

COVER SHEET

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SEC Registration Number

B A L A I N I F R U I T A S , I N C .

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(Company's Full Name)

6 8 D A T A S T . B R G Y . D O N M A N U E L ,

Q U E Z O N C I T Y

(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

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Secondary License Type, If Applicable

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Dept Requiring this Doc  
Section

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Amended Articles Number /

[Empty box]

Total No. of Stockholders

Total Amount of Borrowings

[Empty box]

Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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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. **July 26, 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
<b><u>Common</u></b>	<b><u>1,495,005,000</u></b>

11. Indicate the item numbers reported herein: **Item 9- Other Events**

1H2023 Highlights:

- 1H2023 revenues up 72% to Php249 million vs Php145 million in 1H2022
  - 1H2023 EBITDA at Php46 million vs Php29 million in 1H2022 due to continuous business expansion and improved store performance
  - 1H2023 net income of Php25 million, up 68% from Php15 million in 1H2022
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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

Date



**RALPH HECTOR P. ADRICULA**

Compliance Officer

**July 26, 2023**

26 July 2023



## **BALAI reports 72% revenue growth in 1H2023, maintains 10% net margin**

### 1H2023 Highlights:

- 1H2023 revenues up 72% to Php249 million vs Php145 million in 1H2022
- 1H2023 EBITDA at Php46 million vs Php29 million in 1H2022 due to continuous business expansion and improved store performance
- 1H2023 net income of Php25 million, up 68% from Php15 million in 1H2022

Manila, Philippines – Balai ni Frutas Inc. (BALAI) maintained its growth momentum and reported Php249 million in revenues and Php25 million in net income in the first half of 2023. 1H2023 revenues are up 72% versus 1H2022 and 1H2023 net income is up 68% versus 1H2022.

As BALAI continues to benefit from economies of scale and better retail performance, EBITDA margin remained solid at 18% for 1H2023. 1H2023 EBITDA was at Php46 million compared to Php29 million in 1H2022. The Company's greatly improved financial performance has been facilitated by the expansion of Balai Pandesal and the seasonally strong demand for the products of the Company's other brands.

Strong cash flow generation has allowed BALAI to maintain its excellent financial position. Cash and cash equivalents increased from Php255 million as of end of 2022 to Php290 million as at end-June 2023 which shall allow the company to be more aggressive in its strategic initiatives by growing its store network and introducing new offerings. BALAI's equity increased to Php426 million as at end-June 2023 from Php409 million at the end of 2022.

The Company was able to add 17 new stores during the first half of 2023, increasing the total number of locations to 115 from 98 as of end-2022. As of June 30, 2023, there were 64 Balai Pandesal outlets with the balance comprising Buko ni Frutas and Frutas House of Desserts outlets. Through the network of FRUIT, customers can find Balai Pandesal items in over 20 additional community stores.

"We are thrilled with the outstanding first half 2023 results. Our dedication to quality, innovation, and customer satisfaction has fostered remarkably strong growth. This accomplishment demonstrates our unwavering commitment to provide top-notch goods and services. In the second half of the year, we are eager to build on this momentum and keep exceeding expectations," said Mr. Lester Yu, BALAI President and Chief Executive Officer.

BALAI plans to continue expanding its product line and investing in new markets and technologies in order to sustain its growth trajectory. The Company is dedicated to delivering greater value to its clients and shareholders by pursuing sustainable growth and enhancing operating and financial performance.

**1H2023 vs 1H2022**

(Php millions)	1H2023	1H2022	% change YoY
Revenue	249	145	72%
Gross Profit	120	73	64%
EBITDA	46	29	59%
Net income / (loss)	25	15	68%
<u>Margins</u>			
Gross profit margin	48.0%	50.1%	
EBITDA margin	18.6%	20.1%	
Net income / (loss) margin	10.0%	10.2%	

**2Q2023 vs 2Q2022**

(Php millions)	2Q2023	2Q2022	% change YoY
Revenue	135	84	61%
Gross Profit	66	42	57%
EBITDA	27	17	59%
Net income / (loss)	16	9	78%
<u>Margins</u>			
Gross profit margin	49.1%	49.5%	
EBITDA margin	19.8%	20.2%	
Net income / (loss) margin	11.7%	10.7%	

**2Q2023 vs 1Q2023**

(Php millions)	2Q2023	1Q2023	% change YoY
Revenue	135	114	18%
Gross Profit	66	57	16%
EBITDA	27	20	35%
Net income / (loss)	16	10	60%
<u>Margins</u>			
Gross profit margin	49.1%	49.7%	
EBITDA margin	19.8%	17.1%	
Net income / (loss) margin	11.7%	8.4%	

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Balai ni Fruitas Inc. is currently a wholly-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 50 as of December 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 had a total of 98 stores spread among the 3 brands as of end-2022. 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.