

**MINUTES**  
**OF THE**  
**ANNUAL MEETING OF STOCKHOLDERS OF**  
**SHAKEY'S PIZZA ASIA VENTURES INC.**  
**(via remote communication)**  
**Monday, June 20, 2023, AT 8:30 O'CLOCK IN THE MORNING**

Number of shares held by shareholders:

Present in Person or Represented by Proxy, and Participant Brokers	-	1,381,722,011
Number of Total Outstanding Shares Preferred and Common	-	1,683,760,178
Percentage of the Total Shares Represented By Proxies and In Person	-	82.02%

Incumbent Directors Present:

Mr. Christopher T. Po	Chairman
Mr. Ricardo Gabriel T. Po	Vice Chairman
Mr. Teodoro Alexander T. Po	Vice Chairman
Mr. Vicente L. Gregorio	President and CEO
Mr. Leonardo Arthur T. Po	Treasurer
Mr. Lance Y. Gokongwei	Director
Mr. Fernan Victor P. Lukban	Independent Director
Mr. Paulo L. Campos III	Independent Director
Ms. Frances J. Yu	Independent Director

Also Present:

Maria Pilar P. Lorenzo	Consultant of the Board
Leopoldo P. Prieto, Jr.	
Manuel T. Del Barrio	Chief Financial Officer, Compliance Officer, Chief Risk Officer and Chief Information Officer
Adrian Foo Qijing	GIC Private Limited Representative
Weihan Wong	GIC Private Limited Representative
Jorge Maria Q. Concepcion	Shakey's General Manager
Jose Arnold T. Alvero	Chief Operating Officer and Business Unit Head of Potato Corner
Alois Brielbeck	BMI General Manager

Maria Elma C. Santos

Gilbert Tolentino

Darel G. Pallesco

Yiow Leong Tan

Oliver Angelo C. Sicam

Karina Kellda M. Centeno

Myrose April C. Victor

Maria Rosario L. Ybanez

Peri Peri General Manager and Chief Human Resources Officer

Corporate Business Development Head

Corporate Internal Audit Manager

Group Director for International

Group Director for Marketing

Group Director for Digital, Loyalty and Delivery

Investor Relations Head

Corporate Secretary

## **I. Call to Order**

The Chairperson, Mr. Christopher T. Po, called the meeting to order and presided over the meeting.

## **II. Proof of Notice and Determination of Existence of Quorum**

The Corporate Secretary, Atty. Maria Rosario L. Ybanez, certified that (a) notices for the annual stockholders' meeting together with the agenda and the Definitive Information Statement of the Corporation were disclosed via PSE EDGE and posted on the Corporation's website on May 17, 2023 and were published in two (2) newspapers of general circulation on May 23 and 24, 2023, and (b) based on the record of attendance, present for the meeting were stockholders, in person or by proxy, holding a total of 1,381,722,011 common shares representing 82.02% of the total outstanding voting shares of the Corporation as of record date of May 4, 2023. The Corporate Secretary therefore certified that there was a quorum for the transaction of business and proceeded to record the minutes of the proceedings.

## **III. Approval of Minutes of the Annual Stockholders' Meeting held on June 20, 2022**

The Chairman proceeded to the next item which was the approval of the minutes of the Annual Stockholders' Meeting held on June 20, 2022. Upon motion duly made and seconded, the shareholders approved the minutes of the annual stockholders' meeting held for the year 2022.

The Chairman gave those present the opportunity to ask questions but none was raised on the minutes. 100% of the stockholders present and represented approved the minutes.

## **IV. President's Report on Operations**

The President then presented the Report on Operations for 2022.

The President reported that the Company's GDP rose up to 7.6% in 2022 from a -9.5% in 2020. Unemployment percentage also dropped in 2022 to 4.3% from a 8.7% rise in 2020. PIZZA also now enjoys two consecutive years of double-digit growth of 14.1 billion surpassing the 2019 pre-pandemic growth by 36%. Bottomline profit landing at 874 million, seven (7) times higher than of year 2021. The Company also ended the year 2022 with 17.7 billion in assets, 40% higher than 2021 with Net Gearing Ratio of 0.68x.

