

PIZZA PIZZA ROYALTY CORP.

Investor Presentation

March 8, 2018





FORWARD- LOOKING STATEMENTS

- 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



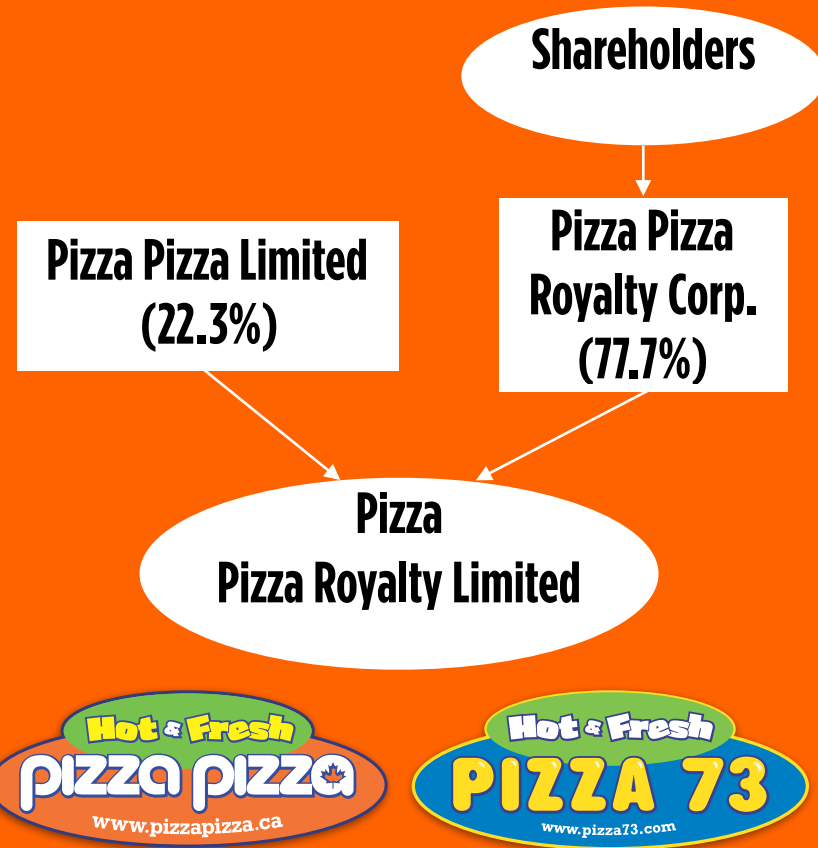


PIZZA PIZZA ROYALTY CORP.



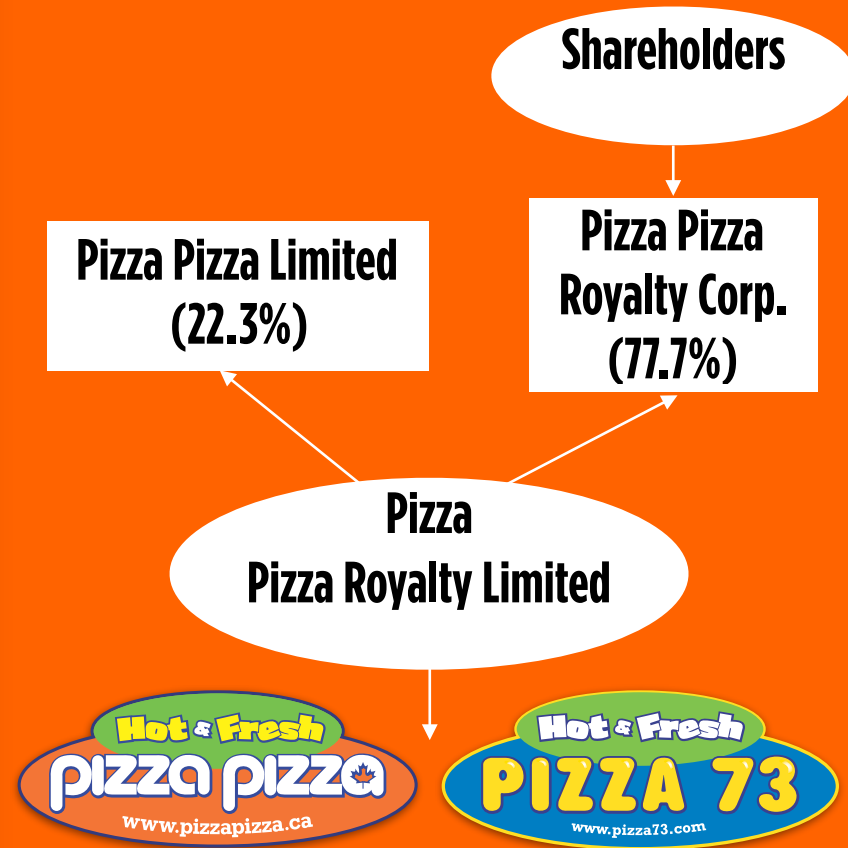
**Trademarks & trade names are the Company's
major assets**

OWNERSHIP STRUCTURE



The Partnership has two partners and owns the trademarks and brand names.

