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## Company Information

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**SEC Registration No.:** 0000160968
**Company Name:** PEPSI-COLA PRODUCTS PHILIPPINES, INC.
**Industry Classification:** D15541
**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10515202583341670
**Document Type:** Quarterly Report
**Document Code:** SEC_Form_17-Q
**Period Covered:** March 31, 2025
**Submission Type:** Original Filing
**Remarks:** None

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Acceptance of this document is subject to review of forms and contents

# COVER SHEET

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S.E.C. Identification No.

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

**(Company's Full Name)**

**26th Floor, Filinvest Axis Tower Two Building, Northgate Cyberzone, Filinvest City, Alabang, Muntinlupa City**

**(Business Address: No. Street City/Town/Province)**

| Agustin S. Sarmiento | 8888-73774 |
|---|---|
| **Contact Person** | **Company Telephone Number** |

| 0 | 3 | 3 | 1 | SEC Form 17-Q | Last Friday of May |
|---|---|---|---|---|---|
| **Month** | | **Day** | | **FORM TYPE** | **Month** |

**Date**
**Calendar Year**

**Annual Meeting**

| | | | | |
|---|---|---|---|---|

**Secondary License Type, If Applicable**

| M | S | R | D |
|---|---|---|---|

**Dept. Requiring this Doc.**

**Amended Article Number/Section**

**Total Amount of Borrowings**

| 773 | Php9.5Billion | |
|---|---|---|
| **Total No. of Stockholders** | **Domestic** | **Foreign** |

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To be accomplished by SEC Personnel concerned

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|

**File Number**

**LCU**

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## SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-Q

## QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2025**

2. Commission identification number **0000160968** 3. BIR Tax Identification No **000-168-541**

4. Exact name of issuer as specified in its charter: **PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

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

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

7. Address of issuer's principal office and Postal Code:
**26th Floor, Filinvest Axis Tower Two Building, Northgate Cyberzone, Filinvest City, Alabang, Muntinlupa City, 1781**

8. Issuer's telephone number, including area code: **8888-73774**

9. Former name, former address and former fiscal year, if changed since last report: **N/A**

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

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---|---|
| **Common Shares of Stock** | **3,693,772,279** |

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

Yes [ ] No [X]

Stock Exchange: **Not applicable**
Securities Listed: **Not applicable**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

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

Yes [X] No [ ]

**Part 1 – Financial Information**

**Item 1. Financial Statements.**

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**
(Amounts in Thousands)

| | *Note* | **March 31 2025 (Unaudited)** | December 31 2024 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash | *11* | **P460,361** | **P657,357** |
| Receivables - net | *9, 11* | **2,028,067** | **2,401,625** |
| Inventories - net | | **5,229,400** | **5,523,592** |
| Due from related parties | *8, 11* | **402,921** | **399,617** |
| Prepaid expenses and other current assets | | **1,300,077** | **1,039,179** |
| **Total Current Assets** | | **9,420,826** | **10,021,370** |
| **Noncurrent Assets** | | | |
| Investments in associates | | **679,360** | **676,979** |
| Bottles and cases - net | | **4,790,193** | **4,465,243** |
| Property, plant and equipment - net | *6* | **11,176,135** | **11,087,192** |
| Right-of-use asset and related assets | | **683,575** | **740,221** |
| Intangible assets | | **209,312** | **221,391** |
| Deferred tax assets - net | | **620,429** | **570,727** |
| Other noncurrent assets | | **242,464** | **241,435** |
| **Total Noncurrent Assets** | | **18,401,468** | **18,003,188** |
| | | **P27,822,294** | **P28,024,558** |
| **LIABILITIES AND EQUITY** | | | |
| **Current Liabilities** | | | |
| Accounts payable and accrued expenses | *9, 11* | **P9,832,282** | **P9,633,936** |
| Short-term debt | *11* | **4,625,000** | **4,310,000** |
| Current portion of long-term debt | *11* | **1,739,567** | **1,746,093** |
| **Total Current Liabilities** | | **16,196,849** | **15,690,029** |
| **Noncurrent Liabilities** | | | |
| Long-term debt - net of current portion | *11* | **3,139,473** | **3,568,938** |
| Other noncurrent liabilities | | **1,495,379** | **1,540,620** |
| **Total Noncurrent Liabilities** | | **4,634,852** | **5,109,558** |
| **Total Liabilities** | | **20,831,701** | **20,799,587** |

*Forward*

| | Note | March 31 2025 (Unaudited) | December 31 2024 (Audited) |
|---|---|---|---|
| **Equity** | | | |
| Share capital | *7* | **P1,751,435** | **P1,751,435** |
| Remeasurement losses on net defined benefit liability | | **(248,311)** | **(248,311)** |
| Retained earnings | | **5,487,469** | **5,721,847** |
| **Total Equity** | | **6,990,593** | **7,224,971** |
| | | **P27,822,294** | **P28,024,558** |

*See Notes to the Condensed Interim Financial Information.*

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

**CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(Amounts in Thousands, Except Per Share Data)

| | | For The Three Months Ended March 31 | |
|---|---|---|---|
| | | **2025** | 2024 |
| | ***Note*** | **(Unaudited)** | (Unaudited) |
| ***Continuing Operations*** | | | |
| **NET SALES** | | **P10,136,839** | P10,159,496 |
| **COST OF GOODS SOLD** | | **8,107,543** | 8,238,630 |
| **GROSS PROFIT** | | **2,029,296** | 1,920,866 |
| **OPERATING EXPENSES** | | **2,151,197** | 1,988,808 |
| **LOSS FROM OPERATIONS** | | **(121,901)** | (67,942) |
| **NET FINANCE AND OTHER EXPENSE - Net** | | **(141,852)** | (217,966) |
| **PROFIT (LOSS) BEFORE TAX** | | **(263,753)** | (285,908) |
| **INCOME TAX BENEFIT** | | **(29,375)** | (63,110) |
| **LOSS FOR THE YEAR/TOTAL COMPREHENSIVE LOSS** | | **(P234,378)** | (P222,798) |
| **Basic/Diluted Loss Per Share** | *5* | **(P0.06)** | (P0.06) |

