

COVER SHEET

C S 2 0 1 5 0 3 0 1 4

SEC Registration Number

F R U I T A S H O L D I N G S , I N C .

[Empty grid]

[Empty grid]

[Empty grid]

(Company's Full Name)

N O . 6 0 C O R D I L L E R A S T .

B R G Y . D O N A J O S E F A Q U E Z O N C I T Y

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

RUSHELL A. SALVADOR

Contact Person

+(632) 8731-8886

Company Telephone Number

SEC FORM 17-C

DISBURSEMENT OF PROCEEDS AND PROGRESS REPORT AS OF JUNE 30, 2022

FORM TYPE

1 2

Month Day Fiscal Year

3 1

DISBURSEMENT OF PROCEEDS AND PROGRESS REPORT AS OF JUNE 30, 2022

0 7

Month

2 5

Day

Annual Meeting

[Empty box]

Secondary License Type, If Applicable

[Empty box]

Dept Requiring this Doc

[Empty box]

Amended Articles Number / Section

Total Amount of Borrowings

[Empty box]

Total No. of Stockholders

[Empty box]

Domestic

[Empty box]

Foreign

To be accomplished by SEC Personnel concerned

[Empty box]

File Number

LCU

[Empty box]

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

July 15, 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

THE PHILIPPINE STOCK EXCHANGE

3rd Floor, Philippines Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

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

Subject : **FRUIT- SEC Form 17-C Disbursement of Proceeds and
Progress Report as of June 30, 2022**

Dear Director Felizmenio and Ms. Wong:

We hereby submit and certify the Disbursement of Proceed and Progress Report ("report") of Fruititas Holdings Inc. as of June 30, 2022.

The company has a total disbursement of Php 22,967,552 for the quarter ended June 30, 2022 used for store network expansion and introduction of new concepts.

Below is the schedule of the Planned and Actual Disbursement of IPO proceeds as of June 30, 2022:

FRUITAS HOLDINGS INC.
Summary of Application of Proceeds
As of June 30, 2022

	Balance as at March 31, 2022	Movements during the quarter	Balance as at June 30, 2022
Gross proceeds	896,548,800.00		896,548,800.00
Offer expenses	(72,464,600.00)		(72,464,600.00)
Net proceeds	824,084,200.00	-	824,084,200.00
Use of proceeds			
Store network expansion and store improvement	(112,522,347.00)	(19,037,124.00)	(131,559,471.00)
Investments of Advances for Working Capital	(146,657,896.00)		(146,657,896.00)
Debt repayment	(174,732,180.00)		(174,732,180.00)
Acquisition opportunities and introduction of new conc	(95,727,868.00)	(3,930,428.00)	(99,658,296.00)
Acquisition of head office of FHI	(142,375,050.00)		(142,375,050.00)
Commissary expansion	(35,491,865.00)	-	(35,491,865.00)
Balance of amounts infused in subsidiaries	(37,766,007.00)	20,630,052.00	(17,135,955.00)
	(745,273,213.00)	(2,337,500.00)	(747,610,713.00)
Unapplied Proceeds	78,810,987.00	(2,337,500.00)	76,473,487.00

Attached here is the report with the External Auditor Certification.

Very Truly Yours,

FRUITAS HOLDINGS INC.

By:


Junel Dominic P. Torio
Chief Financial Officer & Treasurer

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. 15 July 2022
Date of Report (Date of earliest event reported)
2. SEC Identification Number- CS201503014
3. BIR Tax Identification No.- 008-961-476-000
4. **FRUITASHOLDINGS 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
7. 60 CORDILLERA ST. COR. E. RODRIGUEZ SR. AVE. QUEZON CITY 1113
Address of principal office Postal Code:
8. (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>2,133,680,000</u>

11. Indicate the item numbers reported herein: ITEM 9- OTHER EVENTS

Fruitash Holdings Inc. ("Company") submits this report on the use of proceeds realized from the Initial Public Offering ("Offer") of 533,660,000 common shares at an offer price of Php1.68 per share conducted on 29 November 2019. The total proceeds from the Offer amounted to Php896,548,800.