OWNERSHIP STRUCTURE



The Partnership pays monthly distributions to its two partners.⁶

**\$35.6 MILLION
IN ROYALTY
REVENUE**

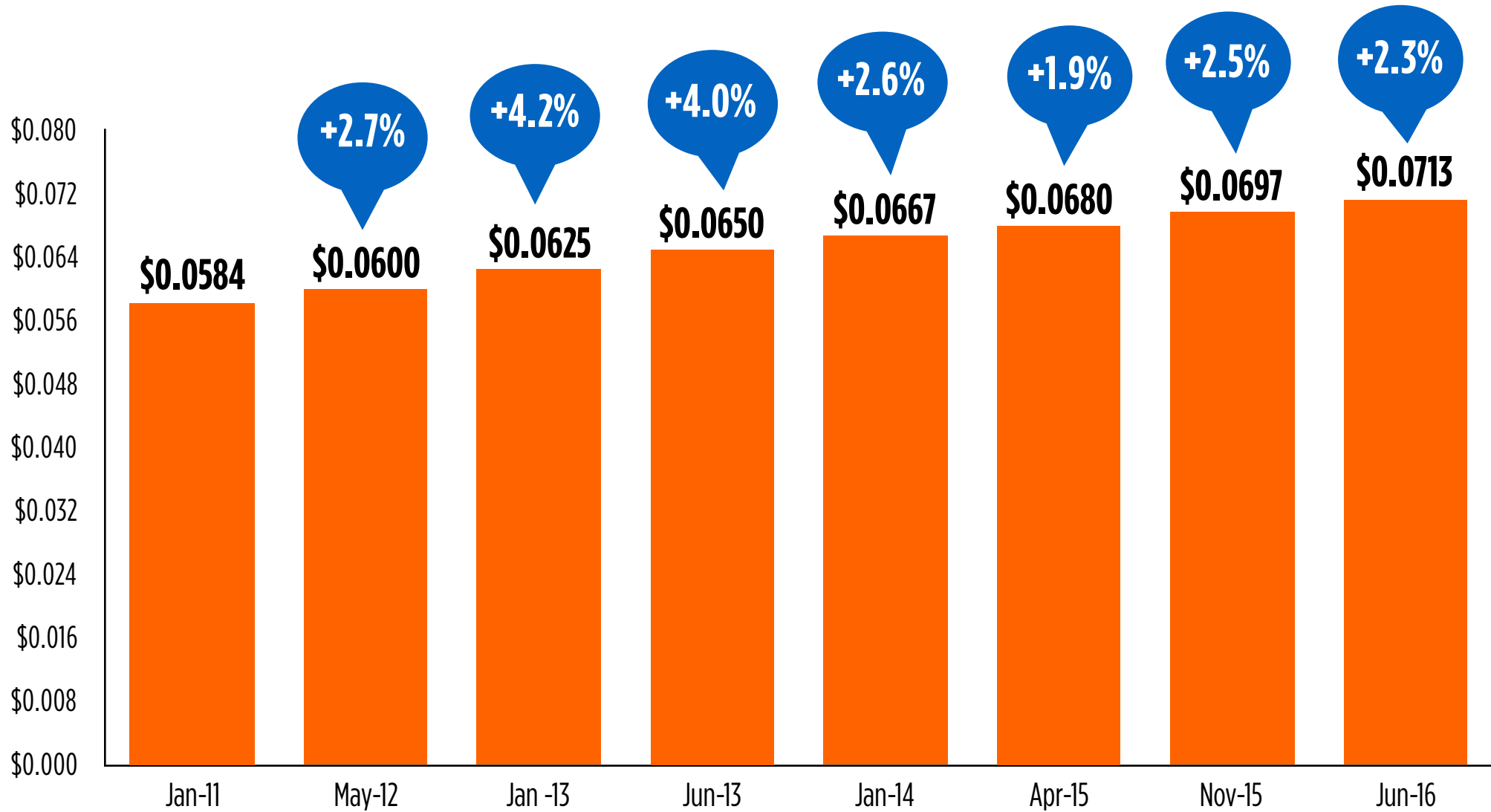
(\$551 MILLION SYSTEM SALES)



Licence and royalty agreements with Pizza Pizza Limited provide cash flow stability to investors, without exposure to operational risks.



