



**Nestlé** Good food, Good life

# Nestlé Finance International Ltd.

## Annual Financial Report

### Management Report and Financial Statements

January 1 – December 31, 2025

(With Report of the Réviseur d'Entreprises Agréé thereon)

Registered Address:  
40, Avenue Monterey  
L-2163, Luxembourg  
Grand Duchy of Luxembourg  
RCS. No B136737  
Subscribed capital: EUR 440 000

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<b>3</b>	<b>Management Report</b>
<b>6</b>	<b>Report of the Réviseur d'Entreprises Agréé</b>
<b>13</b>	<b>Financial Statements for the year ended December 31, 2025</b>
14	Balance sheet
15	Income statement
16	Statement of comprehensive income and loss
17	Statement of changes in equity
18	Cash flow statement
<b>19</b>	<b>Notes</b>
19	1. Corporate information
19	2. Accounting policies
25	3. Operating income, expenses and taxes
27	4. Derivative assets and liabilities
28	5. Financial instruments
31	6. Other assets and liabilities
31	7. Share capital, share premium and other reserves
32	8. Capital management
33	9. Debt securities
34	10. Transactions with related parties
36	11. Guarantees
36	12. Risks and uncertainties
41	13. Directors
41	14. Staff
41	15. Events after the balance sheet date
<b>42</b>	<b>Responsibility Statement</b>

# Management Report

Nestlé Finance International Ltd. (“NFI” or the “Company”) presents its annual financial report for the financial year ended December 31, 2025. NFI is a public limited company (société anonyme) organized under the laws of Luxembourg and is a wholly-owned subsidiary of Nestlé S.A. which is the holding company of the Nestlé Group of companies (the “Nestlé Group” or the “Group”). NFI is established for an unlimited duration. The Nestlé Group manufactures and distributes food and beverage products in the following categories: powdered and liquid beverages, water, milk products and ice cream, nutrition products, prepared dishes and cooking aids, confectionery and petcare. The Nestlé Group also manufactures and distributes nutritional science products through its globally managed business Nestlé Health Science.

The principal activity of NFI is the financing of the Nestlé Group companies, including by the sale, exchange, issue, transfer or otherwise, as well as the acquisition by purchase, subscription or in any other manner, of stock, bonds, debentures, notes, debt instruments or other securities or any kind of instrument and contracts thereon or relative thereto. NFI may further grant any financial assistance whatsoever to the members of the Nestlé Group, in particular by granting loans, facilities or guarantees in any form and for any term whatsoever and provide any of them with assistance in any form whatsoever.

## **(A) Review of the development and performance of the business during the financial year**

As at December 31, 2025 a total equivalent of EUR 22 790 million of loans granted to Nestlé Group companies was outstanding, compared to EUR 23 070 million as at December 31, 2024. These were financed mainly through the issuance of bonds, commercial papers and loans received from Nestlé Group companies. Other assets and liabilities comprise mainly derivatives, cash and cash equivalents (consisting of cash balances and deposits at banks) and short-term investments. The aforementioned transactions are further detailed in the notes to the financial statements of NFI for the financial year ended December 31, 2025.

Total assets were EUR 23 423 million and EUR 23 756 million as at December 31, 2025 and 2024, respectively. The decrease results mainly from a decrease in loans granted to Nestlé Group companies (by EUR 280 million), from a decrease in cash and cash equivalents (by EUR 44 million) and from a decrease in deferred tax assets (by EUR 9 million).

Total liabilities were EUR 23 327 million and EUR 23 682 million as at December 31, 2025 and 2024, respectively.

Debt securities outstanding at December 31, 2025 (EUR 22 372 million) decreased by EUR 732 million as compared to December 31, 2024 (EUR 23 104 million) mainly as a result of the repayment in full of a bond during the year with a face value of EUR 500 million in accordance with its contractual terms. In 2025, new bonds were issued for an amount of EUR 2'419 million which was partially offset by the net decrease in commercial papers of EUR 2'217 million. Refer to Note 9 for further details. This decrease was further driven by favorable foreign exchange movements during the year (EUR 440 million). Loans received from Nestlé Group companies outstanding at December 31, 2025 (EUR 724 million) increased by EUR 329 million as compared to December 31, 2024 (EUR 395 million).

NFI continued to report a profitable result in 2025, marking its second consecutive year of profitability. The net profit for the financial year ending December 31, 2025 was EUR 16 million (2024: EUR 33 million). The net profit before tax for the financial year ended December 31, 2025 was EUR 24 million, compared to a net profit before tax of EUR 42 million for the financial year ended December 31, 2024. The change is due to an increase in intercompany interest income (by EUR 36 million) resulting from the loans granted to Nestlé S.A. and its affiliates, offset by an increase in third party interest expense (by EUR 47 million) resulting from an increase in debt securities issued at higher interest rate. Finally, the profit before tax was also driven by a favorable foreign exchange movement during the year (by EUR 10 million).

The net cash used in operations was EUR 9 million for the financial year ended December 31, 2025 in line with the year ended December 31, 2024 (EUR 10 million). Additionally, NFI's net operating cash inflow was EUR 527 million in 2025, compared to a cash outflow of EUR 3'702 million in 2024 driven by the loan granted by Nestlé Group companies. Finally, NFI's net financing cash outflow was EUR 564 million in 2025 compared to a cash inflow of EUR 3 953 in 2024 driven by the issuance of bonds and commercial papers. Refer to Note 10 for further details.

The financial performance of NFI depends largely on the net interest margin earned on loans and investments, funded by issuance of bonds, commercial papers, loans received from Nestlé Group companies and results from derivative transactions. Management continues to closely monitor market developments and take appropriate measures to mitigate risks associated with interest rate fluctuations.

## **(B) Risks and uncertainties**

NFI is exposed to certain risks and uncertainties: credit risk, market risk, liquidity risk and risk of an increase in cost of capital, treasury operations and other risks that could have a material adverse impact on its financial condition and operating results. The detailed description of these risks and uncertainties and NFI's objectives, policies and processes for managing these risks and uncertainties are disclosed in the notes to the financial statements of NFI for the year ended December 31, 2025, in particular in Note 12.

## **(C) Other items**

NFI has no research and development costs nor any treasury shares or branches.

## **(D) Corporate governance status**

### **Overall control environment**

The Board of Directors of NFI has overall responsibility for its control environment. The Board of Directors is responsible for monitoring the internal control and risk management systems that are related to the financial reporting process on an ongoing basis.

The internal control and risk management systems are designed to mitigate, rather than eliminate, the risks identified in the financial reporting process. In particular, internal controls related to the financial reporting process are established to mitigate, detect and correct material misstatements in the financial statements.

NFI has a number of policies and procedures in key areas of financial reporting, which are derived from the Nestlé Group's Accounting Standards, Risk Management Policy, Treasury Policy, Information Security Policy and Business Ethics Policy. These policies and procedures apply to all subsidiaries of the Nestlé Group, including NFI. NFI complies with the corporate governance guidelines of the Group.

### **Structure of capital**

The share capital of NFI is divided in 220 000 shares having a nominal amount of EUR 2 each. There is only one class of shares issued and they all provide the same rights to the shareholder. NFI does not have own shares. There are neither restrictions to the transfer of the issued shares in NFI nor any agreement issued by the shareholder which may result in restrictions on the transfer of NFI shares.

### **Instruments traded on a regulated market**

NFI issues bonds which are admitted for trading on the London Stock Exchange or the Luxembourg Stock Exchange. No other instruments, such as NFI's shares, are

admitted to trading on any regulated market. Therefore, the disclosure requirements included in Article 10, paragraph 1, points c), d), f), h) and i) of Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids as required by Article 68ter, paragraph 1 letter d) of Luxembourg modified law of December 19, 2002 are not applicable.

### **Control activities**

Nestlé Group has established minimum requirements for the conduct and documentation of IT and manual control activities to mitigate identified significant financial reporting risks. NFI establishes and implements internal controls comprising relevant control activities for significant processes.

NFI's management is responsible for ensuring that the internal control activities are performed and documented and is required to report on their compliance with Nestlé Group's internal control policies to Nestlé Group's finance function.

