

**MINUTES OF THE ANNUAL MEETING OF  
THE STOCKHOLDERS OF  
JOLLIBEE FOODS CORPORATION**

Held on Friday, June 25, 2021, at 2:00pm  
*via Zoom Webinar*

**1. Call to Order**

The Chairman, Mr. Tony Tan Caktiong, called the meeting to order and presided over the same. The Corporate Secretary, Mr. William Tan Untiong, recorded the minutes of the meeting.

**2. Certification by the Corporate Secretary on Notice and Quorum**

The Corporate Secretary certified that notices of the annual stockholders' meeting had been duly sent to all stockholders of record, as of record date May 28, 2021. In accordance with statutory requirements, the Notice was published in two newspapers of general circulation, Business World and Manila Times, both in print and online versions, for two consecutive days on June 3 and June 4, 2021. The Notice of Meeting and the Information Statement were made available to the stockholders and the public *via* disclosure through the PSE EDGE system and in the Corporation's website, together with the Proxy Form and the 2020 Annual Report. Votes were done using the online voting *in absentia* system at <http://www.jollibee.com.ph/shareholders> and by proxy.

The Corporate Secretary further certified that there was present in the meeting, in person or by proxy, a quorum to transact business whereby stockholders representing 847,326,948 shares or 76.422% of the outstanding capital stock, which constitute more than a majority of the total issued and outstanding shares were duly present and/or represented.

Pursuant to the Securities and Exchange Commission's Memorandum Circular No. 6, series of 2020, which allows corporations to hold their annual stockholders' meetings by remote communication, a stockholder may vote either using the online voting *in absentia* system or by proxy. Applying Section 23 of the Revised Corporation Code, each stockholder may vote in any of the following manner:

- (a) By voting such number of shares for as many persons as there are directors to be elected;
- (b) By cumulating said shares and giving one candidate as many votes as the number of directors to be elected, multiplied by the number of shares of said stockholder;
- (c) By distributing the votes among as many candidates as the stockholder sees fit, following the principle in paragraph (b).

In any of the foregoing instances, the total number of votes cast by the stockholder shall not exceed the number of shares owned by him/her as shown in the books of the Company multiplied by the whole number of directors to be elected.

Total Issued and Outstanding as of Record Date (June 25, 2021)	1,108,750,990
Total Shares Present/ Represented/ Voting	845,487,303
Percentage of Outstanding Shares	76.25%

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### **3. Introduction of Directors and Officers**

The host of the meeting acknowledged the presence of the directors<sup>1</sup> to the stockholders and acknowledged the presence of the corporate officers,<sup>2</sup> members of the Corporation's Corporate Management Committee and representatives from various banks, equity research firms and stock brokerage houses, media, Marsh Philippines, Inc. and other insurance partners, SyCip Gorres Velayo & Co., Romulo Mabanta Buenaventura Sayoc & de los Angeles law firm, and Picazo Buyco Tan Fider & Santos Law Offices.

### **4. Reading and Approval of the Minutes of the July 24, 2020 Annual Stockholders' Meeting**

An electronic copy of the minutes of the last annual stockholders' meeting held on June 24, 2020 was posted and made available in the corporate website. Based on the tabulation of votes from stockholders, both *in absentia* and by proxy, upon motion duly made and seconded, stockholders owning more than majority of the total issued and outstanding shares approved to have the reading of the minutes dispensed with and further approved the following resolution:

RESOLVED, that the stockholders of Jollibee Foods Corporation approve, as they hereby approve, the minutes of the annual stockholders' meeting held on July 24, 2020.

### **5. Management's Report**

A pre-recorded presentation of the report of Mr. Ernesto Tanmantiong, President and Chief Executive Officer, was presented. In his presentation, Mr. Tanmantiong presented the Company's performance for the year 2020, and business performance updates for the first quarter of 2021.

After presentation of the Management's Report, an audio-visual presentation was shown to the stockholders.

### **6. Approval of the 2020 Audited Financial Statements and Annual Report**

The Chairman then sought the approval of the stockholders for the Corporation's 2020 audited financial statements, which were included in the Annual Report.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 76% of the total issued and outstanding shares approved the following resolution:

RESOLVED, that the stockholders of Jollibee Foods Corporation approve, as they hereby approve, the Consolidated Audited Financial Statements of Jollibee Foods Corporation for the year ended December 31, 2020 audited by SyCip Gorres Velayo & Co., and the Annual Report for the year ended December 31, 2021.

