ₱14.0 million and deferred tax liability on right of use assets amounting to ₱11.8 million. These amounts reflect the application of the initial recognition exemption for leases.

32. **Earnings Per Share**

The Company computes its basic earnings per share by dividing profit for the years attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings per share, profit for the years attributable to ordinary equity holders and the weighted average number of shares outstanding are adjusted for the effects of dilutive potential ordinary shares.

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

	2024	2023
Profit for the year (a)	**₱7,134,015,302**	₱3,642,474,453
Weighted average number of shares:		
Issued and outstanding (b)	**3,542,258,595**	3,542,258,595
Weighted average number of share options granted (c)	**4,213,145**	4,213,145
Basic earnings per share (a)/(b)	**₱2.014**	₱1.028
Diluted earnings per share (a)/[(b)+(c)]	**₱2.012**	₱1.027

33. Commitments and Credit Facilities

Capital commitments
As at December 31, 2024 and 2023, the Company's total construction-in progress amounted to ₱344.1 million and ₱291.0 million, respectively, as disclosed in Note 12. The remaining capital project cost of the construction-in progress is estimated at ₱444.3 million as at December 31, 2024 and its expected project completion date is second quarter of 2025. The Company shall finance the remaining estimated cost from internally generated cash from operations.

Credit facilities
As at December 31, 2024 and 2023, the Company has committed and unsecured revolving credit facility agreements with various financial institutions for general corporate funding requirements totaling ₱15,810.0 million of which ₱3,140.0 million and ₱5,680.0 million was already used in 2024 and 2023, respectively, as disclosed in Note 17.

34. Fair Value of Financial Instruments

Management considered that the carrying amounts of financial assets and liabilities recognized in the parent company financial statements approximate their fair values as shown below:

	2024		2023	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial Liabilities				
Borrowings	**₱3,123,838,614**	**₱2,924,044,957**	₱5,664,343,309	₱4,948,976,084
Lease liabilities	**1,878,314,301**	**1,305,377,025**	1,814,586,729	1,013,255,752

Fair values were determined using the fair value hierarchy below:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 2024 and 2023, the fair values of cash and cash equivalents, trade and other receivables, due from related parties and financial liabilities were determined under level 2 criteria which were derived from inputs other than quoted prices included within level 1. Fair values of security deposit, and deposits on utilities were determined under level 3.

Management considers that the carrying amounts of financial assets and liabilities recognized in the parent company financial statement approximate their fair values. Further, there has been no change to the valuation technique during the year.

35. Financial Risk Management Objectives and Policies

The Company is exposed to financial risks such as market risk which includes foreign currency exchange risk and interest rate risk, credit risk and liquidity risk.

The Company's policies and objective in managing these risks are summarized below:

Market risk

Market risk refers to the possibility that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's profit or the value of its holdings of financial instruments. The Company focuses on two market risk areas such as interest rate risk and foreign currency exchange risk. The objective and management of these risks are discussed below.

Foreign currency exchange risk

Foreign currency exchange risk arises when an investment's value changing due to changes in currency exchange rate. The Company undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arose. Significant fluctuation in the exchange rates could significantly affect the Company's financial position.

The Company seeks to mitigate its foreign currency risk exposures by mitigating its costs at consistent levels, regardless of any upward or downward movements in the foreign currency exchange rates.

The net carrying amount of the Company's foreign currency (USD) denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

	2024	2023
Cash and cash equivalents	**₱157,842,633**	₱81,865,147
Trade and other receivables	**1,209,972,456**	1,225,204,458
Trade and other payables	**(474,350,372)**	(209,785,834)
	₱893,464,717	₱1,097,283,771

The following table details the Company's sensitivity to a 4.40% and 1.87% increase and decrease in the functional currency of the Company against the US dollar as at December 31, 2024 and 2023, respectively. The sensitivity rate used in reporting foreign currency risk internally to key management personnel is 4.40% and 1.87% and it represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the period for a 4.40% and 1.87% change in foreign currency rate as at December 31, 2024 and 2023, respectively.

