



PIZZA PIZZA #ShareTheMoment
f PizzaPizzaCanada
t PizzaPizzaLtd
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Pizza Pizza Royalty Corp.

Annual General Meeting May 25, 2016



Elizabeth Wright

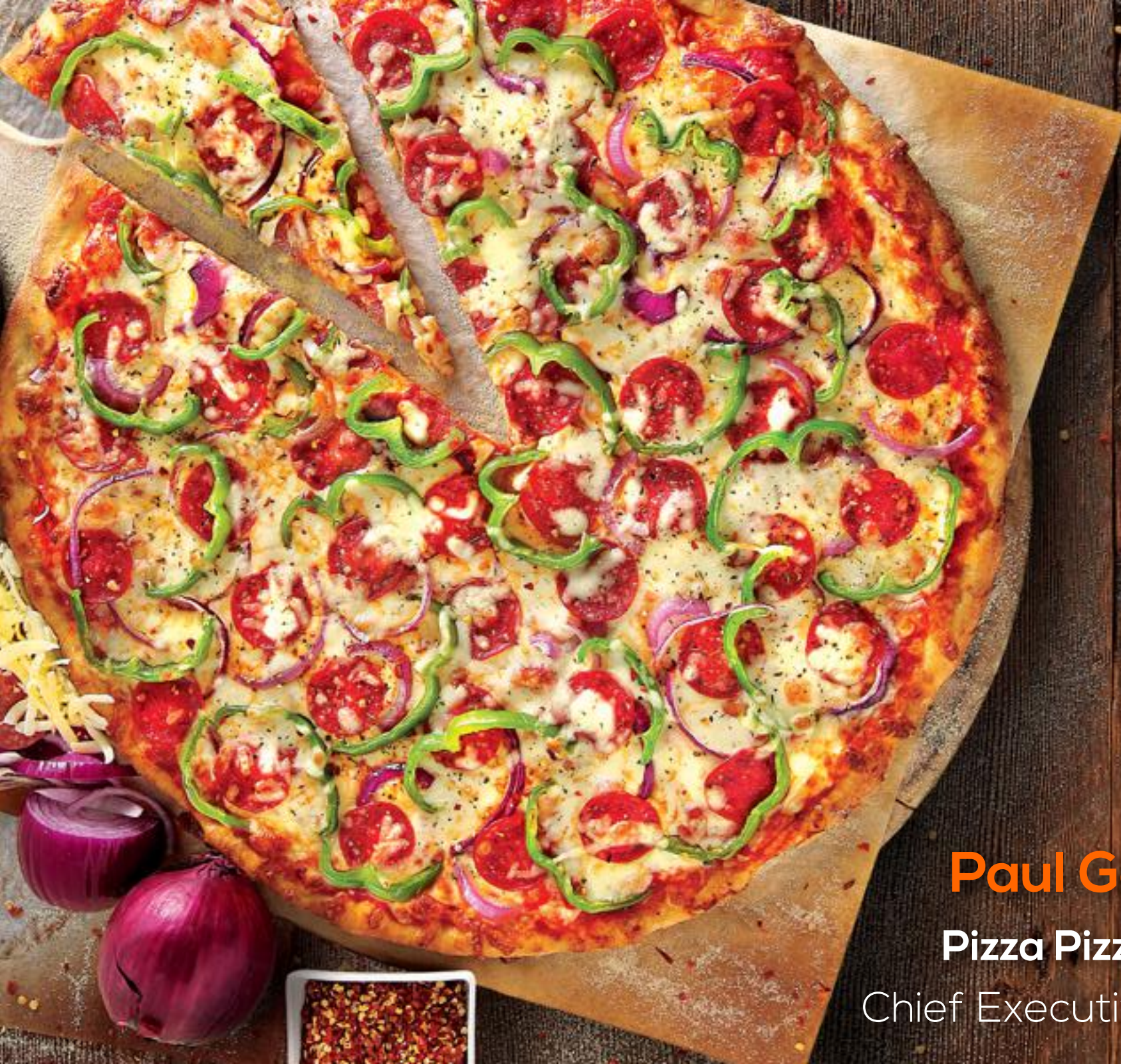
Pizza Pizza Royalty Corp.

Board Chair

Forward-Looking Statement



- This presentation will contain forward-looking statements.
- Investors should be aware that any forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those disclosed here today.
- Investors are directed to the Company's Annual Information Form for a full discussion of risks.
- Management does not intend to discuss any undisclosed material information today.