MONTHLY DIVIDEND GROWTH



PPRC increased dividends seven times in six years.

50TH ANNIVERSARY

THE PRIVATE OPERATING COMPANY

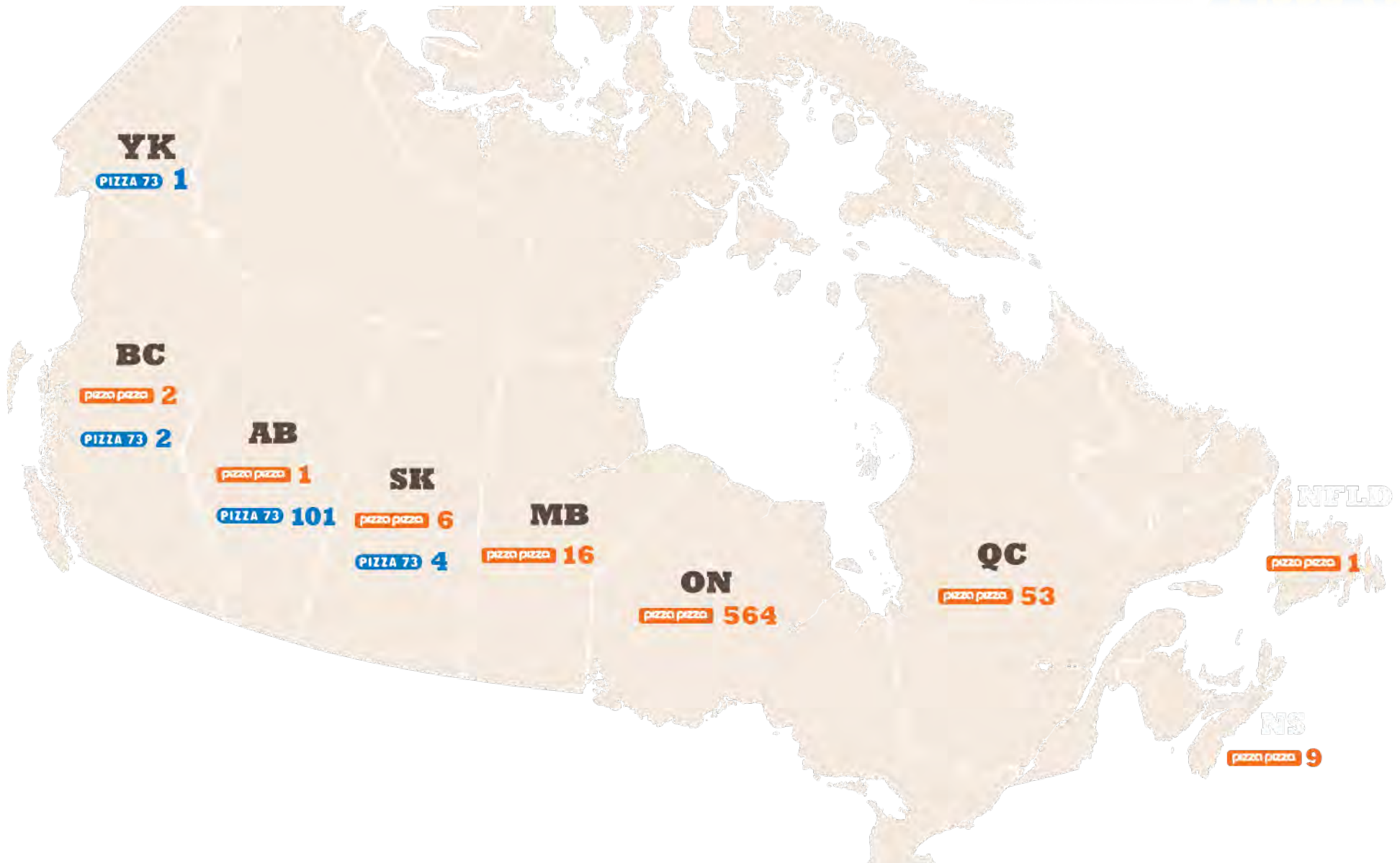


CORE BUSINESS FUNDAMENTALS

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



CANADA'S #1 PIZZERIA



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

PIZZA PIZZA

967-11-11

PIZZA PIZZA

Hot & Fresh
Est. 1967

OPEN

PIZZA PIZZA
\$5

2
PIZZAS FOR
\$5



FAMILY SIZE
XL PIZZA
\$9.50

Liquor License Application
Demande de permis d'alcool



Restaurant re-imaging program underway

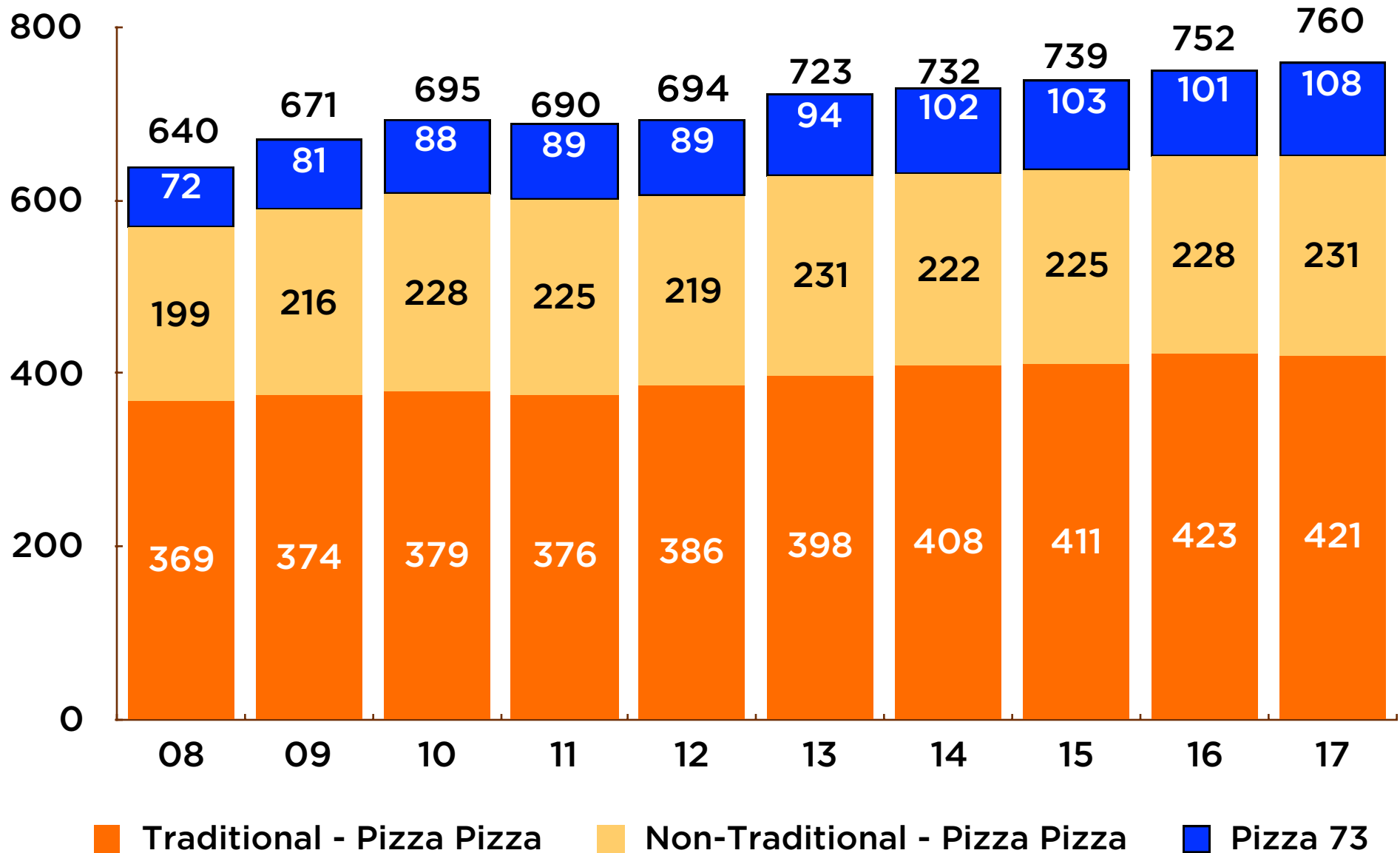


PIZZA 73

**ALBERTA
PIZZA MARKET
LEADER**



