

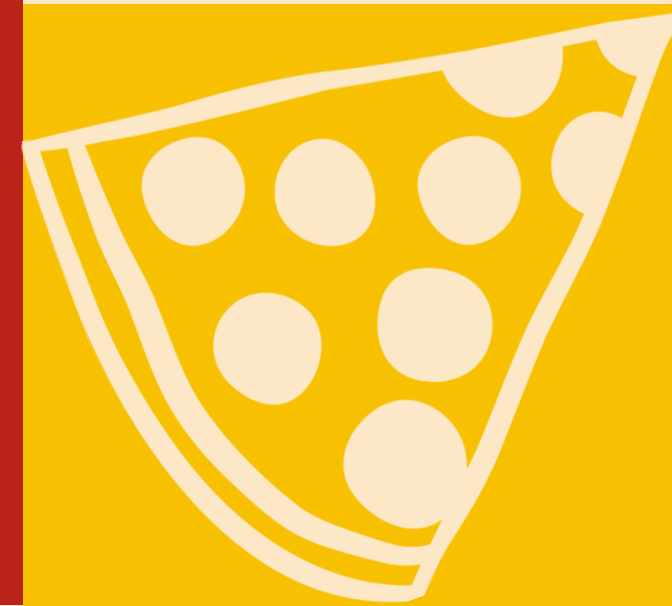
BOUNCING BACK & BEYOND



**SHAKEY'S PIZZA
ASIA VENTURES, INC.**

**PIZZA 9M22
EARNINGS PRESENTATION**

November 2022



LATEST FINANCIAL PERFORMANCE



9M 2022 Financial Results Highlights

	SYSTEMWIDE SALES	GROSS MARGIN	EBITDA	NET INCOME
9M	9,611M +98% YoY	24.2% +460 bps YoY	1,206M +124% YoY	454M +489M YoY
3Q	3,783M +145% YoY	24.0% +990 bps YoY	478M +256% YoY	204M +253M YoY

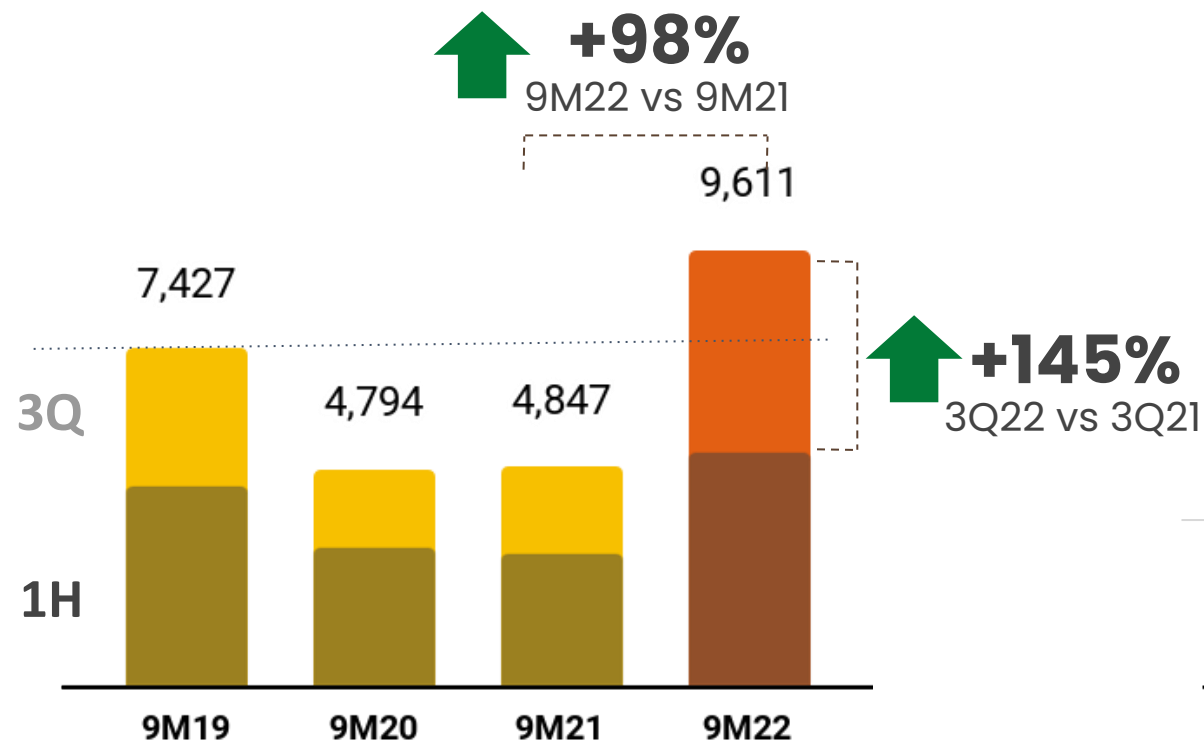
** Financial metrics are reported on a year-on-year basis and are reported in PHP millions as applicable*

