

C S 2 0 1 8 1 1 1 1 9

SEC Registration Number

F I G A R O C O F F E E G R O U P , I N C .

(Company's Full Name)

1 1 6 E A S T M A I N A V E . P H A S E V - S E Z  
L A G U N A T E C H N O P A R K , B I N A N , L A G U N A  
4 0 3 4

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

Sigrid Von D. De Jesus  
(Contact Person)

0917-8832172  
(Company Telephone Number)

0 6 3 0  
Month Day  
(Fiscal Year)

SEC FORM 17-C  
(Form Type)

N/A  
Month Day  
(Annual Meeting)

N/A

(Secondary License Type, If Applicable)

SEC-MSRD  
Dept. Requiring this Doc.

Amended Articles Number/Section

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  
Current Report Under Section 17 of the Securities Regulation Code ("SRC")  
and SRC Rule 17.2 (c) Thereunder

SEC FORM 17-C

1. 19 June 2023  
Date of Report
2. SEC Identification Number:  
CS201811119
3. BIR Tax Identification No.:  
010-061-026-000
4. Name of issuer as specified in the charter FIGARO COFFEE GROUP, INC.
5. Philippines  
Country of Incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. 116 East Main Ave., Phase V- SEZ,  
Laguna Technopark, Binan, Laguna  
Address of Principal Office
8. (632) 8812-17-18  
Registrant's Telephone Number
9. N/A  
Former name or former address
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Titles of Each Class	Number of Shares Outstanding and Amount of Debt Outstanding
Common Shares	5,468,455,298

11. Item number reported                      Item 9 - N/A

Reply to Exchange's Query on the Subscription Agreement between Figaro Coffee Group, Inc. ("FCG" or the "Company") and Camerton, Inc. (the "Subscriber").

1. Description of the proposed transaction including the timetable for implementation, and related regulatory requirements;

As disclosed, the Subscription is intended to support the proposed increase in authorized capital stock ("ACS") of the Company and to meet the requirements of the Securities and Exchange Commission ("SEC").

On 19 April 2023, at the meeting of FCG's Board of Directors ("Board"), the Board approved the amendments to the Company's Articles of Incorporation ("AOI") to increase its ACS from Php660,000,000.00, consisting of 6,600,000,000 common shares with par value of Php0.10 per share, to Php1,340,000,000 divided into: (a) Php1,155,000,000.00 worth of common shares consisting of 11,550,000,000 common shares with par value of Php0.10 per share;

and (b) Php185,000,000.00 worth of preferred shares consisting of 9,250,000,000 preferred shares with par value of Php0.02 per share. The Board shall have authority to determine: (a) the features of the preferred shares (whether voting or non-voting) at each issuance of preferred shares, (b) the frequency of issuance of preferred shares (which may be issued in one or more series), (c) the preference as to redemption, dividends and other preferences for each issuance of preferred shares. The preferred shares shall not have any pre-emptive rights over other issuances or re-issuance of preferred or common shares

Subsequently, to support the said proposed increase in ACS, the Board, at its meeting on 11 May 2023, approved the issuance of the first series of the preferred shares to be designated as Preferred Shares Series 2023-1 (the "Shares"), and the abovementioned Subscription. The Shares shall have the following features: (i) holders of the Shares shall have voting rights; (ii) shall earn cumulative dividends at a rate of 1% per annum of the subscription price; (iii) shall have no pre-emptive rights; (iv) shall be non-participating; and (v) shall be redeemed at the discretion of the Company.

At the special meeting of the Company's stockholders on 6 June 2023, FCG's stockholders approved the aforementioned amendments to the Company's AOI to increase the ACS, the delegation to FCG's management the power and authority to implement the proposed amendments to the Company's AOI and to determine the terms of the increase in FCG's ACS, and the said issuance to the Subscriber of the Shares to support the increase in ACS.

On 14 June 2023, FCG and the Subscriber executed the Agreement in relation to the Subscription, which is subject to and is conditional on the approval by the SEC of the application for the aforesaid increase in ACS of the Company. The Shares subject of the Subscription will not be applied for listing in the Exchange.

