

# COVER SHEET

7 7 4 8 7

S.E.C. Registration Number

J O L L I B E E F O O D S C O R P O R A T I O N  
D O I N G B U S I N E S S U N D E R T H E N A M E  
A N D S T Y L E O F J O L L I B E E

(Company's Full Name)

10/F J O L L I B E E P L A Z A B U I L D I N G  
10 F. O R T I G A S J R . A V E N U E  
O R T I G A S C E N T E R , P A S I G C I T Y

(Business Address: No. Street City / Town / Province)

**Atty. Joliza Janelle D. Salgado**

Contact Person

**(632) 8634-1111 loc. 7097**

Company Telephone Number

**31-Dec**

Month Day Year  
Fiscal Year

**Last Friday of June**

Month Day Year  
Annual Meeting

## Press Release: 2021 1st Quarter Financial Results

**17C**

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total no. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_

LCU

Document I.D.

\_\_\_\_\_

Cashier

STAMPS

Remarks = please use **black ink** for scanning purposes

**COVER SHEET**

**JOLLIBEE FOODS CORPORATION**  
**Doing business under the name and style of Jollibee**  
(Company's Full Name)

**10/F Jollibee Plaza Building**  
**10 F. Ortigas Jr. Avenue,**  
**Ortigas Center, Pasig City**  
(Company's Address)

**(632) 8634-1111**  
Telephone Number

**December 31**  
(Fiscal Year Ending)

**Last Friday of June**  
(Annual Meeting)

**17C Press Release**  
**2021 1<sup>st</sup> Quarter Financial Results**  
(Form Type)

\_\_\_\_\_  
Amendment Designation (If applicable)

\_\_\_\_\_  
(Secondary License Type and File Number)

\_\_\_\_\_  
Cashier

\_\_\_\_\_  
LCU

\_\_\_\_\_  
DTU

**77487**  
S.E.C REG. No.

\_\_\_\_\_  
Central Receiving Unit

\_\_\_\_\_  
File Number

\_\_\_\_\_  
Document I.D.

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-C  
CURRENT REPORT PURSUANT TO SECTION 17 OF THE  
SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17 THEREUNDER**

1. Date of Report **May 11, 2021**
2. Commission identification number **77487**
3. BIR Tax Identification No. **000-388-771**
4. **JOLLIBEE FOODS CORPORATION**  
doing business under the name and style of Jollibee  
Exact name of registrant as specified in its charter
5. **PHILIPPINES**  
Province, country or other jurisdiction of incorporation or organization
6. Industry classification code  (SEC Use Only)
7. **10/F JOLLIBEE PLAZA BUILDING, 10 F. ORTIGAS JR. AVENUE, ORTIGAS CENTER,  
PASIG CITY**  
Address of registrant's principal office  
**1605**  
Postal Code
8. **(632) 8634-1111**  
Registrant's telephone number, including area code
9. **N/A**  
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of each Class	Number of shares of Common stock outstanding
<b>Common</b>	<b><u>1,107,750,990</u></b>
<b>Treasury Shares:</b>	
<b>Common</b>	<b><u>16,447,340</u></b>

**Note:** Total common outstanding shares of 1,107,750,990 is inclusive of 3,835,152 shares entrusted with Regis Partners, Inc. Details of shares with Regis Partners, Inc. are as follows:

MSOP Shares:	
Beginning balance (per SEC Form 17-C dated April 27, 2021)	1,260,590
Shares applied for listing	-
Ending balance, as of May 11, 2021	<u>1,260,590</u>
ELTIP Shares:	
Beginning Balance (per SEC Form 17-C dated April 27, 2021)	2,574,562
Shares applied for listing	-
Ending balance, as of May 11, 2021	<u>2,574,562</u>
TOTAL	<u>3,835,152</u>

11. Other Events

Please see attached Press Release re: 2021 1<sup>st</sup> Quarter Financial Results.