The sensitivity analysis includes all of the Company's foreign currency denominated monetary assets and liabilities. A positive number below indicates an increase in profit and other equity when the functional currency of the Company strengthens to a 4.40% and 1.87% against the relevant currency.

For a 4.40% and 1.87% weakening of the functional currency of the Company against the relevant currency as at December 31, 2024 and 2023, respectively, there would be an equal and opposite impact on profit or loss as shown below:

	2024	2023
Cash and cash equivalents	**(₱6,945,076)**	(₱1,530,878)
Trade and other receivables	**(53,238,788)**	(22,911,323)
Trade and other payables	**20,871,416**	3,922,995
	(₱39,312,448)	(₱20,519,206)

Interest rate risk
Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest.

The primary source of the Company's interest rate risk relates to cash and cash equivalents, advances to employees and borrowings. Interest rates are disclosed in Notes 7, 8, and 17, respectively. These balances are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on profit or loss of the Company.

The Company has no established policy for managing interest rate risk. Management believes that fluctuations on the interest rates will not have significant effect on the Company's financial performance. Further, management assessed that the sensitivity analysis is not a representative of the interest rate risk.

Credit risk
Credit risk refers to the possibility that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company'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 Company trades only with recognized, credit worthy third parties. It is the Company'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 Company's exposure to bad debts is not significant.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and when appropriate, credit guarantee insurance cover is purchased. 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 Company's maximum exposure to credit risk:

	2024	2023
Cash and cash equivalents	**₱1,956,462,127**	₱2,824,025,093
Trade receivables	**7,671,663,313**	7,309,049,613
Due from related parties	**5,333,356,493**	3,849,553,562
Security deposits	**90,556,356**	63,148,906
Deposits on utilities	**9,521,305**	9,250,109
Revolving fund	**10,705,175**	7,073,527
	₱15,072,264,769	₱14,062,100,810

2024				Days past due			
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	Total
Expected credit loss rate	0.03%	0.11%	0.28%	0.41%	0.53%	4.04%	
Estimated total gross carrying at default	₱3,005,031,102	₱1,826,438,472	₱405,577,457	₱374,653,045	₱250,271,688	₱1,892,918,448	₱7,754,890,212
Expected credit loss	812,710	1,930,724	1,118,516	1,551,896	1,327,370	76,485,683	83,226,899

2023				Days past due			
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	Total
Expected credit loss rate	0.01%	0.03%	0.07%	0.11%	0.14%	1.99%	
Estimated total gross carrying at default	₱3,749,667,565	₱1,378,927,519	₱429,751,442	₱155,328,426	₱110,064,014	₱1,516,740,230	₱7,340,479,196
Expected credit loss	229,888	409,232	307,156	172,121	155,267	30,155,919	31,429,583

Liquidity risk

Liquidity risk arises when the Company encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective of managing liquidity risk 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 Company's reputation.

The Company 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 Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of these financial liabilities, based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Not past due	1-30 Dayspast due	31-60 DaysPast Due	61-90 DaysPast Due	Over 90 DaysPast Due	Total
2024							
Trade and other payables	0%	₱9,956,733,824	₱449,885,135	₱172,647,440	₱79,636,296	₱18,367,455	₱10,677,270,150
Borrowings	4.9%	3,123,838,614	–	–	–	–	3,123,838,614
Lease liabilities		2,377,733,490	–	–	–	–	2,377,733,490
Due to related parties	0%	2,844,453,836	129,711,198	114,944,951	88,855,441	223,730,450	3,401,695,876
		₱18,302,759,764	₱579,596,333	₱287,592,391	₱168,491,737	₱242,097,905	₱19,580,538,130
2023							
Trade and other payables	0%	₱7,695,324,590	₱211,328,004	₱172,063,987	₱12,943,200	₱353,728,434	₱8,445,388,215
Borrowings	4.9%	5,664,343,309	–	–	–	–	5,664,343,309
Lease liabilities		2,222,119,918	–	–	–	–	2,222,119,918
Due to related parties	0%	1,558,451,982	127,676,786	100,795,140	509	395,348,520	2,182,272,937
		₱17,140,239,799	₱339,004,790	₱272,859,127	₱12,943,709	₱749,076,954	₱18,514,124,379

The difference between the carrying amount of trade and other payables disclosed in the parent company statements of financial position and the amount disclosed in this note pertains to government liabilities, due to employees and officers and other payables that are not considered financial liabilities.