Please refer to PSE Circular Nos. C02903-2023 dated April 20, 2023, C02944-2023 dated April 24, 2023, C03723-2023 dated May 12, 2023, C03929-2023 dated May 16, 2023, C04473-2023 dated June 7, 2023, C04658-2023 dated June 15, 2023 and C04690-2023 dated June 15, 2023.

**2. Rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction;**

As disclosed, the increase in the Company's ACS, including the creation of the preferred shares, will provide the Company with flexibility in conducting future fundraising activities to support its business operations and expansion plans, and to position the Company for long-term sustainable growth. Further, as stated, the issuance of the first series of the preferred shares, the Preferred Shares Series 2023-1, subject of the above Subscription, is intended to support the proposed increase in ACS of the Company and to meet the requirements of the SEC.

**3. The basis upon which the consideration or the issue value was determined;**

As disclosed, the subscription price for the transaction is equivalent to the par value of the preferred shares.

**4. Detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program;**

The aggregate subscription price is intended to supplement the proceeds from the Company's fundraising activities, including the IPO and the strategic investment of Monde Nissin Corporation, for the additional store openings planned for the years 2023-2024. As disclosed, FCG's subsidiary, Figaro Coffee Systems, Inc. targets opening around one hundred corporate stores for 2023, a 100% increase from the original store openings planned and disclosed during the Company's IPO.

**5. Corporate background of Camerton, Inc.:**

Camerton, Inc. ("Camerton") is a Philippine-based conglomerate with diversified holdings across the food, pharmaceutical, insurance, real estate and technology industry. Through conservative yet dynamic investing, Camerton has put together a portfolio of companies which provide value through servicing end-consumers in the retail side as well as extracting alpha returns on fixed asset holdings, thus combining active and passive streams of income. Camerton employs fundamental value investing strategies coupled with active, hands-on management in its portfolio companies to ensure the highest quality of strategy and management.

**6. The interest which directors of the parties to the transaction have in the proposed transaction:**

The directors of the parties to the transaction have no interest in the Subscription.

**7. Statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders:**

As disclosed and stated above, at the special meeting of the Company's stockholders on 6 June 2023, FCG's stockholders approved the aforementioned amendments to the Company's AOI to increase the ACS, the delegation to FCG's management the power and authority to implement the proposed amendments to the Company's AOI and to determine the terms of the increase in FCG's ACS, and the said issuance to the Subscriber of the Shares subject of the transaction.

**8. Effect(s) on the ownership structure:**

Principal Shareholders PREFERRED SHARES	Before		After	
	Number of shares	%	Number of shares	%
CAMERTON, INC. - Preferred Shares Series 2023-1	0	-	8,500,000,000	100

**9. Effect(s) on the capital structure:**

Issued and Outstanding Shares			
Type of Security/Stock Symbol	Before	After	
Common Shares / FCG	5,468,455,298	5,468,455,298	
Preferred Shares Series 2023-1*	0	8,500,000,000	

\* Will not be applied for listing in the PSE.

**10. Any conditions precedent to closing of the transaction; and**

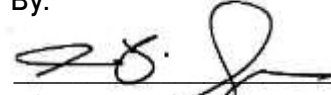
As stated, the Subscription is subject to and is conditional on the approval by the SEC of the application for the aforementioned increase in ACS of the Company.

11. Any other relevant information.

Please refer to PSE Circular Nos. C02903-2023 dated April 20, 2023, C02944-2023 dated April 24, 2023, C03723-2023 dated May 12, 2023, C03929-2023 dated May 16, 2023, C04473-2023 dated June 7, 2023, C04658-2023 dated June 15, 2023 and C04690-2023 dated June 15, 2023, for the relevant disclosures of the Company.

FIGARO COFFEE GROUP, INC.

By:

A handwritten signature in black ink, appearing to read 'L. Concha', written over a horizontal line.

LOWELA L. CONCHA  
Corporate Secretary