#### Brands:

1. Shakey's is the core legacy brand, the leading full-service restaurant chain in the country and full-service pizza chain as well which services as the jump off for company wide platforms such as the Supercard.
2. Potato Corner is the latest acquisition, it is the undisputed leader in flavored fries and number 1 food kiosk chain in the country. After being acquired in 2022 and folding into operations in March 2023, the brand shows a promising growth booster with opportunities to scale both domestically and globally.
3. Peri Peri Charcoal Chicken and Sauce Bar was acquired in 2019 and immediately became the fastest growing charcoal chicken concepts, playing in the roast chicken space and poses as a strong challenger in the market.
4. R&B Milktea and Project Pie, are the emerging brands and the Company is still incubating these brands to accelerate the growth and continue to future-proof the business.

In 2022, innovations and healthier food options took place to generate more value to guests. The Company also launched relevant campaigns supporting the delivery segments and core products. The Company also reduced plastic footprint alongside with Plastic Credit Exchange and offsetted 150 metric tons of plastic waste. To continue the Company's relevance for younger audience, the Company refreshed the brands and rekindled the participation in college level volleyball scene with Shakey's Superleague, combining two of the major tournaments in the country. UAAP and NCAA, a feat never achieved before. By operating several under 1 umbrella The Company can now cater to different market segments and guest needs and occasions.

#### Stores:

In 2022, the Company ended the year with global network of 347 stores for casual dining and emerging brands. 1,425 Potato Corner outlets also opened in 2022. Peri Peri opened 60 new stores in 2022. The Company also started to innovate store formats such as Fly-Thru store and converted smaller format to larger format stores and tripled its network to 68 stores. R&B Tea launching more stores 2022, leveraging the existing store network to introduce it to the market. R&B Tea started to open independent stores in 2021 and ended 2022 with nine (9) independent stores. Potato Corner, its global store network increased by 152 outlets in 2022. Both PC and Skaeys opened international stores in Europe, Middle East and Asia.

#### People:

The Company launched Project Near and Ready (NERDY), its goal was to ensure that store staffs live within 30 minutes from their place of work and to promote the safety and good well-being while creating community center and crisis ready stores. This project rolled out in both Shakey's and Peri Peri. As of year end 2022, 87% of store staff are well within the 30 minutes from the store.

In 2022, reinstated the hiring programs to provide job opportunities to special communities, brought back the Company's landmark program, "Love 'Em Down", in partnership with the Down Syndrome Association of the Philippines, it opened the stores to individuals with Down Syndrome to create a fun and learning opportunities and an avenue to contribute and interact with the community. Senior and PWD in partnership with the City of Manila, scaling the programs in 2023 as part of the advocacy with Peri Peri stores.

A motion was duly made and seconded to approve the President's Report and the Audited Financial Statements of the Corporation for the period ending December 31, 2022. 100% of the stockholders present and represented approved the President's Report and the Audited Financial Statements.

**V. Approval and Ratification of All Acts of the Board of Directors, Board Committees, and Management for the year 2022.**

The Chairman of the Meeting then proceeded to the next item on the agenda which was the ratification of all acts, transactions and contracts entered into as well as resolutions made and adopted by the Board of Directors and its duly constituted committees and of the Management of the Company from January to December 2022, as reflected in the minutes of the meetings of the Board of Directors, and its duly constituted committees and of the Management for the period.

Upon motion duly made and seconded, 100% of the stockholders present and represented ratified all the acts of the Board of Directors, Board Committees and Management from January to December 2022.

**VI. Election of the Board of Directors**

The Chairman of the Meeting announced as the next item in the agenda the election of members of the Board of Directors of the Corporation for 2023 to 2024.

Atty. Maria Rosario L. Ybanez, reported that there were nine (9) persons nominated to, and qualified for, the Board. She confirmed that the Nominations Committee had determined that the following had all the qualifications and none of the disqualifications to be directors of the Corporation for 2023 to 2024:

1. Mr. Christopher T. Po
2. Mr. Ricardo Gabriel T. Po
3. Mr. Teodoro Alexander T. Po
4. Mr. Leonardo Arthur T. Po
5. Mr. Vicente L. Gregorio
6. Mr. Lance Y. Gokongwei

Independent Directors:

1. Mr. Fernan Victor P. Lukban
2. Mr. Paulo L. Campos III
3. Ms. Frances J. Yu

Considering that there were nine (9) persons nominated to, and qualified for the Board, upon motion made and seconded, all the aforementioned nine (9) individuals who were nominated as members of the Board of Directors of the Corporation for the year 2023 were duly declared elected to the Board of Directors.

