



PIZZA PIZZA ROYALTY CORP

2020 ANNUAL GENERAL MEETING OF SHAREHOLDERS

JUNE 24, 2021

TABLE OF CONTENTS

WELCOME

Jay Swartz, Chair of the Pizza Pizza Royalty Corp Board of Directors

1. Preliminary Voting Results

MANAGEMENT PRESENTATION

Paul Goddard, CEO of Pizza Pizza Limited

1. Forward Looking statements
2. Pizza Pizza Royalty Corp Business Update
3. Pizza Pizza Limited Business Update



WELCOME

JAY SWARTZ - PIZZA PIZZA ROYALTY CORP. BOARD CHAIR



FINAL VOTING RESULTS

- At the meeting there were shareholders represented in person or by proxy holding 4,995,756 common shares of the Company, representing 20.29% of the issued and outstanding shares.
- Shareholders voted in favour of all items of business.
- Details of the proxies tabulated are as follows:

	Votes For	% For	Votes Withheld	% Withheld
Neil Lester	5,216,978	96.0	215,557	4.0
Edward Nash	5,218,698	96.1	213,837	3.9
Michelle Savoy	5,224,814	96.2	207,721	3.8
Jay Swartz	4,686,946	86.3	745,589	13.7
Kathryn Welsh	5,225,008	96.2	207,527	3.8