Systemwide sales at a historical high as PIZZA brands continue to rebound

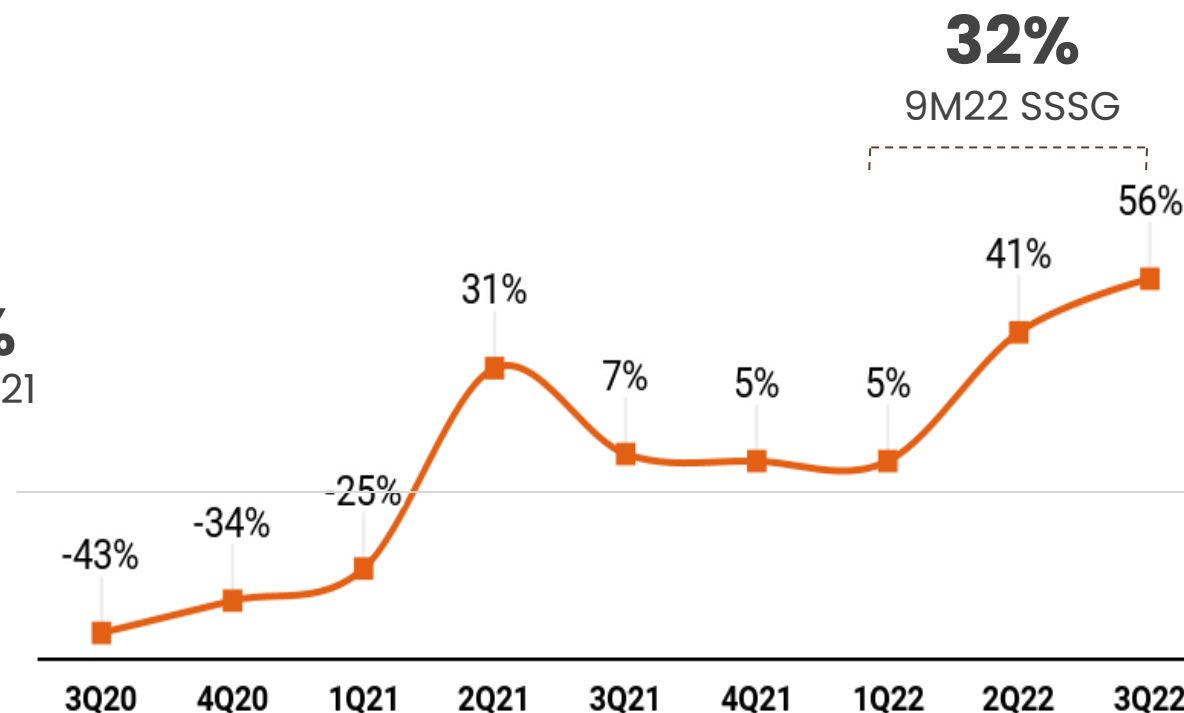


9M22 Systemwide Sales (SWS)

in PHP M



Quarterly Same Store Sales Growth (SSSG)*



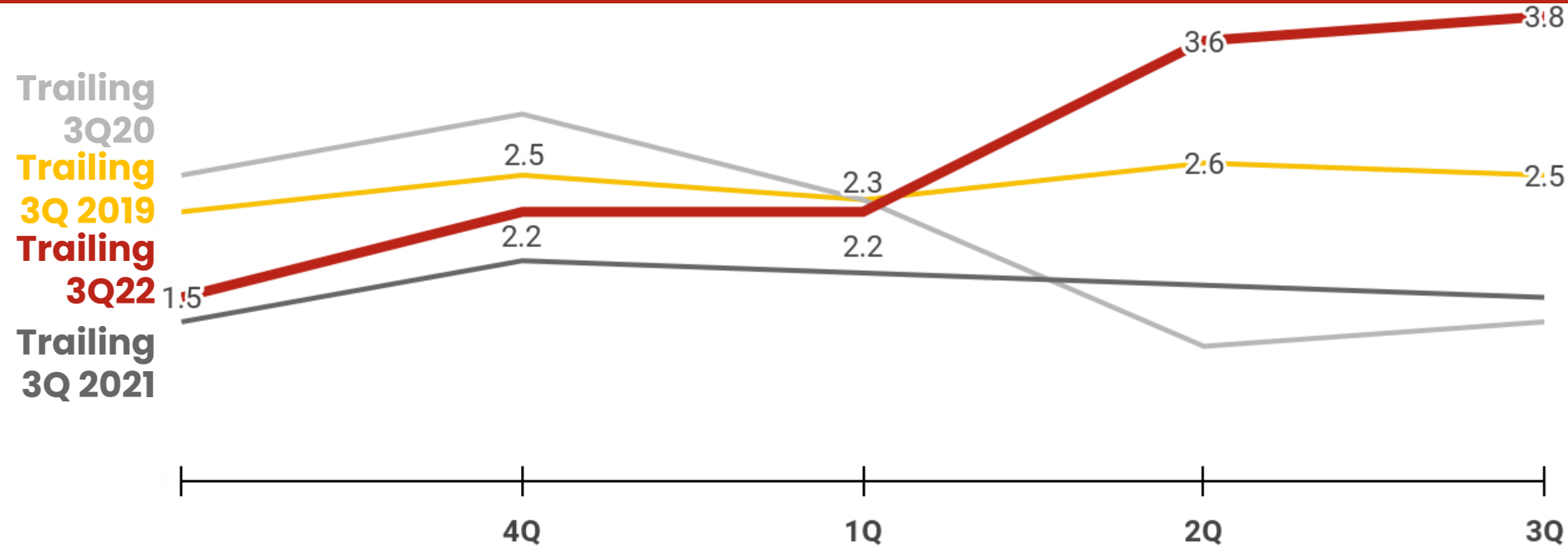
- 9M22 systemwide sales reflects outsized growth YoY as **dine-in comes back** and as **Potato Corner results consolidated** beginning March 2022. All brands report at least double-digit growth YoY
- Trailing **quarterly SSSG trend reflects a consistent, healthy recovery** from 2020 lows

* SSSG figures exclude Potato Corner numbers

3Q and 9M systemwide sales exceed comparable periods in 2019



Quarterly Systemwide Sales (in PHP B)