For the quarter ended June 30, 2022, the company has a total disbursement of Php 22,967,552, which was used for store network expansion and introduction of new concepts. While remaining proceeds as of report date amounts to Php76,473,487.

Attached here is the Disbursement of proceeds and Progress Report as of June 30, 2022 with the external auditor's certification.


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

FRUITAS HOLDINGS INC.

Issuer

Date



RUSHELL A. SALVADOR
Compliance Officer

15July2022

Fruitas Holdings, Inc. FRUIT

PSE Disclosure Form 4-29 - Disbursement of Proceeds and Progress Report
References: Memorandum No. 626 - 2007 dated December 20, 2007
Section 4.4 of the Revised Disclosure Rules

- Annual Report
- Quarterly Report
- Others-

Subject of the Disclosure

Disbursement of Proceeds and Progress Report for the quarter ended June 30, 2022

Background/Description of the Disclosure

Fruitas Holdings Inc. ("Company") submits this report on the use of proceeds realized from the Initial Public Offering ("Offer") of 533,660,000 common shares at an offer price of Php1.68 per share conducted on 29 November 2019. The total proceeds from the Offer amounted to Php896,548,800.

The following is the comparison of planned and actual use of proceeds as of June 30, 2022:

FRUITAS HOLDINGS INC.
Summary of Application of Proceeds
As of June 30, 2022

	Balance as at March 31, 2022	Movements during the quarter	Balance as at June 30, 2022
Gross proceeds	896,548,800.00		896,548,800.00
Offer expenses	(72,464,600.00)		(72,464,600.00)
Net proceeds	824,084,200.00	-	824,084,200.00
Use of proceeds			
Store network expansion and store improvement	(112,522,347.00)	(19,037,124.00)	(131,559,471.00)
Investments of Advances for Working Capital	(146,657,896.00)		(146,657,896.00)
Debt repayment	(174,732,180.00)		(174,732,180.00)
Acquisition opportunities and introduction of new conc	(95,727,868.00)	(3,930,428.00)	(99,658,296.00)
Acquisition of head office of FHI	(142,375,050.00)		(142,375,050.00)
Commissary expansion	(35,491,865.00)	-	(35,491,865.00)
Balance of amounts infused in subsidiaries	(37,766,007.00)	20,630,052.00	(17,135,955.00)
	(745,273,213.00)	(2,337,500.00)	(747,610,713.00)
Unapplied Proceeds	78,810,987.00	(2,337,500.00)	76,473,487.00

The company has a total disbursement of Php 22,967,552 for the quarter ended June 30, 2022 used for store network expansion and introduction of new concepts. While the proceeds has a remaining balance of Php 76,473,487 as of report date.

Other Relevant Information

Attached here is the Disbursement of proceeds and Progress Report as of June 30, 2022 with the external auditor's certification.



July 15, 2022

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

Subject: **2022 Second Quarter Report on the Disbursements of Initial Public Offering Proceeds**

Dear Ms. Wong,

In compliance with the disclosure requirements of the Philippines Stock Exchange, Inc., we are pleased to submit the following;

1. Summary of application of Proceeds from the Initial Public Offering as of June 30, 2022.
2. Certification of Reyes Tacandong and Co. on the accuracy of information provided in relation to progress report.

