

April 15, 2024



THE PHILIPPINE STOCK EXCHANGE
6F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City
Philippines 1634

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

THE SECURITIES AND EXCHANGE COMMISSION
Markets and Securities Regulation Department
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307

Attention: **Mr. Vicente Graciano P. Felizmenio, Jr.**
Director, Securities and Exchange Commission

Subject: **Balai Ni Frutas Inc. 2023 SEC Form 17-A Annual Report**

Dear Sir/Madam:

We hereby submit the SEC Form 17-A Annual Report for the year ended December 31, 2023 with the following exhibits:


1. 2023 Audited Financial Statement
2. Top 100 Stockholders as of December 31, 2023
3. Sustainability Report

We trust you will find everything to be in order.

Very truly yours,

BALAI NI FRUITAS INC.

By:


Ralph Hector P. Adricula
Compliance Officer

COVER SHEET

C S 2 0 0 5 0 8 3 8 6
SEC Registration Number

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

(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 17A

1 2 3 1
Month Day
Fiscal Year

FORM TYPE
Annual Meeting

0 8 1 5
Month Day

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-A, AS AMENDED

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2023**
2. SEC Identification Number **CS200208386**
3. BIR Tax Identification No. **238-383-045**
4. Exact name of issuer as specified in its charter **Balai ni Frutas Inc.**
5. **Quezon City, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **68 Data St., Brgy. Don Manuel, Quezon City**
Address of principal office

1113

Postal Code

8. **(632) 8243-1741**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding

Common Shares

1,495,005,000

11. Are any or all of these securities listed on a Stock Exchange.

Yes [x] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange

Common Share

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation

Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes No

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form.

As of December 31, 2023

Total Number of Outstanding Shares	1,495,005,000
Less: Outstanding Shares held by Affiliates	1,126,332,000
Shares held by Non-Affiliates	368,673,000
Closing price as of December 31, 2023	Php 0.39
Aggregate Market Value of Voting Stock held by Non-Affiliate	Php 143,782,470
Level of Public Float based on information available as of Dec. 31, 2023	24.66%

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes No

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) 2023 Audited Financial Statements of Balai Ni Fruitas Inc. attached as Annex A;

(b) List of Stockholders as Annex B;

(c) Sustainability Report as Annex C

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

a. Overview

Balai Ni Fruitas Inc. (“BALAI”), formerly known as Buko Ni Fruitas Inc., is a wholly-owned subsidiary of Fruitas Holdings, Inc. (“FHI”). It was incorporated on May 17, 2005 and started its operations in August 2005 when it opened its first Buko Ni Fruitas kiosk in Robinsons Manila serving fresh coconut-based beverages and desserts. Since then, the Company has expanded to create and acquire new brands, in turn, enabled BALAI to become a reputable player in the Philippine food and beverage kiosk industry. Currently, it has three (3) active brands namely *Buko Ni Fruitas* (“BNF”), *Fruitas House of Desserts* (“FHOD”), and *Balai Pandesal* (“BP”). Each brand offers specialized products such as fruit-based beverages and desserts and freshly-baked goods.

Balai Ni Fruitas Inc. distinguishes itself from the Group’s other offerings through its baked products. The Company’s operations and business aim to complement the products of the Group which are fresh fruit shakes and juices, lemonade, coolers, desserts, meat-filled pastries, and lechon (roasted pig), among other.

As of December 31, 2023, the Company has a total of 118 stores across the Philippines, operating in three (3) store formats – community store, kiosk, and inline store. Currently, there are 38 BNF, 22 FHOD, and 58 BP stores, 92% (109 stores) of which are company-owned stores. These are all located in high-foot traffic areas and easily accessible by public transport such as malls, markets, and central business districts. Our products are also available through the Group’s e-commerce website, www.BabotsMart.com, and through online delivery platforms such as Foodpanda and Grabfood.

BALAI's primary purpose as stated in its latest Amended Articles of Incorporation dated 06 January 2022 is to engage in business of processing, manufacturing, packaging, servicing, repacking, marketing, buying, selling, trading, or otherwise dealing in (on wholesale and/or to the extent allowed under Philippines law, on retail basis) wet and dry goods such as fresh fruit drinks, baked goods and other related products, and conduct, maintain, and carry on the general business of bakery, restaurant, cafeteri

kiosk, supermarket, and any articles of food products, to engage in such other activities as may be reasonably incidental to or necessary in connection with the conduct of the business of the corporation as aforementioned. As of date of the Prospectus, the Company has no subsidiaries.

For about 18 years, the Company has been steadily growing in scale and has been aiming to maximize its value, with its launch of the FHOD brand in 2012 and the acquisition of the BP brand in 2021.

Buko Ni Fruitas (BNF)

BNF started in August 2005, when it opened its first kiosk in Robinsons Manila. It serves fresh coconut-based beverages and desserts. As of December 31, 2023, it has a total of 38 kiosks and inline stores located across the Philippines.

Fruitas House of Desserts (FHOD)

Following the success of the BNF Brand, the Company launched the FHOD brand to expand its product portfolio to healthy desserts, fresh fruit shakes and juices, boba shakes, and milk tea. For

the past eleven (11) years, the FHOD brand has grown to twenty- two (22) kiosk and inline store as of the end of December 2023.

Balai Pandesal (BP)

In June 2021, BALAI further expanded its brand portfolio with the acquisition of BP brand and assets which allowed the Company to venture into the baked goods industry. The BP acquisition included initial inventories, technical know-how, equipment and vehicle, and trademark. The Company entered into separate and distinct franchise agreements with Balai Pandesal Corp. and JAD Signature Breads Inc. for five (5) franchised stores within a month after the asset acquisition. The Company was able to grow the BP store network to 58 community stores as of the end of December 2023.

The Company owns vehicles to deliver various materials, supplies, and products to its stores. The brands across its portfolio allows BALAI to serve a wide array of products to the local market. The several store formats enable the Company to be flexible and expand faster, as it believes that the business model is highly scalable.

The Company will mainly focus on expanding the network of BP stores. The Company may continue to open additional BNF and FHOD stores as opportunities arise.