Paul Goddard

Pizza Pizza Limited

Chief Executive Officer

Royalty Revenues



\$26.5M in Royalty Revenue

6% of System Sales

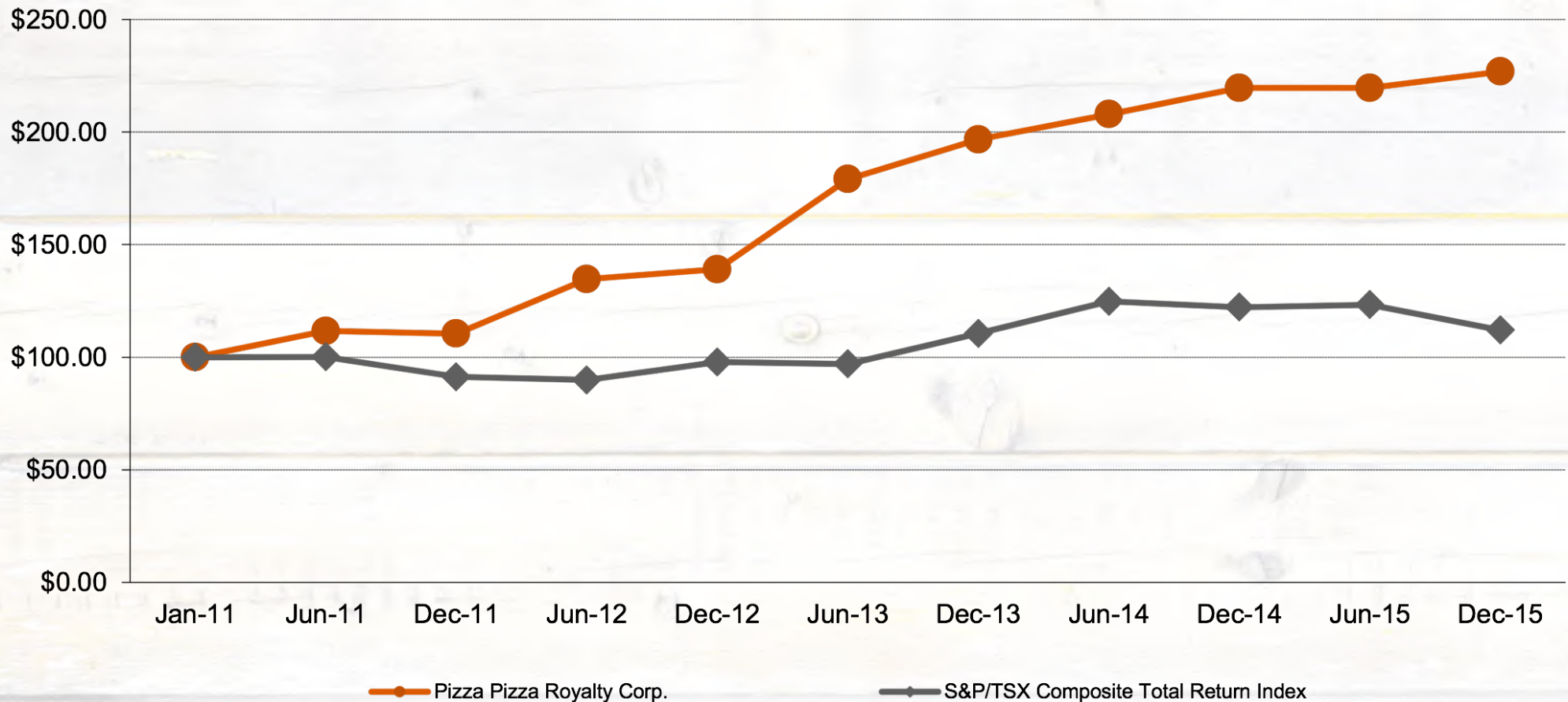
\$8.3M in Royalty Revenue

9% of System Sales



Licence and royalty agreements with Pizza Pizza Limited provide cash flow stability to investors, with limited operational risks.

PZA compared to S&P/TSX



\$100 invested in PZA in 2011 grew to \$227 by the end of 2015, far outpacing the TSX Composite.

Pizza Pizza Limited



The private operating company
pays a monthly royalty for use of the trademarks.

Business Fundamentals



#10 DEMAR DEROZAN
OF THE TORONTO RAPTORS

WE'RE ON FIRE!

NEW FIERY HOT CHICKEN PIZZA!

Hot & Fresh
PIZZA PIZZA
OFFICIAL PIZZA OF THE TORONTO RAPTORS

LARGE PIZZA + 3 COKE!
MADE WITH OUR NEW FIERY HOT CHICKEN, JALAPENO PEPPERS, RED ONIONS AND FIERY HOT SAUCE!
\$13.99
UPSIZE TO X-LARGE \$3

HOT & SPICY ADD-ONS!
YOUR CHOICE OF ADD-ON:
5 PCS. FIERY RED HOT CHICKEN WINGS OR 8 JALAPENO POPPERS OR 6 SAUCED & TOSSED CHICKEN BITES.
\$5.99 EACH

- 5 PCS. FIERY RED HOT CHICKEN WINGS!
- 8 JALAPENO POPPERS!
- 6 SAUCED & TOSSED CHICKEN BITES!