*See Notes to the Condensed Interim Financial Information.*

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

(Amounts in Thousands)

**For The Three Months Ended March 31**
(Unaudited)

| | | Share Capital | | | | | |
|---|---|---|---|---|---|---|---|
| | ***Note*** | Capital Stock (see Note 7) | Additional Paid-In Capital | Total | Remeasurement Losses on Net Defined Benefit Liability | Retained Earnings | Total Equity |
| As at January 1, 2025 | | **P554,066** | **P1,197,369** | **P1,751,435** | **(P248,311)** | **P5,721,847** | **P7,224,971** |
| **Total comprehensive loss** | | | | | | | |
| Net Loss | | - | - | - | - | **(234,378)** | **(234,378)** |
| **As at March 31, 2025** | | **P554,066** | **P1,197,369** | **P1,751,435** | **(P248,311)** | **P5,487,469** | **P6,990,593** |
| As at January 1, 2024 | | P554,066 | P1,197,369 | P1,751,435 | (P280,688) | P6,168,048 | P7,638,795 |
| **Total comprehensive Loss** | | | | | | | |
| Net Loss | | - | - | - | - | (222,798) | (222,798) |
| As at March 31, 2024 | | P554,066 | P1,197,369 | P1,751,435 | (P280,688) | P5,945,250 | P7,415,997 |

*See Notes to the Condensed Interim Financial Information*

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**

(Amounts in Thousands)

| | | For The Three Months Ended March 31 | |
|---|---|---|---|
| | ***Note*** | **2025** | 2024 |
| | | (Unaudited) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Loss before tax | | **(P263,753)** | **(P285,908)** |
| Adjustments for: | | | |
| Depreciation and amortization | | **592,285** | 606,568 |
| Interest expense | | **160,674** | 172,350 |
| Retirement cost | | **40,276** | 42,152 |
| Loss on sale of property and equipment | | **2,763** | 3,408 |
| Equity in net earnings of associates | | **(2,381)** | 1,189 |
| Impairment losses (reversal of impairment losses) on receivables, inventories, bottles and cases, machinery and equipment and others | | **78,724** | (674) |
| Interest income | | **(2,554)** | (1,038) |
| Operating profit before working capital changes | | **606,034** | 538,047 |
| Changes in operating assets and liabilities: | | | |
| Decrease (increase) in: | | | |
| Receivables | | **372,161** | 403,792 |
| Inventories | | **274,583** | 851,883 |
| Due from related parties | | **(3,304)** | (2,060) |
| Prepaid expenses and other current assets | | **(260,898)** | (23,369) |
| Increase (decrease) in accounts payable and accrued expenses | | **238,540** | (673,087) |
| Cash generated from operations | | **1,227,116** | 1,095,206 |
| Interest received | | **2,554** | 1,038 |
| Income taxes paid | | **(20,327)** | (34,876) |
| Retirement benefits directly paid by the Company | | **(38,711)** | (18,201) |
| Net cash provided by operating activities | | **1,170,632** | 1,043,167 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Proceeds from disposal of property and equipment | | **387** | - |
| Additions to: | | | |
| Property, plant and equipment | *6* | **(410,042)** | (273,611) |
| Bottles and cases | | **(626,136)** | (332,321) |
| Intangibles | | | |
| Decrease (Increase) in other noncurrent assets | | **(1,029)** | 29,370 |
| Net cash used in investing activities | | **(1,036,820)** | (576,562) |

*Forward*

| | | For The Three Months Ended March 31 | |
|---|---|---|---|
| | | **2025** | 2024 |
| | ***Note*** | (Unaudited) | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Proceeds from availments of short-term debt | | **P3,475,000** | P5,102,500 |
| Payments of: | | | |
| Short-term debt | | **(3,160,000)** | (4,652,500) |
| Long-term debt | | **(438,810)** | (549,436) |
| Principal payments of lease liability | | **(65,353)** | (100,918) |
| Interest paid | | **(141,645)** | (149,707) |
| Net cash used in financing activities | | **(330,808)** | (350,061) |
| **NET INCREASE (DECREASE) IN CASH** | | **(196,996)** | 116,544 |
| **CASH AT BEGINNING OF PERIOD** | | **657,357** | 554,168 |
| **CASH AT END OF PERIOD** | *11* | **P460,361** | P670,712 |

*See Notes to the Condensed Interim Financial Information.*

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**
(Amounts in Thousands, Except per Share Data, Number of Shares and When Otherwise Stated)

## 1. Reporting Entity

Pepsi-Cola Products Philippines, Inc. (the "Company") was incorporated as a stock corporation in the Philippines on March 8, 1989, primarily to engage in manufacturing, sales and distribution at wholesale and (to the extent allowed by law) retail of carbonated soft-drinks (CSD), non-carbonated beverages (NCB), food and food products, snacks and confectionery products to retail, wholesale, restaurants and bar trades. The registered office address and principal place of business of the Company is at 26th Floor, Filinvest Axis Tower Two Building, Northgate Cyberzone, Filinvest City, Muntinlupa City.