The Chairman gave those present the opportunity to object or ask questions but none was raised on the election of the Board of Directors of the Corporation. 100% of the stockholders present and represented voted to declare the nine (9) individuals who were nominated as members of the Board of Directors of the Corporation for the year 2022 to 2023 as duly elected to the Board of Directors. The results of the votes are as follows:

Agenda	Voting Results		
	For	Against	Abstain
Call to Order	78%	0.00%	1.25%
Secretary's Proof of Due Notice of the Meeting and Determination of Quorum	78%	0.00%	1.25%
Approval of the Minutes of the Stockholders' Meeting held on June 20, 2022	100.00%	0.00%	0.00%
Management's Report	100.00%	0.00%	0.00%
Approval and Ratification of all Acts of the Board of Directors, Board Committees and Management for the year 2022	100.00%	0.00%	0.00%
Election of Board of Directors			
<i>Christopher T. Po</i>	100%	0.00%	0.00%
<i>Ricardo Gabriel T. Po</i>	100%	0.00%	0.00%
<i>Teodoro Alexander T. Po</i>	99.75%	0.25%	0.00%
<i>Leonardo Arthur T. Po</i>	100%	0.00%	0.00%
<i>Vicente L. Gregorio</i>	100%	0.00%	0.00%
<i>Lance Y. Gokongwei</i>	98.96%	0.24%	0.00%
<i>Fernan Viktor P. Lukban (Independent)</i>	100%	0.00%	0.00%
<i>Paulo L. Campos, III (independent)</i>	100%	0.00%	0.00%
<i>Frances J. Yu (Independent)</i>	100%	0.00%	0.00%
Appointment of External Auditor	100.00%	0.00%	0.00%
Other Matters	72.91%	22.00%	5.09%
Adjournment	71.64%	0.55%	6.34%

## **VII. Appointment of External Auditor**

The Chairman of the Meeting then announced that the next item in the agenda would be the appointment of the external auditor for the year 2023-2024. The current external auditor, Sycip Gorres Velayo & Co., is being recommended for re-appointment as external auditor.

The Chairman gave those present the opportunity to object or ask questions but none was raised on the appointment of Sycip Gorres Velayo & Co. as the Corporation's external auditor.

Upon motion duly made and seconded, 100% of the shareholders present and represented at the meeting approved the appointment of Sycip Gorres Velayo & Co. as the Corporation's external auditor.

#### **VIII. Other Matters**

The Chairman proceeded to the question-and-answer portion of the meeting. The Corporate Secretary read the questions, which were answered by the Chairman and President.

The first question was about the trends the Company have seen in the foodservice industry post-pandemic and what are the actions taken by management to capitalize on these trends. The President, Mr. Vicente L. Gregorio, answered that the Company have witnessed the transition of customers from office and dining in to work from home setup and home deliveries. Consumers have also adapted well to the digital business and relied on all the retailers to have online access and Shakey's have adjusted to this demand accordingly with programs in place albeit the different set of habits consumers have.

The next question was about the expansion plans for each of the brands the Company is managing. Is the Company looking into expanding into areas such as North Luzon such as Pangasinan. The President answered that the Company is open to expand in the North Luzon considering that feasibility studies will be done for each area in the North to make sure all the basis are met to be able to expand in the area.

The Chairman, Mr. Christopher T. Po, also added that the Company's core brand branches will follow the economic activity in the northern part of the Philippines considering the economic growth booming because of infrastructure.

The last question is on the management's outlook on inflation and how is the Company addressing the rise in costs and the update on consumer sentiment in 2<sup>nd</sup> quarter of 2022. The President answered that the Company started initiative to maximize its synergies and soften the impact of high cost inputs and worked on efficiency programs and making sure the store unit economics work hand-in-hand. Costs inflations and price adjustments are still present but the Company is confident that programs in place will result to very good margin recovery. Q2 numbers shows a good trend for the last two months and takes it as an opportunity that this will continue until balance of the year. The Chairman also answered that there is a re-opening spending during the previous holidays in the country in April. Despite the inflation in the country, consumers having a YOLO mindset makes the brands still benefit from those. Demographics and volume of customers during the weekday also changed which the Company still able to navigate and weather the changes in behavior with consumers.

The Chairman inquired if there is any other matter which may be properly taken up by the stockholders in the meeting, and the Corporate Secretary stated that there are no other matters for stockholders' approval.

**IX. Adjournment**

There being no further business to transact, and upon motion duly made and seconded, the meeting was adjourned.

**MARIA ROSARIO L. YBANEZ**  
Corporate Secretary

**ATTESTED:**

**CHRISTOPHER T. PO**  
Chairman