+145% Growth
3Q22 vs 3Q21

153% Recovery
3Q22 vs 3Q19

129% Recovery
9M22 vs 9M19

TRAILING 3Q 2022 QUARANTINE STATUS

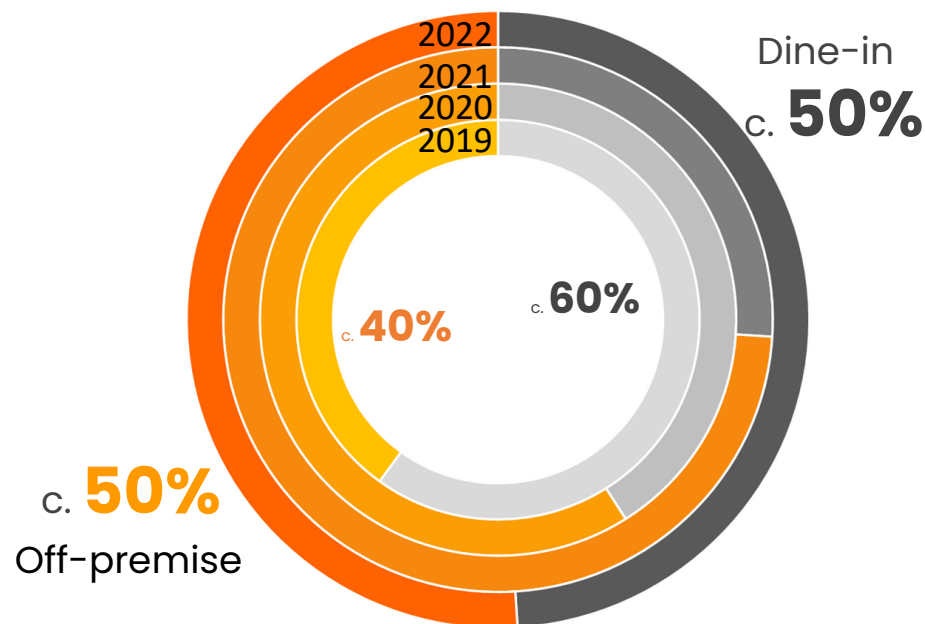


TRAILING 3Q 2022 DINE-IN STATUS



Resurgence in dine-in channel continues in 3Q

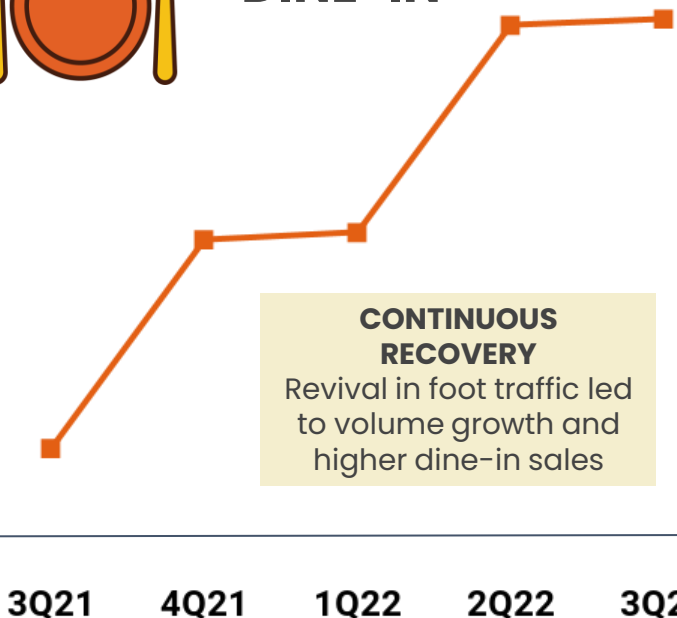
9M Comparative Channel Split*



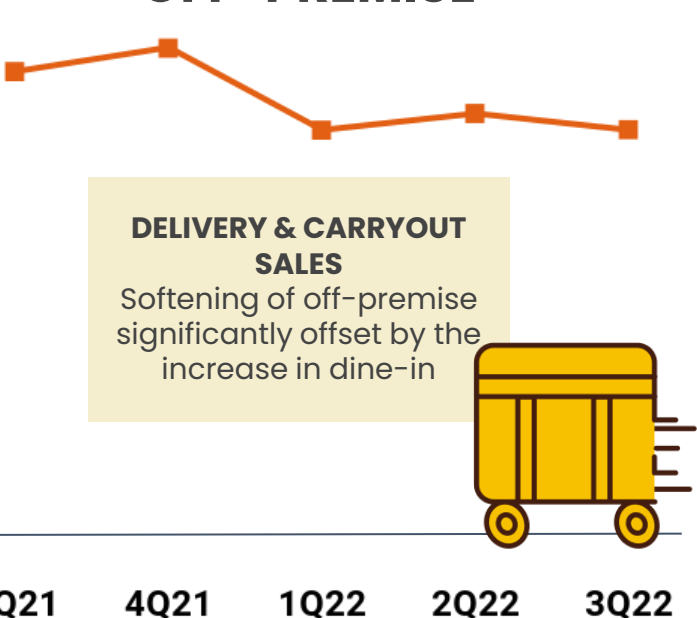
Quarterly Channel SWS Trajectory*



DINE-IN



OFF-PREMISE



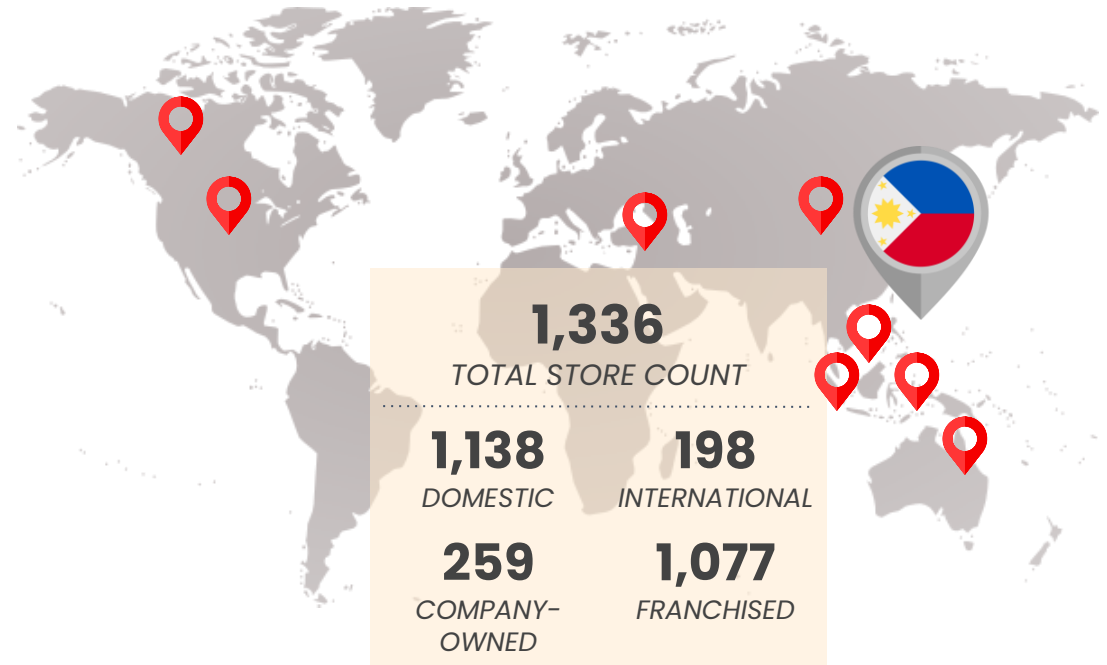
- **Resurgence in dine-in** largely driven by volume growth across all brands
- On a 3-year stacked basis, **off-premise channel sales increased** from 2019 as the delivery business grew

* Per channel figures exclude Potato Corner numbers