On May 16, 2014 and May 30, 2014, the Company's Board of Directors (BOD) and Stockholders approved (on the respective dates) the amendments to the Article of Incorporation, particularly on its primary purpose to engage in, operate, conduct and maintain the business of manufacturing, importing, buying, selling, handling, distributing, trading or otherwise dealing in, at wholesale and (to the extent allowed by law) retail, food and food products, snacks, confectionery drinks and other beverages in bottles, cans and other containers or dispensers and other related goods of whatever nature, and any and all materials, suppliers and other goods used or employed in or related to the manufacture of such finished products as well as the amendment of the Company's principal office address. The said amendments were approved by the Securities and Exchange Commission (SEC) on August 27, 2014.

Pepsi-Cola Products Philippines, Inc.'s Parent Company is Lotte Chilsung Beverage., Ltd., who is incorporated under the laws of South Korea. The ultimate parent company is Lotte Corporation, that is incorporated under the laws of South Korea. The Company's another major shareholder is, Quaker Global Investments B.V. have 25.00% shareholdings of the Company, which is organized under the laws of the Netherlands.

## 2. Basis of Preparation

<u>Statement of Compliance</u>
This condensed interim financial information has been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting.* This condensed interim financial information does not include all of the information required for a complete set of financial statements and should be read in conjunction with the annual financial statements of the Company as at December 31, 2024.

<u>Basis of Measurement</u>
This condensed interim financial information has been prepared on a historical cost basis, except for the net defined benefit liability (included as part of "Other noncurrent liabilities" account in the condensed interim statements of financial position) which is measured at the present value of the defined benefit obligation less fair value of plan assets.

<u>Functional and Presentation Currency</u>
This condensed interim financial information is presented in Philippine peso, which is the Company's functional currency. All amounts have been rounded-off to the nearest thousands, except per share data and when otherwise indicated.

Use of Judgments and Estimates

The preparation of the condensed interim financial information requires management to make judgments, estimates and use assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual financial statements.

During the three-months ended March 31, 2025, management reassessed its estimates in respect of the following:

*Estimating Allowance for Impairment Losses on Receivables*

As at March 31, 2025 and December 31, 2024, allowance for impairment losses on receivables amounted to P247.7 million and P247.2 million, respectively.

*Estimating Net Realizable Value of Inventories*

As at March 31, 2025 and December 31, 2024, inventories amounted to P5.2 billion and P5.5 billion, respectively.

## 3. Material Accounting Policies

The material accounting policies adopted in the preparation of the condensed interim financial information are consistent with those followed in the preparation of the annual financial statements.

There are no new standards and amendments to standards and interpretations effective starting January 1, 2025 that are applicable or material to the Company's interim financial statements.

## 4. Seasonality of Operations

The Company's sales are subject to seasonality. Sales are generally higher in the hot, dry months from March through June and lower during the wetter monsoon months of July through October. While these factors lead to a natural seasonality on the Company's sales, unseasonable weather could also significantly affect sales and profitability compared to previous comparable periods. Higher sales are likewise experienced around the Christmas/New Year holiday period in late December through early January. Consequently, the Company's operating results may fluctuate. In addition, the Company's results may be affected by unforeseen circumstances, such as production interruptions. Due to these fluctuations, comparisons of sales and operating results between periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of the Company's performance.

## 5. Basic/Diluted Earnings Per Share (EPS)

Basic EPS is computed as follows:

| | For The Three Months Ended March 31 | |
|---|---|---|
| | **2025** (Unaudited) | 2024 |
| Loss (a) | **(P234,378)** | (P222,798) |
| Issued shares at the beginning of the year/weighted average number of shares outstanding (b) | **3,693,772,279** | 3,693,772,279 |
| Basic/Diluted EPS (a/b) | **(P0.06)** | (P0.06) |

As at March 31, 2025 and 2024, the Company has no dilutive equity instruments.

## 6. Property, Plant and Equipment

The movements in this account are as follows:

| | Machinery and Other Equipment | Buildings and Leasehold Improvements | Furniture and Fixtures | Construction in Progress | Total |
|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | |
| December 31, 2024 (Audited) | P22,309,885 | P5,436,109 | P65,889 | P435,141 | P28,247,024 |
| Additions | 104,591 | - | 359 | 305,092 | 410,042 |
| Disposals/write-offs | (103,842) | (765,587) | (8) | - | (869,437) |
| Transfers/reclassifications and others | 173,892 | 72,756 | - | (246,648) | - |
| **March 31, 2025 (Unaudited)** | **22,484,526** | **4,743,278** | **66,240** | **493,585** | **27,787,629** |
| **Accumulated depreciation and amortization** | | | | | |
| December 31, 2024 (Audited) | 14,915,696 | 2,183,857 | 60,279 | - | 17,159,832 |
| Depreciation and amortization | 214,968 | 44,090 | 742 | - | 259,800 |
| Impairment loss | 60,976 | - | - | - | 60,976 |
| Disposals/write-offs/adjustments | (407,698) | (461,408) | (8) | - | (869,114) |
| **March 31, 2025 (Unaudited)** | **14,783,942** | **1,766,539** | **61,013** | **-** | **16,611,494** |
| **Carrying Amount** | | | | | |
| December 31, 2024 (Audited) | P7,394,189 | P3,252,252 | P5,610 | P435,141 | P11,087,192 |
| **March 31, 2025 (Unaudited)** | **P7,700,584** | **P2,976,739** | **P5,227** | **P493,585** | **P11,176,135** |

## 7. Equity

Share Capital

This account consists of:

| | March 31, 2025 (Unaudited) | | December 31, 2024 (Audited) | |
|---|---|---|---|---|
| | **Shares** | **Amount** | Shares | Amount |
| Authorized - P0.15 par value per share | **5,000,000,000** | **P750,000** | **5,000,000,000** | **P750,000** |
| Issued, fully paid and outstanding balance at beginning/end of period | **3,693,772,279** | **P554,066** | **3,693,772,279** | **P554,066** |

On January 21, 2008, the Company obtained a certificate of permit to offer securities for sale issued by the SEC consisting of 3,693,772,279 common shares with a maximum offer price of P3.50 per share.