## JOLLIBEE FOODS CORPORATION

### JFC Generates Php 1.5 billion Operating Income in First Quarter 2021

**Metro Manila, Philippines, May 11, 2021 – Jollibee Foods Corporation (PSE: JFC) – Financial Results for the First Quarter Ended March 31, 2021**

Following are the highlights of the financial results of operations of Jollibee Foods Corporation (JFC) and its subsidiaries for the quarter ended March 31, 2021, based on its Unaudited Consolidated Financial Statements:

Financial Summary	YTD March		
	2021	2020	% Change
<b>System Wide Sales</b>	47,782	55,151	-13.4%
<b>Revenues</b>	34,681	39,425	-12.0%
<b>Operating Income (Loss)</b>	1,486	(1,168)	227.2%
<b>EBITDA</b>	5,166	2,809	83.9%
<b>Net Income (Loss)</b>	49	(1,952)	102.5%
<b>Net Income Attributable to Equity Holders of the Parent</b>	153	(1,676)	109.1%
<b>Earnings (Loss) Per Common Share - Basic</b>	0.139	(1.532)	109.1%
<b>Earnings (Loss) Per Common Share - Diluted</b>	0.138	(1.526)	109.0%

*\*Amounts in PhP Millions, except % change and Per Share Data.*

JFC generated an operating income of Php1.5 billion in the first quarter of 2021 representing a significant recovery from the operating loss of Php1.2 billion suffered in the same period a year ago. EBITDA or Earnings Before Interest, Taxes, Depreciation and Amortization, an approximation of operating cash flows almost doubled from Php2.8 billion in Q1 2020 to Php5.2 billion in the same quarter of 2021. This improvement in profit and cash flows were achieved despite lower sales in 2021. Consolidated System wide sales of JFC, a measure of all sales to consumers, both from company-owned and franchised stores decreased by 13.4% to Php47.8 billion in the first quarter of 2021 compared to the same quarter last year while revenues declined by 12.0%.

Sales from the Philippine business declined by 21.3% but those from the international business increased by 1.3%. Compared to Q1 2019 or pre-pandemic level, sales declined by 28.5% in the Philippines but only by 0.8% in international business without the impact of the acquisition of The Coffee Bean and Tea Leaf® (CBTL) or a 31.8% growth including CBTL. JFC's international business contributed 41.1% to its Q1 2021 global system wide sales while the Philippines accounted for 58.9%.

JFC's Chief Executive Officer, Mr. Ernesto Tanmantiong gave the following statement: "Most of our businesses abroad are reaching sales at pre-pandemic level. In the month of March 2021, our sales in China, North America (Philippine brands), EMEAA (Europe, Middle East and Asia) and SuperFoods mainly in Vietnam were already equal to or slightly higher than those in March 2019. Same store sales growth was offsetting the effect of stores closed permanently due to the pandemic. Our profit and cash flows recovered strongly versus a year ago reflecting the successful execution of our Business Transformation program. Practically every cost item in our Company, from stores to commissaries to support group offices decreased far more than our sales decline. While we still face significant challenges in the Philippines due to continued restrictions related to the pandemic, our Philippine business provided the most profit contribution among all our regions in the world. It grew operating profit by 23.7% in the first quarter of 2021 versus same quarter last year despite a 21.3% decline in

sales, made possible by cost improvement from the Business Transformation program in its stores, commissaries and support groups. We look forward to a strong recovery of our Philippine business in the months ahead and even faster sales and profit growth of our businesses abroad.”

Global same store sales in the first quarter of 2021 decreased by 14.7%, with the Philippine business declining by 26.1% and the international business growing by 7.5%. Lower sales per store in the Philippines were caused by continued high level of restrictions to control the coronavirus (COVID-19) pandemic particularly in Metro Manila and nearby provinces - Rizal, Laguna, Cavite and Bulacan where Enhanced Community Quarantine (ECQ), the strictest form of lock down was reimposed from the middle of March to mid of April 2021. JFC stores in the affected locations had to close dining areas and reduce operating hours to comply with longer curfew hours. The percentage of temporarily closed stores increased from 2% of the total network in the country as of February 2021 to 6% by end of March 2021.