Potato Corner continues to boost PIZZA SWS; Global expansion accelerates



Potato Corner Network End 9M22

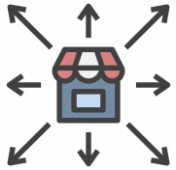


- **172 Potato Corner stores** added in 9M 2022 (137 in the Philippines, 35 internationally)
- **71 stores added in 3Q alone** (64 in the Philippines, 7 internationally)
- March to September 2022 **SWS recovery at 142%** of comparable period in 2019

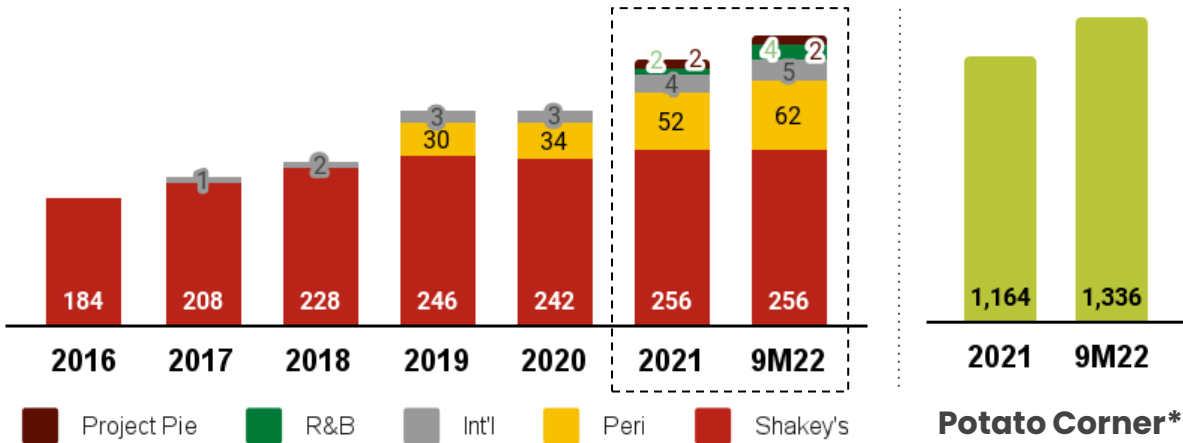
Ramped up investments in the stores, investments in the brand and investments in our people



Sustainably Expanding Store Network



- Existing brands opened 18 new stores: 15 company-owned and 3 franchised
- Potato Corner opened 172 new outlets: 9 company-owned and 163 franchised