On February 1, 2008, the Company's initial public offering of 1,142,348,680 shares at P3.50 per share culminated with the listing and trading of its shares of stock under the First Board of the PSE, Inc. Of the total shares offered, 380,782,893 shares pertain to the primary offering, which resulted in an increase in capital stock amounting to P57.0 million and additional paid-in capital of P1.2 billion, net of P138.0 million transaction cost that is accounted for as a reduction in equity.

On December 11, 2019, the Company received a Tender Offer Report from Lotte Chilsung Beverage Co. Ltd. to acquire up to 2,134,381,838 common shares of the Company through a tender offer to all shareholders other than Lotte Corporation and the /members of the BOD with respect to their qualifying common shares and the officers of the Company.

On June 17, 2020, Lotte Chilsung Beverage Co. Ltd has competed its tender offer which effectively increase its ownership to the Company by 30.7%

On September 9, 2020, the Company's BOD approved the voluntary delisting of the Common shares of the Company with the PSE.

Lotte Chilsung Beverage Co. Ltd. ("Lotte Chilsung") filed a Tender Offer Report and Amended Tender Offer Report with the Securities and Exchange Commission (SEC) and the PSE on September 15, 2020 and October 13, 2020, respectively, for the remaining shares owned by the public.

On December 1, 2020 the Company received information from Lotte Chilsung that it has completed its tender offer and has acquired additional .01% of the shares of the Company.

On December 18, 2020, the Board of the PSE has approved the Company's application of its delistment with the PSE.

Capital Management

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain reasonable growth by applying free cash flow to selective investments that would further the Company's product and geographic diversification. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The Chief Financial Officer has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry.

The Company maintains its use of capital structure using a debt-to-equity ratio which is gross debt divided by equity. The Company includes within gross debt all interest-bearing loans and borrowings, while the Company defines equity as total equity shown in the condensed interim statements of financial position.

There were no changes in the Company's approach to capital management during the year. The Company is subject to debt covenants relating to its long-term debt (see Note 11).

The Company's bank debt to equity ratio as at reporting dates is as follows:

| | **March 31, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| (a) Debt* | **P9,504,041** | **P9,625,031** |
| (b) Total equity | **P6,990,593** | **P7,224,971** |
| Bank debt to equity ratio (a/b) | **1.36:1** | **1.33:1** |

**Pertains to bank debts*

## 8. Related Party Transactions

Related party relationship exists when one party has ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprises, or between and/or among the reporting enterprises and their key management personnel, directors, or its shareholders.

Outstanding balances of related parties as shown under the appropriate accounts in the condensed interim financial information as at March 31, 2025 and December 31, 2024 and related party transactions for the three months ended March 31, 2025 and 2024 are as follows:

| **Category** | **Nature of Transaction** | ***Note*** | **Year** | **Amount of Transactions for the Period** | **Outstanding Balance of Due from (to) Related Parties** | **Receivables (Accounts Payable and Accrued Expenses)** | **Terms** | **Conditions** |
|---|---|---|---|---|---|---|---|---|
| Parent | Purchases | *23a* | **2025** | **P36,916** | **P -** | **(P566)** | **30 days non interest bearing** | |
| | | | 2024 | 10,032 | P - | (3,489) | 30 days non interest bearing | |
| Associates | Advances | *23b, 23c* | **2025** | **-** | **402,921** | **-** | **Collectible on demand** | **Unsecured; no impairment** |
| | | | 2024 | - | 399,617 | - | Collectible on demand | Unsecured; no impairment |
| | Various | *23b* | **2025** | **950** | **-** | **-** | | |
| | | | 2024 | 5,711 | - | - | | |
| Affiliates | Purchases | *24a* | **2025** | **1,999,818** | **-** | **(1,242,149)** | **42 days non interest bearing** | |
| | | | 2024 | 1,309,294 | - | (905,947) | 42 days non interest bearing | |
| | Availment of services | *23a* | **2025** | **128,687** | **-** | **(109,108)** | **42 days non interest bearing** | |
| | | | 2024 | 71,639 | - | (125,875) | 42 days non interest bearing | |
| | Coopable Marketing | *24b* | **2025** | **212,335** | **-** | **358,714** | | **Unsecured; no impairment** |
| | | | 2024 | 213,645 | - | 235,213 | | Unsecured; no impairment |
| | | | **2025** | | **P402,921** | **(P993,109)** | | |
| | | | 2024 | | P399,617 | (P800,098) | | |

The above outstanding balances of due from related parties are unsecured and expected to be settled in cash.

The Company has significant related party transactions which are summarized as follows:

a. The Company purchased finished goods from Lotte Chilsung Beverage Co., Ltd, a major stockholder. Total purchases for the three-month periods ended March 31, 2025 and 2024 amounted to P36.9 million and P10.0 million, respectively. The outstanding balance for these purchases amounted to P0.57 million and P3.49 million as at March 31, 2025 and December 31, 2024, respectively.