In addition, the Nestlé Group has implemented a formalized financial reporting process for the budget process and monthly reporting on actual performance. The accounting information reported by NFI is reviewed both by Nestlé Group central treasury and by technical accounting specialists at Nestlé.

### **Information and communication**

The Nestlé Group has established information and communication systems to ensure that accounting and internal control compliance procedures are established, including a finance manual and internal control requirements.

All Nestlé Group companies, including NFI, use a standardized financial reporting system.

### **Monitoring**

The monitoring of the internal control and risk management systems related to financial reporting is performed at various levels within the Nestlé Group, such as periodic reviews of control documentation, controller visits, audits performed by Nestlé Group Internal Audit and monitoring by the Nestlé Group's Audit Committee.

### **Subsequent events**

As at March 19, 2026, there are no subsequent events which either warrant a modification of the value of its assets and liabilities or any additional disclosure.

**Future developments**

It is expected that NFI's business activities will remain unchanged in 2026. NFI will primarily continue to provide financing to members of the Nestlé Group.

**Going concern**

NFI's management assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on NFI's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

As at December 31, 2025, the total current assets amount to EUR 3 176 million and the total current liabilities amount to EUR 4 455 million. NFI will be able to meet its current debt obligations, supported by its short-term and medium-term debt programs in place, through which NFI can raise funding using the credit rating of its sole shareholder.

Management does not consider that the negative working capital position indicates any cash distress scenario.

For the next year, 74% of the debts have a maturity between 3 years and more than 5 years (71% in 2024).

Based on the capital management the equity is high enough to cover the risk of default.



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## Independent auditor's report

To the Shareholder of  
Nestlé Finance International Ltd. S.A.  
40, Avenue Monterey  
L-2163 Luxembourg

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Nestlé Finance International Ltd. (the "Company"), which comprise the Balance sheet as at 31 December 2025, the Income statement and the statement of comprehensive income, the statement of changes in equity and the cash flows statement of for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

#### Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. 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 financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### ***Credit risk related to loans and advances to Nestlé Group entities***

#### ***Risk identified***

The Company is a financing entity granting loans and advances to entities within the Nestlé Group referred to as Nestlé Group entities.

As of 31 December 2025, the current portion of loans and advances granted to Nestlé entities amounted to KEUR 2 556 152 whilst the non-current portion amounted to KEUR 20 233 734 both totalling KEUR 22 789 886 and representing 97.3% of the total assets of the company.

As detailed in Note 1 and Note 5 to the financial statements, loans to Nestlé Group entities are classified as debt instruments measured at amortized cost and subject to impairment.

An expected credit loss (“ECL”) analysis was performed by the Management as at 31 December 2025 based on key judgements and estimates including:

- Completeness and accuracy of data used to calculate ECL.
- Allocation of assets to stage 1 (performing), 2 (non-performing), or 3 (default) using criteria in accordance with the accounting standard.
- Accuracy and adequacy of the financial statement disclosures.

Given the significance of loans granted to Nestlé entities as well as the importance of the judgments involved regarding the assessment of the impairment of these financial assets, the evaluation of the recoverability of loans receivables granted to Nestlé Companies is a key audit matter.

#### ***Our answer***

Our audit procedures on impairment and the evaluation of the recoverability of loans receivables and advances granted to Nestlé Group entities (the “Loans”) included, among others:

- We inspected legal documentation related to the Loans.
- We agreed the input data used in the ECL computation to the carrying value of the Loans reported in the financial statements and to the related parties’ financial information obtained from Nestlé Group companies.
- We assessed the methods and assumptions applied by Management in their ECL analysis.

- We performed an overall assessment of the ECL provision to evaluate its reasonableness considering the Company's portfolio, risk profile, credit risk management policies and the macroeconomic environment.
- We evaluated the adequacy of the Company's disclosures in respect of the Loans as disclosed in Notes 5 and 10 of the financial statements.

### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report and the corporate governance statement but does not include the financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### **Responsibilities of the Board of Directors and of those charged with governance for the financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF 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 financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 the Board of Directors.
- Conclude on the appropriateness of Board of Directors’ 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 report of the “réviseur d’entreprises agréé” to the related disclosures in the 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 report of the “réviseur d’entreprises agréé”. 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

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 communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

## **Report on other legal and regulatory requirements**

We have been appointed as “réviseur d’entreprises agréé” by the General Meeting of the Shareholders on 15 April 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is six years.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the financial statements of the Company as at 31 December 2025 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Company, it relates to:

- Financial statements prepared in valid xHTML format;

In our opinion, the financial statements of the Company as at 31 December 2025 identified as `nestle-finance-international-ltd-fullyear-financial-report-2025.xhtml`, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.



We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

A handwritten signature in blue ink that reads 'Maigret'. The signature is written in a cursive style with a long horizontal stroke extending to the right.

Gabriel de Maigret

Luxembourg, 19 March 2026



# Financial Statements 2025

# Balance sheet as at December 31, 2025

In thousands of Euro			
	Notes	2025	2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	236 701	595 387
Short-term investments	5	314 704	18
Derivative assets	4/5	66 328	70 156
Loans to Nestlé Group companies	5	2 556 152	4 385 350
Other assets	5/6	1 848	1 402
<b>Total current assets</b>		<b>3 175 733</b>	<b>5 052 313</b>
<b>Non-current assets</b>			
Derivative assets	4/5	3 351	—
Loans to Nestlé Group companies	5	20 233 734	18 684 368
Deferred tax assets	6	10 243	19 269
<b>Total non-current assets</b>		<b>20 247 328</b>	<b>18 703 637</b>
<b>Total assets</b>		<b>23 423 061</b>	<b>23 755 950</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Derivative liabilities	4/5	—	20
Loans from Nestlé Group companies	5	724 488	395 179
Current financial debt	5/9	3 500 322	4 394 626
Other liabilities	5/6	229 882	182 384
<b>Total current liabilities</b>		<b>4 454 692</b>	<b>4 972 209</b>
<b>Non-current liabilities</b>			
Non-current financial debt	5/9	18 872 058	18 709 473
<b>Total non-current liabilities</b>		<b>18 872 058</b>	<b>18 709 473</b>
<b>Total liabilities</b>		<b>23 326 750</b>	<b>23 681 682</b>
<b>Equity</b>			
Share capital	7	440	440
Share premium and other premiums	7	102 000	102 000
Hedging reserve	7	5 957	350
Legal reserve	7	44	44
Other reserve	7	4 955	4 955
Accumulated losses		(17 085)	(33 521)
<b>Total equity attributable to shareholders of the company</b>		<b>96 311</b>	<b>74 268</b>
<b>Total liabilities and equity</b>		<b>23 423 061</b>	<b>23 755 950</b>

The accompanying notes form an integral part of the financial statements.

# Income statement for the year ended December 31, 2025

In thousands of Euro

	Notes	2025	2024
Interest income		544 439	518 412
Interest expense		(520 809)	(466 311)
<b>Net interest income/(expense)</b>	3	<b>23 630</b>	<b>52 101</b>
Net fee and commission income/(expense) from Nestlé Group companies		(7 709)	(7 001)
Expected credit loss on financial assets (increase)/decrease		(23)	(1 012)
Net foreign exchange gain/(loss)	3	9 638	(35)
<b>Operating profit</b>		<b>25 536</b>	<b>44 053</b>
Administration expense		(1 541)	(1 731)
<b>Profit before tax</b>		<b>23 995</b>	<b>42 322</b>
Taxes	3	(7 559)	(9 822)
<b>Profit for the year attributable to shareholders of the company</b>		<b>16 436</b>	<b>32 500</b>

The accompanying notes form an integral part of the financial statements.

# Statement of comprehensive income and loss for the year ended December 31, 2025

In thousands of Euro

	2025	2024
Profit for the year recognized in the income statement	16 436	32 500
Adjustments on cost of hedge reserve		
Recognized in hedging reserve	7 358	92
Taxes on hedging reserve	(1 751)	(23)
Items that are or may be reclassified subsequently to the income statement	5 607	69
<b>Other comprehensive income for the year</b>	<b>5 607</b>	<b>69</b>
<b>Comprehensive income for the year attributable to shareholders of the company</b>	<b>22 043</b>	<b>32 569</b>

The accompanying notes form an integral part of the financial statements.