36. Capital Risk Management

The Company'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 Company's growth. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure. The Company's overall strategy remains unchanged.

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

The Company's management aims to maintain certain financial ratios that it deems prudent such as debt-to-equity ratio (not to exceed 2.5:1) and current ratio (at least 1.0:1). The Company regularly reviews its financials to ensure the balance between equity and debt is monitored.

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

The Company's total liabilities and total equity as at December 31, 2024 and 2023 are as follows:

	2024	2023
Total liabilities	**₱19,264,335,291**	₱18,415,122,392
Total equity	**28,125,424,621**	24,365,549,473
Debt-to-equity ratio	**0.68:1**	0.76:1

37. Notes to Statements of Cash Flows

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

	2024	2023
Movement in ROU assets (except amortization)	**(₱450,869,729)**	(₱477,291,776)
Movement in unpaid share purchase payable from additional investment in subsidiary	**(185,620,000)**	–
Transfer and assignment of rights, title, and interest of the "Ligo" trademark from a subsidiary	**–**	1,669,655,394

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

	2024					
	January 1	**Additions**	**Interest**	**Cash flows**	**Others**	**December 31**
Lease liabilities	**₱1,814,586,729**	**₱490,643,557**	**₱124,041,036**	**(₱509,881,792)**	**(₱41,075,229)**	**₱1,878,314,301**
Short-term borrowings	**2,500,000,000**	**–**	**–**	**(2,500,000,000)**	**–**	**–**
Long-term borrowings	**3,164,343,309**	**–**	**(20,504,695)**	**(20,000,000)**	**–**	**3,123,838,614**
Accrued interest	**33,077,171**	**–**	**186,942,617**	**(194,043,011)**	**–**	**25,976,777**
	₱7,512,007,209	**₱490,643,557**	**₱290,478,958**	**(₱3,223,924,803)**	**(₱41,075,229)**	**₱5,028,129,692**

	2023					
	January 1	Additions	Interest	Cash flows	Others	December 31
Lease liabilities	₱1,692,404,896	₱552,124,215	₱121,249,396	(₱463,916,748)	(₱87,275,030)	1,814,586,729
Short-term borrowings	4,270,000,000	–	–	(1,770,000,000)	–	2,500,000,000
Long-term borrowings	3,174,213,995	–	10,129,314	(20,000,000)	–	3,164,343,309
Accrued interest	39,080,510	–	331,472,307	(337,475,646)	–	33,077,171
	₱9,175,699,401	₱552,124,215	₱462,851,017	(₱2,591,392,394)	(₱87,275,030)	₱7,512,007,209

38. Supplementary Information Required By Bureau of Internal Revenue (BIR) Under Revenue Regulations No. 15-2010

The following supplementary information are presented for purposes of filing with the BIR and are not required part of the basic parent company financial statements.

Output VAT
Details of the Company's output VAT declared during 2024 are as follows:

	Vatable	Zero-rated	VAT-exempt
Vatable Sales - Private	₱59,487,273,058	₱2,476,839,769	₱1,145,748,149
Sales to Government	–	–	–
Revenue	59,487,273,058	2,476,839,769	1,145,748,149
VAT rate	12%	–	–
Output	₱7,138,472,767	₱–	₱–

The Company is entitled to zero-rated VAT on its sale of goods to customers outside of the Philippines.