   The Company also availed services from its affiliate, Lotte Global Logistics Philippines, Inc., with a total value of P128.68 million and P71.64 million, as at March 31, 2025 and 2024, respectively. The outstanding balance for these services amounted to P109.11 million and P125.88 million as at March 31, 2025 and December 31, 2024, respectively. The Company's outstanding payable for its purchase from its major shareholder and affiliate is included under the "Accounts payable and accrued expenses" account in the statements of financial position.

b. The Company leases parcels of land where some of its bottling plants are located. Lease expenses recognized amounted to nil and P4.8 million for the three-month periods ended March 31, 2025 and 2024, respectively. The Company has advances to Nadeco Realty Corporation (NRC) amounting to P38 million, which bear interest at a fixed rate of 10% per annum and which are unsecured and payable on demand. The related interest income amounted to P0.95 million each for the three-month periods ended March 31, 2025 and 2024. The Company also has outstanding net receivables from NRC amounting to P353.1 million and P351.7 million as at March 31, 2025 and December 31, 2024, respectively, which are unsecured and payable on demand. The advances and receivables are included under "Due from related parties" account in the condensed interim statements of financial position.

c. The Company has outstanding working capital advances to Nadeco Holdings Corporation, an associate, amounting to P11.8 million and P9.9 million as at March 31, 2025 and December 31, 2024 and which are unsecured, noninterest-bearing and payable on demand. The advances are included under "Due from related parties" account in the condensed interim statements of financial position.

## 9. Significant Agreements

The Company has exclusive bottling agreement and other transactions which are summarized below:

a. The Company has Exclusive Bottling Agreements with PepsiCo, Inc. (“PepsiCo”), the ultimate parent of Quaker Global Investments B.V, a shareholder, up to year 2029 and Pepsi Lipton International Limited (“Pepsi Lipton”), a joint venture of PepsiCo and Unilever N.V., up to year 2029. Under the agreements, the Company is authorized to bottle, sell and distribute PepsiCo and Pepsi Lipton beverage products in the Philippines. In addition, PepsiCo and Pepsi Lipton shall supply the Company with the main raw materials (concentrates) in the production of these beverage products and share in the funding of certain marketing programs. The agreements may be renewed by mutual agreement between the parties. Under the agreements, PepsiCo and Pepsi Lipton have the right to terminate the contracts under certain conditions, including failure to comply with terms and conditions of the agreement subject to written notice and rectification period, change of ownership control of the Company, change of ownership control of an entity which controls the Company, discontinuance of bottling beverages for 30 consecutive days, occurrence of certain events leading to the Company’s insolvency or bankruptcy, change in management and control of the business, among others. Purchases made from PepsiCo is made mainly thru Concentrate Manufacturing (Singapore) PTE Ltd. (CMSPL). Total net purchases from CMSPL amounted to P2.0 billion and P1.3 billion for the three-month periods ended March 31, 2025 and 2024, respectively. The Company’s outstanding payable to CMSPL (included under “Accounts payable and accrued expenses” account in the statements of financial position) amounted to P1.2 billion and P0.8 billion as at March 31, 2025 and December 31, 2024, respectively. Total purchases from Pepsi Lipton amounted to P27.8 million and P28.5 million for each of the three-month periods ended March 31, 2025 and 2024, respectively. The Company’s outstanding payable to Pepsi Lipton (included under “Accounts payable and accrued expenses” account in the statements of financial position) amounted to P0.66 million and P42.2 million as at March 31, 2025 and December 31, 2024, respectively.

b. The Company has cooperative advertising and marketing programs with PepsiCo and Pepsi Lipton thru CMSPL that sets forth the agreed advertising and marketing activities and participation arrangement during the years covered by the bottling agreements. In certain instances, the Company pays for the said expenses and claims reimbursements from PepsiCo thru CMSPL. The Company incurred marketing expenses amounting to P212.3 million and P213.6 million for the three-month periods ended March 31, 2025 and 2024, respectively. The Company’s outstanding receivable from CMSPL included under “Receivables” account in the condensed interim statements of financial position, which are unsecured and are payable on demand, amounted to P358.7 million and P235.2 million as at March 31, 2025 and December 31, 2024, respectively.

c. The Company entered into an agreement with PepsiCo to meet certain marketing and investment levels, as required by the bottling agreement with PepsiCo. The agreement requires the Company to, among others: (1) spend or invest a specified amount to maintain sufficient containers, bottles and shells of the beverage products; (2) maintain certain minimum annual manufacturing capacity and sufficient warehouse capacity to meet peak demand for beverage products; (3) invest in a minimum number of coolers and fountain equipment per year to support distribution expansion; and (4) expand the Company’s distribution capabilities in terms of the number of active routes, the number of new routes and the number of trucks used for distribution support.

## 10. Revenue Disaggregation

| | For The Three Months Ended March 31 | |
|---|---|---|
| | **2025** (Unaudited) | 2024 |
| Carbonated Soft Drink | **P6,230,076** | P6,257,813 |
| Non-Carbonated Beverage | **3,906,763** | 3,901,683 |
| | **P10,136,839** | P10,159,496 |

## 11. Financial Instruments and Financial Risk Management

Classifying Financial Instruments
The Company exercises judgments in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

Financial Risk Management

*Overview*
The Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks.

The main purpose of the Company's dealings in financial instruments is to fund its operations and capital expenditures.

*Risk Management Framework*
The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's BOD has established the Executive Committee (EXCOM), which is responsible for developing and monitoring the Company's risk management policies. The EXCOM identifies all issues affecting the operations of the Company and reports regularly to the BOD on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has an Audit Committee, which performs oversight over financial management and internal control, specifically in the areas of managing credit, liquidity, market and other risks of the Company. The Company's Audit Committee is assisted in the oversight role by the Internal Audit (IA). The Company's IA undertakes both regular and *ad hoc* reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

There were no changes in the Company's objectives, policies and processes for managing the risk and the methods used to measure the risk from previous year.

