

November 12, 2022

THE SECURITIES AND EXCHANGE COMMISSION

Markets and Securities Regulation Department
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307



Attention: Director Vicente Graciano P. Felizmenio, Jr.
Markets and Securities Regulation Department

PHILIPPINE STOCK EXCHANGE

6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: Ms. Alexandra D. Tom Wong
Officer-in-Charge, Disclosure Department

Subject: Balai Ni Fruitas Inc. – SEC 17-C_Press Release

Dear Sir/Madam:

We hereby submit the SEC Form 17-C Press Release dated November 12, 2022 on the unaudited financial and operating results of Balai Ni Fruitas Inc. (BALAI) as of September 30, 2022.

Hope you find everything in order.

Thank you.

Very truly yours,

BALAI NI FRUITAS INC.

By:



Lester C. Yu
President, Chief Executive Officer

COVER SHEET

CS200508386
SEC Registration Number

BALAINI FRUITAS, INC.

(Company's Full Name)

68 DATA ST. BRGY. DON MANUEL,

QUEZON CITY

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

RALPH HECTOR ADRICULA
Contact Person

+(632) 8731-8886
Company Telephone Number

SEC FORM 17-C

1 2 3 1
Month Day
Fiscal Year

FORM TYPE

0 6 2 0
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc
Section

Amended Articles Number /

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. November 12, 2022
Date of Report (Date of earliest event reported)
2. SEC Identification Number- CS200508386
3. BIR Tax Identification No.- 237-383-045-000
4. BALAI NI FRUITAS INC.
Exact name of issuer as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction
of incorporation
6. (SEC Use Only)
Industry Classification Code
6. 68 DATA ST. BRGY. DON MANUEL QUEZON CITY
Address of principal office
- Postal Code: 1113
7. (02)8243-1741
Issuer's telephone number, including area code
9. N/A
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common</u>	<u>1,495,005,000</u>

11. Indicate the item numbers reported herein:

Item 9- Other Events

3Q2022 Highlights:

- 3Q2022 revenue increased 2.7x to Php89.0 million from Php32.7 million in 3Q2021;
- 3Q2022 EBITDA grew 2.6x to Php16.5 million from Php6.3 million in 3Q2021
- 3Q2022 net income expanded to Php8.5 million from Php1.5 million in 3Q2021;
- Successfully opened 7 new Balai Pandesal stores within second half of 2022

9M2022 Highlights:

- 9M2022 revenue increased 2.6x to Php234.1 million from Php88.6 million for 9M2021;
- 9M2022 EBITDA expanded 4.4x to Php45.8 million from Php10.4 million in 9M2021;
- 9M2022 net income soared 10.2x to Php23.2 million from Php2.3 million for 9M2021.
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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 hereunto duly authorized.

BALAI NI FRUITAS INC.
Issuer

By:



RALPH HECTOR P. ADRICULA
Compliance Officer

Date: **November 12, 2022**

12 November 2022

**BALAI 9M2022 revenue grows 2.6x and
9M2022 net income soars more than 1,000% versus a year ago**



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- 3Q2022 net income expanded to Php8.5 million from Php1.5 million in 3Q2021;
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- 9M2022 EBITDA expanded 4.4x to Php45.8 million from Php10.4 million in 9M2021;
- 9M2022 net income soared 10.2x to Php23.2 million from Php2.3 million for 9M2021.

Manila, Philippines – Balai ni Fruitas Inc. (BALAI) continued its growth momentum by posting Php234.1 million revenue and Php23.2 million net income in the first nine months of 2022. 9M2022 revenue increased 2.6x and 9M2022 net income increased 10.2x compared to 9M2021.

The significant increase in revenues is attributed to the ongoing store network expansion of the Balai Pandesal brand which already has 43 stores from 5 stores at time of acquisition in June 2021. In addition, Balai Pandesal products have been made available in more than 20 community stores within the Fruitas Holdings network. This has allowed expansion of Balai Pandesal's distribution in a very cost-efficient manner. 9M2022 net income surged to Php23.2 million from Php2.3 million in 9M2021 primarily as a result of economies of scale.

Gross profit margin slightly contracted to 50.5% in 9M2022 from 51.5% in 9M2021. The Company executed strategic price adjustments and executed tactical purchasing initiatives to successfully manage increasing raw material prices. EBITDA continued to be strong as BALAI recorded Php16.5 million and Php45.8 million for 3Q2022 and 9M2022, respectively. 9M2022 EBITDA margin stood at 19.5%.

BALAI has started to accelerate the Balai Pandesal store expansion by opening 7 new stores after its Initial Public Offering in June 2022. The 7 new stores within the second half of 2022 are located in various locations within Metro Manila and Metro Cebu in both community store and kiosk formats. As of October 2022, BALAI currently has 91 active stores nationwide of which 43 stores are Balai Pandesal, 39 are Buko Ni Fruitas stores, and 9 are Fruitas House of Desserts stores.

"We have significantly grown the Balai Pandesal brand in just over a year since our acquisition. We aim to make Balai Pandesal the leading mid-priced community bakery in the country. The IPO has provided the Company sufficient resources to further accelerate expansion and grow our capacity and product offerings. We are optimistic with the last quarter of the year and we hope to conclude the year on a high note by encouraging our customers to have BALAI products as part of their festivities," said Mr. Lester Yu, BALAI President and Chief Executive Officer.

9M2022 vs. 9M2021

PHP in millions	9M2022	9M2021	% change YoY
Revenue	234.1	88.6	164%
Gross Profit	118.2	45.6	159%
EBITDA	45.8	10.4	338%
Net Income (loss)	23.2	2.3	920%
Margins			
Gross Profit Margin	50.5%	51.5%	
EBITDA Margin	19.5%	11.8%	
Net Income Margin	9.9%	2.6%	

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Balai ni Fruitas Inc. is a 75%-owned subsidiary of Fruitas Holdings, Inc. Since the acquisition of certain assets of Balai Pandesal in June 2021, the Company has grown the Balai Pandesal store network from 5 to 43 as of October 2022. The company has 3 well-loved brands in its portfolio, which includes Balai Pandesal, Buko ni Fruitas, and Fruitas House of Desserts. Balai ni Fruitas currently has 91 active stores spread among the 3 brands. For more information, you may visit: <http://balainifruitas.com/>.

The foregoing disclosure contains forward-looking statements that are based on certain assumptions of Management and are subject to risks and opportunities or unforeseen events.

Actual results could differ materially from those contemplated in the relevant forward-looking statement and BALAI gives no assurance that such forward-looking statements will prove to be correct or that such intentions will not change. This Press Release discloses important factors that could cause actual results to differ materially from BALAI's expectations. All subsequent written and oral forward-looking statements attributable to the BALAI or persons acting on behalf of the Group are expressly qualified in their entirety by the above cautionary statements.