PIZZA PIZZA

PIZZA PIZZA

MANAGEMENT PRESENTATION

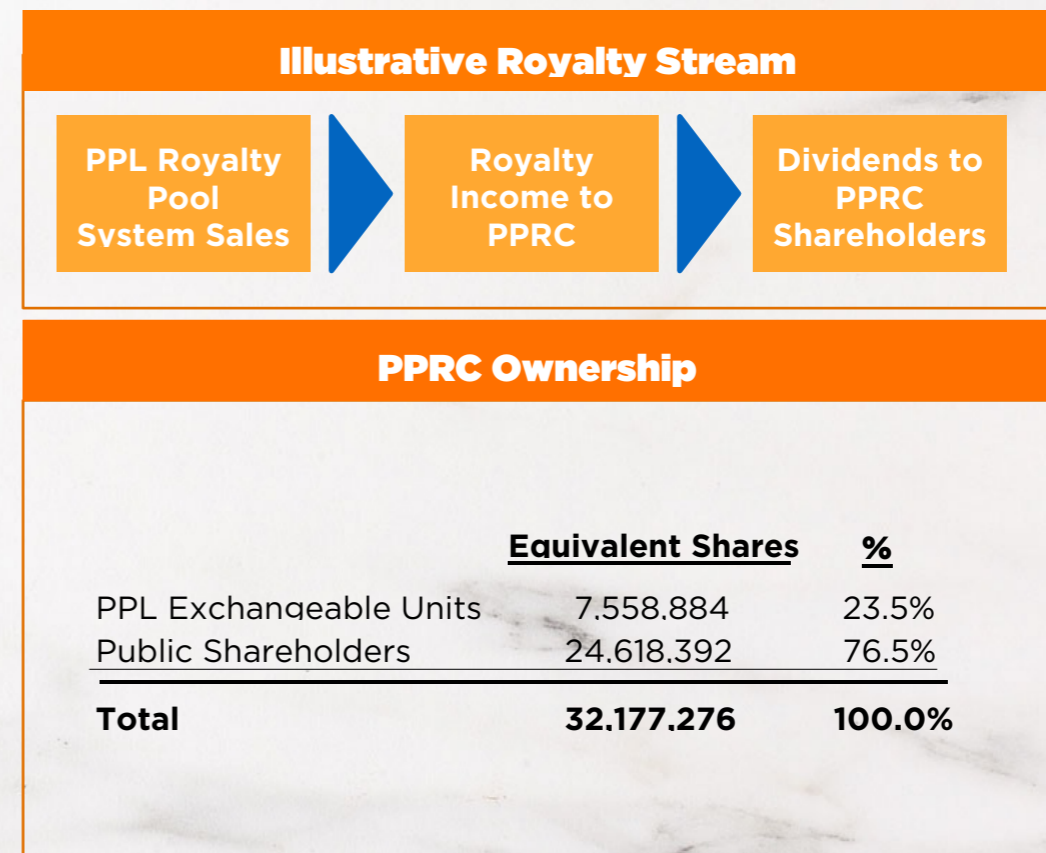
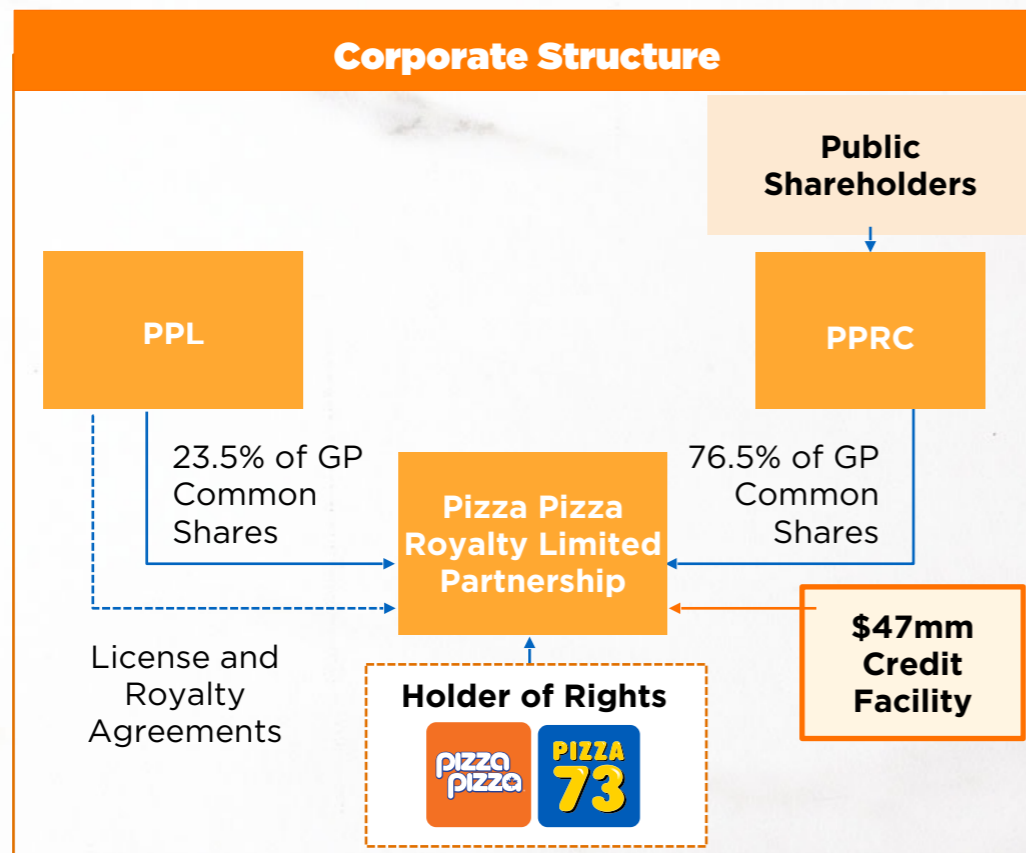
PAUL GODDARD - CEO, PIZZA PIZZA LIMITED

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.

CORPORATE STRUCTURE & ROYALTY STREAM OVERVIEW

- PPRC owns the Pizza Pizza and Pizza 73 trademarks and brand names
 - Pizza Pizza trademarks and other intellectual property were licensed to PPL in 2005 for 99 years, in exchange for a royalty which PPL pays PPRC equal to 6% of system sales of restaurants in the Royalty Pool
 - In 2007, PPRC and PPL acquired Pizza 73 and entered into a similar arrangement whereby PPL pays PPRC a royalty equal to 9% of system sales of restaurants in the Royalty Pool
 - PPRC receives royalties through the Partnership; pays interest on the Partnership credit facility, taxes and administration expenses
- Royalty Pool is adjusted annually for any new restaurants that were opened during the prior year



SHAREHOLDER INFORMATION

- TSX exchange listing **PZA**
- Publicly-traded shares outstanding **24,618,392**
- Fully Diluted shares **32,177,276**
- Pizza Pizza Limited's ownership **23.5%**
- Market Capitalization **\$347 million**
- Currently monthly dividend **\$0.055**
- Current dividend yield **6.1%**
- Credit facility matures **April 2025 \$47M**