Credit Risk

Credit risk represents the risk of loss the Company would incur if credit customers and counterparties fail to perform their contractual obligations. The Company's credit risk arises principally from the Company's cash in banks, receivables and due from related parties.

*Exposure to Credit Risk*

The carrying amount of financial assets represents the Company's maximum credit exposure before effect of any collateral and any master netting agreements. The maximum exposure to credit risk is as follows:

| | **March 31, 2025 (Unaudited)** | December 31, 2024 (Audited) |
|---|---|---|
| Cash in banks | **P215,812** | P195,400 |
| Receivables - net | **2,028,067** | 2,401,625 |
| Due from related parties | **402,921** | 399,617 |
| **Total credit exposure** | **P2,646,800** | P2,996,642 |

The Company has Plant Credit Committee (PCC) for each of the plant. The PCC has established a credit policy under which each new customer is analyzed individually for creditworthiness before standard credit terms and conditions are granted. The PCC's review includes the requirements of updated credit application documents, credit verifications through confirmation that there are no credit violations and that the account is not included in the negative list (list of blacklisted customers), and analyses of financial performance to ensure credit capacity. Credit limits are established for each customer, which serve as the maximum open amount at which they are allowed to purchase on credit, provided that credit terms and conditions are observed.

The credit limit and status of each customer's account are first checked before processing a credit transaction. Customers that fail to meet the Company's conditions in the credit checking process may transact with the Company only on cash basis.

Most of the Company's customers have been transacting with the Company for several years, and losses have occurred from time to time. Customer credit risks are monitored through annual credit reviews conducted on a per plant basis. Results of credit reviews are grouped and summarized according to credit characteristics, such as geographic location, aging profile and credit violations. Historically, credit violations have been attributable to bounced checks, denied and absconded credit accounts. Receivables from these customers are considered by the Company to be impaired.

It is the Company's policy to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk.

To pursue timely realization of collateral in an orderly manner, the Company's policy discourages the acceptance of chattel and real estate collateral. For chattel and real estate collaterals, the Company created rules governing the acceptance of such guarantees. On instances of customer default, the PCC, with the support of the corporate legal department, is responsible for the foreclosure of collaterals in the form of real and movable personal properties. Series of demand letters are sent to the defaulting customer to command for payment and to propose for debt repayment agreements. If the customer fails to cooperate, the case will be endorsed to the legal department to facilitate the foreclosure of the collateral. The Company generally does not use non-cash collateral for its own operations.

The aging on analysis per class of financial assets is as follows:

**March 31, 2025**

| | Neither past due nor impaired | Past due but not impaired | | | Impaired | Total |
|---|---|---|---|---|---|---|
| | | 1 to 30 days | 31 to 60 days | More than 60 days | | |
| Cash in banks | **P215,812** | **P -** | **P -** | **P -** | **P -** | **P215,812** |
| Receivables: | | | | | | |
| Trade | **898,455** | **339,436** | **23,028** | **82,901** | **86,176** | **1,429,996** |
| Others | **347,085** | **25,488** | **53,001** | **258,673** | **161,519** | **845,766** |
| Due from related parties | **402,921** | **-** | **-** | **-** | **-** | **402,921** |
| | **1,864,273** | **364,924** | **76,029** | **341,574** | **247,695** | **2,894,495** |
| Less allowance for impairment losses | **-** | **-** | **-** | **-** | **247,695** | **247,695** |
| | **P1,864,273** | **P364,924** | **P76,029** | **P341,574** | **P -** | **P2,646,800** |

December 31, 2024

| | Neither Past Due nor Impaired | Past Due but not Impaired | | | Impaired | Total |
|---|---|---|---|---|---|---|
| | | 1 to 30 Days | 31 to 60 Days | More than 60 Days | | |
| Cash in banks | P195,400 | P - | P - | P - | P - | P195,400 |
| Receivables: | | | | | | |
| Trade | 1,017,380 | 633,379 | 62,105 | 296,236 | 86,284 | 2,095,384 |
| Others | 76,355 | 12,461 | 27,655 | 276,054 | 160,868 | 553,393 |
| Due from related parties | 399,617 | - | - | - | - | 399,617 |
| | 1,688,752 | 645,840 | 89,760 | 572,290 | 247,152 | 3,243,794 |
| Less allowance for impairment losses | - | - | - | - | 247,152 | 247,152 |
| | P1,688,752 | P645,840 | P89,760 | P572,290 | P - | P2,996,642 |

As at March 31, 2025 and December 31, 2024, the Company has an allowance for impairment loss amounting to P247.7 million and P247.2 million, respectively, relating to its trade and other receivables.

The Company believes that the unimpaired amounts that are past due by more than 30 days are still collectible, based on historic payment behavior and extensive analysis of customer credit risk. In addition, the Company believes that the amounts of financial assets that are neither past due nor impaired are collectible, based on historic payment behavior and extensive analysis of counterparties credit risk.

The credit qualities of financial assets that were neither past due nor impaired are determined as follows:

- Cash in banks are based on the credit standing or rating of the counterparty.

- Total receivables and due from related parties are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit risk assessment.