# Statement of changes in equity for the year ended December 31, 2025

In thousands of Euro

	Notes	Share capital	Share premium and other premiums	Hedging reserve	Legal reserve	Other reserve	Accumulated losses	Total equity attributable to shareholders of the company
<b>Equity as at January 1, 2024</b>		440	102 000	281	44	4 955	(66 021)	41 699
Profit for the year		—	—	—	—	—	32 500	32 500
Other comprehensive income for the year		—	—	69	—	—	—	69
Total comprehensive income for the year		—	—	69	—	—	32 500	32 569
<b>Equity as at December 31, 2024</b>		440	102 000	350	44	4 955	(33 521)	74 268
<b>Equity as at January 1, 2025</b>		440	102 000	350	44	4 955	(33 521)	74 268
Profit for the year		—	—	—	—	—	16 436	16 436
Other comprehensive income for the year		—	—	5 607	—	—	—	5 607
Total comprehensive income for the year		—	—	5 607	—	—	16 436	22 043
<b>Equity as at December 31, 2025</b>		440	102 000	5 957	44	4 955	(17 085)	96 311

The accompanying notes form an integral part of the financial statements.

# Cash flow statement for the year ended December 31, 2025

In thousands of Euro			
	Notes	2025	2024
<b>Operating activities</b>			
Profit before tax		23 995	42 322
Adjustments for non-cash transactions:			
Foreign exchange loss for loans, debt securities and derivatives	3	(9 638)	35
Fair value of debt securities		—	—
Interest income	3	(544 439)	(518 412)
Interest expense	3	520 809	466 311
<b>Cash flow before changes in operating assets and liabilities</b>		<b>(9 273)</b>	<b>(9 744)</b>
Change in other assets and liabilities:			
Change in other assets	6	(142)	(24)
Change in other liabilities excluding accruals and deferred income	6	227	(274)
Inflow in short term investments		—	92
<b>Cash flow used in operations</b>		<b>(9 188)</b>	<b>(9 950)</b>
Net loans to and from Nestlé Group companies:			
Net loans to Nestlé Group companies excluding intra group interest receivable	10	120 414	(3 916 711)
Net loans from Nestlé Group companies excluding intra group interest payable	10	329 309	132 489
Interest received net of withholding tax		551 933	463 438
Interest paid		(464 569)	(371 674)
Income tax received/(paid)		(586)	616
<b>Operating cash flow</b>		<b>527 313</b>	<b>(3 701 793)</b>
<b>Financing activities</b>			
Bonds issued	9	2 414 907	2 625 995
Commercial paper issued	9	35 603 108	37 679 904
Bonds repaid	9	(500 000)	(1 150 000)
Commercial paper repaid	9	(38 081 843)	(35 203 363)
<b>Financing cash flow</b>		<b>(563 828)</b>	<b>3 952 536</b>
Effect of the exchange rate changes on cash		(7 485)	9 200
<b>Net increase in cash and cash equivalents</b>		<b>(44 000)</b>	<b>259 944</b>
Net cash and cash equivalents at the beginning of the year		595 405	335 461
<b>Net cash and cash equivalents at the end of the year</b>		<b>551 405</b>	<b>595 405</b>
<b>Net cash and cash equivalents as per balance sheet</b>	5	<b>236 701</b>	<b>595 387</b>

The accompanying notes form an integral part of the financial statements.

# Notes

## 1. Corporate information

Nestlé Finance International Ltd. (“NFI” or the “Company”) organized under the laws of Luxembourg, is a wholly-owned subsidiary of Nestlé S.A., incorporated in Switzerland, which is the holding company of the Nestlé Group of companies (hereinafter, referred to as the “Nestlé Group” or the “Group”). NFI is established for an unlimited duration.

NFI is principally engaged in the financing of the Nestlé Group companies including by the sale, exchange, issue, transfer or otherwise, as well as the acquisition by purchase, subscription or in any other manner, of stock, bonds, debentures, notes, debt instruments or other securities or any kind of instrument and contracts thereon or relative thereto. NFI may further grant any financial assistance whatsoever to the members of the Nestlé Group, in particular, by granting loans, facilities or guarantees in any form and for any term whatsoever and provide any of them with assistance in any form whatsoever.

The financial statements of NFI for the year ended December 31, 2025, as well as the audit report, were authorized for issue by the Board of Directors and by the Annual General Meeting on March 19, 2026.

## 2. Accounting policies

### Accounting convention and accounting standards

The financial statements comply with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the European Union and with the laws and regulations in force in the Grand Duchy of Luxembourg.

They have been prepared on a historical cost basis, except for derivatives financial instruments and short-term investments that are recorded at fair value.

NFI’s financial year starts on the first day of January and ends on the last day in December. The balance sheet has been prepared in order of liquidity.

NFI prepared its financial statements on the basis of the going concern convention. NFI has access to ample liquidity, including short and medium-term capital markets, enjoying the benefit of issuance with Nestlé S.A.’s AA- rated guarantee. NFI can access the Nestlé Group liquidity support in place for Nestlé S.A. if there ever be an emergency. Refer to Note 11 for further details.

The official version of these accounts is the ESEF version available with the Officially Appointed Mechanism (OAM) tool.

### Key accounting judgments, estimates and assumptions

The preparation of the financial statements requires NFI’s management to exercise judgment and to make estimates and assumptions that affect the application of policies, reported amounts of revenues, expenses, assets and liabilities as well as disclosures. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual result may differ from these estimates. 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.

Those areas that involved a higher degree of judgment or uncertainty are explained further in the relevant notes, primarily regarding the determination of fair value of financial instruments (Note 2 paragraph fair value, Note 4 on Derivative assets and liabilities, Note 5 on Financial instruments and Note 9 on Debt securities), and the determination of the expected credit losses (ECL) on loans granted to Nestlé S.A. and its affiliates.

The measurement of impairment losses under IFRS 9 across all categories of financial assets in scope requires judgements and estimates. These estimates are driven by a number of factors and changes which can result in different levels of allowance. However, NFI's expected credit losses calculation is derived from different output models with several underlying assumptions regarding the choice of variable inputs and interdependencies. Elements of the ECL model are considered accounting judgements. Refer to Note 2 paragraph impairment for further details.

### **Foreign currencies**

The functional currency of NFI is Euro, which is the currency of its primary economic environment as well as the presentation currency.

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at year end rates. Any resulting exchange differences are taken to the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

### **Segmental information**

The financing activities of NFI are managed as one single business. Therefore, there is one reporting segment in the financial statements.

The economic purpose of NFI is to issue debt securities, primarily bonds and commercial papers, to provide financing to Nestlé S.A. and its affiliates. Therefore, NFI's income is mainly generated from loans granted to Nestlé Group companies. Loans are primarily granted to central companies; NFI does not grant loans to operational companies in order to limit foreign exchange risk. Refer to Note 3 for further details.

### **Valuation methods, presentations and definitions**

#### **Operating income**

Net interest income includes the income earned on loans to Nestlé Group companies, income from short-term deposits and financial expense on borrowings from third parties and Nestlé Group companies. Net interest income also includes other financial income and expense from interest rate hedging instruments that are recognized in the income statement.

Interest income or expense is recognized using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Net fee and commission expenses are composed of the guarantee fee that is payable to Nestlé S.A. and other fees and expenses from Nestlé Group companies.

Other operating income includes results on foreign currency, other income or expenses from Nestlé Group companies and income or expenses on financial instruments carried at fair value to income statement (abbreviated as FVTPL, fair value through profit or loss).

