

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

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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. **May 11, 2023**
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**

1Q2023 Highlights:

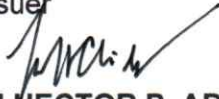
- 1Q2023 revenue increased 88% to Php114 million from Php61 million in 1Q2022;
 - 1Q2023 EBITDA at Php19 million, 60% increase versus 1Q2022 EBITDA of Php12 million;
 - 1Q2023 net income increased 62% to Php9.6 million from Php6 million in 1Q2022.
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SIGNATURES

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



RALPH HECTOR P. ADRICULA
Compliance Officer

Date

May 11, 2023

11 May 2023



**Balai ni Frutas Inc. maintains sales momentum;
Registers 88% revenue growth versus 1Q2022
and Php10 million net income in 1Q2023**

1Q2023 Highlights:

- 1Q2023 revenue increased 88% to Php114 million from Php61 million in 1Q2022;
- 1Q2023 EBITDA at Php19 million, 60% increase versus 1Q2022 EBITDA of Php12 million;
- 1Q2023 net income increased 62% to Php9.6 million from Php6 million in 1Q2022.

Manila, Philippines – Balai ni Frutas Inc., listed on the Philippine Stock Exchange under the symbol “BALAI” and a leading Philippine counter service bakery operator, maintained its sales momentum in the first quarter of 2023 by registering Php114 million of revenue, 88% higher than the revenue in the same period in 2022. Net income for 1Q2023 was Php9.6 million, a 62% increase from Php6 million in 1Q2022.

Despite the lack of a seasonal upswing from the Christmas holidays, revenue performance in the first quarter of 2023 was 7% higher than in the last quarter of 2022. BALAI’s expansion of its retail network from 98 as of the end of 2022 to 110 as of the end of the 1Q2023, together with continued same-store sales growth, helped BALAI achieve higher sales quarter-over-quarter. BALAI continues to expand its physical community store locations, promote its delivery channels, and partner with other food retailers to further broaden its distribution channels. BALAI’s baked goods are also made available through the store network of the Frutas group, such as Soy & Bean and Babot’s Farm, apart from Balai Pandesal outlets.

Despite pressures from inflation, the gross profit margin for 1Q2023 was 50%, a modest decline from the recorded 51% gross profit margin for the same period in 2022. EBITDA climbed to Php19 million in 1Q2023 compared to Php12 million in 1Q2022.

“Our year has been off to a fantastic start. The commitment and effort of our team, and loyalty of our clients are reflected in our performance. In first quarter of 2023, we were able to open new stores in strategic locations to better serve existing clients and draw in new clients. We also further expanded our distribution digitally. We intend to replicate this success in subsequent periods. Our clients can continue to expect top-quality products coupled with exceptional customer service from BALAI,” said Mr. Lester Yu, BALAI President and Chief Executive Officer.

1Q2023 vs 1Q2022

| (Php millions) | 1Q2023 | 1Q2022 | % change YoY |
|----------------------------|--------|--------|--------------|
| Revenue | 114 | 61 | 88% |
| Gross Profit | 57 | 31 | 83% |
| EBITDA | 19 | 12 | 60% |
| Net income / (loss) | 9.6 | 6 | 62% |
| | | | |
| <u>Margins</u> | | | |
| Gross profit margin | 50% | 51% | |
| EBITDA margin | 17% | 20% | |
| Net income / (loss) margin | 8.4% | 9.8% | |

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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 more than 40. 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 more than 90 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 BALAI or persons acting on behalf of the Group are expressly qualified in their entirety by the above cautionary statements.