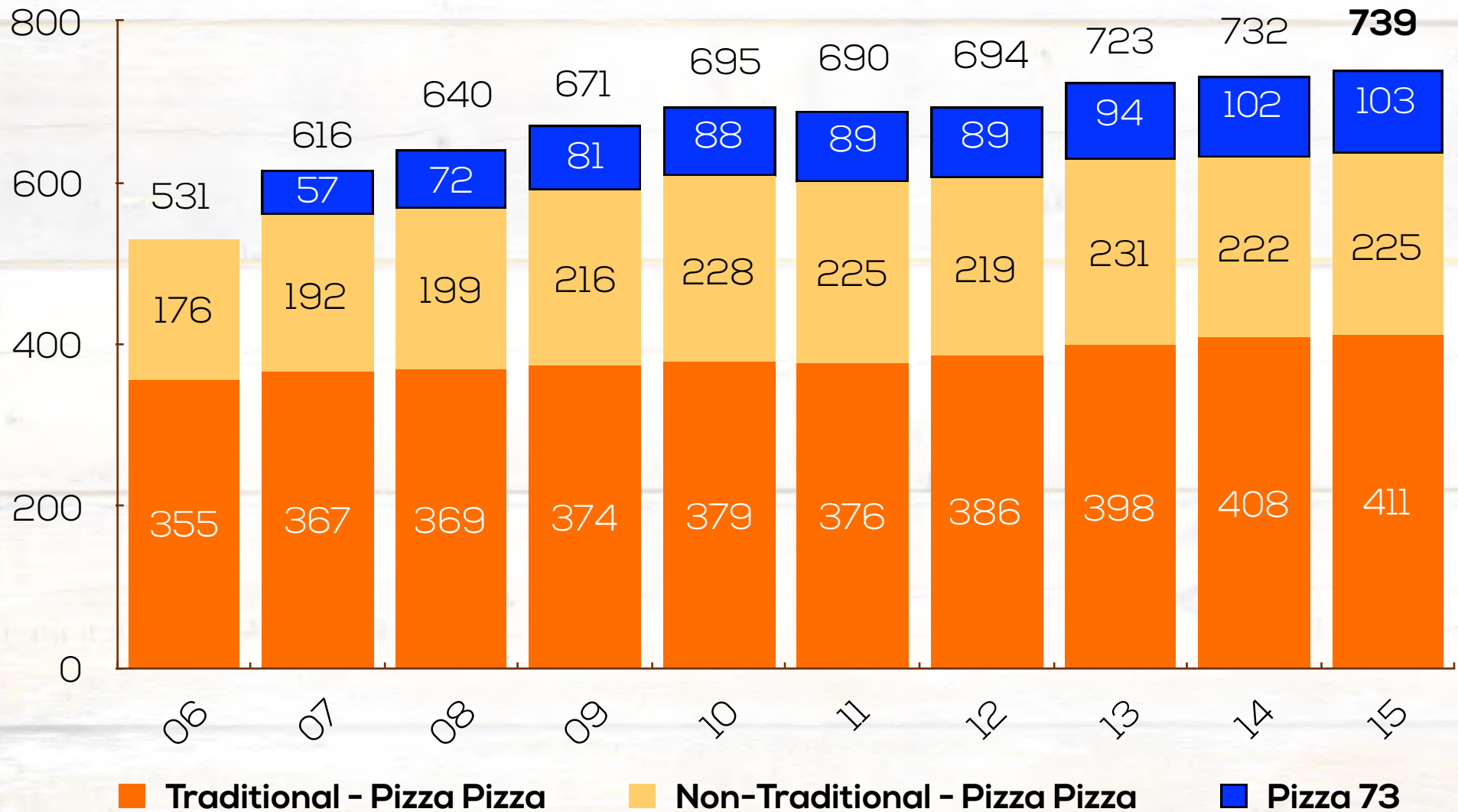
MEGA MUNCH!
LARGE PIZZA + 3 TOPPINGS + 10 PCS. CHICKEN WINGS + 4 COKE + 2 DIPS
\$23.99
UPSIZE TO XL \$3

SCORE SAVINGS!
2 MEDIUM PIZZAS + 2 TOPPINGS (ON EACH) + 6 COKE + 2 DIPS
\$18.99
UPSIZE TO LARGE \$5

- Canada's #1 pizzeria
- Seasoned management team
- Strong & proven business model
- Powerful brands
- Geographic diversification
- Modernized restaurant chain
- Innovation leader since 1967

Pizza Pizza Limited's mandate is to grow and protect the brands.