Versus the first quarter of 2020, same store sales growth abroad by region follows: China 47.8%, North America 14.3%, EMEAA -0.1%, SuperFoods -2.9% and CBTL -12.6%. The international business showed faster recovery consistent with the economic recovery of the respective countries, particularly the more developed ones arising from faster and more significant inoculation of vaccines into their population and more significant assistance and economic stimulus packages provided by their governments. Off-premise sales which include delivery, take-out and drive-through channels continued to propel sales growth in international markets.

Gross profit margin improved by 6.4% points in the first quarter of 2021 compared to the same period last year resulting from the following initiatives from the Business Transformation: permanent closure of 486 non-profitable stores worldwide and four commissaries in the Philippines, improvement in operating expenses in the remaining stores and supply chain facilities, and various other cost saving initiatives. Selling price adjustments were also implemented in the fourth quarter of 2020 and the first quarter of 2021 to offset partly the impact of rising inflation rate.

General and administrative expenses declined by 16.7% compared to last year due to cost savings generated from the Business Transformation program. Office expenses from support groups declined further as office-based employees in the Philippines continued to work from home.

CBTL showed remarkable profit improvement in the past five months, even generating a small amount of operating profit in the last two months of the quarter. This represented a significant turnaround from major losses suffered last year. Significant reduction in general and administrative expenses and closure of non-performing stores in the United States, and strong recovery of sales and profit in Singapore and Malaysia offset the slow recovery of sales in the US, Philippines and South Korea. CBTL's next phase is to focus on profitable growth starting with store network expansion in Singapore and Malaysia.

Smashburger also achieved significant financial improvement. Its operating loss for the first quarter of 2021 represented a third of the operating loss from the same quarter last year, while that for the month of March 2021 represented only 14.1% of the loss for the same month last year. Smashburger's sales were affected by the severe snowstorm in the East Coast of the US in February 2021. Same store sales growth for the month of March 2021 for company stores in the US was 58.7% versus year ago (31.9% versus March 2019) and for traditional franchised stores was 62.0% versus year ago (1.1% versus 2019). Smashburger's new stores opened in 2020 and 2021 are generating sales well above (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 toward profitability.

Net income attributable to equity holders of the Parent for the first quarter amounted to Php152.6 million from an operating income of Php1.5 billion. The significant difference in operating income and net income attributable to equity holders of the Parent was mainly due to interest expense on loans from

financing of Php594.4 million and on PFRS-16 accounting for leases and others which amounted to Php393.5 million. In addition, deferred tax assets were reduced by Php629.4 million, resulting from the reduction in income tax rates, brought about by the Corporate Recovery and Tax Incentives for Enterprises Act or CREATE Act in the Philippines. The reduction in income tax rates decreased the value of existing deferred tax assets and increased the total provision for income tax as at March 31, 2021 but will reduce income taxes on future profits.

JFC's balance sheet changed little versus that as at December 31, 2020. Total assets decreased by 2.8%, cash remained at Php21.8 billion. Net debt increased by 34.6% from Php6.3 billion to Php8.5 billion.

The JFC Group opened 79 new stores in the first quarter: 19 in the Philippines, 12 in China, 8 in North America and 1 in EMEAA. SuperFoods and CBTL opened 24 and 15 stores, respectively. A total of 76 stores were permanently closed during the quarter: 18 in the Philippines and 58 abroad.

JFC is one of Asia's largest food service companies with 17 brands in 33 countries. As at end of March 31, 2021, JFC was operating 5,827 stores worldwide: 3,218 in the Philippines and 2,609 in international: 386 in China, 347 in North America, 268 in EMEAA, 542 with SuperFoods mainly in Vietnam and 1,066 with CBTL. Its largest brands by store outlets worldwide are Jollibee with 1,487, Coffee Bean & Tea Leaf 1,066, Chowking 618, Mang Inasal 588 and Highlands Coffee 482.

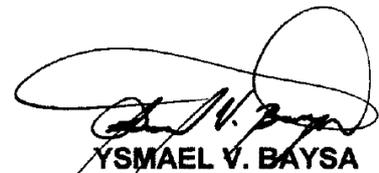
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**SIGNATURE**

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SIGNATURE:**

**JOLLIBEE FOODS CORPORATION**  
Registrant



**YSMAEL V. BAYSA**  
Chief Financial Officer &  
Corporate Information Officer