The Company generated total revenues of ₱110.1 million, ₱148.9 million, ₱341.2 million, ₱535.2 million for the years ended December 31, 2020, 2021, 2022 and 2023 respectively, and net income (loss), (₱0.9 million), of ₱8.5 million, ₱37.1 million, ₱58.6 million for the same periods.

On June 30, 2022, BALAI reached another milestone by successfully listing on the Small, Medium, and Emerging Board of the Philippine Stock Exchange (PSE) with a total of 1,495,005,000 common shares at ₱0.70 per share.

b. Key Risks

All of the business operations are currently conducted in the Philippines. Since the entire revenue is sourced from the Philippines, the results of operations, financial condition and prospects are subject to a significant degree to the general state of the Philippine economy. There is no assurance that there will be no occurrence of an economic slowdown in the Philippines. In addition, demand for the Company's products is tied closely to domestic consumer purchasing power and disposable income levels. Any decrease in consumer purchasing power and disposable income levels could have a material adverse effect on the business, operations, and financial condition of the Company.

The Philippines may experience an economic downturn due to threatened outbreak or severe communicable diseases such as the COVID-19 pandemic and community-wide quarantines which may have an adverse effect in the whole country and the Company's business. In 2020, the country's gross domestic product suffered a -9.5% contraction. The World Bank expects the Philippine economy to grow by 5.5% and 6.3% in 2021 and 2022, respectively. For the year 2020, domestic inflation averaged 2.6%, reaching as high as 3.5% in December. However, the average inflation was still within the government's 2% to 4% target. In 2020, BSP cut the rate on its overnight reverse repurchase facility several times, effecting a 200-basis point total reduction for the entire 2020. In addition, the Monetary Board cut the rate on the overnight deposit facility and the overnight lending facility to 1.50% and 2.50%, respectively. As of June 24, 2021, the Monetary Board maintained the interest rate on overnight reverse repurchase facility at 2.00% and the overnight lending and deposit facilities rates at 2.50% and 1.50%, respectively. A global recession also took place in 2020 as the economic effects of the COVID19 pandemic were felt in other countries, which also adversely affected the Philippine economy.

Any future deterioration in economic conditions in the Philippines could materially and adversely affect the Company's financial position and results of operations, including the Company's ability to grow its business, and its ability to implement the Company's business strategy. Changes in the conditions of the Philippine economy could materially and adversely affect the Company's business, financial condition or results of operations.

Factors that may adversely affect the economy include but are not limited to:

- decreases in business, industrial, manufacturing, or financial activity in the Philippines or in the global market;
- scarcity of credit or other financing, resulting in lower demand for products and services;
- the sovereign credit ratings of the country;
- exchange rate fluctuations and foreign exchange controls;
- a prolonged period of inflation or increase in interest rates;
- an increase in unemployment levels or decrease in consumer confidence;
- a decrease in remittances from overseas Filipino workers;
- changes in the Government's fiscal and regulatory policies;
- Government budget deficits;
- adverse trends in the current accounts and balance of payments of the Philippine economy;
- natural disasters, including typhoons, earthquakes, fires, floods, and similar events;
- public health epidemics or outbreaks of diseases, such as a re-emergence of Middle East respiratory syndrome coronavirus (commonly known as MERS-CoV), Severe Acute Respiratory Syndrome (commonly known as SARS) or avian influenza (commonly known as the bird flu) or H1N1, and the recent novel Coronavirus (COVID-19), or the emergence of another similar disease (such as the Zika virus) in the Philippines or in the other countries in Southeast Asia;
- political instability, terrorism, or military conflict in the Philippines; and,
- other regulatory, political, or economic developments in or affecting our Company

Any downturn in the Philippine economy may have a negative impact on consumer sentiment and general business conditions in the Philippines, which may materially reduce the revenues, profitability and cash flows of the Company.

We cannot guarantee that our internal controls and training will be fully effective in preventing all food safety issues at our stores, including any occurrences of foodborne illnesses such as salmonella, E. coli and hepatitis A. In addition, there is no guarantee that our franchised stores will maintain the high levels of internal controls and training we require at our owned stores. Furthermore, we and our franchisees rely on third-party vendors, making it difficult to monitor food safety compliance and increasing the risk that foodborne illness would affect multiple locations rather than a single store. Some foodborne illness incidents could be caused by third-party vendors and transporters outside of our control. New illnesses resistant to our current precautions may develop in the future, or diseases with long incubation periods could arise, that could give rise to claims or allegations on a retroactive basis. One or more instances of foodborne illness in any of our stores or markets or related to food products we sell could negatively affect our store sales nationwide if highly publicized on national media outlets or through social media. This risk exists even if it were later determined illness was wrongly attributed to us or one of our stores. The occurrence of food safety or foodborne illness incident at one or more of our stores, or negative publicity or public speculation about an incident, could materially adversely affect our business, financial condition and results of operations.

The Philippines has experienced a number of major natural catastrophes including typhoons, floods, volcanic eruptions, and earthquakes. In 2017 alone, two (2) major earthquakes struck off the Philippines with a 6.8-magnitude earthquake affecting the Southern region of Mindanao in April and a 6.5-magnitude earthquake affecting Eastern Visayas in July. In October 2013, a 7.2-magnitude earthquake also affected Cebu and the island of Bohol, and in 2013, Super Typhoon Haiyan (called Yolanda in the Philippines) caused destruction, devastation, and casualties of unprecedented levels in Tacloban city,

certain parts of Samar, and certain parts of Cebu, all of which are located in the Visayas, the southern part of the Philippines. In January 2020, the Taal volcano erupted and caused destruction in some parts of Batangas and Cavite. The COVID-19 pandemic has also been plaguing the public safety of the whole country. There can be no assurance that the occurrence of such catastrophes or outbreaks will not materially disrupt our operations. We could experience substantial property loss as a result of any such catastrophe and might not be able to rebuild or restore operations in a timely fashion. Our property insurance may not cover all cases of loss of material property. Any such accident could have a material adverse effect on our business, financial condition, and results of operations.