RESTAURANT GROWTH



NON-TRADITIONAL PARTNERSHIPS



Sponsorships



Non-Traditional Locations



Special Events



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



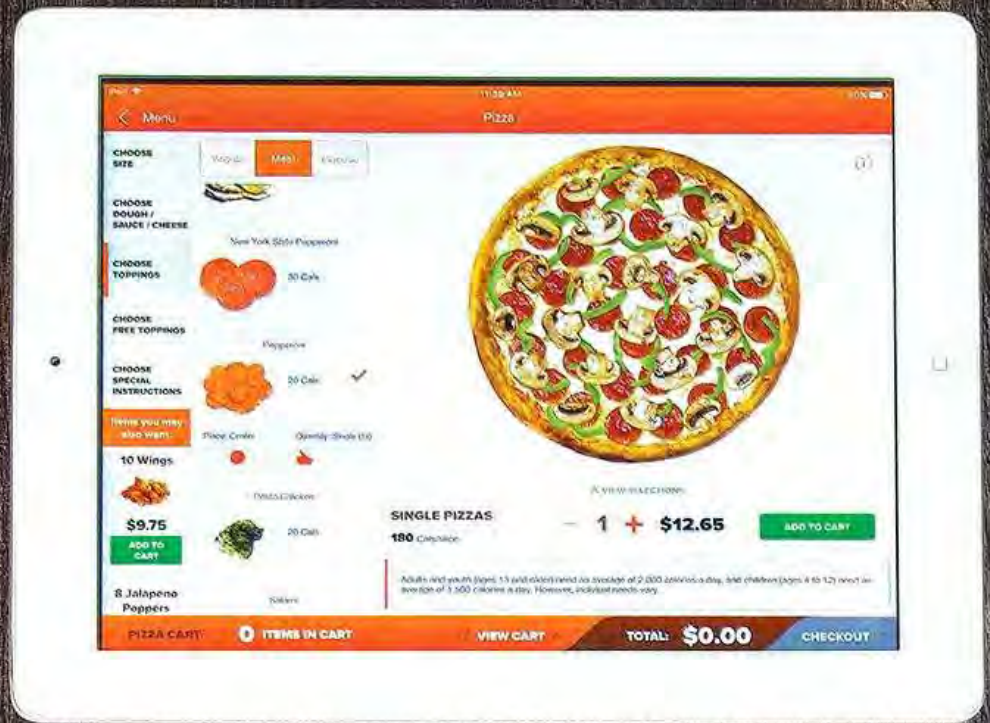
PRODUCT INNOVATION

NEW PRODUCT LAUNCHES ARE
KEY TO SALES BUILDING



TECHNOLOGICAL INNOVATION

INNOVATION + CONVENIENCE
= SALES GROWTH



POWERFUL BRANDS & MARKETING



MOVIE NIGHT

Free

2 FOR 1 CINEPLEX
See the Big Picture™

MOVIE ADMISSION PASS WITH EVERY ONLINE OR MOBILE APP ORDER \$13.99 OR MORE!

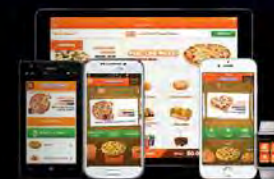
pizza pizza.ca



Free
2 FOR 1

MOVIE ADMISSION PASS WITH EVERY ONLINE ORDER AT PIZZAPIZZA.CA OR MOBILE APP ORDER \$13.99 OR MORE!

FAST, EASY & CONVENIENT ORDERING WITH OUR IPHONE, IPAD, APPLE WATCH, ANDROID AND MOBILE WEB APPS!



FAN FAVOURITE!

LARGE PIZZA
+3 TOPPINGS
+3 FREE COKE

\$13.99
UPSIZE TO X-LARGE \$3.50

440-720 CALS/SERVING, SERVES 5



SCORE SAVINGS!

2 MEDIUM PIZZAS
+4 TOPPINGS (COMBINED)
+6 FREE COKE
+2 FREE DIPS

\$19.49
UPSIZE TO LARGE \$5

370-690 CALS/SERVING, SERVES 8



WING IT BOX!

10 PCS. WINGS
+10 CHICKEN BITES
+2 FREE DIPS
+YOUR CHOICE OF 2 ITEMS:
8 CRUNCHY DILL PICKLES OR
8 JALAPEÑO POPPERS OR FRIES OR
ONION RINGS OR POTATO WEDGES

\$23.99

650-1110 CALS/SERVING, SERVES 4



MEGA MUNCH!

