



May 12, 2021

**PHILIPPINE STOCK EXCHANGE, INC.**

PSE Tower, 28<sup>th</sup> Street cor. 5<sup>th</sup> Avenue

Bonifacio Global City, Taguig City

Attention: **MS. JANET A. ENCARNACION**

Head, Disclosure Department

**RE: Material Information / Transaction – Shakey's welcomes the entry of a new strategic investor to further strengthen post COVID-19 expansion plans**

Please be informed that Shakey's Pizza Asia Ventures Inc's (PIZZA) Board of Directors approved today the entry of a new strategic investor to further strengthen post COVID-19 expansion plans via the issuance of 152,439,025 new primary shares at a price of Php8.20.

See attached for further information.

Very truly yours,

MARIA ROSARIO YBAÑEZ

Corporate Secretary



## **Shakey's welcomes the entry of a new strategic investor to further strengthen post COVID-19 expansion plans**

Shakey's Pizza Asia Ventures Inc (PSE: PIZZA), the Philippines' leading chained full-service restaurant, welcomes the entry of a new strategic investor to further strengthen its post COVID-19 expansion plans.

Beginning June of this year, JE Holdings – a private investment company of the Gokongweis, one of the Philippines' most prominent business families – is set to join the Po family's private holding company Century Pacific Group and the sovereign wealth fund of Singapore as a top shareholder of the Company.

JE Holdings is set to infuse Php1.25 billion into the Company in exchange for newly issued shares, resulting in an approximately 9% ownership stake in PIZZA. This equates to a purchase price of Php8.20 per share - a 10% premium over the Company's latest stock price and 14.6% higher than the latest 45-day volume weighted average.

"We look forward to the entry of the Gokongwei family and we in management are grateful for their belief in our business and our brands," said Vicente Gregorio, President and CEO of PIZZA.

He added, "Despite the short-term challenges, we too remain optimistic about our long-term prospects and, as result, have begun investing again in our stores, our people, and our various operating capabilities. We believe that we are in a relatively good position financially and, with the added benefit of a new strategic investor, we plan to make the most of both the fresh round of capital and the various synergies that come along with partnering with the Gokongwei group of companies."

JE Holdings' entry comes at a time of recovery in both PIZZA's sales and profitability coming from lows experienced during the height of COVID-19 related lockdowns. Nonetheless, following pick-up in mobility and structural adjustments to operations, the Company has now seen a reversion to positive bottomline and consistent cash generation despite continued uncertainty in the macro economic environment.

During the Company's stockholders' meeting in July, Mr. Lance Gokongwei – Chairman and President of JE Holdings – will also be up for election as a member of the Company's nine-seat Board of Directors.

He said, "I've always been a fan of the *Shakey's* brand and look forward to working with both the Board and management to further the Company's growth and restart expansion plans in anticipation of the inevitable reopening of our economy. I strongly believe in the long-term prospects of the food service industry, against a backdrop of rising Filipino incomes, and I have confidence that *Shakey's* will continue to be a leader in this space."



Christopher Po, Chairman of PIZZA's board added, "I support Lance's election to our board as he brings with him a wealth of experience and a variety of perspectives stemming from his diversified set of business interests."

Po added, "While our current balance sheet remains healthy, I look forward to further strengthening our financial position, with the new capital giving us additional flexibility at a time when many organic and inorganic opportunities have started to open up. As we are now firmly on the path of recovery, our sights are set on growth and expansion, and I thank the Gokongwei family for their trust and confidence in our long-term plans. We are eager to welcome them into our *wow-ing* business and culture."

About PIZZA:

Shakey's has been creating over 40 years of great times and great memories. Shakey's is one of the leading operators of Fast Casual Restaurants in the Philippines, focused on family casual dining. It maintains market leadership in both the chained pizza full-service and chained full-service restaurant categories. Shakey's believes its superior value arises from its differentiated menu offerings, high-quality products, and a mission to consistently provide great times and great memories to every Shakey's guest. Peri is an emerging fast casual and full service restaurant brand in the Philippines. Its mainstay is charcoal-grilled chicken, marinated for 24 hours, served with an assortment of unique sauces to choose from. Over the last few years, the business has demonstrated consistent profitability, brand strength, and robust growth in both system wide sales and store count.



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