Item 2. Properties

The Company leases its head office at 68 Data St., Barangay Don Manuel, Quezon City and one of its commissaries in D. Tuazon, Quezon City. As of December 31, 2023, the company acquired the 484 sq.m. property located at N. Domingo, Quezon City as an additional commissary/warehouse. The Company's key properties also comprise of its stores leases.

There is no mortgage, lien or encumbrance over the Company's properties or property rights.

Key properties of the Company:

Location	Area	Status
Offices		
68 Data, Quezon City	420 sq. m.	Leased
Commissaries		
D. Tuazon, Quezon City	373 sq. m.	Leased
N. Domingo, Quezon City	484 sq. m.	Owned

*

Item 3. Legal Proceedings

As of the date, neither the Group nor any of its properties is engaged in or a subject of any material litigation, claims or arbitration either as plaintiff or defendant, which could be expected to have a material effect on our financial position and we are not aware of any facts likely to give rise to any proceedings which would materially and adversely affect our business or operations.

Item 4. Submission of Matters to a Vote of Security Holders

Except for matters taken up during the annual meeting of the stockholders, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

a.) Market Information

The Company's common shares are traded in the Small, Medium, and Emerging of the Philippine Stock Exchange, Inc. ("PSE"). The common shares were listed on June 30, 2022.

The following table shows the high and low prices (in pesos per common share) of the Company's shares in the PSE for each month from date of listing:

Period	High	Low
June 2022	0.83	0.63
July 2022	0.73	0.59
August 2022	1.10	0.63
September 2022	0.83	0.63
October 2022	0.73	0.59
November 2022	1.10	0.63
January 2023	0.71	0.56
February 2023	0.74	0.58
March 2023	0.67	0.58
April 2023	0.62	0.57
May 2023	0.60	0.52
June 2023	0.60	0.52
July 2023	0.58	0.51
August 2023	0.54	0.47
September 2023	0.48	0.425
October 2023	0.47	0.41
November 2023	0.47	0.415
December 2023	0.45	0.375

The market capitalization of the Company's common shares as of end 2023, based on the closing price of Php 0.39 per share was Php 583,051,950.

b) Holders

Total shares outstanding as of December 31, 2023, is 1,495,005,000 with a par value of P0.05. The shareholders as of the same date are as follows:

Name of Shareholder	Number of Shares	% Ownership
Fruitas Holdings, Inc.	1,082,488,000	72.407%
PCD Nominee Corp. (Filipino)	407,156,809	27.234%
PCD Nominee Corp. (Non-Filipino)	5,343,191	0.357%
Lester C. Yu	4,000	-
Roselyn A. Legaspi	2,000	-
Madelene T. Sayson	2,000	-
Marvin C. Yu	2,000	-
Jennifer T. Ramos	2,000	-
David Jonathan Y. Bayot	1,000	-
Calvin F. Chua	1,000	-
Rogelio M. Guadalquiver	1,000	-
Lee Ceasar S. Junia	1,000	-
Bernardino M. Ramos	1,000	-

c) Dividends

The Company's BOD declared the following cash dividends in 2023:

Date of Declaration	Record Date	Dividends per share	Amount paid	Date of payment
May 17, 2023	May 31, 2023	Php 0.005	P7,475,025	June 26, 2023

The cash dividends have been paid from the Unrestricted Retained Earnings as of December 31, 2022.

There are no outstanding dividends payable as at December 31, 2023.

d) Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

There is no sale of unregistered securities as of December 31, 2023.

Item 6. Management's Discussion and Analysis or Plan of Operation.

The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes thereto, which form part of this SEC Form Amended 17-A as "Annex B". The consolidated financial statements and notes thereto have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

FY 22 Results of Operations

Key Highlights

BALAI registered a consolidated net income of Php 58.6 million for the twelve months ending December 31, 2023. This yields a net income margin of 11%, an increase of 57.9% year-on-year compared to the reported net income of Php 37.1 million in 2022.

Revenues

Consolidated net revenues, composed of sales from company-owned stores and franchise, and royalty fees from franchisees, reached Php 535.2 million, increasing by 56.9% from reported revenues of Php 341.2 million for the twelve months ending December 31, 2022.

Cost of Sales

For the year ending 2023, consolidated cost of sales increased by 158.4% from Php 165.4 million in 2022 to Php 262.1 million.

Consolidated cost of sales is mainly composed of raw material and packaging costs, direct labor costs, and store-related costs including rent, utilities, etc.

Gross Profit

Consolidated gross profit amounted to Php 273.1 million for the full year 2023, increasing by 155.4% from Php 175.7 million in the previous year. This yielded a gross profit margin of 51.0% as the Company executed inventory-buying strategies, implemented price increases, rationalized manpower requirements and expanded product mix.

Selling and Distribution Expenses

For the twelve months ending December 31, 2023, consolidated selling and distribution expenses totaled Php 152.9 million, representing a 278.6% cost-to-sales ratio. This is Php 60.7 million higher compared to Php 92.2 million during the same period in 2022.

General and Administrative Expenses

For the twelve months ending December 31, 2023, consolidated general and administrative expenses totaled Php 58.8 million, representing a 9.7% cost-to-sales ratio. This is Php 15.7 million higher compared to Php 43.1 million during the same period in 2022.

Operating Income

Consolidated operating Income reached Php 76.5 million in 2023, increasing by 178.0% from Php 43.0 million in 2022. This was primarily driven by improvement of revenues from the opening of new store locations and rationalized operating expenses.

Interest Expense

Interest expense of Php 2.2 million and Php 1.8 million was recorded for the twelve months ending December 31, 2023 and 2022 respectively.

Other Income

Consolidated other income totaled Php 10.2 million and Php 4.3 million as of year-end 2023 and 2022. This is composed mainly of interest income from investments.

Net Income

For the year ending 2023, consolidated net income reached Php 58.6 million, yielding a net income margin of 11.0%. This is an improvement of 58.0% versus the 2022 recorded net income after tax of Php 37.1 million .

FY22 Financial Condition

BALAI had consolidated total assets of Php 561.8 million as of December 31, 2023, an increase versus total assets of Php 450.6 million as of end-2022 primarily driven by the expansion of stores and acquisition of assets after the Initial Public Offering.