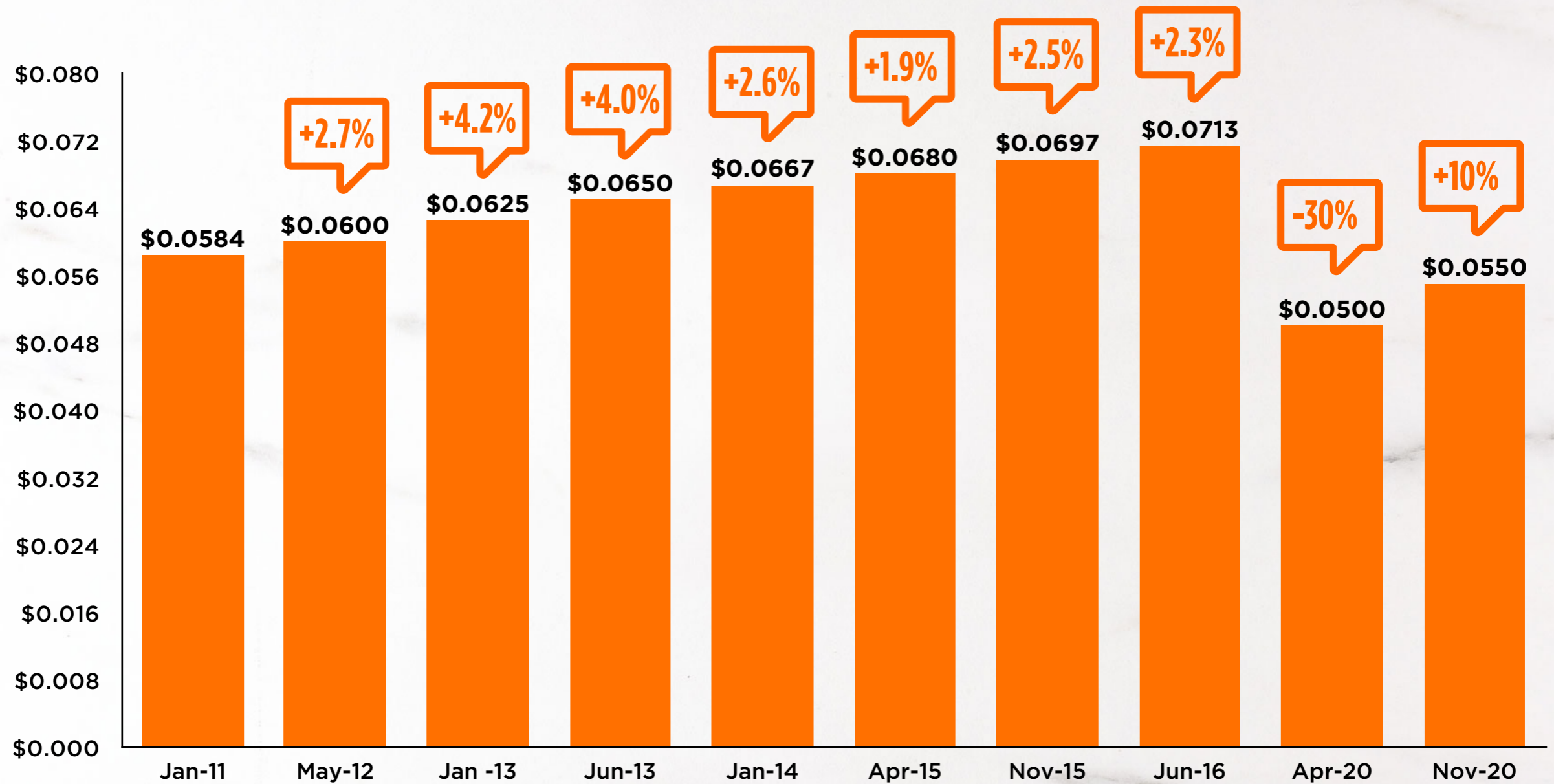
PPRC, a high-yield dividend corporation

PERFORMANCE HIGHLIGHTS

	2020	Q1 2021
Royalty Pool System Sales	\$488 M	\$108 M
Restaurants in Royalty Pool	749 (-13)	725 (-24)
Same Store Sales	-12.5%	-13.3%
Royalty Revenue	\$31.8 M	\$7.0 M
Monthly dividend	\$0.055	\$0.055
Working Capital Reserve	\$5.4 M	\$5.2 M
Payout Ratio	90%	106%