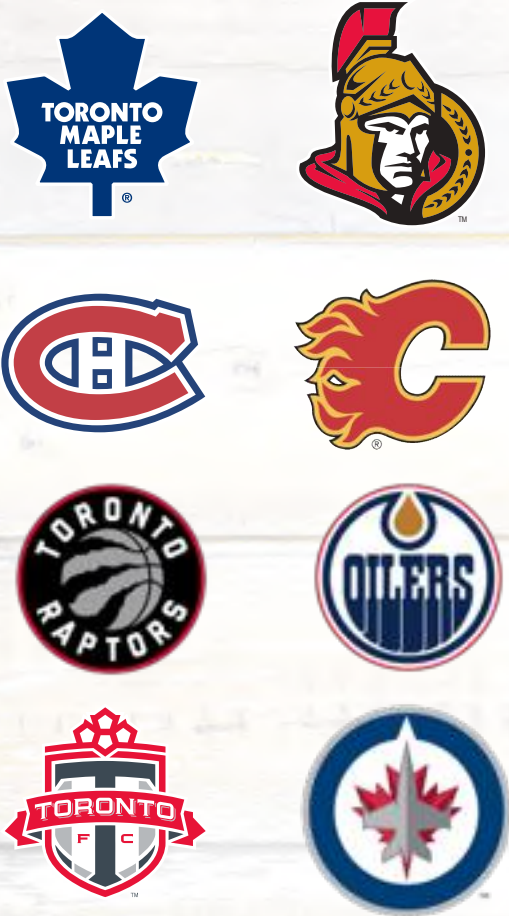
Number of Restaurants



Non-Traditional Partnerships Build Brand Awareness



Sponsorships



Non-Traditional Locations

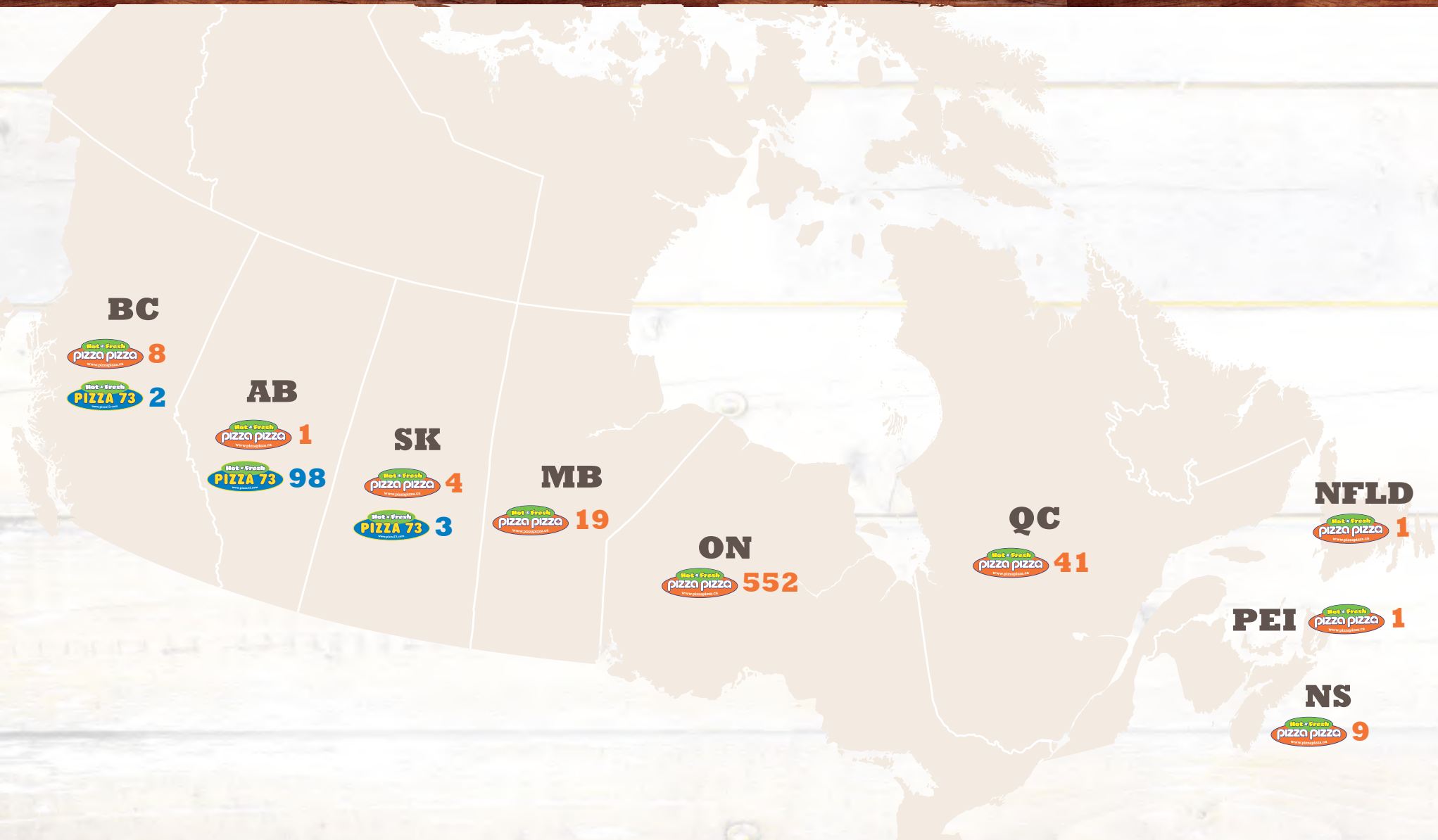


Special Events



Partnering with major sports arenas, entertainment venues and special community events provide marketing and business opportunities.