Cash and cash equivalents

Cash and cash equivalents totaled Php 243.2 million and Php 255.2 million as of December 31, 2023 and 2022, respectively. Cash includes cash on hand and in banks while cash equivalents are short-term, highly liquid investments that are easily convertible to cash.

Trade, Note, and other receivables

Trade, Note, and other receivables was at Php 56.3 million as of year-end 2023 compared to Php 61.7 million in 2022, a decrease of 18.8% primarily due from partial collection of notes receivables from Frutasgroup Inc.

Inventories

As of December 31, 2023, inventories increased to Php 8.7 million from Php 6.9 million in 2022, an increase of 26.1% due to expansion of commissary and warehouse storage for inventories in addition to increase in revenues due to store expansion.

Property and equipment

Consolidated net property and equipment stood at Php 170.4 million and Php 57.3 million as of year-end 2023 and 2022. Acquisition of new property and equipment for the year 2023 and 2022 reached Php 136.1 million and Php 33.5 million, which were invested in the building of new stores and improvements in the corporate office and commissary.

Intangible assets

Intangible assets stood at Php 3.0 million for the period.

Trade and other current liabilities

Trade and other current liabilities in 2023 increased to Php 83.8 or three times the Php 27.5 million in 2022, driven primarily by availment of short- term loan and increase in Income Tax Payable for the year.

Capital stock and Additional paid-in capital

For the twelve months ending December 31, 2023 and 2022, the Company's total capital stock stood at Php 74.8 million and additional paid-in capital of Php 286.8 million. There were no changes in the account after the initial public offering of the company.

Cash flows

Consolidated net cash provided from operating activities amounted to Php 84.7 million for the full-year 2023, 59.1% increase versus the previous year's Php 50.0 million. This growth in net cash provided from operating activities reflects the company's ability to generate more cash through its core business operations. The expansion of operations likely led to increased sales and revenue streams, contributing to the higher cash generation including the enhanced efficiency initiatives implemented throughout the year.

Overall, the significant increase in net cash provided from operating activities indicates a strengthening financial performance and operational effectiveness for the company in 2023 compared to the previous year.

Consolidated net cash used in investing activities in 2023 was Php 117.7 million versus Php 22.1 million in 2022. The uptick in investment spending is mainly due to capital expenditures for new store openings and other corporate investments. The company focused on the expansion activities after its Initial Public Offering to support its long-term objectives and corporate strategy.

Consolidated net cash provided by financial activities was Php 21.0 million in 2023 while Php 195.0 million in 2022. The significant decline was primarily driven by the specific event during the Initial Public Offering in June 2022 where proceeds from the issuance of shares typically result in a significant inflow of cash in the latter year. Aside from payment of Notes and Dividends, there were no large-scale financial event in 2023.

All in all, net cash usage from for the year 2023 totaled Php12.0 million while net cash generated in 2022 posted at Php 222.8 million, leading to cash and cash equivalents balance of Ph243.2 million and Php 255.2 million respectively at year-end 2023 and 2022.

Key Performance Indicators (KPIs)

	Audited Twelve Months Ended December 31, 2023	Audited Twelve Months Ended December 31, 2022
Revenue Growth	56.9%	129.1%
Gross Profit Margin	51.0%	51.5%
Net Income Margin	11.0%	10.9%
EBITDA (Php millions)	109	68
EBITDA Margin	20.3%	20.0%
Return on Average Assets	11.6%	11.4%
Return on Average Equity	13.5%	13.0%
Current Ratio	426.9%	1,310.0%
Debt to Equity Ratio	22.1%	10.3%

Gross Profit Margin is gross profit as a percentage of revenues

Net Income Margin is net income as a percentage of revenues

EBITDA is defined as earnings before interest, tax, depreciation and amortization

EBITDA margin is EBITDA as a percentage of revenues

Return on Average Assets is net income as a percentage of the average of the assets at year-end and assets at end of the immediately preceding year

Return on Average Equity is net income as a percentage of the average of the equity at year-end and equity at end of the immediately preceding year

Current Ratio is current assets divided by current liabilities

Debt to Equity Ratio is total liabilities over total equity

Item 7. Financial Statements

The Company's financial statements and notes thereto form part of this SEC Form as "Annex B".

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

a.) External Auditor

Our fiscal year begins on January 1 and ends on December 31. Reyes Tacandong & Co. ("RT&Co.") has audited our financial statements for the years ended December 31, 2023, 2022 and 2021 in accordance with the Philippine Standards on Auditing.

Wilson P. Teo has been the audit partner and served our Company from 2016 to 2021 while Cedric M. Caterio took over the role in 2022. We have not had any material disagreements on accounting and financial disclosures with our current external auditor for the same periods or any subsequent interim period. RT&Co. has neither shareholding in our Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of our Company. RT&Co. will not receive any direct or indirect interest in our Company or our securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

b.) Audit Fees

The following table sets out the aggregate fees billed for the current year and each of the last three years for professional services rendered by RT&Co. to our Company, excluding fees directly related to the Offer.

In ₱ Millions	2023	2022	2021
Audit and Audit-Related Fees ^a	₱ 0.50	₱ 0.45	₱ 0.70
All Other Fees ^b	None	None	None
Total	₱ 0.50	₱ 0.45	₱ 0.70

- a. Audit and Audit-Related Fees. This category includes the audit of annual financial statements and interim financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements for those calendar years. This is exclusive of out-of-pocket expenses incidental to the independent auditors' work, the amounts of which do not exceed 10% of the agreed-upon engagement fees.
- b. All Other Fees. This category includes other services rendered by RT&Co. such as internal audit, or special audit if any.

c.) Audit Committee and Policies

In relation to the audit of the annual financial statements, the Corporate Governance Manual, which was approved by the Board of Directors on December 22, 2021, provides that the audit committee shall, among other activities, (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company, (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors, and (iii) ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

The Audit Committee shall be composed of at least four (4) voting members who are members of the Company's Board, at least three of which are non-executive directors, including the independent directors. The Chairman of this Committee should be an independent director.