R&B Tea and Potato Corner Drive-through in MCX



Peri-Peri Clark International Airport



Potato Corner International Expansion

Strengthening Brand Relevance & Relaunching Inclusive Hiring Programs



Shakey's Super League and Super League Bundle



Love 'Em Down program in partnership with DSAP

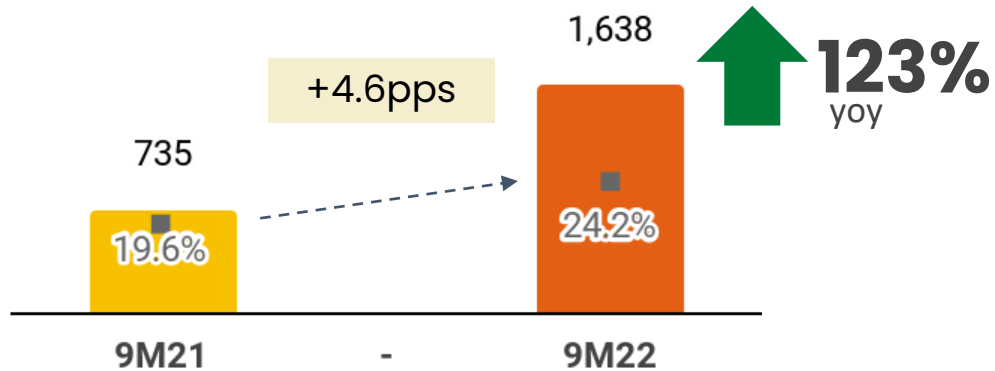


Senior Citizen and PWD Hiring program in the City of Manila

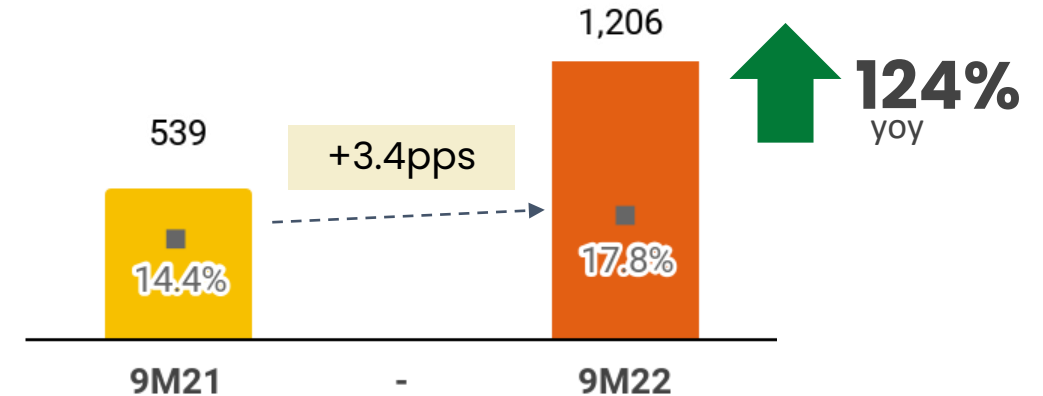
Turnaround in 9M 2022 profitability amidst an elevated cost environment



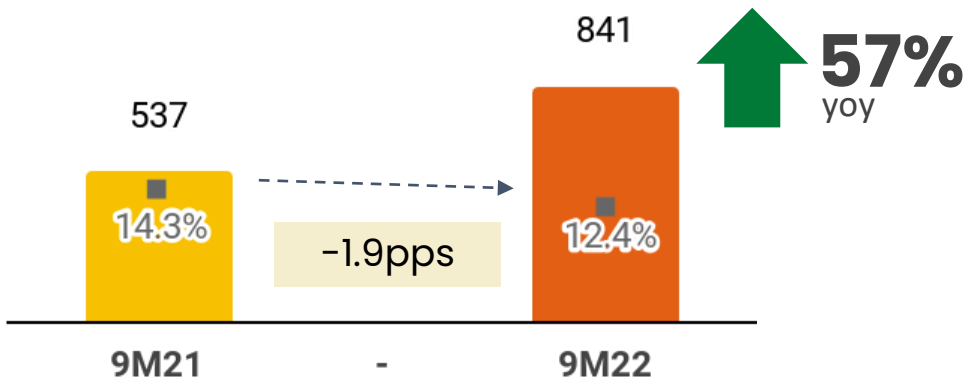
Gross Profit* and Gross Margin



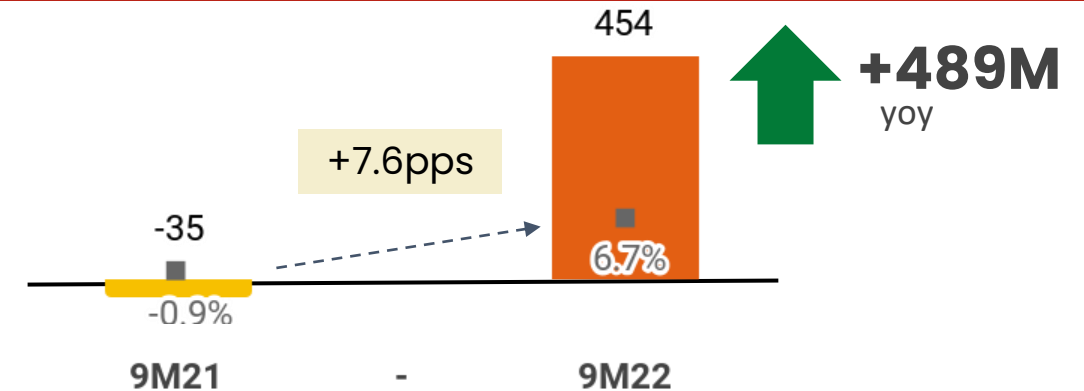
EBITDA* & EBITDA Margin



Opex* & Opex as % of Sales



Net Income* & Net Margin



9M 2022 margin improvement YoY driven by the **sales leverage impact** and **a favorable mix**, mitigating the **impact of elevated input costs and higher rentals**