LARGE PIZZA
+3 TOPPINGS
+10 PCS. CHICKEN WINGS
+4 FREE COKE
+2 FREE DIPS

\$24.49
UPSIZE TO X-LARGE \$3.50

650-1150 CALS/SERVING, SERVES 5



SOCIAL RESPONSIBILITY



Our fundraising events have raised over \$3,000,000 for various charities including the Children's Miracle Network.

CURT FELTNER

Pizza Pizza Limited
Chief Financial Officer





SHAREHOLDER INFORMATION

PPRC, A HIGH-YIELD DIVIDEND
CORPORATION.



- TSX exchange listing **PZA**
- Publicly-traded shares outstanding **24,618,392**
- Fully Diluted shares **31,666,003**
- Pizza Pizza Limited's ownership **22.3%**
- Market capitalization **\$450 million**
- Current monthly dividend **\$0.0713**
- Credit facility matures Apr 2020 **\$47M**

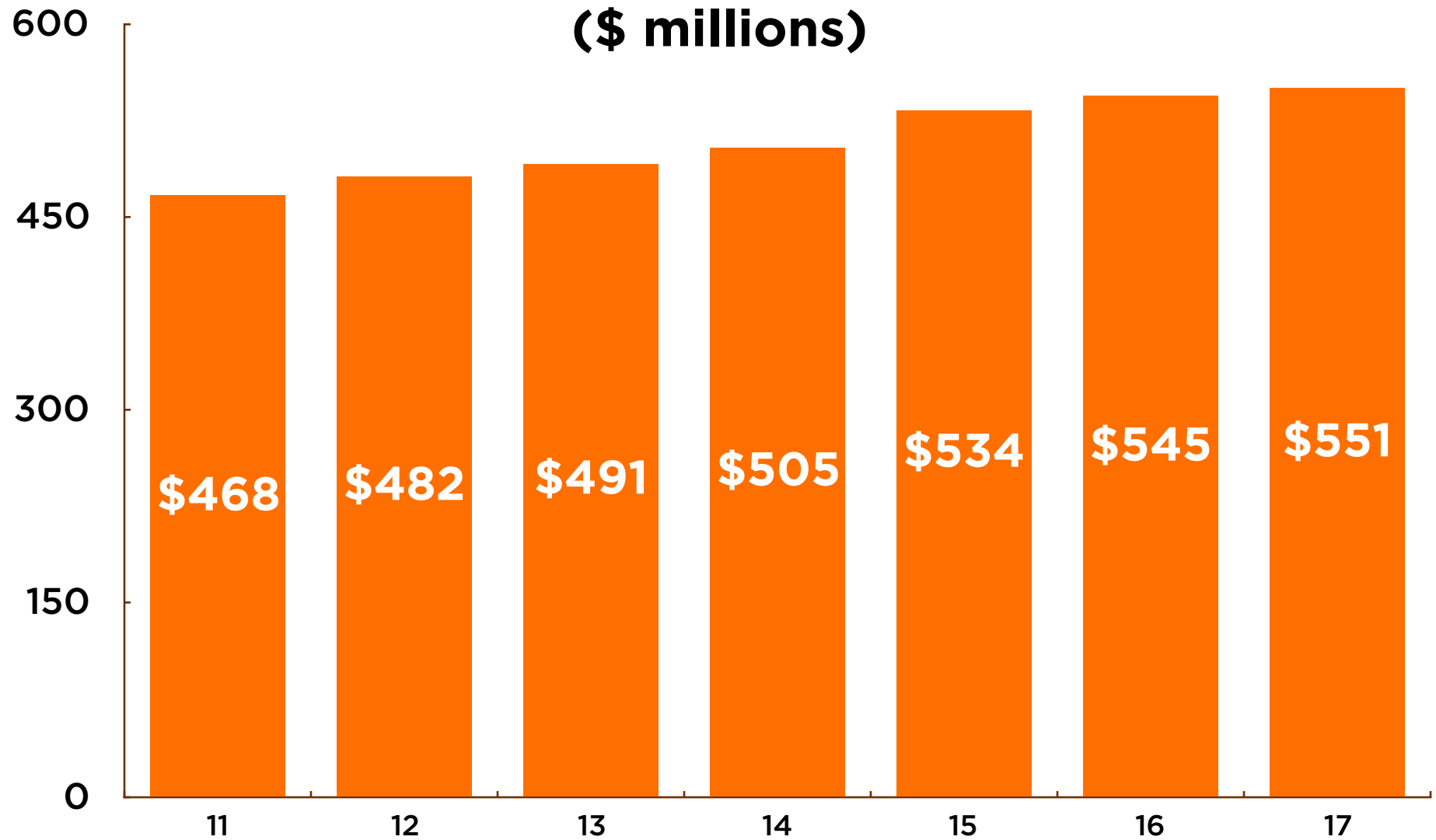
2017 PERFORMANCE HIGHLIGHTS

SSSG IS THE KEY DRIVER OF
SHAREHOLDER YIELD.