The key functions of the Audit Committee are assisting the Company's Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations; providing oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks, including receipt or information on risk exposures and risk management activities; providing oversight over the Internal Audit Department and External Auditors; monitoring and evaluating the adequacy and effectiveness of our Company's internal control system; reviewing the quarterly and annual financial statements before their submission to our Company's Board; and overseeing the implementation of risk management and related party strategies and policies.

The Audit Committee is composed of the following members, the chairman of which is an independent director:

Name	Position
Bernardino M. Ramos	Chairman
Lee Ceasar S. Junia	Member
Calvin F. Chua	Member
Rogelio M. Guadalquiver	Member

d.) Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

There were no disagreements with Accountants on Accounting and Financial Disclosure or Changes in Accounting Policies for the period ended December 31, 2023.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

a.) Directors, Including Independent Directors, and Executive Officers

The overall management and supervision of the Company is undertaken by the Company's Board of Directors. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Pursuant to the Company's amended articles of incorporation, the Company's board of directors shall consist of nine members, of whom three are independent directors.

The table below sets forth each member of the board of directors as of December 31, 2023:

<u>Name</u>	<u>Age</u>	<u>Nationality</u>	<u>Position</u>
Rogelio M. Guadalquiver	81	Filipino	Chairman
Lester C. Yu	49	Filipino	President, Chief Executive Officer
Madelene T. Sayson	35	Filipino	Director
Calvin F. Chua	44	Filipino	Director, Chief Financial Advisor
Lee Ceasar S. Junia	58	Filipino	Independent Director
David Jonathan Y. Bayot	53	Filipino	Independent Director
Bernardino M. Ramos	79	Filipino	Independent Director

The business experiences of members of our board of directors are set forth below.

Rogelio M. Guadalquiver, 81, was appointed as the Chairman of FHI in August 24, 2019 and was also appointed as the Chairman of BALAI in December 21, 2021. He is also currently a Director of Philippine Deposit Insurance Corporation. Rogelio was the Chairman and Chief Executive Officer of CG & Co. from 2000 to 2018. Prior to joining CG & Co., he was a senior partner of SGV & Co., a member practice firm of Ernst & Young where he was heavily involved in both domestic and global audit practices. He also specialized in initial public offerings, industry research studies, corporate restructuring, business process re-engineering, business risk management, and financial and tax management consulting. Mr. Guadalquiver is a Certified Public Accountant and holds a Master's in Management degree from the Asian Institute of Management and a Bachelor of Science in Commerce degree from University of San Jose-Recoletos.

Lester C. Yu, 49, was appointed as the President on April 26, 2021 and Chief Executive Officer on December 21, 2021. Currently, he holds the position of President and CEO of Fruitas Holdings Inc. since August 2019. He also served as the Chairman of FHI, the parent company of BALAI from February 2015 to August 2019. Mr. Lester Yu started his career with their family business, Janette Jewelry in 1989. Before founding the Company, he entered the banking industry and served as the youngest Branch Manager for Westmont Bank. Under his leadership, FHI has successfully introduced several well-known brands and has made strategic acquisitions such as Negril Trading, which houses the De Original Jamaican Pattie Shop and Juice Bar brand and Sabroso Lechon. Mr. Yu is also the Chairman and President of Ralproperties, Inc., One Fifty Food Place, Inc., Lush Properties Inc., Negril Trading, Inc., Themangofarm Corp., Fruitasgroup Incorporated, Lush Enterprises Corp., Bamazeh Incorporated, Lush Coolers, Inc., La Petite Parisienne, Inc., Dough Matters, Inc., Lush Harvest Manufacturing Inc., Toyoda

Technik Corporation, and Cocodelivery Incorporated. He holds a Master's of Business Administration degree from the University of the Philippines and a degree in Industrial Management Engineering from De La Salle University.

Madelene T. Sayson, 35, was elected as our Director on April 26, 2021, she is also the Chief Operating Officer of FHI since January 2018 and has been with the Group since 2009. She also served as a Director of FHI from February 2015 to August 2019 and was reelected since December 2020. Ms. Sayson is also the Chairman and President of Gyuma Fragrance Inc. She is the Corporate Secretary and Director of One Fifty Food Place, Inc., Lush Properties Inc., Negril Trading, Inc., Bamazeh Incorporated, Dough Matters, Inc., Sure Jobs Academy, Inc., Toyoda Technik Corporation, Lingnam Food Inc., and Flykitchen Inc. Ms. Sayson is also the Vice President and Director of Themangofarm Corp., and La Petite Parisienne, Inc.. She is the Treasurer and Director of Lush Coolers, Inc. She is also the Treasurer of BALAI in April 2021. She holds a Bachelor of Science degree in Accountancy from Garcia College of Technology.

Calvin F. Chua, 44, was elected as our Director and Chief Financial Adviser on December 21, 2021, he is also currently the Director and Chief Financial Adviser of FHI since Aug. 2019. He has served as a consultant of the Group since May 2017. He is also currently an Executive Director and Treasurer of AlphaPrimus Advisors Inc. He was part of the Corporate Finance team of ING Bank N.V., Manila Branch, most recently as a consultant up to June 2019 and Director up to July 2015. During his stint at ING Bank, he advised on mergers and acquisitions and capital-raising activities of various Philippine clients across several sectors. He holds a Bachelor of Science degree in Management Engineering and a Bachelor of Arts degree in Economics (Honors Program) from Ateneo de Manila University.

Lee Ceasar S. Junia, 58, was elected as our Independent Director on December 21, 2021. Mr. Junia is currently the Executive Vice President and General Manager for Toyota Makati, Inc. since 2014 prior to working with Toyota Makati, he worked with Nissan Philippines, Inc. as the General Manager – Sales in 2014. From 2012 to 2014, Mr. Junia worked with Nissan Motor Philippines as the Vice President - Marketing Division. While he was in Knight Transportation Corp. as a Fleet Manager from 2001 to 2011, and Toyota Motor Philippines, Inc. as Assistant Vice President – After Sale Parts from 1991 to 2001. Mr. Junia holds a Bachelor of Science in Management from Ateneo de Manila University.