### **Taxes**

NFI is subject to Luxembourg tax laws and regulations. Taxes include current taxes and deferred taxes on profit as well as actual or potential withholding taxes on current and expected transfers of income from Nestlé Group companies and tax adjustments relating to prior financial years. Income tax is recognized in the income statement, except to the extent that it relates to items directly taken to equity or other comprehensive income, in which case it is recognized against equity or other comprehensive income. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred taxes are based on temporary differences that arise when taxation authorities recognize and measure assets and liabilities with rules that differ from those of the financial statements. They also arise on temporary differences stemming from tax losses carried forward.

Deferred taxes are calculated under the liability method at the rates of tax expected to prevail when the temporary differences reverse, subject to such rates being substantially enacted at the balance sheet date. Any changes in the tax rate are recognized in the income statement unless related to items directly recognized against equity or other comprehensive income. Deferred tax liabilities are recognized on all taxable temporary differences. Deferred tax assets are recognized on all deductible temporary differences provided that it is probable that future taxable income will be available.

### **Financial instruments**

#### **Financial assets**

Financial assets are initially recognized at fair value plus directly attributable transaction costs. However, when a financial asset measured at FVTPL is recognized, the transaction costs are expensed immediately. Subsequent remeasurement of financial assets is determined by their category, which is revisited at each reporting date.

The settlement date is used for initial recognition and derecognition of the financial assets, as these transactions are generally under contracts whose terms require delivery within the time frame established by the regulation or convention in the market place (regular-way purchase or sale). Financial assets are derecognized when substantially all of NFI's rights to cash flows from the financial assets have expired or have been transferred and NFI has transferred substantially all the risks and rewards of ownership.

NFI classifies its financial assets into the following categories: at amortized cost and at FVTPL.

#### **Financial assets at amortized cost**

This category includes the following classes of financial assets: loans to Nestlé Group companies, trade and other receivables as well as cash and cash equivalents.

The contractual terms of loans to parent and affiliates give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding up to maturity. Cash and cash equivalents include cash at bank and other short-term highly liquid investments with maturities of three months or less from the acquisition date.

Subsequent to initial measurement, these assets are carried at amortized cost using the effective interest rate method and are subject to impairment.

### **Financial instruments at fair value through profit and loss**

NFI's derivatives mainly consist of currency forwards and interest rate swaps. Derivatives are mainly used to manage exposures to foreign exchange and interest rates.

Derivative instruments are classified as financial instruments at FVTPL. Derivatives are initially recognized at fair value at the trade date. They are subsequently remeasured at fair value on a regular basis and at each reporting date as a minimum. NFI applies hedge accounting to hedging relationships that meet the qualifying criteria.

Short-term investments which consist of investments in money market fund are classified at FVTPL.

These investments are mainly related to liquidity management. The net gain or loss is recorded in interest income or expense.

### **Financial liabilities at amortized cost**

Financial liabilities are initially recognized at fair value, net of transaction costs incurred.

Subsequent to initial measurement, financial liabilities are recognized at amortized cost. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the income statement over the contractual term, using the effective interest rate method. This category includes the following classes of financial liabilities: loans from Nestlé Group companies, trade and other payables, commercial papers, bonds and other non-derivative financial liabilities.

Financial liabilities at amortized cost are classified as current or non-current, depending on whether they are due within 12 months after the balance sheet date or beyond.

Financial liabilities are derecognized (in full or partly) when either NFI is discharged from its obligation, they expire, they are cancelled or they are replaced by a new liability with substantially modified terms.

### **Hedge accounting**

NFI designates and documents the use of certain derivatives as hedging instruments against changes in fair values of recognized assets and liabilities (fair value hedges). The effectiveness of such hedges is assessed at inception and verified at regular intervals and at least on a quarterly basis to ensure that an economic relationship exists between the hedged item and the hedging instrument.

NFI generally excludes from the designation of the hedging relationship the hedging cost element. Subsequently, this cost element impacts the income statement at the same time as the underlying hedged item.

### **Fair value hedges**

NFI uses fair value hedges to mitigate foreign currency and interest rate risks of its recognized assets and liabilities, being financial debt.

Changes in fair values of hedging instruments designated as fair value hedges and the adjustments for the risks being hedged in the carrying amounts of the underlying transactions are recognized in the income statement.

The Company presents the costs of hedging separately from the related derivative instruments. Changes in the fair value of these costs of hedging are recognized in other comprehensive income and accumulated in hedging cost reserve.

### **Impairment**

NFI assesses whether its financial assets carried at amortized cost are impaired on the basis of expected credit loss (ECL). The measurement of the expected credit loss of a

## 2. Accounting policies

financial instrument should reflect an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Loans are granted by NFI solely to Nestlé S.A. and its affiliates. Loss given default (“LGD”) has been assumed to be 30% (2024: 30%), in line with the industry standard for Global Corporates. Impairment losses related to loans to Nestlé Group companies are presented separately in the income statement. The default occurs when a borrower fails to pay back a debt according to the initial arrangement.

NFI groups its loans into stage 1, stage 2 and stage 3 as defined below:

Stage 1: Credit risk has not increased significantly since initial recognition. This stage is used for the normal calculation of the ECL with the methodology in place.

Stage 2: Credit risk has increased significantly since initial recognition. Based on the financial figures of the Group reporting unit, NFI will be informed by Nestlé Group that a risk is higher to perform a calculation based on the risk of default at the maturity date.

Stage 3: Financial asset is impaired. NFI will be informed by Nestlé Group that a borrower is in bankruptcy to recognize an impairment.

### Fair value hierarchy of financial instruments

NFI classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - the fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flow, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and comparable arm’s length transactions. For example, the fair value of forward exchange contracts, currency swaps, and interest rate swaps are determined by discounting estimated future cash flow.
- iii) Level 3 - the fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, NFI carries such instruments at cost less impairment, if applicable.

### Accruals and deferred income

Accruals and deferred income comprise expenses relating to the current financial year, which will not be paid until after the balance sheet date and income received in advance, relating to the following financial year.

### Dividend payments

In accordance with Luxembourg law and NFI’s articles of incorporation, dividend payments are treated as an appropriation of profit in the financial year in which they are ratified at the Annual General Meeting and subsequently paid.

## 2. Accounting policies

At the meeting of the Board of Directors of NFI held on March 20, 2025, the Board did not propose any dividend payment to NFI's shareholder.

### Events occurring after the balance sheet date

The values of assets and liabilities at the balance sheet date are adjusted if there is evidence that subsequent adjusting events warrant a modification of these values. These adjustments are made up to the date of approval of these financial statements by NFI's Board of Directors. Other non-adjusting events are disclosed in the Notes to the financial statements of NFI for the year ended December 31, 2025.

### Nestlé S.A. consolidation

NFI is included in the consolidated financial statements of Nestlé S.A. being the company that is both the smallest and the largest body of undertakings that NFI forms part of.

Copies of Nestlé S.A.'s consolidated financial statements are available at the registered office of Nestlé S.A., Avenue Nestlé 55, 1800 Vevey, Switzerland.

### Changes in accounting standards

In August 2023, the IASB issued Lack of Exchangeability – Amendments to IAS 21, which requires entities to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. The Amendments to IAS 21 are effective for reporting periods beginning on or after January 1, 2025. The initial application of this amendment did not have a material impact on NFI's financial statements.

There are no other standards or amendments to IFRS Accounting Standards which apply for the first time in 2025.

### Changes in accounting standards that may affect NFI after December 31, 2025

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard sets out requirements for the presentation and disclosure of information in financial statements. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027 and will apply retrospectively. NFI is currently evaluating the impacts this new standard will have on the presentation of the income statement and the notes to the financial statements. The application of the standard will impact the level of detail presented in NFI's income statement as well as the aggregation of expense items presented.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 - have been issued and will become effective on January 1, 2026. These new amendments are not expected to have a material impact on the financial statements in the period of initial adoption.