We hope you find everything in order


Juneil Dominic P. Torio
Chief Financial Officer & Treasurer

FRUITAS HOLDINGS INC.
Summary of Application of Proceeds
As of June 30, 2022

	Balance as at March 31, 2022	Movements during the quarter	Balance as at June 30, 2022
Gross proceeds	896,548,800.00		896,548,800.00
Offer expenses	(72,464,600.00)		(72,464,600.00)
Net proceeds	824,084,200.00	-	824,084,200.00
Use of proceeds			
Store network expansion and store improvement	(112,522,347.00)	(19,037,124.00)	(131,559,471.00)
Investments of Advances for Working Capital	(146,657,896.00)		(146,657,896.00)
Debt repayment	(174,732,180.00)		(174,732,180.00)
Acquisition opportunities and introduction of new conce	(95,727,868.00)	(3,930,428.00)	(99,658,296.00)
Acquisition of head office of FHI	(142,375,050.00)		(142,375,050.00)
Commissary expansion	(35,491,865.00)	-	(35,491,865.00)
Balance of amounts infused in subsidiaries	(37,766,007.00)	20,630,052.00	(17,135,955.00)
	(745,273,213.00)	(2,337,500.00)	(747,610,713.00)
Unapplied Proceeds	78,810,987.00	(2,337,500.00)	76,473,487.00



July 15, 2022

The Stockholders and the Board of Directors
Fruitas Holdings, Inc.
68 Data St., Brgy. Don Manuel
Quezon City

Report of Factual Findings

We have performed the procedures agreed to by the management of Fruitas Holdings, Inc. ("FHI" or the "Company") with respect to the use of the proceeds from the Initial Public Offering of the Company's common shares (the "Offering") for the quarter ended June 30, 2022 in connection with its compliance with the reportorial requirements of the Philippine Stock Exchange, Inc. (PSE). Our engagement was undertaken in accordance with the Revised Philippine Standard on Related Services 4400 (Revised), *Agreed-upon Procedures Engagements*.

Background

On August 24, 2019, the stockholders and the Board of Directors (BOD) authorized the Company's Offering of its common shares with the PSE. This was approved by the Securities and Exchange Commission (SEC) and by the PSE on October 17, 2019 and October 23, 2019, respectively. On November 29, 2019, the Company's 533,660,000 common shares were officially listed on the PSE at an offer price of ₱1.68 per share.

Procedures Performed and Results

We obtained the Company's Quarterly Report on the Disbursement of Proceeds from Initial Public Offering for the quarter ended June 30, 2022. A comparison of the actual use and planned use of the Proceeds as at June 30, 2022 is shown below:

	Actual		Balance as at June 30, 2022	Revised Planned Application	Difference
	Balance as at March 31, 2022	Movements during the Quarter			
Gross Proceeds	₱896,548,800	₱-	₱896,548,800	₱896,548,800	₱-
Offer Expenses	(72,464,600)	-	(72,464,600)	(76,500,000)	4,035,400
Net Proceeds	824,084,200	-	824,084,200	820,048,800	4,035,400
Use of Proceeds					
Store network expansion and store improvement program	(112,522,347)	(19,037,124)	(131,559,471)	(158,048,800)	26,489,329
Debt repayment	(174,732,180)	-	(174,732,180)	(175,000,000)	267,820
Investment or advances to subsidiaries for working capital	(146,657,896)	-	(146,657,896)	(147,000,000)	342,104
Acquisition of head office of FHI	(142,375,050)	-	(142,375,050)	(145,000,000)	2,624,950
Acquisition opportunities and introduction of new concepts	(95,727,868)	(3,930,428)	(99,658,296)	(135,000,000)	35,341,704
Commissary expansion	(35,491,865)	-	(35,491,865)	(60,000,000)	24,508,135
Balance of amounts infused in subsidiaries	(37,766,007)	20,630,052	(17,135,955)	-	(17,135,955)
	(745,273,213)	(2,337,500)	(747,610,713)	(820,048,800)	72,438,087
Unapplied Proceeds	₱78,810,987	(₱2,337,500)	₱76,473,487	₱-	₱76,473,487

1. The disbursements for store network expansion and store improvement program amounting to ₱19.0 million during the quarter pertain to security deposits and advance rentals paid for newly opened stores, kiosk construction and fabrication, and leasehold improvements.