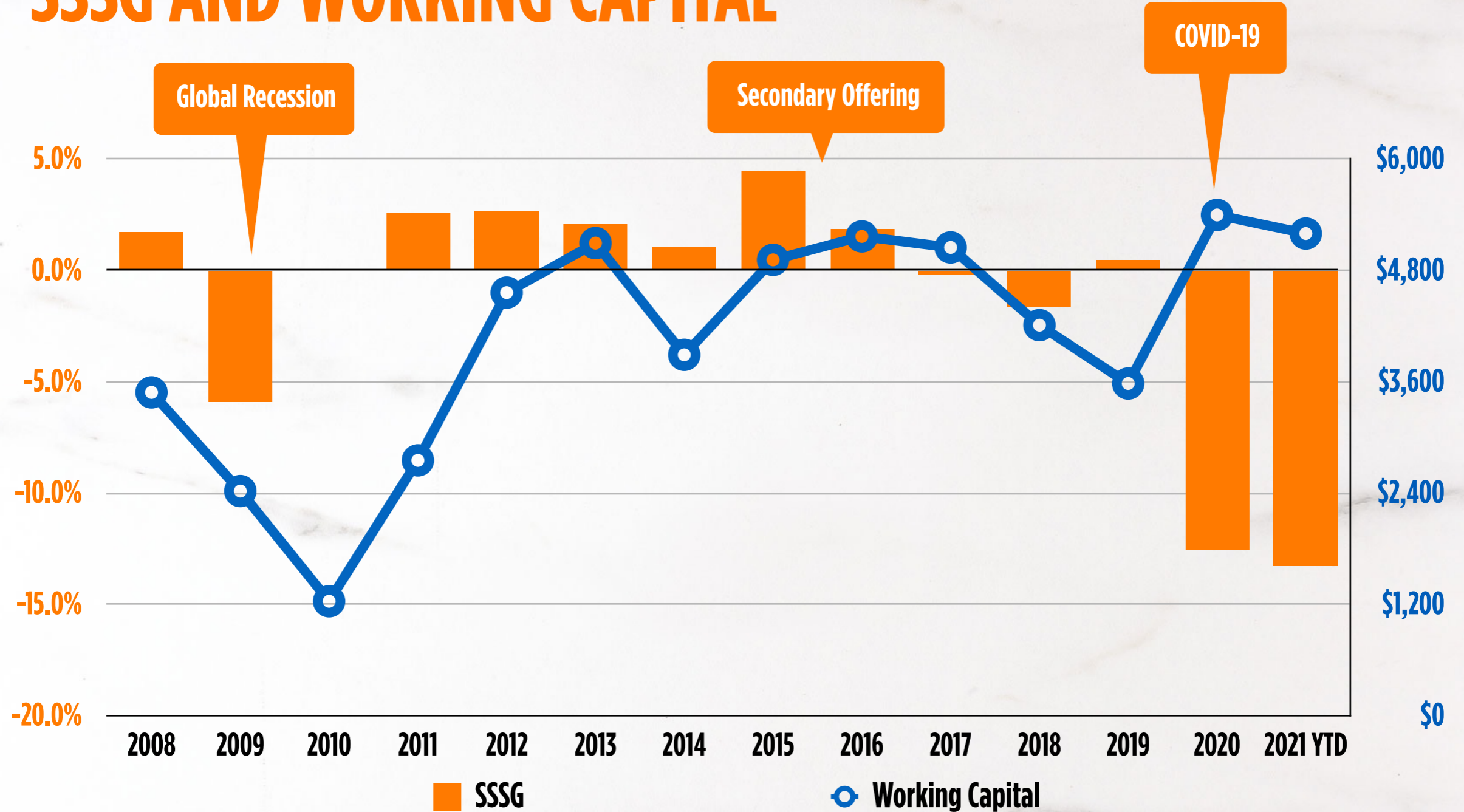
SSSG is the key driver of shareholder yield

MONTHLY DIVIDEND GROWTH



PPRC increased the dividend seven times prior to the decrease in April 2020 due to COVID-19, and once thereafter

SSSG AND WORKING CAPITAL



PPRC's healthy cash reserve of \$5.2 million is available during sales variability



PIZZA PIZZA LIMITED

OPERATING COMPANY FUNDAMENTALS

At Pizza Pizza, it's about more than amazing meals. It's about shared values that bring us together, values like respect, pride, and a commitment to diversity. Every day, Pizza Pizza Makes its restaurants more successful and its food more delicious. At the same time it's making its operations more sustainable and giving back to the communities it calls home.