### 3. Operating income, expenses and taxes

#### Net interest income/(expenses)

In thousands of Euro

	2025	2024
Interest income from		
Cash and cash equivalents, short-term investments	11 640	21 280
Loans to Nestlé Group companies	532 799	497 132
<b>Interest income</b>	<b>544 439</b>	<b>518 412</b>
Interest expense from		
Loans from Nestlé Group companies	(16 870)	(8 913)
Debt securities issued	(503 939)	(457 398)
<b>Interest expense</b>	<b>(520 809)</b>	<b>(466 311)</b>
<b>Net interest income/(expenses)</b>	<b>23 630</b>	<b>52 101</b>

#### Other operating income/(expenses)

In thousands of Euro

	2025	2024
Net foreign exchange gain/(loss)	280 788	(63 459)
Net gain/(loss) on hedging instruments	(271 150)	63 424
<b>Other operating income/(expenses)</b>	<b>9 638</b>	<b>(35)</b>

The variation of the net foreign exchange gain is mainly due to the fluctuation of the currencies USD, GBP and JPY against EUR, refer to Note 12 for further details.

### 3. Operating income, expense and taxes

#### Taxes

In thousands of Euro

	2025	2024
Profit for the year	16 436	32 500
Taxes	(7 559)	(9 822)
<b>Profit before tax</b>	<b>23 995</b>	<b>42 322</b>
Withholding tax on interest received	—	794
<b>Profit before income tax and after withholding tax</b>	<b>23 995</b>	<b>43 116</b>
<b>Taxes</b>		
Tax using NFI's domestic tax rate 23,87% (2024: 24,94%)	(9 026)	(10 576)
Net wealth tax	(284)	(63)
Withholding tax on interest received	—	794
Taxes reclassified to other comprehensive income	1 751	23
<b>Total taxes</b>	<b>(7 559)</b>	<b>(9 822)</b>

Fees charged by Ernst & Young S.A. ("EY") and other member firms of the EY network during the year ended December 31, 2025 were as follows:

In thousands of Euro

	2025	2024
Legal annual audit fees	(49)	(49)
<b>Fees charged by EY network</b>	<b>(49)</b>	<b>(49)</b>

The Organisation for Economic Co-operation and Development (OECD) initiative to combat base erosion and profit shifting (BEPS) has led to the development of a number of measures which countries have already introduced or plan to introduce. These include the Pillar Two initiative, focused on the introduction of a minimum corporate tax rate, with the possibility of top-up taxes being introduced in cases where jurisdictions do not have the minimum tax rate. The OECD framework transposed into Luxembourg law on December 22, 2023 became effective for fiscal year beginning on or after January 1, 2024.

In accordance with the amendments to IAS 12 Income Taxes, NFI has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Based on management's assessment, no exposure to Pillar Two top-up taxes is anticipated for NFI.

## 4. Derivative assets and liabilities

### By type

In thousands of Euro

	2025	2024	2025	2024	2025	2024
	Contractual or notional amounts		Fair value assets		Fair value liabilities	
Fair value hedges						
Foreign currency and interest rate risk on net financial debt	1 113 188	2 119 382	69 679	70 156	—	20
<b>Total</b>	<b>1 113 188</b>	<b>2 119 382</b>	<b>69 679</b>	<b>70 156</b>	<b>—</b>	<b>20</b>
Conditional offsets *						
Derivative assets and liabilities			—	(20)	—	(20)
<b>Balances after conditional offsets</b>			<b>69 679</b>	<b>70 136</b>	<b>—</b>	<b>—</b>

\* Represent amounts that would be offset in case of default, insolvency or bankruptcy of the counterparties

The majority of hedge relationships are established to ensure a hedge ratio of 1:1.

### Impact on the income statement of fair value hedges

Most of the fair value hedges are related to financing activities and are presented in the other operating income and expenses.

In thousands of Euro

	2025	2024
On hedged items	278 180	(63 424)
On hedging instruments	(278 180)	63 424

Ineffective results of fair value hedges recorded in the income statement represented an income of EUR 7 million (2024 : nil) and relate to the cost of hedging.

## 5. Financial instruments

### Financial assets and liabilities By class and by category

In thousands of Euro

	2025			2024		
Classes	At amortized cost <sup>(a)</sup>	At fair value to income statement	Total categories	At amortized cost <sup>(a)</sup>	At fair value to income statement	Total categories
Cash at bank and in hand <sup>(a)</sup>	4 467	—	4 467	22 467	—	22 467
Time deposit <sup>(a)</sup>	232 234	—	232 234	572 920	—	572 920
Short-term investments	—	314 704	314 704	—	18	18
Loans and receivables <sup>(a)</sup>	22 791 734	—	22 791 734	23 071 120	—	23 071 120
Liquid and non-current financial assets	23 028 435	314 704	23 343 140	23 666 507	18	23 666 525
Derivative assets	—	69 679	69 679	—	70 156	70 156
<b>Total financial assets</b>	<b>23 028 435</b>	<b>384 383</b>	<b>23 412 819</b>	<b>23 666 507</b>	<b>70 174</b>	<b>23 736 681</b>
Loans and payables <sup>(a)</sup>	(954 370)	—	(954 370)	(577 563)	—	(577 563)
Financial debt <sup>(b)</sup>	(22 372 380)	—	(22 372 380)	(23 104 099)	—	(23 104 099)
Current and non-current financial liabilities	(23 326 750)	—	(23 326 750)	(23 681 662)	—	(23 681 662)
Derivative liabilities	—	—	—	—	(20)	(20)
<b>Total financial liabilities</b>	<b>(23 326 750)</b>	<b>—</b>	<b>(23 326 750)</b>	<b>(23 681 662)</b>	<b>(20)</b>	<b>(23 681 682)</b>
<b>Net financial position</b>	<b>(298 315)</b>	<b>384 383</b>	<b>86 069</b>	<b>(15 155)</b>	<b>70 154</b>	<b>54 999</b>
of which at fair value		384 383	384 383		70 154	70 154

(a) Carrying amount is a reasonable approximation of their fair value based on observable market data

(b) Financial debt includes bonds, commercial papers and bank overdrafts (Note 9)

### Fair value hierarchy of financial instruments

In thousands of Euro

	2025	2024
Short term investments	314 704	18
<b>Prices quotes in active markets (Level 1)</b>	<b>314 704</b>	<b>18</b>
Derivative assets	69 679	70 156
Derivative liabilities	—	(20)
<b>Valuation techniques based on observable market data (Level 2)</b>	<b>69 679</b>	<b>70 136</b>
<b>Total financial instruments at fair value</b>	<b>384 383</b>	<b>70 154</b>

There have been no transfers between the different hierarchy levels in 2025 and in 2024.

## 5. Financial instruments

There were no financial instruments within the category Level 3 (valuation techniques based on unobservable input). All financial instruments are within Level 1 and Level 2 categories.

The fair value of financial instruments quoted in active markets categorized in Level 1 is based on their quoted closing price at the balance sheet date such as investments in equity and debt securities. The fair values categorized in Level 2 above were determined as follows: derivatives are valued based on discounted contractual cash flows using risk adjusted discount rates and relying on observable market data for interest rates and foreign exchange rates.

### Contractual maturities of financial liabilities and derivatives

The tables below show the liabilities as at December 31, 2025 and December 31, 2024, categorized by their remaining contractual maturities.

The amounts disclosed in the maturity tables are undiscounted cash flows.