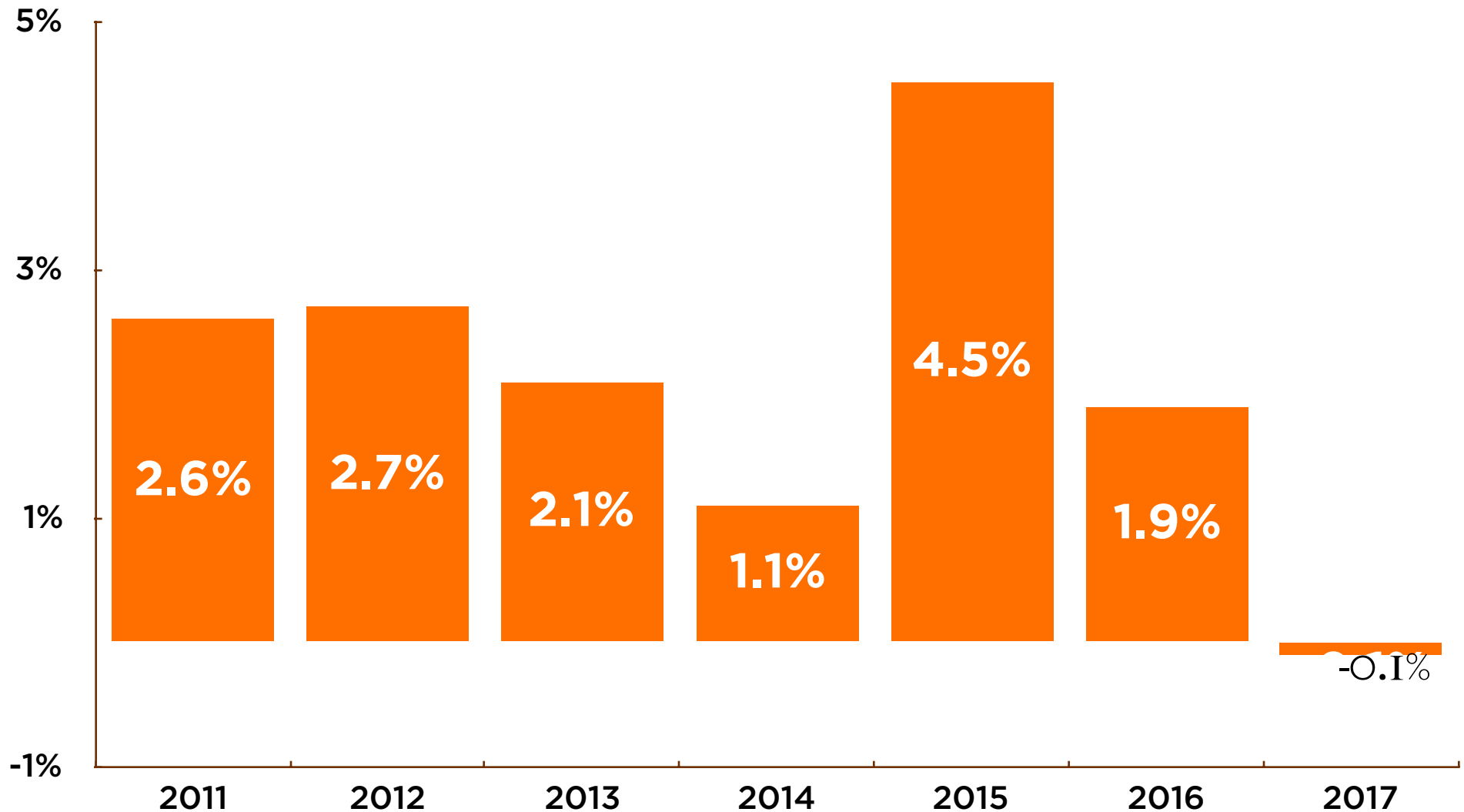
- Royalty Pool System Sales **\$551 M**
- SSSG **-0.1%%**
- Royalty Revenues **\$35.6 M**
- Adjusted earnings per share **\$0.894**
- Dividend increased in June 2016
- **\$5.1 million** working capital reserve
- Dividends per share **\$0.8556**
- Pay-out ratio **101%**