OUTLOOK



2022 Outlook

Topline Guidance

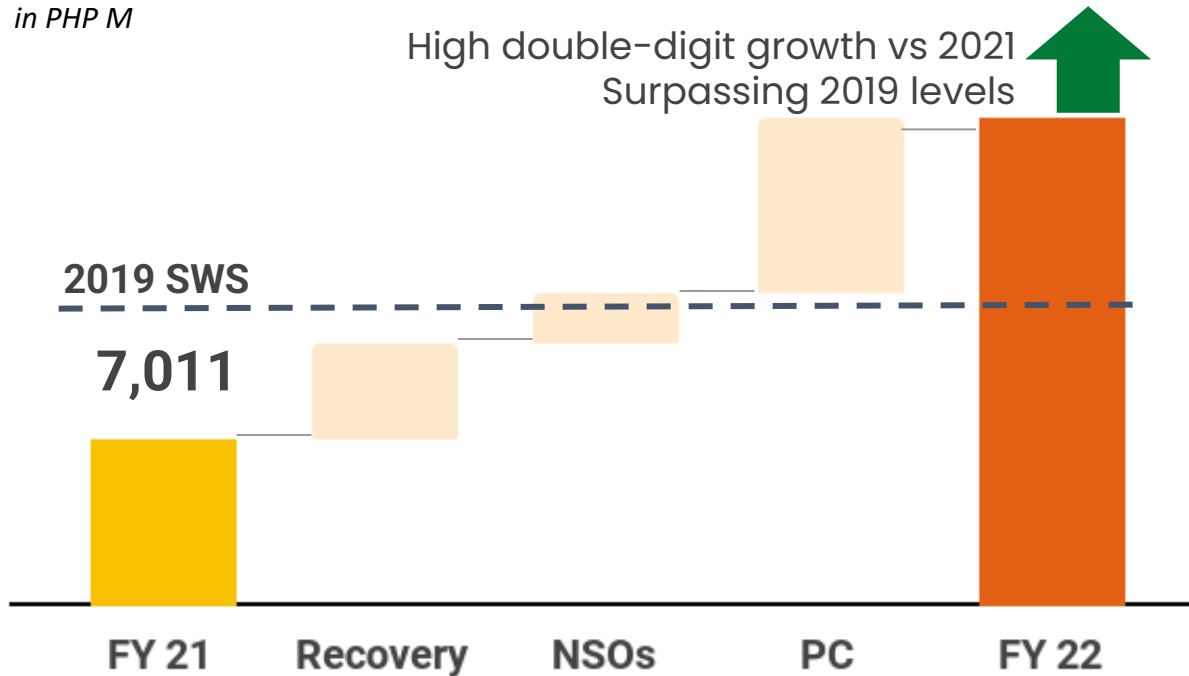
in PHP M

High double-digit growth vs 2021
Surpassing 2019 levels



2019 SWS

7,011



Bottomline Guidance

2022 bottomline will be close to pre-pandemic levels
PIZZA will exceed pre-pandemic bottomline by 2023

Performance Drivers

TAILWINDS

- Philippine reopening: normalizing foot traffic in retail spaces, school reopening in 4Q, holiday season in 4Q
- Investments in stores, brands and people
 - Store network expansion ramping up in 4Q
 - Value-for- money promotions and bundles, innovations
 - Reinforcement of training, systems and procedures



HEADWINDS

- Persisting elevated costs environment
 - Mitigated by proactive procurement actions including building ample inventory covers
 - Managed with sales leverage and active cost management to support profitability at the gross margin level





**ON TRACK TO
EXCEED PRE-
PANDEMIC LEVELS**

**PLANS IN PLACE
TO SCALE UP
THE BUSINESS**

**STRONG ROSTER
OF BRANDS TO
FUEL GROWTH FOR
2022 AND BEYOND**



Purposefully building sustainable growth with a portfolio of WOW Brands with strong equity and industry-leading margins