We examined the supporting official receipts, collection receipts, acknowledgment receipts, sales invoices, and billing statements. We also traced the cash outflow to the corresponding bank statement. No exceptions were noted.

2. Details of payments made related to acquisition opportunities and introduction of new concepts are as follows:

Payments made by Balai Ni Fruitas, Inc. (BNFI), a wholly-owned subsidiary, for the acquisition of certain assets of Balai Pandesal Corporation (BPC)	₱2,337,500
Payments made by Fruitasgroup, Inc. (FGI), a wholly-owned subsidiary, for store network expansion of Soy & Bean brand	1,248,000
Payments made by BNFI for store network expansion of Balai Pandesal brand	344,928
	<u>₱3,930,428</u>

In June 2021, FHI, through BNFI, acquired certain assets of BPC, a domestic company engaged in the retail of bread products. The assets include contracts with five franchised branches, trademarks, recipes and other technical know-how, store equipment, and inventories for a total consideration of ₱11.2 million.

As at April 6, 2022, the total consideration was fully paid as agreed in the Deed of Absolute Sale (DOAS). We traced the payments to the bank statement and examined the supporting DOAS and acknowledgment receipt. No exceptions were noted.

For the payments made related to the store network expansion of Soy & Bean brand and Balai Pandesal brand by FGI and BNFI, we examined the supporting official receipts, collection receipts, sales invoices and billing statements. We also traced the cash outflow to the corresponding bank statement. No exceptions were noted.

3. The details of the balance of amounts infused in subsidiaries are as follows:

	FGI	BNFI	NTI	Total
Balance as at March 31, 2022	₱31,434,965	₱2,760,055	₱3,570,987	₱37,766,007
Store network expansion and store improvement	(14,789,409)	(2,269,656)	(3,570,987)	(20,630,052)
Balance as at June 30, 2022	<u>₱16,645,556</u>	<u>₱490,399</u>	<u>₱-</u>	<u>₱17,135,955</u>

The disbursements for store network expansion and store improvement pertain to rental deposits and leasehold improvements during the quarter.

We examined the related supporting official receipts, collection receipts, acknowledgment receipts, sales invoices and billing statements, and traced the cash outflow to the corresponding bank statement. No exceptions were noted.

The remaining balance of ₱17.1 million as at June 30, 2022 is intended for store and network expansion and continuous commissary expansions.

4. The unapplied proceeds of ₱76.5 million are accounted for as follows:

Cash invested in time deposits	₱45,465,821
Cash in a savings bank account	26,608,453
Cash in a designated bank account for Offering proceeds	6,818,817
Cash and cash equivalents	78,893,091
Unapplied proceeds	76,473,487
Difference	2,419,604
Interest income	(2,419,604)
	₱-

The cash and cash equivalents were traced and agreed to the related bank reconciliation statements, bank statements, and certificates of time deposits. We also checked the mathematical accuracy and verified the reconciling items. No exceptions were noted.

The sufficiency of the foregoing procedures is solely the responsibility of the Company. Accordingly, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Because the foregoing procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing or Philippine Standards on Review Engagements, we do not express any assurance on any of the financial statement accounts of the Company.

Had we performed additional procedures or performed an audit or a review of the financial statements in accordance with Philippine Standards on Auditing or Philippine Standards on Review Engagements, other matters might have come to our attention that would have been reported to you. Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to items specified in the foregoing and does not extend to any financial statements of the Company taken as a whole.

REYES TACANDONG & CO.



WILSON P. TEO

Partner

CPA Certificate No. 92765

Tax Identification No. 191-520-944-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 92765-SEC Group A

Issued January 28, 2020

Valid for Financial Periods 2019 to 2023

BIR Accreditation No. 08-005144-014-2020

Valid until January 1, 2023

PTR No. 8851714

Issued January 3, 2022, Makati City

July 15, 2022

Makati City, Metro Manila