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<sup>1</sup> The following members of the Board of Directors and Board Committees were present: Tony Tan Caktiong (*Chairman of the Board of Directors, chairman of the Compensation Committee, member of the Executive Committee, Nomination Committee and Corporate Governance Committee*), Ernesto Tanmantiong (*President and Chief Executive Officer, member of the Executive Committee and the Nomination Committee*), William Tan Untiong (*Corporate Secretary, member of the Executive Committee, Nomination Committee and Audit Committee*), Ret. C.J. Artemio V. Panganiban (*Chairman of the Nomination Committee, member of the Executive Committee and Compensation Committee*), Antonio Chua Poe Eng (*member of the Audit Committee*), and Ang Cho Sit (*member of the Compensation Committee*).

<sup>2</sup> The corporate officers present were: Ysmael V. Baysa (*Chief Financial Officer and Compliance Officer*), and Atty. Valerie F. Amante (*Assistant Corporate Secretary*).

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**7. Ratification of the Actions Taken by the Board of Directors and Officers**

The next item on the agenda was the ratification of all actions taken by the Board of Directors and Officers of the Corporation since the last annual stockholders' meeting held on July 24, 2020.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 76% of the total issued and outstanding shares approved the following resolution:

RESOLVED, that the stockholders of Jollibee Foods Corporation (the "Corporation") approve, as they hereby confirm, ratify and approve the actions taken by the Board of Directors and Officers of the Corporation, since the last annual stockholders' meeting held on July 24, 2020.

**8. Approval of the Amendments to Article II of the Amended Articles of Incorporation**

The next item in the agenda was the approval of the amendments to Article Two of the Amended Articles of Incorporation to clarify and ensure, for the avoidance of doubt that the Company and its subsidiaries, in pursuit of its primary business purpose can invest in, acquire, own, hold, use, sell, assign, transfer, lease, mortgage, exchange, or otherwise dispose of real and personal properties, of every kind and description, or interests therein.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 76% of the total issued and outstanding shares approved the following resolution:

RESOLVED, AS IT IS HEREBY RESOLVED, that the stockholders of Jollibee Foods Corporation (the "Corporation") approve, the amendment of the SECOND Article of the Corporation's Articles of Incorporation to read as follows:

To raise, process, manufacture and package all kinds of food products; to establish, operate and maintain restaurants, coffee shops, and refreshment parlors; to serve, arrange and cater foods, drinks, refreshments and other foods or commodities; to offer such other services to the public; **to invest in, acquire, own, hold, use, sell, assign, transfer, lease, mortgage, exchange, or otherwise dispose of real and personal properties, of every kind and description, or interests in the foregoing, pursuant to its business objectives**; and to do and perform such other acts and things necessary or incidental to the accomplishment of the foregoing corporate business and objects insofar as may be allowed by applicable laws and rules and regulations including without limitation, to invest, own, or hold interests in similar businesses, and to extend assistance, funding and guarantees to subsidiaries and affiliates."

**9. Approval of the Amendments to Articles VII of the Amended Articles of Incorporation**

The next item in the agenda is the approval of the amendments to Article Seven of the Amended Articles of Incorporation to reclassify and divide the authorized capital stock of the Corporation into One Billion Four Hundred Thirty Million (1,430,000,000) common shares with a par value of Php1.00 per share and Twenty Million (20,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares with a par value of Php1.00 per share.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 68% of the total issued and outstanding shares approved the following resolution:

RESOLVED, AS IT IS HEREBY RESOLVED, that the stockholders of Jollibee Foods Corporation (the "Corporation") approve, the amendment of the SEVENTH Article of the Corporation's Articles of Incorporation to read as follows:

SEVENTH: That the authorized capital stock of the Corporation is ONE BILLION FOUR HUNDRED FIFTY MILLION PESOS (Php1,450,000,000.00) divided into: (i) One Billion Four Hundred Thirty Million (1,430,000,000) common shares with a

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par value of One Peso (Php1.00) per share; and (ii) Twenty Million (20,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares with a par value of One Peso (Php1.00) per share.

There shall be no pre-emptive right on the part of any stockholder of the Corporation to subscribe to any and all issues or other disposition of shares from the Corporation.