David Jonathan Y. Bayot, 53, was elected as our Independent Director since December 21, 2021. Dr. David Bayot is a critic and academic publisher, he teaches literature and literary criticism at De La Salle University - Manila, Philippines, where he is the Executive Publisher of its university press, the De La Salle University Publishing House (DLSUPH) since 2005 until present. In 2020, he was the general editor of the Critics in Conversation series published by DLSUPH and the general editor of the Critical Voices series published by Sussex Academic Press (SAP). He was also a General Editor in the LSU Leadership Chronicle Series in DLSUHPH in 2019. In the same year, he held the position of Professional Chair Holder in Chinese Literature and Liberal Arts in De La Salle University. In 2018, he was the Go Kim Pah Professional Chair Holder in Chinese Literature and Liberal Arts in De La Salle University. Dr. David Bayot holds a PhD in Literature from De La Salle University – Manila.

Bernardino M. Ramos, 79, was elected as our Independent Director since December 21, 2021. He is currently the Chairman of GB Distributors, Inc. He is also a member of the board for Cirtek Holdings Philippines Corporation, State Investment House, Inc., State Properties, Inc., PILAC, Inc., Bunsuran Pawnshop Inc., Prince Plaza Condominium Corporation, Alabang Country Club, Inc. He was a partner of SGV & Co., a member practice firm of Ernst & Young where he was heavily involved in audit and business advisory services with 39 years of service with the firm, including almost 7 as Partner/Advisor of Drs Utomo & Co., SGV Group affiliated firm in Indonesia. He also specialized in power (IPPs) and infrastructure, real estate, and hospitality, financial services, mining, educational institutions and pharmaceutical industries. Mr. Ramos is a Certified Public Accountant and holds a Master's in Management Development Program from the Asian Institute of Management and a Bachelor of Science in Business Administration from Far Eastern University, Manila.

The table below sets forth the key executive and corporate officers as of December 31, 2023:

Name	Age	Nationality	Position
Roselyn A. Legaspi	46	Filipino	Managing Director
Ma. Teresa Trujillo	61	Filipino	Chief Financial Officer and Treasurer
William V. Capuno	37	Filipino	Head of Operations
Lerma C. Fajardo	37	Filipino	Comptroller
Ralph Hector P. Adricula	29	Filipino	Compliance Officer
Marvin C. Yu	45	Filipino	Corporate Secretary
Shaun Aldrich G. Si	32	Filipino	Investor Relations Officer

The business experience for the last five years of key executive and officers are set forth below.

Roselyn A. Legaspi, 46, was appointed as our Managing Director on December 21, 2021 and is also the Managing Director – Visayas & Mindanao for FHI appointed last Aug. 2019. She is responsible for the overall operations of the Company for the said regions. She has been with the Group since 2002 and has served as a Director of FHI from Feb. 2015 to Aug. 2019. Ms. Legaspi is also the Vice President and Director of Negril Trading, Inc., Bamazeh Inc., Lush Properties Incorporated, Ralproperties Inc., and Sure Jobs Academy Inc. She is also a Director for Gyuma Fragrance Inc., Lush Harvest Manufacturing Inc., Themangofarm Corp., La Petite Parisienne, Inc., and Lush Enterprises Corp. Also, Ms. Legaspi is the Treasurer of Fruitsgroup Incorporated. She was a Director of BALAI since incorporation until December 2021. She obtained her Bachelor of Science degree in Accountancy in 1999 and also passed her Civil Service Exams in 1997. She is currently taking up her Master’s in Business Administration degree at the University of San Carlos, Cebu City.

Ma. Teresa Trujillo, 61, was appointed as our Chief Financial Officer and Treasurer on December 21, 2021. She has been the Human Resources Department Head of Fruitsgroup Inc. since Feb. 2018. She is responsible for overseeing activities within human resources management such as recruitment, compensation and benefits, and organizational development. She was the Officer-in-Charge of the Business Permits Department when she joined the Group. She completed 18 units for Ateneo Graduate School of Business’ Master’s degree in Business Administration for Middle Managers and holds a bachelor’s degree in Commerce major in Accounting from Universidad De Sta. Isabel.

William V. Capuno, 37, has been the Head of Operations of BALAI since December 21, 2021. Prior to joining the Group, he was the Operations Head of Zagu Foods Corporation where he started his career. After working for 8 years in the company, he shifted his career to sales. He worked as a Sales Operations Manager in Marina Sales Incorporated, one of the well-known distributors of Del Monte, CDO and Sunquick products. Mr. William holds a Bachelor of Science degree in Computer Science in Polytechnic University of the Philippines - Sto. Tomas Batangas.

Lerma C. Fajardo, 37, was appointed as the Comptroller of BALAI on December 21, 2021 and has been FHI’s Deputy Chief Financial Officer and Comptroller since 2018. She has over 10 years of experience in accounting and finance, previously working as an Assistant Manager for Extramind Global Outsourcing Group, Inc. She holds a Bachelor of Science degree in Accountancy from Polytechnic University of the Philippines and is a Certified Public Accountant.

Ralph Hector P. Adricula, 29, has been the Compliance Officer of BALAI since December 21, 2021. He has been with the Group for 6 years, where he started as an Accounting Staff in November 2015, and last held the position of an Assistant Accounting Manager. He holds a Bachelor of Science degree in Applied Mathematics from University of the Philippines Visayas.

Marvin C. Yu, 45, was appointed as the Corporate Secretary of BALAI on December 21, 2021, and has been FHI’s Corporate Secretary since Aug. 24, 2019. He has more than 15 years of experience in the technical and engineering field. He was a Consultant in the SMC Telco Project, Master Planning Network Coverage Senior Manager for the Sun Cellular 2G and 3G Project, and RF Network Planning, Design and

Optimization Engineer for Smart Communications Inc. Mr. Marvin Yu holds a Bachelor of Science degree in Electronics and Communications Engineering from De La Salle University and an Electronics and Communications Engineering Board Passer.

