

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 8 1 5
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. **NOVEMBER 07, 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. **68 DATA ST. BRGY. DON MANUEL QUEZON CITY**
Address of principal office
6. (SEC Use Only)
Industry Classification Code
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**

9M2023 Highlights:

- 9M2023 revenues increased 65% to Php387 million from Php234 million in 9M2022;
- 9M2023 EBITDA at Php74million, 62% increase versus Php46 million in 9M2022;
- 9M2023 net income increased 77% to Php41 million from Php23 million in 9M2022.

3Q2023 Highlights:

- 3Q2023 revenues climbed 55% to Php138 million from Php89 million in 3Q2022;
 - 3Q2023 EBITDA grew 68% to Php28 million from Php17 million in 3Q2022;
 - 3Q2023 net income nearly doubled to Php16.3 million from Php8.5 million in 3Q2022.
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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

NOVEMBER 07, 2023

07 November 2023



**Balai ni Frutas nearly doubles net income versus 3Q2022;
records Php41 million net income in 9M2023**

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Manila, Philippines – Balai ni Frutas Inc., listed on the Philippine Stock Exchange under the symbol “BALAI” and a leading Philippine counter service bakery operator, continued its growth momentum in the first nine months of 2023 by posting Php387 million revenue with Php41 million net income. 3Q2023 revenues are up to 55% and net income nearly doubled to Php16.3 million versus Php8.5 million in the same period last year.

9M2023 revenues of Php387million was 65% higher than 9M2022 revenues of Php234 million. Net Income surged to Php41 million for the first nine months while net margin expanded to 11% for 9M2023 versus 10% from the same period in 2022. The constant growth is fueled by the continuous store network expansion and improved retail performance.

In spite of strong inflationary pressures that drive up the price of raw materials, the gross margin settled at 50%, which is slightly lower than the 51% gross margin in 9M2022. In order to control costs, BALAI not only implemented strategic price increases but also broadens its supplier base and enhances the sourcing of raw materials. EBITDA for 9M2023 was Php74 million as versus Php46 million for 9M2022.

Shareholder equity increased from Php409 million at the end of 2022 to Php442 million as of 9M2023. Additionally, cash and cash equivalents increased from Php255 million at the beginning of the year to Php314 million. BALAI is able to launch new products and expand its retail network more quickly attributed to its solid cash position. BALAI continues to exemplify its ability to generate cash through the effectiveness of its store operations.

As of the end of 3Q2023, BALAI has a total of 115 stores. The Company added 4 new stores since the start of the last quarter of the year bringing the total stores to 119 as of November 7, 2023.

“With BALAI's performance in the first nine months of this year, we are really happy, as it has given us not only good results but also a strong foundation for the future. As the year's final quarter approaches, we are determined to build on our outstanding financial success and end on a positive note. We'll keep growing our network and developing innovative products so that BALAI becomes a mainstay in our clients' daily lives and is a part of their celebrations,” said Mr. Lester Yu, BALAI President and Chief Executive Officer.

9M2023 vs 9M2022

(Php millions)	9M2023	9M2022	% change YoY
Revenue	387	234	65%
Gross Profit	192	118	62%
EBITDA	74	46	62%
Net Income / (loss)	41.1	23.2	77%
Margins			
Gross Profit Margin	50%	51%	
EBITDA Margin	19%	20%	
Net Income / (loss) Margin	11%	10%	

3Q2023 vs 3Q2022

(Php millions)	3Q2023	3Q2022	% change YoY
Revenue	138	89	55%
Gross Profit	69	45	51%
EBITDA	28	17	68%
Net Income / (loss)	16.3	8.5	92%
Margins			
Gross Profit Margin	50%	51%	
EBITDA Margin	20%	19%	
Net Income / (loss) Margin	12%	10%	

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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.