ROYALTY POOL SYSTEM SALES



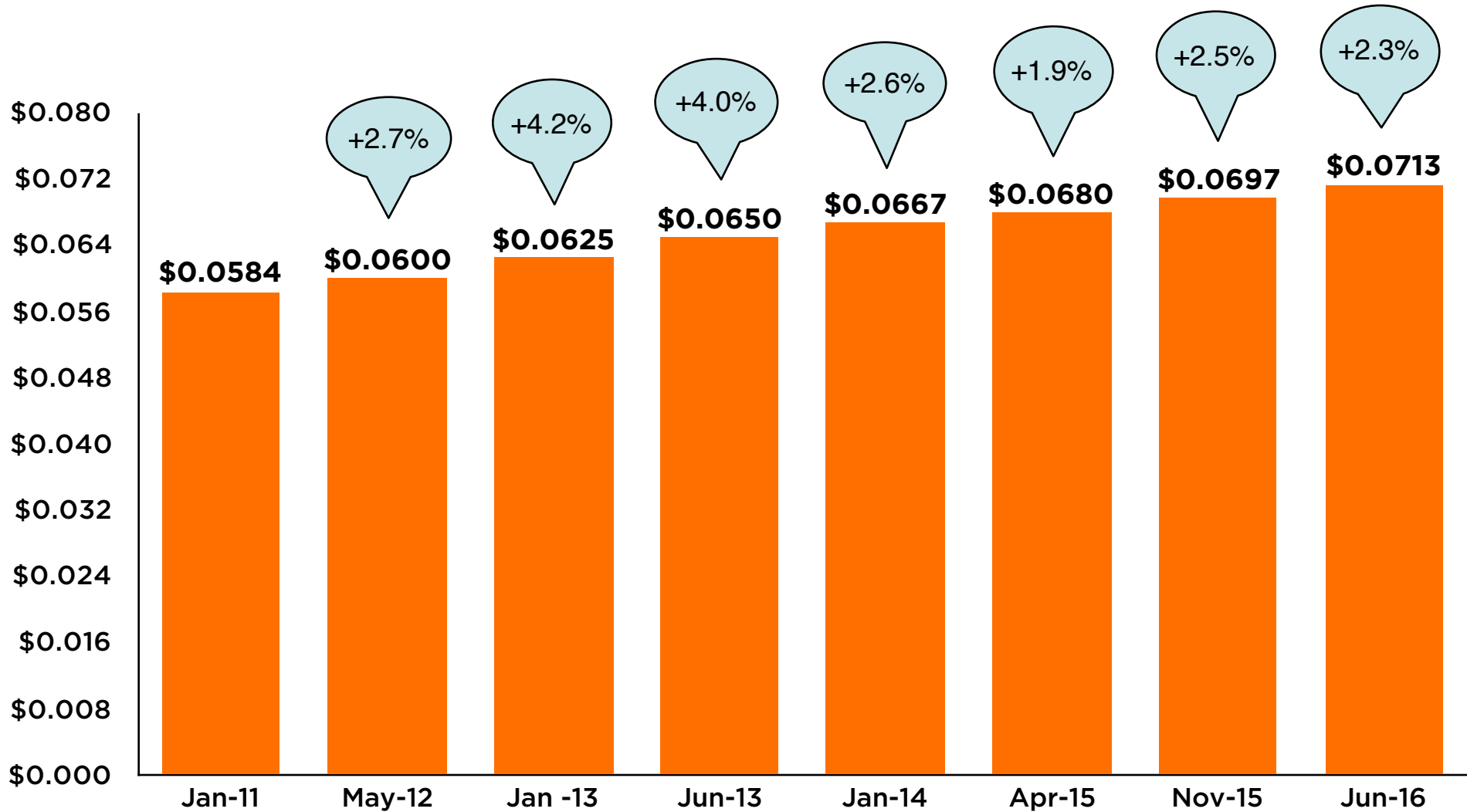
Royalty revenues are based on top-line Royalty Pool System Sales.

SAME STORE SALES GROWTH



SSSG is the key driver of shareholder yield growth.

MONTHLY DIVIDEND GROWTH



PPRC increased dividends seven times in five years.



ADVANTAGES OF PZA

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