Shaun Aldrich G. Si, 32, was appointed as the Investor Relations Officer of the Company on December 2023 and has been the Group's Chief Marketing Officer since September 2022. He spearheads all the marketing strategies and initiatives of the Group and shall also be responsible for all interactions with investors and financial institutions through creating programs which strengthens relationship of FHI to the various investment groups and individuals. Prior to joining FHI, he held various positions in Brand Management in Wyeth Philippines Inc. and Jollibee Foods Corporation. In 2013, he started his career as a Management Trainee in GlaxoSmithKline Philippines where he eventually became the Digital Marketing Manager in 2016. He holds a Bachelor of Arts degree in Management Economics Minor in Chinese Studies and the program award recipient for being the most outstanding student in the Management Economics Program Class of 2013 from the Ateneo de Manila University.

b.) Family Relationships

Mr. Lester C. Yu and Mr. Marvin C. Yu are brothers. Aside from the foregoing, there are no family relationships between any Directors and any members of the Company's senior management.

c.) Involvement in Certain Legal Proceedings

None of the directors and officers have been involved in any bankruptcy proceeding, nor have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment, or decree of competent jurisdiction, permanent or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, or found in action by any court or administrative bodies to have violated a securities of commodities law, for the past five (5) years up to the latest date.

As of date of this report, the Company is not a party to any litigation or arbitration proceedings of material importance, which could be expected to have a material adverse effect on the Company or on the results of its operations. No litigation or claim of material importance is known to be pending or threatened against the Company or any of its properties.

Item 10. Executive Compensation

a.) General

The levels of remuneration of the Company should be sufficient to be able to attract and retain the services of qualified and competent directors and officers. A portion of the remuneration of executive directors may be structured or be based on corporate and individual performance.

No director should participate in deciding on his remuneration.

The Company may, in exceptional cases, e.g., when the Company is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its directors and officers.

b.) Summary Compensation Table

The following table sets forth our most highly compensated executive officers, including Balai Ni Fruitas, Inc. Chief Executive Officer, for the year ending December 31, 2023:

Name	Position
Lester C. Yu	Director, President and Chief Executive Officer
Roselyn A. Legaspi	Managing Director
William V. Capuno	Head of Operations
Ma. Teresa Trujillo	Chief Finance Officer and Treasurer
Ralph Hector P. Adricula	Compliance Officer

The following table identifies and summarizes the aggregate compensation of our President and CEO and the four most highly compensated executive officers, as well as the aggregate compensation paid to all other officers and Directors as a group, for the years ended December 31, 2020, 2021, 2022 and 2023 (estimated):

Aggregate Compensation – Executive Officers (top five)	
Year	Total (P million)
2020	1.5
2021	2.3
2022	3.1
2023	3.1

Aggregate Compensation – Directors and Executive Officers (excluding top five above)	
Year	Total (P million)
2020*	N/A
2021	0.2
2022	0.7
2023	0.7

**Note: salaries and bonuses are unavailable as other executive officers were employed under the parent company during the reporting years.*

Standard Arrangements

Other than payment of reasonable per diem as may be determined by the Board for every meeting, there are no standard arrangements pursuant to which directors of the Company are compensated, or were compensated, directly or indirectly, for any services provided as a director and for their committee participation or special assignments for 2023 up to the present.

Other Arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or to be compensated, directly or indirectly for 2023 up to the present for any service provided as a director.

Warrants and Options

As of the date of this annual report, there are no outstanding warrants or options held by the President, the CEO, the named executive officers, and all officers and directors as a group.

Item 11. Security Ownership of Certain Beneficial Owners and Management

a.) Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2023, the following were owners of more than 5% of the Company's outstanding shares:

Title of Class	Name. Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	% to Total Outstanding
Common	Fruitas Holdings, Inc. / 60 Cordillera St., Brgy. Doña Josefa, Quezon City / Stockholder of Record	Please see PNB Report as of December 31, 2023 attached as Annex "C"	Filipino	1,082,488,000	72.407%
Common	PCD Nominee Corp. ¹ / The Enterprise Center, Ayala Avenue Corner Paseo de Roxas, Makati City / Stockholder of Record	Please see PNB Report as of December 31, 2023 attached as Annex "C"	Filipino	412,500,000	27.591%

b.) Security Ownership of the Board of Directors and Senior Management

Title of Class	Name of Beneficial Owner	Citizenship	Number of Direct Shares	Number of Indirect Shares	% of Capital Stock
Common	Lester C. Yu	Filipino	4,004,000	-	-
Common	Rogelio M. Guadalquiver	Filipino	1,000	-	-
Common	Calvin F. Chua	Filipino	1,330,000	-	-
Common	Madelene T. Sayson	Filipino	2,000	-	-
Common	Lee Ceasar S. Junia	Filipino	1,000	-	-
Common	David Jonathan Y. Bayot	Filipino	1,000	-	-
Common	Bernardino M. Ramos	Filipino	1,000	-	-
Common	Roselyn A. Legaspi	Filipino	1,002,000	-	-
Common	Marvin C. Yu	Filipino	2,000	-	-
		Total	6,344,000	-	-

c.) Voting Trust Holder of 5% or more

As of December 31, 2023, there are no persons holding more than 5.0% of a class of shares under a voting trust or similar agreement.

d.) Changes in Control

There are no arrangements which may result in a change in control of the Registrant as of December 31, 2023.

Item 12. Certain Relationships and Related Transactions

Due from Related Parties

The Company has due from related parties amounting to ₱11.0 and ₱9.1 million as of December 31, 2023 and 2022. On October 3, 2021, due from related parties amounting to ₱60.0 million was reclassified to unsecured notes receivable. The notes receivable has a term of one year and bears 5% fixed interest and is payable in lump sum at maturity date while interest is payable monthly.

Administrative Consulting Agreement

FHI, the parent Company, has an Administrative Consulting Agreement with BALAI for the parent company to provide administrative services for a fixed monthly fee. FHI and its management shall provide strategic direction and assistance in managing BALAI's overall corporate and store level operations. Management fees amounted to P6 million or P0.5 million per month in 2021 and P3 million or P0.25 million in 2020. The term of the agreement is valid for twelve (12) months. The Company was under an administrative consulting agreement from January 1, 2022 until December 31, 2022. The administrative consulting agreement is renewed on an annual basis.