In thousands of Euro							2025
	Contractual amount					Contractual amount	Carrying amount
	three months or less	fourth to twelfth month	in the second year	in the third to fifth year	beyond the fifth year		
<b>Other liabilities</b>	<b>229 882</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>229 882</b>	<b>229 882</b>
<b>Loans from Nestlé Group companies</b>	<b>724 488</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>724 488</b>	<b>724 488</b>
Commercial paper	1 254 555	—	—	—	—	1 254 555	1 250 684
Bonds	190 125	2 477 651	2 706 507	5 070 177	14 264 590	24 709 050	21 121 696
<b>Debt securities issued</b>	<b>1 444 680</b>	<b>2 477 651</b>	<b>2 706 507</b>	<b>5 070 177</b>	<b>14 264 590</b>	<b>25 963 605</b>	<b>22 372 380</b>
Amount receivable from currency derivatives	869 480	6 824	6 819	20 495	275 982	1 179 600	1 131 616
Amount payable from currency derivatives	(800 915)	(8 477)	(8 507)	(25 420)	(288 715)	(1 132 034)	(1 061 937)
<b>Net derivatives</b>	<b>68 565</b>	<b>(1 653)</b>	<b>(1 688)</b>	<b>(4 925)</b>	<b>(12 733)</b>	<b>47 566</b>	<b>69 679</b>

## 5. Financial instruments

	Contractual amount					2024	
	three months or less	fourth to twelfth month	in the second year	in the third to fifth year	beyond the fifth year	Contractual amount	Carrying amount
<b>Other liabilities</b>	<b>182 384</b>	—	—	—	—	<b>182 384</b>	<b>182 384</b>
<b>Loans from Nestlé Group companies</b>	<b>395 179</b>	—	—	—	—	<b>395 179</b>	<b>395 179</b>
Commercial paper	3 576 464	333 269	—	—	—	3 909 733	3 893 430
Bonds	155 375	686 538	2 591 913	5 204 863	13 598 408	22 237 097	19 210 669
<b>Debt securities issued</b>	<b>3 731 839</b>	<b>1 019 807</b>	<b>2 591 913</b>	<b>5 204 863</b>	<b>13 598 408</b>	<b>26 146 830</b>	<b>23 104 099</b>
Amount receivable from currency derivatives	1 813 964	305 417	—	—	—	2 119 381	2 106 841
Amount payable from currency derivatives	(1 748 441)	(293 397)	—	—	—	(2 041 838)	(2 036 705)
<b>Net derivatives</b>	<b>65 523</b>	<b>12 020</b>	—	—	—	<b>77 543</b>	<b>70 136</b>

## 6. Other assets and liabilities

In thousands of Euro	2025	2024
<b>Other financial assets</b>		
Intra Nestlé Group other receivables	12	—
Other receivables	1 534	1 402
Prepaid and accrued income	302	—
<b>Total other assets</b>	<b>1 848</b>	<b>1 402</b>
<b>Other financial liabilities</b>		
Intra Nestlé Group other payables	1 870	1 879
Other payables	871	635
Accruals and deferred income	227 141	179 870
<b>Total other liabilities</b>	<b>229 882</b>	<b>182 384</b>

### Deferred tax assets

In thousands of Euro	2025	2024
Opening balance	19 269	29 845
Increase/(decrease)	(9 026)	(10 577)
<b>Closing balance</b>	<b>10 243</b>	<b>19 269</b>

## 7. Share capital, share premium and other reserves

	2025	2024
Number of shares of nominal value EUR 2 each	220 000	220 000
In thousands of Euro	440	440

Share capital is set at EUR 440 000 represented by 220 000 shares with a nominal value of EUR 2 each and is authorized, issued and fully paid. As at December 31, 2025 the share premium is EUR 102 million (2024: EUR 102 million).

Under Luxembourg law, NFI is allowed to deduct part of the net wealth tax from the corporate income tax of the same year, provided that a reserve is created corresponding to five times the net wealth tax deducted and that this reserve is maintained for a period of five tax years following the year of deduction.

As at December 31, 2025, the net wealth tax reserve amounts to EUR 4 955 thousand (2024: EUR 4 955 thousand) of which EUR 4 955 thousand is distributable to the shareholder (2024: EUR 4 955 thousand).

## 7. Share capital, share premium and other reserves

The movements in other reserve for the period ended December 31, 2025 were as follows:

In thousands of Euro	2025	2024
Opening balance	4 955	4 955
Subtraction/addition	—	—
<b>Closing balance</b>	<b>4 955</b>	<b>4 955</b>

Under Luxembourg law, NFI is required to appropriate annually at least 5% of its statutory net profit to a non-distributable legal reserve until the aggregate reserve reaches 10% of the subscribed capital. The reserve is fully constituted for EUR 44 thousand.

As at December 31, 2025, the hedging cost reserve net of tax is EUR 5 957 thousand (2024: EUR 350 thousand) associated with the fair value hedges.

## 8. Capital management

NFI monitors the capital using the equity at risk methodology. Equity at risk refers to the share of equity which the lender will need to use in order to cover for potential losses incurred should the borrower default on its obligations to repay the debt, to meet obligations against its own lenders and to avoid insolvency. For purpose of determining the amount of equity which the lender has at risk, the expected loss (EL) methodology attempts to estimate the loss exposure of the particular lender by assessment of the risk profile of his debt receivables, and by applying the outcome to the overall amount of debt granted. To cover fully for the potential losses, the lender should have an equity buffer equal to at least the amount of its overall exposure.

Therefore, to estimate the appropriate amount of NFI's equity which is at risk because of its financial intermediation activity, the following equation is applied:

**Equity at risk = EL \* Exposure at default**

Therefore, the amount of equity NFI is assumed to have at risk as a result of its financial intermediation activity amounts to EUR 26 633 thousand i.e. 0.12% by EUR 22 789 886 thousand (2024: EUR 26 938 thousand i.e. 0.12% by EUR 23 069 718 thousand).

The amount of EUR 26 633 thousand represents the minimum level of equity that NFI must keep for accounting purposes to be able to bear the risks flowing from its financial activity.

As at December 31, 2025, the actual share capital, share premium and accumulated losses amount to EUR 85 355 thousand and is therefore above the minimum amount defined above (2024: EUR 68 919 thousand).

## 9. Debt securities

### Bonds

The outstanding amounts of bonds as at December 31, 2025 and December 31, 2024 were as follows:

In thousands of Euro					2025	2024
Face value	Interest rates		Years of issue/ maturity	Comments		
	Nominal	Effective				
EUR 750.000	1.25%	1.32%	2017–2029		748 098	747 616
EUR 750.000	1.75%	1.83%	2017–2037		743 959	743 506
EUR 1.000.000	1.13%	1.27%	2020–2026		999 646	998 221
EUR 1.000.000	1.50%	1.63%	2020–2030		994 740	993 554
EUR 850.000	0.13%	0.25%	2020–2027		847 961	846 871
EUR 1.000.000	0.38%	0.56%	2020–2032		988 627	986 875
EUR 500.000	0.00%	(0.26%)	2020–2025		—	501 196
EUR 500.000	0.00%	0.16%	2020–2033		494 364	493 578
EUR 500.000	0.38%	0.40%	2020–2040		498 508	498 411
EUR 1.250.000	0.00%	0.00%	2021–2026		1 249 992	1 250 042
EUR 750.000	0.25%	0.32%	2021–2029		748 261	747 760
EUR 500.000	0.63%	0.69%	2021–2034		497 413	497 104
EUR 650.000	0.88%	1.01%	2021–2041		637 612	636 874
EUR 600.000	0.88%	0.95%	2022–2027		599 416	598 950
EUR 600.000	1.25%	1.33%	2022–2031		597 602	597 163
EUR 800.000	1.50%	1.63%	2022–2035		791 157	790 277
EUR 500.000	3.00%	3.13%	2022–2028		498 566	497 946
EUR 500.000	3.25%	3.38%	2022–2031		497 014	496 480
EUR 500.000	3.38%	3.49%	2022–2034		495 615	495 200
EUR 850.000	3.50%	3.66%	2023–2027		847 521	846 314
EUR 850.000	3.75%	3.85%	2023–2033		844 594	843 954
EUR 500.000	3.50%	3.56%	2023–2030		498 845	498 584
EUR 500.000	3.75%	3.84%	2023–2035		496 476	496 188
GBP 400.000	5.13%	5.16%	2023–2038		457 197	480 737
EUR 750.000	3.00%	3.08%	2024–2031		747 332	746 852
EUR 750.000	3.25%	3.40%	2024–2037		739 985	739 252
EUR 500.000	2.63%	2.77%	2024–2030		496 771	496 153
EUR 650.000	3.13%	3.20%	2024–2036		645 364	645 011
EUR 500.000	3.50%	3.65%	2025–2045		489 589	—
EUR 600.000	2.88%	3.01%	2025–2032		595 461	—
CNY 2.000.000	2.80%	2.82%	2025–2035	(a)	243 707	—
EUR 600.000	3.00%	3.13%	2025–2033		594 635	—
EUR 500.000	3.50%	3.59%	2025–2038		495 668	—
<b>Total</b>					<b>21 121 696</b>	<b>19 210 669</b>

## 9. Debt securities

In thousands of Euro

	2025	2024
of which due in twelve months	2 249 638	501 196
of which due in the second year	2 294 898	2 248 263
of which due between three to five years	1 994 925	2 790 081
of which due after five years	14 582 235	13 671 129
Fair value of bonds, based on prices quotes (level 2)	20 010 346	18 153 628

(a) Subject to an interest rate and currency swap that creates a liability at fixed rates in the currency of the issuer.