CORE LEGACY BRAND

Providing scale & synergies
Market Leader Position



NEW GROWTH 'BOOSTER' PILLAR

Unlocking global opportunities
Leader in Flavored Fries & Kiosks



RAPID EXPANSION

Strong Challenger
in Roast Chicken Space



EMERGING BRANDS

Exciting concepts
to future-proof growth



2023 Preliminary Outlook



STRONG TOPLINE GROWTH

driven by network expansion + consumer demand firming up

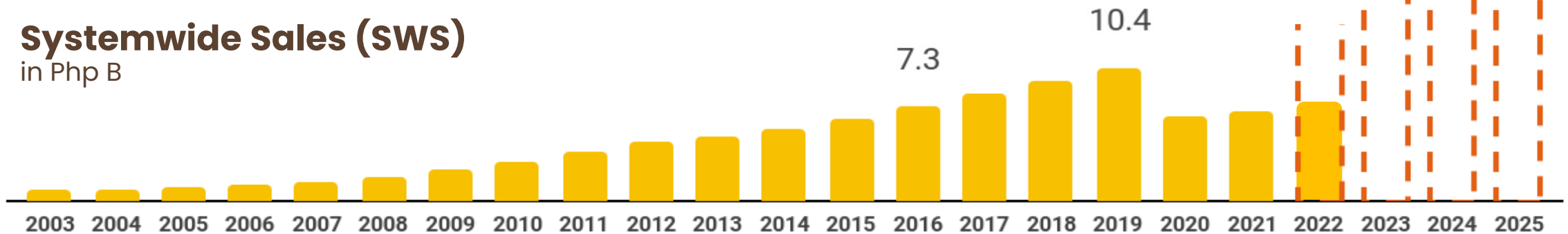
ACTIVE COST MANAGEMENT

including cost optimization measures + proactive procurement strategies

EXCEED 2019 PRE-PANDEMIC BOTTOMLINE

Kickstart anew a **STRONGER** double-digit growth run

Systemwide Sales (SWS) in Php B



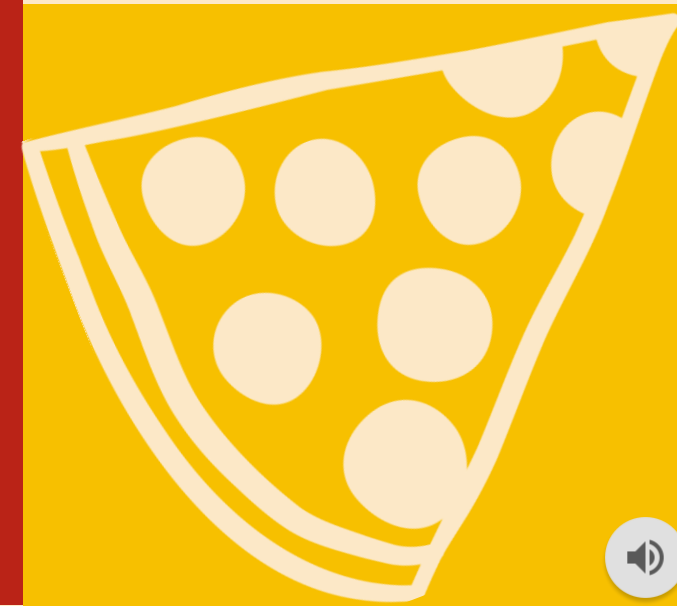
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OTHER FINANCIALS



9M 2022 Summarized P&L



In PHP M	9M 2019	9M 2021	9M 2022	Δ 2022 vs 2021
Systemwide Sales	7,431	4,847	9,611	98%
Total Revenue	5,897	3,753	6,773	80%
Cost of Sales	(4,246)	(3,018)	(5,135)	70%
Gross Profit	1,651	735	1,638	123%
Operating Expenses	(746)	(537)	(841)	57%
Operating Income	905	199	797	301%
EBITDA	1,136	539	1,206	124%
Interest Expense	(149)	(232)	(221)	(5%)
Income before Tax	767	(32)	591	N/A
Income Tax Expense	(173)	(3)	(137)	3830%
Net Income	594	(35)	454	N/A
Earnings per Share	0.39	(0.02)	0.27	N/A
Margins				

Gross Profit	28.0%	19.6%	24.2%	4.6 pps
Operating Income	15.3%	5.3%	11.8%	6.5 pps
EBITDA	19.3%	14.4%	17.8%	3.4 pps
Net Income	10.1%	-0.9%	6.7%	7.6 pps

- 9M systemwide sales **grew 98% YoY**, primarily driven by **dine-in recovery** and the **impact of PC performance**
- **Dine-in posted double-digit sales growth**, partially offsetting the softening of off-premise

- **Gross profit improved** amid elevated input prices due to a favorable shift in sales mix and the operating leverage impact of a stronger topline
- **Net margin improved** as well with better recovery of OPEX and financing fixed costs due to:
 - a rebound in topline, and
 - a favorable sales mix given the asset-light business model of Potato Corner

9M 2022 Summarized Balance Sheet

In PHP M	FY 2021	9M 2022	In PHP M	FY 2021	9M 2022
Cash	485	886	Trade Payable and Others	1,081	1,464
Receivables	724	878	Short-Term Debt	48	548
Other Current Assets	920	663	Total Current Liabilities	1,129	2,012
Total Current Assets	2,130	2,682	Long-Term Debt	3,693	5,268
Property, Plant, and Equipment	1,374	1,600	Other Non-Current Liabilities	1,632	1,528
Intangible Assets	7,034	7,024	Total Non-Current Liabilities	5,325	6,795
Other Non-Current Assets	2,097	4,086	TOTAL LIABILITIES	6,454	8,807
Total Non-Current Assets	10,505	12,710	TOTAL EQUITY	6,181	6,585
TOTAL ASSETS	12,635	15,392	TOTAL LIABILITIES AND EQUITY	12,635	15,392

- **Stronger cash position** as business performance rebounds
- Long-term loans all **peso-denominated with fixed interest rates for the next 2 years**

9M 2022 Summarized Cash Flows

In PHP M	9M 2021	9M 2022
Income before Income Tax	(32)	591
Depreciation and Amortization	340	394
Changes in Working Capital	59	(138)
Others	228	255
Net Operating Cash Flow	595	1,102
Capital Expenditures	(176)	(462)
Other Investments	120	(1,945)
Net Investing Cash Flow	(56)	(2,407)
Proceeds from (Payment of) Loan	(575)	2,075
Financing Costs	(151)	(160)
Dividends	(34)	(51)
Others	1,103	(159)
Net Financing Cash Flow	343	1,705
Beginning Cash	608	485
Change in Cash	882	401
Ending Cash	1,489	886
Free Cash Flow	419	640

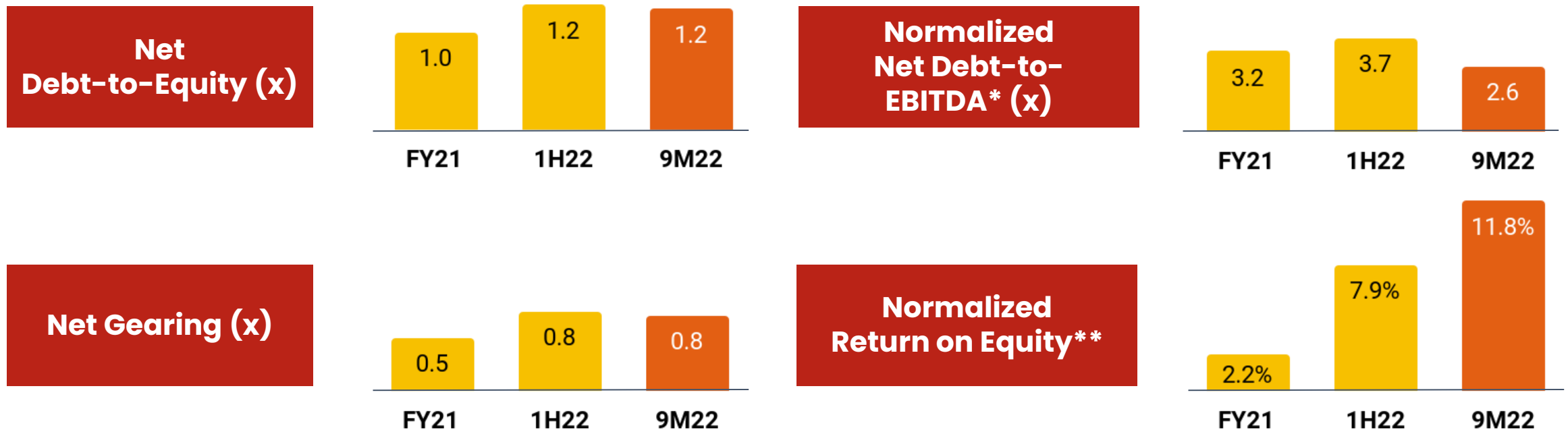
- **Strong operating cash flows** generated from outsized sales growth and sequential improvement in fixed costs recovery