High grade cash in banks are deposited in local banks that are considered as top tier banks in the Philippines in terms of resources and profitability. Receivables and due from related parties are considered to be of high grade quality financial assets, where the counter parties have a very remote likelihood of default and have consistently exhibited good paying habits. High grade quality financial assets are those assessed as having minimal credit risk, otherwise they are of standard grade quality. Standard grade quality financial assets are those assessed as having minimal to regular instances of payment default due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

*Expected credit loss assessment*

*Trade and other receivables*
The Company allocates each exposure to a credit risk based on data that is determined to predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying expected credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Exposures within each credit risk grade are segmented by market or customer type and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience.

Loss rates are based on actual credit loss experience over three years considering circumstances at the reporting date. Any adjustment to the loss rates for forecasts of future economic conditions are not expected to be material. The Company applies the simplified approach in providing for expected credit losses prescribed by PFRS 9, which permits the use of the lifetime expected loss provision and applies a provision matrix. The application of the expected loss rates to the receivables of the Company does not have a material impact on the financial statements.

The maturity of the Company's trade and other receivables is less than one year, which implies that the lifetime expected credit losses and the 12-month expected credit losses are similar.

*Cash in banks*
The Company held cash in banks amounting to P215.8 million and P195.4 million as at March 31, 2025 and December 31, 2024, respectively. The cash in banks is deposited in local banks, which is rated as high grade.

Impairment on cash in banks has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash in banks have low credit risk based on the external credit ratings of the counterparties and any ECL is expected to be immaterial.

*Due from related parties*
The Company has due from related parties amounting to P402.9 million and P399.6 million as at March 31, 2025 and December 31, 2024, respectively. Due from related parties consists of receivables from counterparties that have a very remote likelihood of default because there is no known significant financial difficulty of the counterparties and no probability that the counterparties will enter bankruptcy based from the available financial information.

Impairment on due from related parties has been measured on a 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its due from related parties has low credit risk based on the external credit ratings of the counterparties and any ECL is expected to be immaterial.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations as they fall due. The Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements, as well as capital expenditures and debt service payments. Management closely monitors the Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

In addition, the Company has the following credit facilities:

- The total commitment as at March 31, 2025 and December 31, 2024 under the line of credit is P17.2 billion and P17.9 billion, of which the Company had drawn P9.6 billion and P9.8 billion, respectively, under letters of credit short-term loans and long term loans. All facilities under the omnibus line bear interest at floating rates consisting of a margin over current Philippine treasury rates except for the long term loan which have a floating interest rate; and

- P0.9 billion and P1.0 billion domestic bills purchased line, which are available as at March 31, 2025 and December 31, 2024, respectively.

*Exposure to Liquidity Risk*
The table summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted amount, including estimated interest payments and excluding the impact of any netting arrangements:

| | As at March 31, 2025 (Unaudited) | | | |
|---|---|---|---|---|
| | **Carrying Amount** | **Contractual Cash Flow** | **One Year or Less** | **More than One Year** |
| **Financial Liabilities** | | | | |
| Accounts payable and accrued expenses * | **P7,411,175** | **P7,411,175** | **P7,411,175** | **P -** |
| Short-term debt | **4,625,000** | **4,656,552** | **4,656,552** | **-** |
| Long-term debt | **4,879,040** | **5,494,718** | **1,996,061** | **3,498,657** |
| Other noncurrent liabilities** | **555,342** | **555,342** | **-** | **555,342** |
| | **P17,470,557** | **P18,117,787** | **P14,063,788** | **P4,053,999** |

**Excluding statutory payables and defined benefit liability amounting to P2.4 billion*
***Excluding defined benefit liability amounting to P940.0 million*

| | As at December 31, 2024 | | | |
|---|---|---|---|---|
| | Carrying Amount | Contractual Cash Flow | One Year or Less | More than One Year |
| Financial Liabilities | | | | |
| Accounts payable and accrued expenses * | P9,300,683 | P9,300,683 | P9,300,683 | P - |
| Short-term debt | 4,310,000 | 4,336,916 | 4,336,916 | - |
| Long-term debt | 5,315,031 | 6,078,649 | 2,054,997 | 4,023,652 |
| Other noncurrent liabilities** | 602,147 | 602,147 | - | 602,147 |
| | P19,527,861 | P20,318,395 | P15,692,596 | P4,625,799 |

**Excluding statutory payables and defined benefit liability amounting to P333.3 million*
***Excluding defined benefit liability amounting to P938.5 million*

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

*Financial Assets Used for Managing Liquidity Risk*
The Company considers expected cash flows from financials assets in assessing and managing liquidity risk. To manage its liquidity risk, the Company forecasts cash flows from operations for the next six months which will result in additional available cash resources and enable the Company to meet its expected cash flows requirements.

<u>Market Risk</u>
Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and other market prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company is subject to various market risks, including risks from changes in commodity prices, interest rates and currency exchange rates.

*Exposure to Commodity Prices*
The risk from commodity price changes relates to the Company's ability to recover higher product costs through price increases to customers, which may be limited due to the competitive pricing environment that exists in the Philippine beverage market and the willingness of consumers to purchase the same volume of beverages at higher prices. The Company is exposed to changes in Philippine sugar prices.

The Company minimizes its exposure to risks in changes in commodity prices by entering into contracts with suppliers with duration ranging from six months to one year; with fixed volume commitment for the contract duration; and with stipulation for price adjustments depending on market prices. The Company has outstanding purchase commitment amounting to P1.4 billion as at March 31, 2025. Because of these purchase commitments, the Company considers the exposure to commodity price risk to be insignificant.

*Exposure to Interest Rate Risk*
The Company's exposure to interest rates pertains to its cash in banks, short-term debt, long-term debt and finance lease obligation. The Company has outstanding long-term loans from banks totaling to P4.9 billion and P5.3 billion, whose interest rates are repriced every quarter, which is the Company's exposure to interest rate risk as at March 31, 2025 and December 31, 2024, respectively.

