

JOLLIBEE FOODS CORPORATION

JFC Reports Php1 Billion Profit in Q2 2021

Metro Manila, Philippines, August 10, 2021 – Jollibee Foods Corporation (PSE: JFC) – Financial Results for the Second Quarter and First Semester Ended June 30, 2021

Following are the highlights of the financial results of operations of Jollibee Foods Corporation (JFC) and its subsidiaries for the second quarter and first semester ended June 30, 2021, based on its Unaudited Consolidated Financial Statements:

Financial Summary	Quarter 2			YTD June		
	2021	2020	% Change	2021	2020	% Change
System Wide Sales	50,517	30,678	64.7%	98,300	85,830	14.5
Revenues	36,689	23,340	57.2%	71,370	62,764	13.7
Operating Income (Loss)	1,376	(5,431)	125.3%	2,862	(6,599)	143.4
EBITDA	5,520	(7,227)	176.4%	10,687	(4,418)	341.9
Net Income (Loss)	845	(10,619)	108.0%	894	(12,571)	107.1
Net Income (Loss) Attributable to Equity						
Holders of the Parent	976	(10,287)	109.5%	1,128	(11,963)	109.4
Earnings (Loss) Per Share - Basic	0.885	(9.331)	109.5%	1.024	(10.892)	109.4
Earnings (Loss) Per Share - Diluted	0.884	(9.319)	109.5%	1.023	(10.870)	109.4

**Amounts in Php Millions, except % change and Per Share data*

Jollibee Foods Corporation (JFC), one of Asia's largest food service companies disclosed today that its system wide sales, a measure of all sales to consumers, both from company-owned and franchised stores increased by 64.7% to Php50.5 billion in the second quarter of 2021 compared to the same quarter last year when the Covid-19 pandemic brought its most adverse impact on the business. Revenues grew by 57.2%.

Same store sales in the Philippine business increased by 48.0% in the second quarter of 2021 compared to the same quarter last year while the international business grew by 28.4%. China achieved a growth of 48.0%, North America 27.7%, Europe/Middle East/other parts of Asia 21.2%, The Coffee Bean & Tea Leaf 27.9%, SuperFoods, mostly in Vietnam -8.1% for a worldwide same store sales growth of 38.4% versus Q2 of 2020.

JFC generated a consolidated operating income of Php1.4 billion in Q2 2021 representing a marked recovery from the operating loss of Php5.4 billion suffered in the same period in 2020 when sales declined quite significantly resulting from the temporary closure of a high number of stores and decline in sales of stores remaining open due to lockdowns and related restrictions imposed to control the spread of the Covid-19 virus. Net income attributable to equity holders of the parent company reached Php1.0 billion compared with a Php10.3 billion loss in the second quarter of 2020 which included an expense provision for Business Transformation of Php6.2 billion. EBITDA (Earnings before interest expense, taxes, depreciation and amortization, an approximation of cash flow from operations) improved from negative Php7.2 billion in Q2 last year to positive Php5.5 billion this year. All regions achieved significant profit and operating cash flow improvement versus year ago levels. Gross profit margins, general and administrative expenses and operating profit margins also showed marked improvement.

Following is a comparison of the financial results of results of operations for the second quarter and first semester ended June 30, 2021 with those from the same period in 2019 which was before the outbreak of the Covid-19 pandemic.

Financial Summary	Quarter 2			YTD June		
	2021	2019	% Change	2021	2019	% Change
System Wide Sales	50,517	59,428	-15.0%	98,300	113,706	(13.5)
Revenues	36,689	43,680	-16.0%	71,370	84,027	(15.1)
Operating Income	1,376	1,525	-9.7%	2,862	3,623	(21.0)
EBITDA	5,520	4,867	13.4%	10,687	10,576	1.0
Net Income	845	888	-4.9%	894	2,243	(60.1)
Net Income Attributable to Equity						
Holders of the Parent	976	1,040	-6.2%	1,128	2,502	(54.9)
Earnings Per Share - Basic	0.885	0.952	-7.0%	1.024	2.292	(55.3)
Earnings Per Share - Diluted	0.884	0.940	-6.0%	1.023	2.260	(54.7)

**Amounts in Php Millions, except % change and Per Share data*

Compared with pre-pandemic levels, total system-wide sales and revenues in Q2 2021 were lower by 15% and 16%, respectively versus Q2 2019. However, operating income and net income attributable to equity holders of the Parent Company were lower only by 9.7% and 6.2%, respectively while EBITDA was higher by 13.4%. Gross profit margins, operating margins, general and administrative expense percent to revenues, EBITDA margins and net income margins were higher than pre-pandemic levels. The improvement in profitability ratios was driven by the growing contribution of foreign business to total sales, the higher contribution of the coffee business to the business portfolio, the increasing contribution of franchise stores versus company stores and the cost improvement brought by the Business Transformation implemented in 2020. Generally, gross profit margins are higher in foreign business than those in the Philippines specially in the coffee business while franchise store operations can generate higher productivity. In terms of business units, versus Q2 2019, Smashburger generated much lower losses in 2021 while Red Ribbon in the Philippines achieved a turn-around from significant losses in Q2 2019 resulting from the start-up of its new commissary, to delivering profit in Q2 2021.

The impact of the pandemic on JFC's businesses around the world in Q2 2021 was mixed. Sales in the United States continued to improve with sales per store already reaching well above pre-pandemic levels. In the southern part of China, sales growth slowed due to the reimposition of government restrictions while sales in the eastern and northern regions continued to grow above pre-pandemic levels. Sales growth reversed in Southeast Asia particularly those in Vietnam, Philippines, Singapore and Malaysia while those in the Middle East and Europe continued to improve. Off-premise sales which include those from delivery, take-out and drive-through channels continued to help drive sales growth in both the Philippines and international markets.

Total assets declined by Php5.9 billion or -2.8% from its balance at the beginning of the year mainly due to the redemption of Php5.9 billion of its financial assets at fair value through profit or loss (financial assets) which were used primarily to reduce Php3.3 billion of debts and Php2.6 billion of other liabilities. JFC has been gradually reducing its financial assets and its debts as the business gradually recovers from the adverse impact of the pandemic. Its financial assets originally amounting to Php37.9 billion were set up primarily as a contingency measure against adverse and unforeseen impact of a prolonged pandemic. The financial assets amounted to Php30.6 billion as at June 30, 2021.

The JFC Group opened 164 new stores in the first semester: 29 in the Philippines, 38 in China, 15 in North America and 9 in EMEAA. SuperFoods and CBTL opened 26 and 47 stores, respectively. A total of 172 stores were permanently closed during the quarter: 54 in the Philippines and 118 abroad.

JFC is one of Asia's largest food service companies with 17 brands operating in 33 countries with a total store network of 5,816 outlets as of June 30, 2021, of which 3,192 were in the Philippines and 2,624 were abroad. Its largest brands in terms of number of restaurant outlets were Jollibee with 1,487, The Coffee Bean & Tea Leaf® with 1,051, Chowking with 607, Mang Inasal with 585, Red Ribbon 527, Highlands Coffee with 476, Yonghe King 364, Greenwich 270 and Smashburger 239.

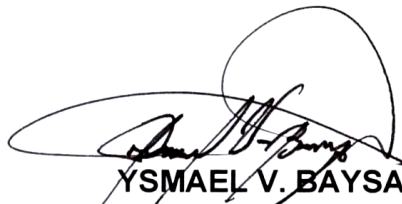
SIGNATURE

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