The preferred shares may be issued from time to time in one or more series as the Board of Directors of the Corporation may determine, and authority is hereby expressly granted to the Board of Directors to establish and designate each particular series of the preferred shares, to fix the number of shares to be included in each of such series, and to determine the dividend rate, dividend terms, amount, issue price, redemption terms, and such other terms, conditions, features, rights, privileges, and restrictions of the preferred shares for each of such series. To the extent not set forth in this SEVENTH Article, the specific terms, conditions, features, rights, privileges, restrictions of each series of the preferred shares shall be set forth in such resolutions as may be adopted by the Board of Directors (the “Preferred Shares Enabling Resolutions”) prior to the issue of each series, which Preferred Shares Enabling Resolutions shall thereupon be deemed a part of these Articles of Incorporation; provided that such terms, conditions, features, rights, privileges, restrictions shall be effective upon the filing of a certificate thereof with the Securities and Exchange Commission.

The preferred shares are redeemable at the option of the Corporation. Any and all preferred shares redeemed shall not be considered retired and may be re-issued by the Corporation.

**10. Approval of the Shelf Registration and Listing of 20,000,000 Preferred Shares, and Initial Offer and Issuance of up to 12,000,000 Preferred Shares**

The next item in the agenda is the approval of the shelf registration and listing of 20,000,000 preferred shares, and initial offer and issuance of up to 12,000,000 preferred shares. In connection with the shelf registration and listing of preferred shares, on 11 May 2021, the Board of Directors approved the following matters, among others:

1. Application for the shelf registration and listing of Twenty Million (20,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares, at an offer price of up to One Thousand Pesos (Php1,000.00) per share (or the “Offer Shares”) to be issued within a period of three (3) years;
2. Initial offer and issuance of up to Twelve Million (12,000,000) preferred shares;
3. Filing with the Securities and Exchange Commission of the appropriate Registration Statement and Prospectus for the Offer Shares;
4. Filing with the Philippine Stock Exchange of the listing application for the Offer Shares; and
5. Engagement of the services of underwriters, advisors, legal counsels, stock and transfer agent, receiving agent/bank, and other agents as may be necessary, proper or desirable to effect the offer and issuance of the Offer Shares.

The issuance of the preferred shares is part of JFC’s plan to restructure its financial obligations in order to strengthen its balance sheet, spread the maturity of its financial obligations and reduce its foreign exchange risks. This is also part of its action steps to reduce its debt and financing cost as its businesses in different parts of the world recover from the severe impact of the pandemic.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 69% of the total issued and outstanding shares approved the following resolution:

RESOLVED, AS IT IS HEREBY RESOLVED, that Jollibee Foods Corporation (the “Corporation”) is hereby authorized to offer and issue up to Twenty Million (20,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares, at an offer price of up to One Thousand Pesos (Php1,000.00) per share (the “Offer Shares”), subject to the approval by the stockholders and by the Securities and Exchange Commission (“SEC”) of the amendment to the Corporation’s articles of

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incorporation to create a class of preferred shares;

RESOLVED, FURTHER, that the Offer Shares be filed under a shelf registration to be issued for a period of three (3) years or such longer period as may be approved by the SEC;

RESOLVED, FURTHER, that the Corporation be authorized to make an initial offering of up to Twelve Million (12,000,000) preferred shares at an offer price of up to One Thousand Pesos (Php1,000.00) per share (the "Initial Offer Shares") subject to the registration requirements of the SEC and the listing requirements of the Philippine Stock Exchange ("PSE");

RESOLVED, FURTHER, that the Initial Offer Shares shall be issued in up to two (2) subseries, which may or may not have the features of dividend rate step up, and redemption date ranging from three (3) to five (5) years;

RESOLVED, FURTHER, that the management of the Corporation be authorized to determine such *other* terms and conditions of the issuance as may be advantageous to the Corporation and in accordance with the scope of authority by the Board, including but not limited to the determination of the coupon rate of the Initial Offer Shares, and subsequent offerings out of the Offer Shares;

RESOLVED, FURTHER, that the Corporation, through management, be authorized to do the following acts:

- (a) application for the registration and licensing of a total of Twenty Million (20,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares with the SEC and to make any and all required filings, including the preparation and filing of the Registration Statement and Prospectus for the shelf registration of the Offer Shares and the offering of the Initial Offer Shares and any other documents as may be required by the SEC;
- (b) filing and submission of an application with the PSE for listing of the Offer Shares, including the Initial Offer Shares, pursuant to the listing requirements of the PSE;
- (c) signing, execution, and delivery of any and all documents, contracts, agreements and instruments as may be required or necessary in connection with the registration with the SEC, the listing with the PSE, and the public offering of the Initial Offer Shares;
- (d) engagement of BPI Capital Corporation ("BPI Capital") as lead issue manager; BPI Capital, BDO Capital & Investment Corporation, SB Capital Investment Corporation, and China Bank Capital Corporation as Joint Lead Underwriters and Bookrunners; and engagement of such other underwriters, advisors, legal counsels, stock and transfer agent, receiving agent/bank, and other agents as may be necessary, proper, or desirable to effect and implement the registration with the SEC, the listing with the PSE, and the offer for sale, to the public and investors, of the Initial Offer Shares, under such terms and conditions as management may deem to be fair and reasonable in the best interest of the Corporation; and
- (e) approval of all the disclosures contained in the Registration Statement and Prospectus for the Offer Shares to be filed with the SEC; and assumption of full responsibility for the information contained therein.

**11. Election of Directors**

Upon nominations duly made and seconded, the following directors were elected to serve as such for the current year (2021-2022) and until their successors have been duly elected and qualified:

TONY TAN CAKTIONG (CHAIRMAN)

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ERNESTO TANMANTIONG  
WILLIAM TAN UNTIONG  
ANG CHO SIT  
ANTONIO CHUA POE ENG  
RET. CHIEF JUSTICE ARTEMIO V. PANGANIBAN  
CESAR V. PURISIMA; INDEPENDENT DIRECTOR  
KEVIN GOH – INDEPENDENT DIRECTOR  
EE RONG CHONG – INDEPENDENT DIRECTOR

As tabulated based on total issued and outstanding shares, the final votes received in favor of the nominees are as follows: Tony Tan Caktiong 71%, Ernesto Tanmantiang 73%, William Tan Untiong 71%, Ang Cho Sit 73%, Antonio Chua Poe Eng 71%, Ret. Chief Justice Artemio V. Panganiban 71%, Cesar V. Purisima 72%, Kevin Goh 77% and Ee Rong Chong 76%.

### **12. Appointment of External Auditors**

The Chairman then presented the matter of appointing the external auditors of the Corporation for the fiscal year ending 2021.

Based on the tabulation of votes from stockholders, attending in person or by proxy, upon motion duly made and seconded, stockholders owning 74% of the total issued and outstanding shares approved the following resolution:

RESOLVED, that the stockholders of Jollibee Foods Corporation (the "Corporation") approve, as they hereby approve, the re-appointment of the firm of SyCip, Gorres, Velayo & Company as independent external auditors of the Corporation for the fiscal year ending 2021.

### **13. Other Matters**

Questions from stockholders were sent in advance through the annual stockholders' meeting website, and were entertained after all the items in the agenda had been presented. Below is the summary of questions and the response given:

In response to the question "*How is the business performance of CBTL and Smashburger?*" Mr. Tanmantiang replied: "Coffee Bean & Tea Leaf had shown remarkable profit improvement in the past several months. This was inspite of the pandemic. When we acquired CBTL in September, 2019- it was generating significant losses. By the fourth quarter of last year and the first quarter of this year, I'm happy to mention that CBTL's losses were significantly down. It even generated a small amount of operating profit in the last two months of the first quarter this year. This was one of the reasons why JFC's operating profit turned around from a loss in Q1 2020 to a profit in Q1 this year.

We were able to achieve this turn around in profit by significantly reducing the general and administrative expenses particularly in the United States. This reduction was according to the plan formulated when we were in the process of acquiring CBTL in 2019. The other main driver of the profit turn around was the closure of non-profitable stores, mostly in the United States which we implemented as part of our Business Transformation program. Further, CBTL's business in Asia had recovered strongly from the pandemic particularly Singapore and Malaysia where CBTL has company owned stores. CBTL's business outside the US was profitable before the acquisition and had recovered its profitability from the pandemic.

The focus of Coffee Bean & Tea Leaf going forward is profitable growth through new store expansion and increase in sales of existing stores through better branding and marketing. In 2021, CBTL aims to increase its store network from 1,070 as of the end of last year to 1,100 by the end of this year. Most of the new store opening will take place in Singapore and Malaysia. Next year, CBTL will focus on growing faster through franchising of new stores in the United States and outside the US. We expect CBTL to become a more

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important profit contributor to JFC in the years ahead.