Canada's #1 Pizza Franchise



Building a national presence outside our core
Alberta and Ontario markets.



The Pizza 73 brand dominates the Alberta pizza market.



PIZZA 73



PLENTY FOR
\$20

2 MEDIUM 2-TOPPER PIZZAS + 4 COKE

LET'S GIVE BACK TO FORT MAC

WE WILL DONATE \$1 TO FORT MCMURRAY* WITH EVERY PLENTY FOR \$20 SOLD!

UPSIZING TO LARGE \$5

MEGA MEAL

\$29.99
UPSIZING TO LARGE \$5



2 MEDIUM 2-TOPPER PIZZAS
+ 8 CHICKEN WINGS + 4 COKE
+ 4 BAGS OF CHIPS + 2 DIPS

WALK-IN SPECIAL

MEDIUM \$7.99
1-TOPPER PIZZA

LARGE \$9.99
1-TOPPER PIZZA



ADD-ON TO ANY ORDER!

POUTINE \$4.99



JALAPEÑO POPPERS \$5.99
8 PC.



NEW GREEK SALAD \$6.99



FUNNEL CAKE STIX + CARAMEL DIP \$5.99



SIZZLE WITH OUR SINGLES

SRIRACHA CHICKEN PIZZA + 2 CANS OF COKE

\$12.99
MEDIUM PIZZA



PINEAPPLE, CHICKEN, GREEN PEPPERS AND SRIRACHA HONEY GARLIC SAUCE

SRIRACHA CHICKEN PIZZA + 3 CANS OF COKE

\$15.99
LARGE PIZZA

NEW SRIRACHA CREAMY GARLIC DIP **75¢**



MINGLE WITH OUR SINGLES

CHOOSE FROM ANY OF THE FOLLOWING PIZZAS:



NEW OVEN BAKED GLUTEN FREE BONELESS WINGS + DIP \$8.29
8 PCS



GREAT ADD ON WITH YOUR GLUTEN FREE CHEESE PIZZA

\$10.99

PIZZA 73

In Calgary call:

(403) 273-7373

Place your next order online: www.pizza73.com

MANY LOCATIONS OPEN FROM 11AM DAILY!

ALWAYS OPEN LATE! Till 3am Friday & Saturday

*Offer valid until June 15, 2016. Offer subject to change without notice. © 2016 Pizza 73. All rights reserved. Pizza 73 is a registered trademark of Pizza 73. All other trademarks are the property of their respective owners. *Offer valid until June 15, 2016.



NEW!

Trio
Italiano
Pizza
&
Chorizo
Potato
Pizza



Product Innovation



NEW

mini chicken sliders!



mini chicken italiano slider \$2⁹⁹

- Raised without antibiotics
- 100% white chicken meat
- Sourced from Canadian farms

NEW snack-sized sliders:

2 for \$5



mini chicken sriracha slider \$2⁹⁹



New product offerings satisfy changes in consumer cravings.

ALWAYS THE BEST FOOD, MADE ESPECIALLY FOR YOU!



PIZZA DOUGH:

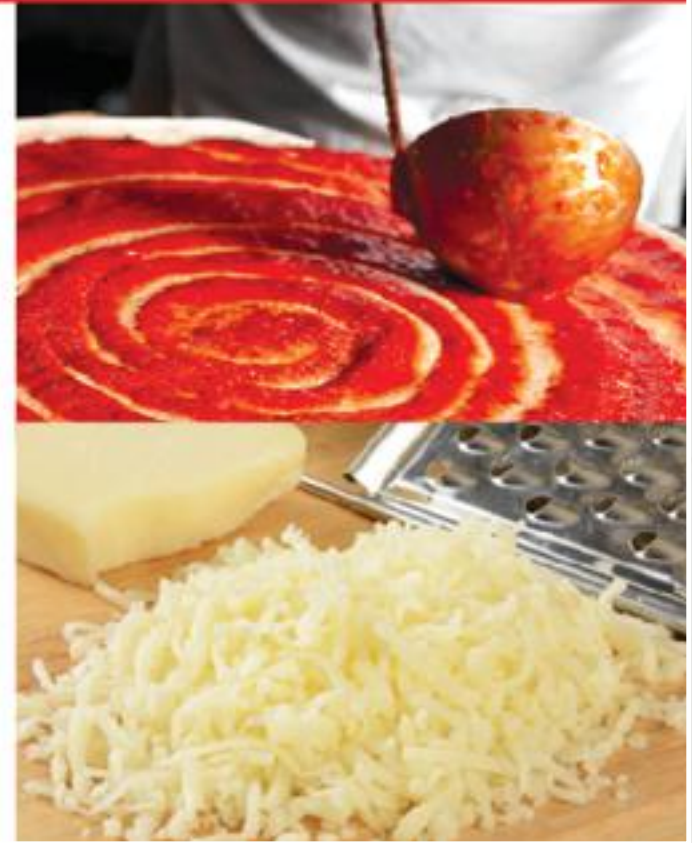
Our pizza dough is made with 100% Canadian wheat and spring water, and delivered fresh to our restaurants daily. We're making our crust thinner and dusting it with durum semolina flour for a lighter artisan flavour.