*Sensitivity Analysis*
An increase in the interest rate by 50 basis points would decrease net income and equity by P4.6 million and P6.4 million as at and for the three months ended March 31, 2025 and 2024, respectively. A 50 basis points decrease in the interest rates would have had the equal but opposite effect on the net income and equity, on the basis that all other variables remain constant.

*Exposure to Foreign Currency Risk*
The Company is exposed to foreign currency risk on purchases that are denominated in currencies other than the Philippine peso, mostly in United States (U.S.) dollar. In respect of monetary assets and liabilities held in currencies other than the Philippine peso, the Company ensures that its exposure is kept to an acceptable level, by buying foreign currencies at spot rates where necessary to address short-term imbalances. The Company considered the exposure to foreign currency risk to be insignificant. Further, the Company does not hold any investment in foreign securities as at March 31, 2025 and December 31, 2024.

Fair Values
The carrying amounts of the financial assets and liabilities, which include cash, receivables, due from related parties, short-term debt and accounts payable and accrued expenses, reasonably approximate fair values due to the short-term nature of these financial instruments. The Company’s long term-debt approximates its fair values as its interest rates are repriced every certain period.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

### Results of Operations

Net Sales in Q1 2025 was at P10.1 billion in line with last year on the back of carry-over pricing and favorable product mix while COGS declined 2% coming from lower cost of inputs, mainly sugar and resin prices. Operating Expenses grew 8%, faster than Philippine inflation of 2%, as the company continued to invest in the multi-year Transformation Program geared towards long-term productivity and efficiency across functions.

As a result, Operating Loss increased by P54 million from Q1 2024 to P122 million in Q1 2025.

Net Loss of P234 million, on the other hand, is just slightly ahead of last year's net loss due to lower Other Expenses, mainly from the rationalization of Manufacturing assets in 2024 as part of the Transformation program.

### Financial Condition

The Company's financial condition remained solid. Cash flows from operating activities were used to fund capital expenditure needs and payoff a portion of the Company's bank debt. Consequently, our bank debt decreased by P121 million in comparison with December 31, 2024 balance.

Causes for Material Changes (+/-5% or more)

Decrease in total current assets by 6% due to decreases in receivables – net by P374 million, inventories – net by P294 million, cash and cash equivalent by P197 million, and increases in prepaid expenses and other current assets by P261 million and due from related parties by P3 million.

Decrease in total non-current liabilities by 9% due to decrease in long-term debt-net of current portion by P429 million and in other non-current liabilities by P45 million.

### Known Trends, Demands, or Uncertainties That May Affect Liquidity

The Company is not aware of any trend that may affect its liquidity. Refer to Note 11 to the Condensed Interim Financial Statements for a discussion of the Company's liquidity risk and financial risk management.

### Events That May Trigger Direct or Contingent Obligations

The Company is not aware of any events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

### Off-Balance Sheet Transactions

To the Company's knowledge, there are no material off-balance sheet transactions, arrangement, obligations (including contingent obligations), and other relationship of the Company with unconsolidated entities or other persons created during the reporting period.

## Material Commitments for Capital Expenditures

The Company has ongoing definite corporate expansion projects approved by the BOD. As a result of this expansion program, the Company spent for property, plant and equipment as well as bottles and cases amounting to P1.0 billion and P605.9 million for the three months ended March 31, 2025 and 2024, respectively. To this date, the Company continues to invest in major capital expenditures in order to complete the remaining expansion projects lined up in line with prior calendar year spending.

## Trends or Uncertainties That May Impact Results of Operations

The Company's performance will continue to hinge on the overall performance of the Philippine economy, the natural seasonality of operations, and the competitive environment of the beverage market in the Philippines. Refer to Note 11 to the Condensed Interim Financial Statements for a discussion of the Company's Financial Risk Management.

## Significant Elements of Income or Loss that did not Arise from Continuing Operations

There were no significant elements of income or loss that arise from continuing operations.

## Seasonality Aspects That May Affect Financial Conditions or Results of Operations

Please refer to Note 4 to the Condensed Interim Financial Statements for a discussion of the seasonality of the Company's operations.

## Key Performance Indicators

The following are the Company's key performance indicators. Analyses are employed by comparisons and measurements based on the financial data of the current period against the same period of previous year.

| | | **March 31, 2025** | December 31, 2024 |
|---|---|---|---|
| Current ratio | Current assets over current liabilities | **0.58:1** | 0.64:1 |
| Solvency ratio | Net income plus depreciation and amortization over total liabilities | **0.02:1** | 0.09:1 |
| Bank debt-to-equity ratio | Bank debt over total equity | **1.36:1** | 1.33:1 |
| Asset-to-equity ratio | Total assets over equity | **3.98:1** | 3.88:1 |

| | | For the three months ended March 31 | |
|---|---|---|---|
| | | **2025** | 2024 |
| Net sales | | **P10.1 billion** | P10.2 billion |
| Gross profit margin | Gross profit over net sales | **20.02%** | 18.91% |
| Operating margin | Operating income over net sales | **-1.20%** | -0.67% |
| Net profit margin | Net profit over net sales | **-2.31%** | -2.19% |
| Interest rate coverage ratio | Earnings before interest and taxes over interest expense | **-0.64:1** | -0.65:1 |

**SIGNATURES**

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

Issuer: Pepsi-Cola Products Philippines, Inc.

By:

**ELMER JOSEPH N. YANGA**
Chief Finance Officer

Date: May 15, 2025