Transfer of Assets and Assignment of Lease

In May 2021, the Board of Directors of the Company approved certain reorganization activities wherein certain assets and rights to the lease of various outlets previously owned and operated by the Company were transferred to Fruitasgroup Inc. The outlets transferred to Fruitasgroup Inc. included outlets for products under the following brands: *Buko ni Fruitas*, *House of Desserts*, *Fruitas* and *Buko Loco* (which is an *Fruitasgroup Inc.-owned brand*). The primary purpose of the reorganization activities is for the Company and Fruitasgroup Inc. to capitalize on the economies of scale and efficiency of operations and more productive use of the assets. Fruitasgroup Inc. continued to operate the outlets until the end of its respective lease terms. The outlets' leases were renewed based on its sales performance. The obligations for rental deposits on leases were transferred to Fruitasgroup Inc. through an assignment of lease agreement.

Summary of Related Party Transactions

(a) Supplier Agreements

Date	Title of Document	Parties	Particulars	Term / Maturity
January 15, 2021	Supplier Agreement	Company and Fruitasgroup Inc.*	Supply of bottled juices, raw and packaging materials to the Company	January 1, 2021 to December 31, 2023
January 15, 2021	Supplier Agreement	Company and Negril Trading, Inc.*	Supply of soy products, raw and packaging material to the Company	January 1, 2021 to December 31, 2023

*Affiliates of the Company

For the year ended 31 December 2023, 67% of total purchases of the Company are from its related parties.

(b) Administrative Consulting Agreement

Date	Title of Document	Parties	Particulars	Term / Maturity
1 January 2023	Administrative Consulting Agreement	Company and Fruitas Holdings, Inc.**	Appointment of FHI as service provider for administrative services to the Company	1 year

*Parent of the Company

(c) Lease Agreements

Company as Lessee - Short-term Lease

The Company entered into a lease agreement with FHI for its store space in Sta. Mesa, Manila for a period of one year and renewable annually since October 2022 up until present. The lease contract for the store provides for a monthly fixed rental. The lease agreement is generally renewable through a notice of lease renewal and upon mutual agreement with the lessor.

(d) Others

Fruitasgroup Inc. continues to source baked goods from the Company since October 2021.

Related Party Transaction Policy

The Company enters into transactions with affiliates and other related parties on an arm's length basis. Aligned with this thrust, the Company, in dealing with affiliates and other related parties, ensures above-board transactions and fairness and equity among all parties.

The Company exerts efforts to obtain the most beneficial terms and conditions for the Company, taking into consideration various factors including pricing and quality.

For this purpose, the Company determines the prevailing and applicable price in the market. In the process, it also gathers quotes and/or proposals from other parties engaged in similar or the same undertaking. Based on these, a comparable summary is presented to ascertain a fair price for the applicable related party transaction.

Other related party transactions are commissioned to a 3rd party assessor/s to determine fairness and reasonable value of the property.

Further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to affiliated companies can be found in the notes to the Company's financial statements.

PART IV – EXHIBITS AND SCHEDULES

Reports on SEC Form 17-C

Date	Subject of Report
Feb 20, 2023	Re-allocation of use of IPO proceeds, increasing the amount allocated for Commissary set-up from Php20 million to Php60 million with the Php40 million increase coming from “Store network expansion and store improvement”.
April 4, 2023	Acquisition of the land, building and improvements on a 484 sqm property located at N. Domingo, Quezon City from Lush Properties Inc.
April 11, 2023	Notice of Inability to file 17A and Disbursement of Proceeds and Progress Report
April 13, 2023	Approval of Audited Financial Statement for the year ended December 31, 2022
	Balai Financial Results as of December 31, 2022
	Balai Financial Results as of March 31, 2023
April 24, 2023	Quarterly Report on the Disbursement of Initial Public Offering Proceeds of Balai Ni Fruitas Inc. as of March 31, 2023.
May 17, 2023	Declaration of cash dividend of five hundredth Centavo (Php 0.005) per share to all stockholders of record as of May 31, 2023 which will be paid on June 26, 2023. The cash dividends shall be paid from the Unrestricted Retained Earnings as of December 31, 2022.
	Postponement of the 2023 Annual Stockholders’ Meeting (“2023 ASM”) which, pursuant to the By-Laws, should occur on the third Monday of June 2023 to be moved to 15 August 2023 and 20 July 2023 as record date.
July 14, 2023	Quarterly Report on the Disbursement of Initial Public Offering Proceeds of Balai Ni Fruitas Inc. as of June 30, 2023.
July 26, 2023	Balai Financial Results as of June 30, 2023
August 15, 2023	Annual stockholder Meeting and Results of Organizational Meeting
October 13, 2023	Quarterly Report on the Disbursement of Initial Public Offering Proceeds of Balai Ni Fruitas Inc. as of September 30, 2023.
November 7, 2023	Balai Financial Results as of September 30, 2023
November 13, 2023	Notice of Investor Briefing: PSE STAR Investor Day Q3 2023

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____ on _____, 20__.

By:



LESTER C. YU
President and CEO



MA. TERESA TRUJILLO
CFO and Treasurer



MARVIN C. YU
Corporate Secretary

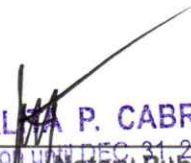


LERMA C. FAJARDO
Comptroller

SUBSCRIBED AND SWORN to before me this 12 APR 2024 20__ affiant(s) exhibiting to me their Tax Identification No., as follows:

NAMES	TIN NOS.
Lester C. Yu	191-309-944-000
Ma. Teresa Trujillo	284-239-227-000
Marvin C. Yu	214-877-469-000
Lerma C. Fajardo	257-881-618-000

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BOOK NO. XVII
SERIES OF 2024


ATTY. MA. PERLITA P. CABRERA
Notarial Commission until DEC. 31, 2025
Adm. Matter No. 012 (2024-2025)
PTR. No.: 54282/3 01/02/2024 - QC
IBP. No.: 38645/3 01/02/2024 - QC
Attorney's Roll No. 44573
MCLE Compliance No. VIII-0002597
Valid until 14 APR 2025