TOMATO SAUCE:

Our **NEW** pizza sauce is made from vine ripened tomatoes harvested at their peak and fresh packed to seal in their bold, vibrant flavours.

MOZZARELLA CHEESE:

Our mozzarella cheese is 100% Canadian, and sprinkled on every pizza for an ample amount of cheese in each bite.



**Pizza Pizza's R&D team source
the highest quality and freshest ingredients**

Technological Innovation



NEW!

ORDER AHEAD EXPRESS

MENU NOW AVAILABLE!

MEDIUM ANY 1 TOPPING PIZZA \$6⁹⁹

Walk-in only. No phone orders. Additional toppings extra.

Hot & Fresh PIZZA PIZZA



Partnering innovation with consumer convenience leads to sales growth.

Marketing Message



Social Responsibility



Our fundraising events have raised over \$2,000,000 for various charities including the Children's Miracle Network.

Curt Feltner

Pizza Pizza Limited

Chief Financial Officer



Shareholder Information



• TSX exchange listing	PZA
• Publicly-traded shares outstanding	24,618,392
• Fully Diluted shares	30,921,241
• Pizza Pizza Limited's ownership	20.4%
• Market Capitalization	\$423 million
• Current monthly dividend	\$0.0697
• Recent trading price	\$13.70
• Recent yield	6.1%
• Credit facility matures April 2020	\$47M