These bonds are admitted to trading on the London Stock Exchange or the Luxembourg Stock Exchange. The fair value is defined on prices quoted at year end as published by the relevant stock exchange.

As at December 31, 2025, one bond is hedged by currency and interest derivatives. The fair value of these derivatives is shown under derivative assets for EUR 3 351 thousand. As at December 31, 2024, NFI had no open position hedged by interest rate derivative.

### Issue and repayment of bonds

In 2025, several series of bonds were issued for EUR 2 443 434 thousand gross minus the loan origination cost of EUR 24 374 thousand (2024: EUR 2 650 000 thousand gross minus the loan origination cost of EUR 24 005 thousand).

One series of bonds was repaid at maturity during the financial year ended December 31, 2025 in the amount of EUR 500 000 thousand (2024: EUR 1 150 000 thousand).

### Commercial Paper

The outstanding amounts of commercial paper at December 31, 2025 were as follows:

In thousands of Euro

	2025	2024
Commercial papers due within three months	1 250 684	3 565 379
Commercial papers due within nine months	—	328 051

The interest rates of the commercial paper are between -0.125% and 4.94% (2024: 2.53% and 4.94%).

Carrying amount of these instruments is a reasonable approximation of their fair value based on observable market data.

During the year 2025, NFI issued commercial paper in the amount of EUR 35 603 108 thousand (2024: EUR 37 492 466 thousand) and repaid in the amount of EUR 37 820 277 thousand (2024: EUR 34 988 922 thousand).

## 10. Transactions with related parties

### Financing of the Nestlé Group companies

The principal activity of NFI is the financing of Nestlé S.A. and its affiliates. NFI assesses the impairment risk based on principles and methodology disclosed in Note 2.

10. Transactions with related parties

The transactions with Nestlé Group companies are based on arm's length prices. The balances of transactions with related parties for the financial year ended December 31, 2025 are presented below:

In thousands of Euro	2025	2024
<b>Assets</b>		
Loans to Nestlé Group companies excluding accrued interest	22 684 480	22 956 817
Accrued interest on loans to Nestlé Group companies	105 407	112 901
<b>Total assets</b>	<b>22 789 887</b>	<b>23 069 718</b>
<b>Liabilities</b>		
Loans from Nestlé Group companies excluding accrued interest	724 488	395 179
Other payables to Nestlé Group companies	1 870	1 879
<b>Total liabilities</b>	<b>726 358</b>	<b>397 058</b>
<b>Net assets</b>	<b>22 063 529</b>	<b>22 672 660</b>

In thousands of Euro	2025	2024
Interest income on loans to Nestlé Group companies	532 799	497 132
Interest expense on loans from Nestlé Group companies	(16 870)	(8 913)

Grant, receipt and repayments of loans for the financial year ended December 31, 2025 were as follows:

In thousands of Euro	2025	2024
Loans granted to Nestlé Group companies excluding accrued interest:		
Granted to the shareholder of the company	13 563 970	15 026 048
Granted to Nestlé affiliates	2 260 038	3 074 373
Repayments of loans granted to Nestlé Group companies excluding accrued interest:		
Repaid by the shareholder of the company	(13 294 000)	(10 267 000)
Repaid by Nestlé affiliates	(2 650 421)	(3 916 710)
<b>Net loans granted/(repaid) by Nestlé Group companies</b>	<b>(120 414)</b>	<b>3 916 711</b>
Loans granted by Nestlé affiliates excluding accrued interest	—	17
Repayments of loans received from Nestlé affiliates excluding accrued interest	(329 309)	(132 505)
<b>Net loans received/(repaid) to Nestlé Group companies</b>	<b>(329 309)</b>	<b>(132 489)</b>

## 10. Transactions with related parties

The transactions included in the above tables and in Notes 3 and 7 are transactions made between the parent company, Nestlé S.A. and NFI. These are detailed in the table below:

In thousands of Euro	2025	2024
Payables to Nestlé S.A.	1 865	1 879
Other financial expenses to Nestlé S.A.	(7 709)	(7 001)

The ECL calculation is related to the loans granted to Nestlé Group companies (see Note 12) for EUR 1 951 thousand (2024: EUR 1 928 thousand).

## 11. Guarantees

Nestlé S.A. is the guarantor of NFI in respect of all debt securities issued as described in the Note 9 for both the short and long-term.

The issuance programs and guarantees applicable to NFI are: EUR 25 billion Global Commercial Paper Program (2024: EUR 25 billion), EUR 2 billion NEU CP French Commercial Paper (2024: EUR 2 billion) and Debt Issuance Program (DIP). All bonds issued are guaranteed by Nestlé S.A.

NFI itself has not provided any guarantees in favor of third parties.

## 12. Risks and uncertainties

NFI is exposed to certain risks and uncertainties that could have a material adverse impact on its financial condition and operating results.

### Capital risk

NFI's capital management is driven by the impact on the risk on loans granted of the level of total loans granted.

Management seeks to maintain a prudent balance between the risk and the capital.

### Concentrations of risk

The risks are primarily concentrated among Nestlé affiliated companies given the purpose of the Company with primary exposure in EUR following the transfer of the loans to a single Nestlé Group entity with the associated credit risk and foreign currency exposure.

The majority of NFI's assets represents receivables from other Nestlé Group companies. This situation is reflected in the assessment of risk of default and the measurement of the allowance for expected credit loss.

### Credit risk

#### Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

NFI aims to minimize the credit risk of liquid assets, non-current financial assets and derivative assets through the application of the Nestlé Group risk management policies. Credit limits are set based on each counterparty's size and risk of default. The

methodology used to set the credit limit considers the counterparty's balance sheet, credit ratings, risk ratios and default probabilities. Counterparties are monitored regularly, taking into consideration the evolution of the above parameters, as well as their share prices and credit default swaps. As a result of this review, changes on credit limits and risk allocation are carried out. NFI avoids the concentration of credit risk on its liquid assets by spreading them over several institutions and sectors.

The maximum exposure to credit risk resulting from financial activities is equal to the carrying amount of NFI's financial assets (Note 10 for loans to Nestlé affiliates) in case the counterparties are unable to fulfil their contractual obligations. The Company is also exposed to credit risk from derivative instruments, which results from the risk of non-performance of contractual agreements by the counterparty.

### Credit risk of financial assets

As at December 31, 2025 and as at December 31, 2024, the cash and cash equivalents and the short-term investments are deals with counterparties rated A- and above. Therefore, the ECL is immaterial.

As at December 31, 2025, NFI has measured the expected credit loss (ECL) on loans to Nestlé affiliates (Note 2), no other financial assets were impaired.

In thousands of Euro

Grade	2025		2024	
	Nominal	ECL calculated	Nominal	ECL calculated
A- and above	21 679 782	1 951	21 421 504	1 928
<b>Total</b>	<b>21 679 782</b>	<b>1 951</b>	<b>21 421 504</b>	<b>1 928</b>

### Banking credit

As part of its financing activities, NFI deals with many banks and financial institutions, thus the Company is exposed to a risk of loss in the event of non-performance by the counterparties to financial instruments. While NFI seeks to limit such risk by dealing with counterparties which have high credit ratings (A- and above), NFI cannot give any assurance that counterparties will fulfill their obligations, failure of which could materially affect NFI's financial position.