On Smashburger, we also achieved significant business improvement, with significantly higher sales and lower operating losses. Same store sales growth for the month of March 2021 for company stores in the US was up by 58.7% versus previous year and was up by 62.0% for traditional franchised stores versus year ago. In May this year, Smashburger's sales per store registered double digits growth vs May 2019 - that is before the pandemic. Smashburger is clearly growing well ahead of the US key competitors. Its first quarter operating loss became just a third of the operating loss for the same quarter last year. Smashburger's new stores opened in 2020 and 2021 are generating sales 2 to 3 times the average of other stores. It plans to open 25 new stores and renovate a substantial number of older stores in 2021. Smashburger's financial performance is expected to continue improving markedly in the months ahead towards profitability.

In response to the next question "*How will minority shareholders benefit from the amendment to the Articles of Incorporation and approval of shelf registration and listing of preferred shares?*", Mr. Ysmael Baysa replied: "The amendments to the articles of incorporation will help drive our business growth for years to come. These will benefit both the majority and minority shareholders of JFC.

On the amendment pertaining to the issuance of preferred shares, the issuance of preferred shares is part of our plan to make our balance sheet even stronger. As mentioned in the information sheet and disclosure to the Securities and Exchange Commission, we will use most of the proceeds to buy back some of the USD Perpetual Bond which we issued in January, last year. Part of this plan is that we will also pay some of our loans by using some of our financial investments. Once we executed this plan, we expect that by December of this year, JFC will enjoy the following:

1. We will have less debt with banks, less USD perpetual bond and less interest expenses.
2. The maturities or when our remaining debts will become due for payment will be spread more evenly in the next few years; therefore, less financial pressure.
3. We will have less foreign exchange risk as we will have less financial obligations in US dollars.
4. JFC's credit standing will become even higher since we will have even stronger capability to pay all our financial obligations as indicated by better financial ratios. This means also that should we need to borrow money in the future, the interest rate we will pay will be less because our credit standing will be better.

Meanwhile, we will have more capability to finance our expansion with capital expenditures for new stores and manufacturing facilities. These will mean we will sustain our profitable growth in the years ahead.

I also would like to emphasize that the issuance of preferred shares will not affect our cash dividend policy on our common shares. JFC will continue to be able to declare cash dividends equivalent to 33% of net income attributable to its equity holders.

So, as you can see, these amendments are all beneficial to the business. These benefits will eventually go to the shareholders, both majority and minority shareholders in terms of higher earnings per share, higher cash dividends per share and higher stock prices."

In answering the following question "*What are your store expansion plans for 2021? What is your CAPEX budget, and will you be using your idle cash to fund this?*", Mr. Tanmantiong responded: "We are opening about 450 stores in 2021. Our capital expenditure budget for 2021 is Php12.2 billion – the highest in our history. This will be funded by internally generated funds and our financial investments which came from the proceeds from our bonds issuance last year.

The international business will drive our sales and profit growth with our continued

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expansion in China; Vietnam; and North America, led by Smashburger and our Philippine Brands. We are also expecting The Coffee Bean and Tea Leaf and Highlands Coffee to contribute significantly to this growth. With the positive outlook for China and USA, given their earlier recovery from the pandemic, and with the Philippines' recovery underway as restrictions are lifted and vaccinations roll out, we will accelerate our new store expansion in the months ahead.

In 2022, as the world returns to normalcy, we expect to open at least 500 stores, similar to how we were doing prior to the pandemic, and most likely even higher than 500 in the succeeding years.

More importantly, our businesses outside the Philippines now contribute 40% to our global system wide sales. We expect that in about three years' time, our business abroad will contribute at least 50% to our sales, thus we will reach our goal of 50/50 business split of Philippines and international by that time."

In response to the question "*How many employees volunteered to be given the COVID-19 vaccines?*", the Chairman replied: "Many of our employees have already been vaccinated through their respective local governments. For those who have yet to be vaccinated, the Jollibee Group has prepared to provide free vaccinations for our people and likewise assist in providing access for their dependents at cost. We expect that close to 90% of our employees will be vaccinated.

We at the Jollibee Group are one with our country's efforts in addressing the pandemic. With vaccination rates in the country increasing, we are encouraged and are confident that the Philippine economy's recovery can be well underway within 2021 and will be geared towards becoming even stronger in 2022."

**14. Adjournment**

There being no further business to transact, the meeting was thereupon adjourned.

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**ATTEST:**

**TONY TAN CAKTIONG**

*Chairman of the Board*

**WILLIAM TAN UNTIONG**

*Corporate Secretary*