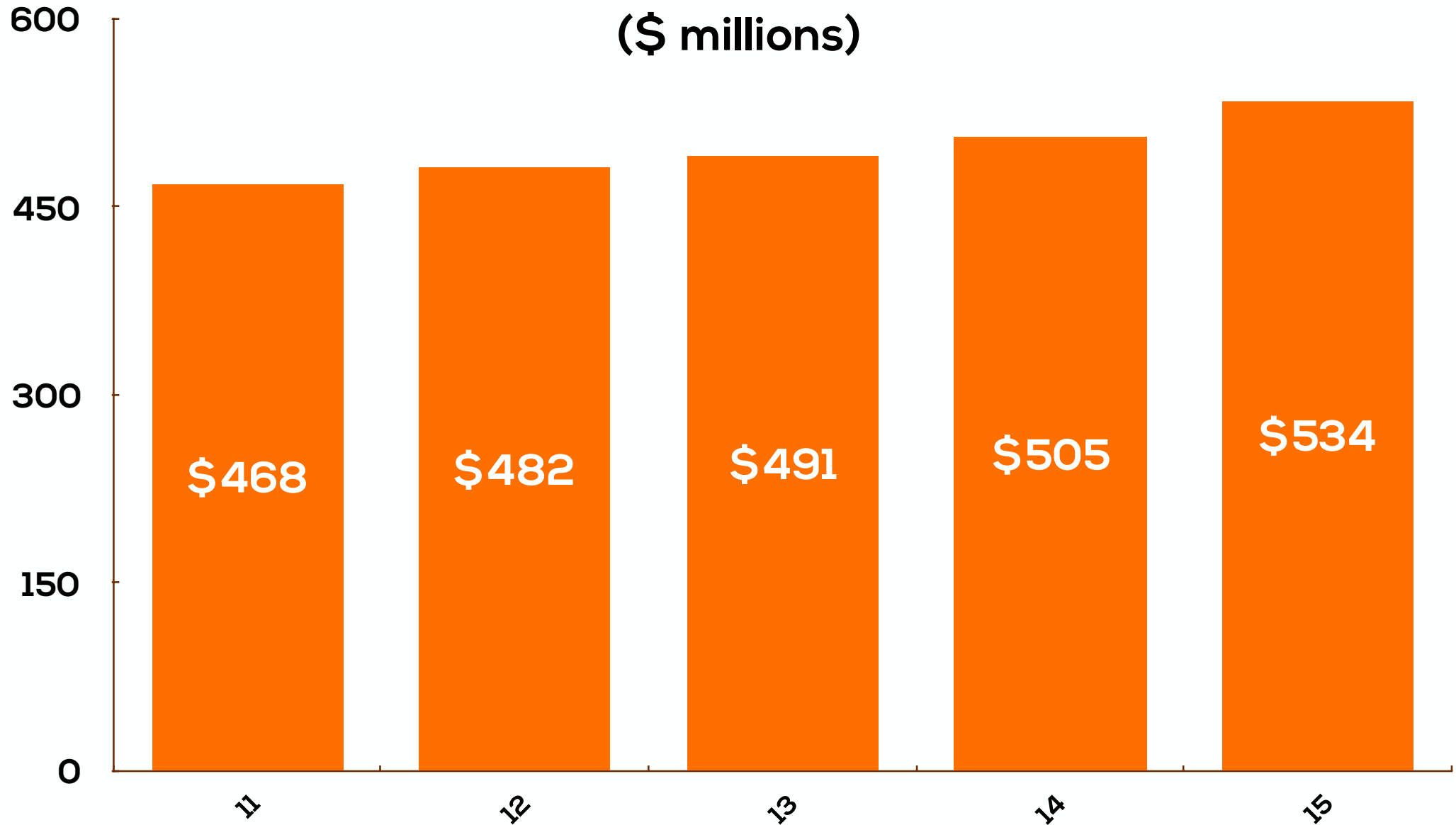
2015 Performance Highlights



- Royalty Pool System Sales \$534 M
- SSSG 4.5%
- Dividend increased twice
- \$4.9 million working capital reserve
- Adjusted earnings per share \$0.895
- Dividends per share \$0.8155
- Pay-out ratio 95%
- Loan interest rate reduced 1.37%
- Public float increased 2.8 million

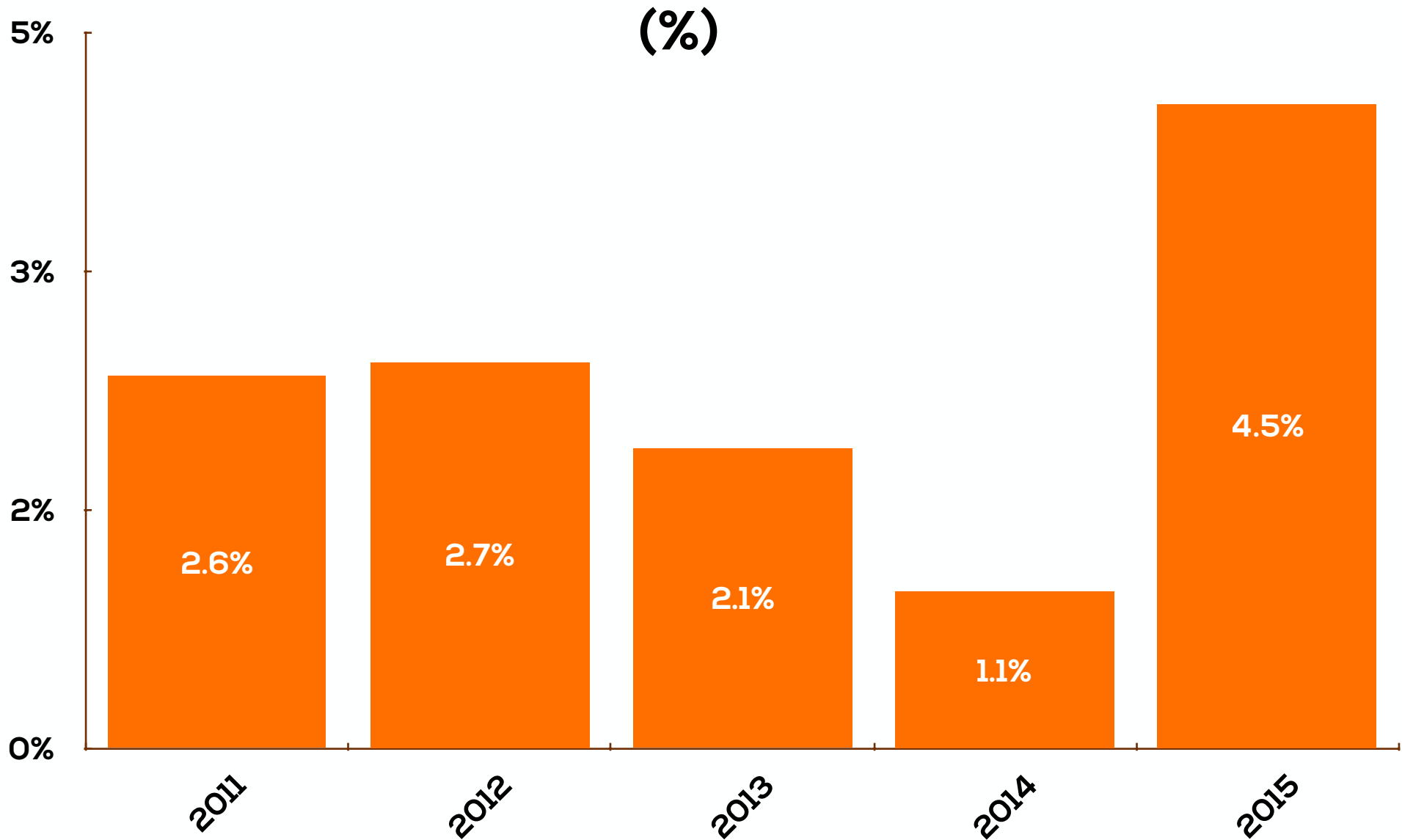
SSSG is the key driver of shareholder yield.

