



18 April 2022

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, Metro Manila

Attention: **Mr. Vicente Graciano P. Felizmenio Jr.**
Director, Markets and Securities Regulation Department

THE PHILIPPINE STOCK EXCHANGE, INC.

6/F PSE Tower
5th Avenue cor 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**
OIC, Disclosure Department

Gentlemen:

In compliance with the listing obligations of Figaro Coffee Group Inc. (the Company), please find attached Company's Quarterly Progress Report on the application of the proceeds from the Initial Public Offering (IPO) as of March 31, 2022 and for the period January 24, 2022 to March 31, 2022. Below are the attachments:

1. Quarter Summary of Disbursement of the IPO Proceeds as of March 31, 2022 as certified by the Chief Financial Officer.
2. Report of External Auditor on Review of Certain Financial Information.

Sincerely yours,


JOSE PETRONIO VICENTE ESPAÑOL III
Treasurer, Chief Finance Officer, and Chief Risk Officer



FIGARO COFFEE GROUP, INC.
Quarterly Summary of Disbursement of IPO Proceeds
As of March 31, 2022
(Amounts in Philippine Peso)

Gross Initial Public Offering (IPO) Proceeds		P 697,675,760.76
Less: IPO-related Project Expenses*		
Underwriting and selling fees	P 22,381,250.18	
Professional fees	11,281,143.03	
Taxes paid by the company	12,086,279.41	
FCG IPO selling commission	1,208,384.17	
Debt repayments	60,000,000.00	
Capital expenditures for store network expansion	9,628,063.36	
Total Disbursements as of March 31, 2022		116,585,120.15
Balance of the Net IPO Proceeds as of March 31, 2022		P 581,090,640.61

Certified true and correct:


JOSE PETRONIO VICENTE ESPAÑOL III
Treasurer, Chief Finance Officer, and Chief Risk Officer

REPORT OF FACTUAL FINDINGS

The Board of Directors

FIGARO COFFEE GROUP, INC.

116 E. Main Avenue, Phase V, SEZ Laguna Technopark
Binan, Laguna

We have performed the procedures agreed with you and enumerated below with respect to the attached Progress Report as of and for the quarter ended **March 31, 2022** on the application of the proceeds from the Initial Public Offering (the "Offering") of **FIGARO COFFEE GROUP, INC.** (the "Company"). The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the accuracy of information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures are summarized as follows:

1. Obtained the Progress Report on the Application of the Proceeds from the Initial Public Offering as at and for the quarter ended **March 31, 2022** (the "Schedule");
2. Checked the mathematical accuracy of the Schedule;
3. Compared the disbursements in the Schedule to the Progress Report for the quarter ended **March 31, 2022** ;
4. Traced disbursements to the supporting documents such as billing statements, billing fee letters, billing agreements, sales invoices, official receipts, and bank statements and agreed the amount to the accounting records;
5. Inquired into and identified the nature of the disbursements for the quarter ended **March 31, 2022**. Checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the Offering.

We report our findings below:

1. With respect to item 1, we were able to obtain the Schedule as at and for the quarter ended March 31, 2022 .
2. With respect to item 2, we found the Schedule to be mathematically correct.
3. With respect to item 3, we noted that the disbursements in the Schedule agree to the total disbursements for the quarter ended September 31, 2021 per list of disbursements provided.
4. With respect to item 4, we obtained the supporting documents such as official receipts, deposit slips, billings, statements of account and BIR form 2000. The amounts recorded agreed with the supporting documents.
5. With respect to item 5, we noted, based on our inquiries, examination of supporting documents and understanding of the underlying transactions that all the disbursements made for the quarter ended March 31, 2022 as appearing in the Schedule are consistent with the planned use of the proceeds.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the use of proceeds from the Offering based on the said standards.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, respectively, other matters might have come to our attention that would have been reported to you.

Our report is intended 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 who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the Offering and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.S. BERNALDO & ASSOCIATES

BOA/PRC No. 0300

Valid until May 28, 2024

SEC Group A Accredited

Accreditation No. 0300-SEC

Valid until 2024 audit period

BSP Group B Accredited

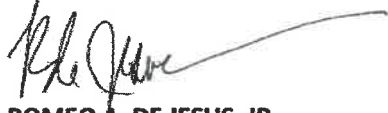
Valid until 2021 audit period

BIR Accreditation No. 08-007679-000-2020

Valid from February 24, 2020 until February 23, 2023

IC Accreditation No. F-2019-004-R

Valid until October 1, 2022



ROMEO A. DE JESUS, JR.

Managing Partner

CPA Certificate No. 86071

SEC Group A Accredited

Accreditation No. 86071-SEC

Valid until 2024 audit period

BIR Accreditation No. 08-004744-001-2021

Valid from January 25, 2021 until January 24, 2024

Tax Identification No. 109-227-897

IC Accreditation No. SP-2019-004-R

Valid until October 1, 2022

PTR No. 8539809

Issued on January 7, 2021 at Makati City

April 18, 2022

BOA /PRC No. 0300 • BIR Accredited • SEC Group A Accredited • BSP Group B Accredited • CDA CEA Accredited • IC Accredited
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