### Market risk

NFI is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

### Currency fluctuations

NFI is exposed to currency fluctuations, both in terms of its financing activities. While NFI uses short-term hedging for trading activities, the Company does not believe that it is appropriate or practicable to hedge long-term translation exposure. However, NFI seeks mitigation of such translation exposure by relating the currencies of trading cash flow to those of its debt by using broadly similar interest and currency swap contracts. If NFI experiences significant currency fluctuations or is unable to use similar interest and currency swap contracts effectively, then NFI's financial condition could be adversely affected.

12. Risks and uncertainties

In thousands of Euro

	EUR	USD	GBP	JPY	2025 Others
Cash and cash equivalents	329 544	3 040	218 306	142	372
Derivative assets	—	—	—	66 328	3 351
Loans to Nestlé Group companies	21 287 338	490 105	211 013	801 430	—
Other financial assets	1 848	—	—	—	—
<b>Total financial assets</b>	<b>21 618 730</b>	<b>493 145</b>	<b>429 319</b>	<b>867 900</b>	<b>3 723</b>
Loans from Nestlé Group companies	618 019	106 469	—	—	—
Debt securities issued	20 600 209	1 071 266	457 197	—	243 707
Other financial liabilities	229 882	—	—	—	—
<b>Total financial liabilities</b>	<b>21 448 110</b>	<b>1 177 735</b>	<b>457 197</b>	<b>—</b>	<b>—</b>
<b>Net position by currency</b>	<b>170 620</b>	<b>(684 590)</b>	<b>(27 878)</b>	<b>867 900</b>	<b>3 723</b>

In thousands of Euro

	EUR	USD	GBP	JPY	2024 Others
Cash and cash equivalents	135 822	20 964	438 074	161	384
Derivative assets	—	38 534	—	31 623	—
Loans to Nestlé Group companies	21 418 329	822 082	17 750	811 552	—
Other financial assets	1 402	—	—	—	—
<b>Total financial assets</b>	<b>21 555 553</b>	<b>881 580</b>	<b>455 824</b>	<b>843 336</b>	<b>384</b>
Derivative liabilities	—	20	—	—	—
Loans from Nestlé Group companies	395 179	—	—	—	—
Debt securities issued	20 073 199	2 550 164	480 737	—	—
Other financial liabilities	182 384	—	—	—	—
<b>Total financial liabilities</b>	<b>20 650 762</b>	<b>2 550 184</b>	<b>480 737</b>	<b>—</b>	<b>—</b>
<b>Net position by currency</b>	<b>904 791</b>	<b>(1 668 604)</b>	<b>(24 913)</b>	<b>843 336</b>	<b>384</b>

Euro per		2025	2024
		Year ending rates	
1 US Dollar	USD	0.852	0.960
1 Pound Sterling	GBP	1.147	1.206
100 Chinese Yuan Renminbi	CNY	12.185	13.158

### Interest rate risk

Interest rate risk refers to potential changes of value in financial assets, liabilities or derivatives in response to fluctuations in interest rates. NFI holds a substantial volume of interest rate sensitive financial assets, liabilities and derivatives for operational, financing and investment activities.

Changes in interest rates can have an adverse effect on the financial position and operating results of NFI. To mitigate the impact of interest rate risk, the Group's exposure, including NFI, is assessed on a continuous basis. Interest rate risk is managed and hedged using derivative financial instruments, such as interest rate swaps, currency swaps and forward rate agreements. When deemed appropriate, there might be unhedged positions.

NFI determines the existence of an economic relationship between the hedging instrument and the hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

Considering the impact of interest derivatives, the proportion of financial debt subject to fixed interest rates for a period longer than one year represents 100% (2024: 100%).

### Value at Risk ("VaR")

#### Description of the method

The VaR is a single measure to assess market risk. The VaR estimates the size of losses given current positions and possible changes in financial markets. NFI uses simulation to calculate VaR based on the historic data for a period of 261 days.

The VaR calculation is based on a 95% confidence level and, accordingly, does not consider losses that might occur beyond this level of confidence. The VaR is calculated based on unhedged exposures outstanding at the close of business and does not necessarily reflect intra-day exposures.

#### Objective of the method

NFI uses the described VaR analysis to estimate the potential one-day loss in the fair value of its financial instruments. NFI cannot predict the actual future movements in market rates, therefore, the below VaR numbers neither represent actual losses nor consider the effects of favorable movements in underlying variables. Accordingly, these VaR numbers may only be considered indicative of future movements to the extent the historic market patterns repeat in the future.

#### VaR figures

The VaR computation includes NFI's financial assets and liabilities that are subject to foreign currency and interest rate risk.

The estimated potential one-day loss from NFI's foreign currency and interest rate risk sensitive instruments, as calculated using the above described historic VaR model, is as follows:

In thousands of Euro	2025	2024
Foreign currency	4 093	4 472
Interest rate	—	151
Foreign currency and interest rate combined	4 093	4 513

### Liquidity risk

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

NFI has access to ample liquidity, including short-term and medium-term capital markets, through the Nestlé Group's Debt Issuance Program (DIP), Global Commercial Paper Program of up to a combined aggregate amount of EUR 25 billion equivalent and NEU CP French Commercial Paper of up to a combined aggregate amount of EUR 2 billion equivalent, enjoying the benefit of issuance with Nestlé S.A.'s AA- rated guarantee. All international recognized agencies rating the credit of Nestlé S.A. and its affiliates, including NFI, may qualify or alter such rating at any time. Downgrades or placement on review for possible downgrades could harm the Nestlé Group's, including NFI's, ability to obtain financing or increase its financing costs and could have a material adverse effect on the price of debt instruments issued by NFI and thereby significantly affect NFI's financial position. Therefore, NFI depends on broad access to these capital markets and investors. Changes in demand for term debt instruments on capital markets could limit the ability of NFI to fund other members of the Nestlé Group.

NFI depends on the willingness of banks to provide credit lines or loans. Due to structural changes in the banking business, the willingness of banks to provide credit lines and loans has declined over the past years. In order to reduce and minimize the dependence on banks, NFI has taken measures to maintain its access to the capital markets. For information on contractual maturities of financial liabilities and derivatives, refer to Note 5 Financial instruments.

### Risk of an increase in cost of capital

NFI's capital management is driven by the impact on shareholders of the level of total capital employed. NFI's policy aims to maintain a sound capital base to support the continued development of its business. However, increases in the cost of borrowing could negatively affect the operating results of NFI. Increases in cost of borrowing could arise from changes in demand for term debt instruments in the capital markets, the removal of the unconditional and irrevocable guarantee of Nestlé S.A. and a decreasing willingness of banks to provide credit lines and loans.

### Treasury operations

During its business, the Nestlé Group, including NFI, has substantial assets under management. Although the Nestlé Group has implemented risk management methods, including approved guidelines and financial policies to mitigate and control such risks, because of holding such assets, it is exposed to credit risk, interest rate risk, foreign exchange risk and credit spreads. Returns on such assets may also be affected by limited

## 12. Risks and uncertainties

exposure to yield enhancing absolute return funds. In addition, adverse changes in the credit quality of counterparties or a general deterioration in economic conditions or arising from systemic risks in the financial systems could affect the value of those assets and thereby materially affect NFI's financial position.

## 13. Directors

The Board of Directors of NFI comprises three Directors. The Directors do not receive any remuneration for their mandate.

## 14. Staff

NFI did not employ any staff as at December 31, 2025 (2024: six full-time employees). The activities of the Company were carried out by the directors.

During the year, certain administrative services, such as treasury and accounting services, were provided to NFI by other entities within the Group.

## 15. Events after the balance sheet date

As at March 19, 2026, there are no subsequent events which either warrant a modification of the value of its assets and liabilities or any additional disclosure.

# Responsibility Statement

Martin Huber, Director, Bruno Chazard, Director, Umberto Cirri, Director confirm that to the best of their knowledge:

- (a) the financial statements of NFI for the annual period ended December 31, 2025, which have been prepared in accordance with IFRS as adopted by the European Union as well as with the laws and regulations in force in the Grand-Duchy of Luxembourg, give a true and fair view of the assets, liabilities, financial position and profit or loss of NFI; and
- (b) the management report includes a fair review of the development and performance of the business and the position of NFI, together with a description of the principal risks and uncertainties that it faces.

March 19, 2026