Royalty Pool System Sales



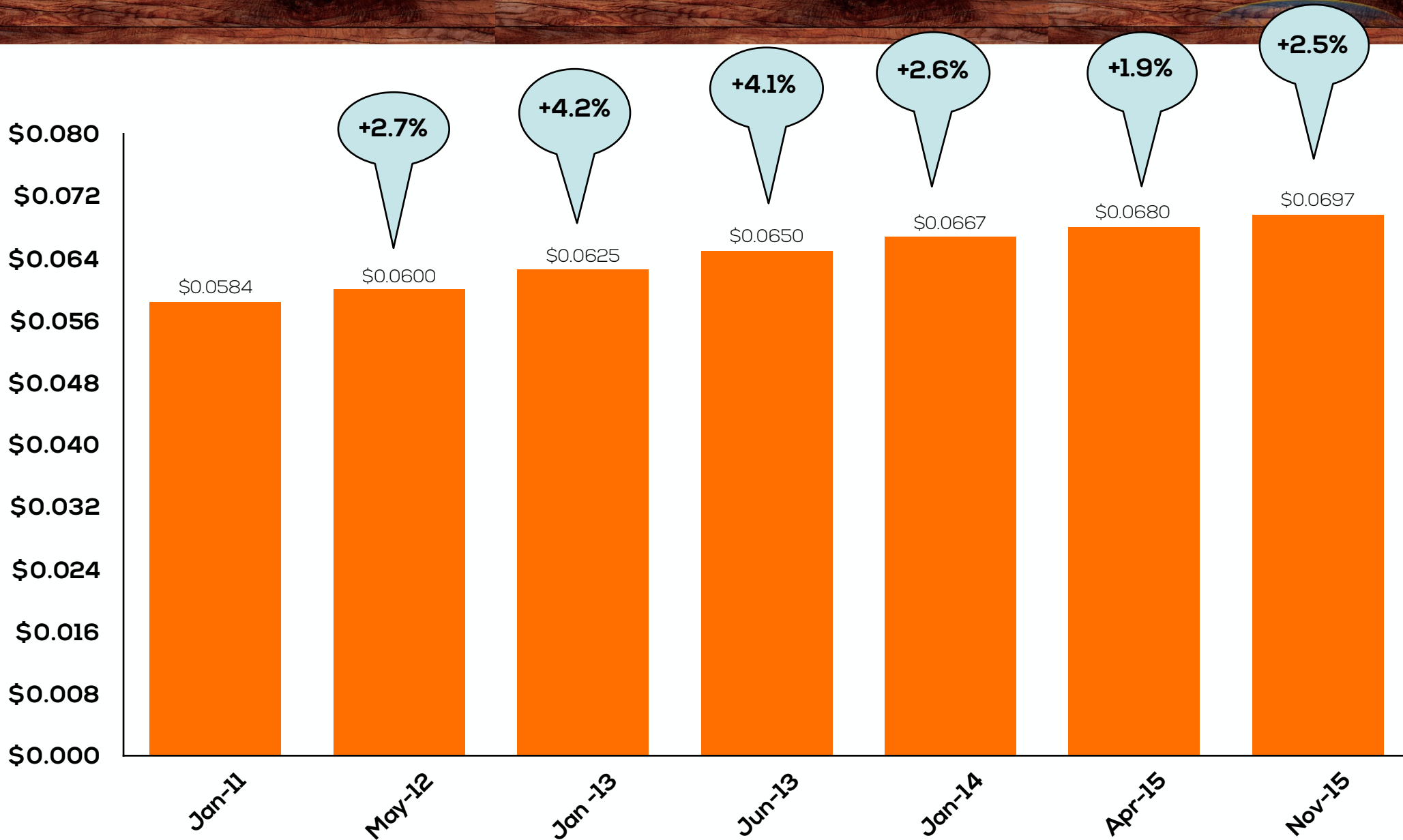
Royalty revenues are based on top-line Royalty Pool Sales.

Same Store Sales Growth



SSSG is the key driver of shareholder yield growth

Dividend Growth



PPRC increased dividends six times in five years.

Q1 '16 Performance Highlights



- Royalty Pool System Sales \$133 M
- SSSG 2.5%
- Adjusted earnings per share \$0.219
- Dividend per share \$0.2091
- Pay-out ratio = 100%
- Royalty Pool = 736 restaurants
- \$4.9 million working capital reserve
- Debt:EBITDA ratio = 1.37:1

Advantages of PZA



- Royalty Structure
- High-yield Dividend Corp
- Sales Growth History
- Exceptional Brand Recognition
- Stable Quick Service Industry
- Strong cash position