- Capex primarily focused on **investments in new stores**

- Loan proceeds **cover investment requirements for the year**, including funding of the PC acquisition

- **Php 0.03 dividends per share** declared and paid in 2022

Key Financial Ratios



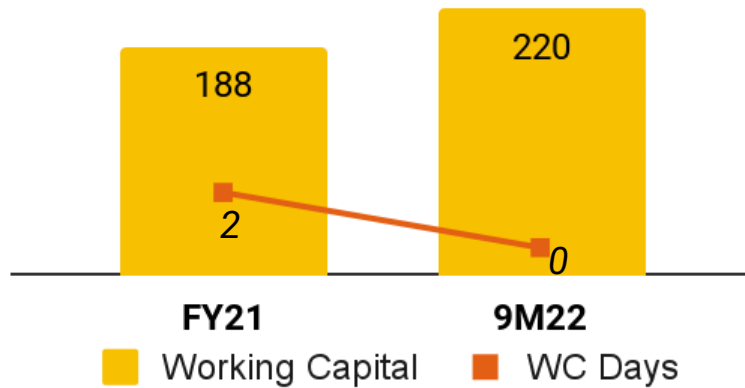
- **Movement in leverage ratios** following additional debt taken up in 1Q 2022
- Gearing ratios are manageable and at healthy levels

*9M 2022 adjusted to include Potato Corner trailing 12-month EBITDA

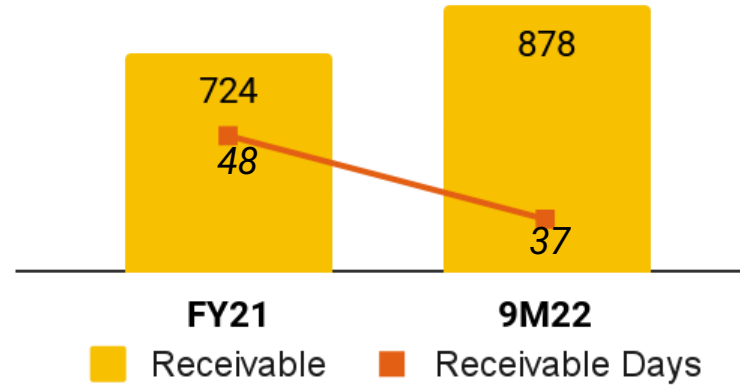
**9M 2022 adjusted to include Potato Corner trailing 12-month Net Income

Cash Conversion Cycle

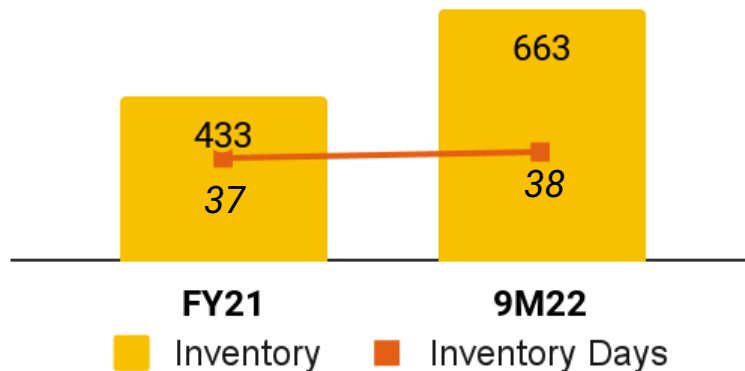
WORKING CAPITAL



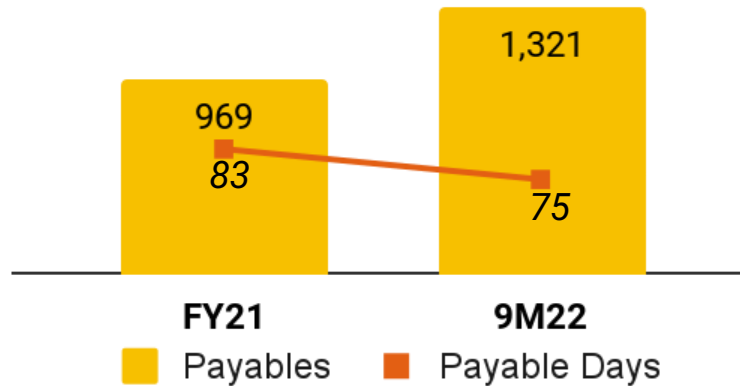
RECEIVABLES



INVENTORY



PAYABLES



- Improved receivable days given the **favorable impact of PC operations**
- Inventory days maintained with **ample inventory covers** to build supply security and avoid operational disruptions
- Payable days lower due to timing differences. **Re-negotiations with suppliers are ongoing** to improve current position

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