Input VAT
Details of the Company's input VAT declared during 2024 are as follows:

Balance, January 1	₱15,116,828
Add: Current year's domestic purchases/payments for:	
Input tax on imported good	1,264,679,992
Purchase of services	2,051,455,893
Goods other than capital goods	2,083,544,020
Capital goods subject to amortization	15,746,053
Total available input VAT	5,430,542,786
Less claims for:	
Tax credit	5,425,443,552
Input allocable to exempt	
Balance, December 31	₱5,099,234

Taxes on importation of goods
Total landed cost of importation in 2024 amounted to ₱16,064,528,576 in which custom duties and tariff fees are all paid during the year.

Documentary stamp tax
The documentary stamp tax charged to operating expenses, other expenses and cost of goods sold amounted to ₱18,785,202 which amount paid or accrued during the taxable year 2024.

Other taxes and licenses
Details of the Company's taxes and licenses and permit fees are charged to operating expenses, cost of goods sold and other expenses during 2024 are as follows:

Business tax	₱124,793,259
Permit fees	3,255,479
Real estate tax	4,272,465
Vehicle registration fees	290,924
Others	12,881,782
	₱145,493,909

Withholding taxes
Details of the Company's withholding taxes paid or accrued during 2024 are as follows:

Expanded withholding taxes	₱572,652,942
Withholding tax on compensation and benefits	416,008,463
Final withholding taxes	198,769,423
Withholding tax on VAT and others	3,026,359
	₱1,190,457,187

Tax Assessments and Cases
The Company has not received any final tax assessment as at December 31, 2024. The Company has no ongoing internal revenue tax case, litigation and/or prosecution in courts, bodies or tribunals outside the BIR as at December 31, 2024.

Annex A

Reconciliation of Retained Earnings Available for Dividend Declaration

For the reporting period ended December 31, 2024

Century Pacific Food, Inc.

7th Floor, Centerpoint Building, Julia Vargas St., Ortigas Center,
Pasig City

Unappropriated Retained Earnings, beginning of reporting period	**₱3,378,220,334**
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
Reversal of Retained Earnings Appropriation/s	**-**
Effect of restatements or prior-period adjustments	**-**
Others (describe nature)	**-**
Less: Category A: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	**3,400,568,251**
Retained Earnings appropriated during the reporting period	**-**
Effect of restatements or prior-period adjustments	**-**
Others (describe nature)	**-**
Unappropriated Retained Earnings, as adjusted	**(22,347,917)**
Add/Less: Net Income (loss) for the current year	**7,134,015,301**
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	**-**
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	**4,563,276**
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)	**-**
Sub-total	**4,563,276**
Less: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	**-**
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)	**-**
Sub-total	**-**

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	
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	-
Adjusted Net Income/Loss	**7,138,578,577**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	
Depreciation on revaluation increment (after tax)	-
Sub-total	-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP	
Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others (describe nature)	-
Sub-total	-
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
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	**(374,505,768)**
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others – Remeasurement of retirement benefit obligation, net of tax	**302,129,853**
Sub-total	**(72,375,915)**
Total Retained Earnings, end of the reporting period available for dividend	**₱7,043,854,744**

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From Marilou R. Hernandez <mhernandez@centurypacific.com.ph>
Date Tue 15-Apr-25 10:23 AM
To John Ver D. Villajin <jvillajin@centurypacific.com.ph>
Cc Vivian T. Zamora <vbtan@centurypacific.com.ph>

MARILOU **HERNANDEZ**
Tax Compliance Department Manager
CENTURY PACIFIC FOOD, INC.
Nourishing a Better Life
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Center Point, 7/F Garnet Rd., Ortigas Center, Pasig, Metro Manila, Philippines

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From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 15, 2025 10:16 AM
To: Marilou R. Hernandez <MHERNANDEZ@CENTURYPACIFIC.COM.PH>
Cc: Marilou R. Hernandez <MHERNANDEZ@CENTURYPACIFIC.COM.PH>
Subject: [External]Your BIR AFS eSubmission uploads were received

Hi CENTURY PACIFIC FOOD INC,

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Submission Date/Time: **Apr 15, 2025 10:16 AM**
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