PPL UNDERLYING CORPORATE STRENGTHS



1

Iconic Canadian Brand with #1 Market Position

2

Positive Traction from Recent Initiatives

3

Diverse Menu with Focus on Quality and Value

4

Marketing Powerhouse and Proven Innovator

5

Strong Franchise-Driven Business Supported by Centralized Management

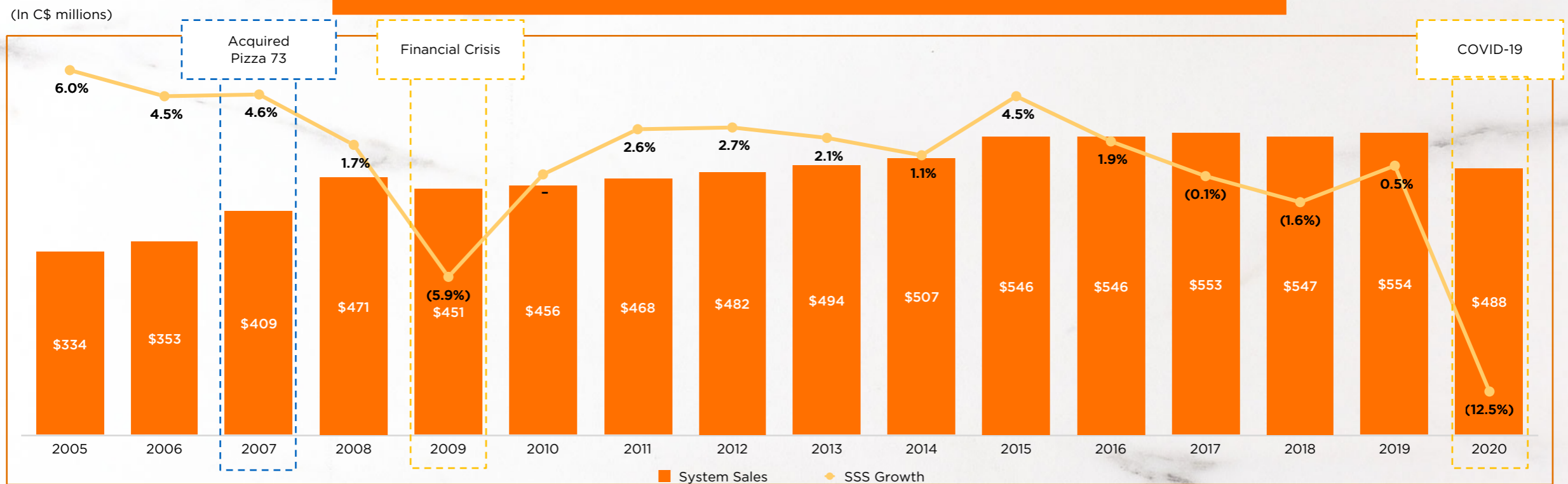
6

Experienced Management Team

ICONIC CANADIAN BRAND WITH #1 MARKET POSITION

- Since establishing its first location in December 1967 at the corner of Wellesley and Parliament in downtown Toronto, Pizza Pizza has grown its brands into a national Canadian pizzeria platform with over 700 locations across nine provinces
 - Well-established in major metropolitan cities in its core markets, including Toronto, Montreal, Edmonton, and Calgary
 - Long history and strong brand recognition have propelled it to have leading market share in each of Ontario and Alberta
- Leveraging a well-established footprint, the Pizza Pizza and Pizza 73 brands continue to expand into new Canadian markets, including Yukon (2017) and British Columbia (2018). Additionally, PPL has expanded into Quebec City and in 2021 has signed leases in New Brunswick.
- Brand awareness is supported by partnerships with sports properties (e.g. Raptors, Leafs, Oilers, Flames), universities, hospitals, outdoor entertainment venues, and special events (e.g. Calgary Stampede, Metro Toronto Convention Centre)

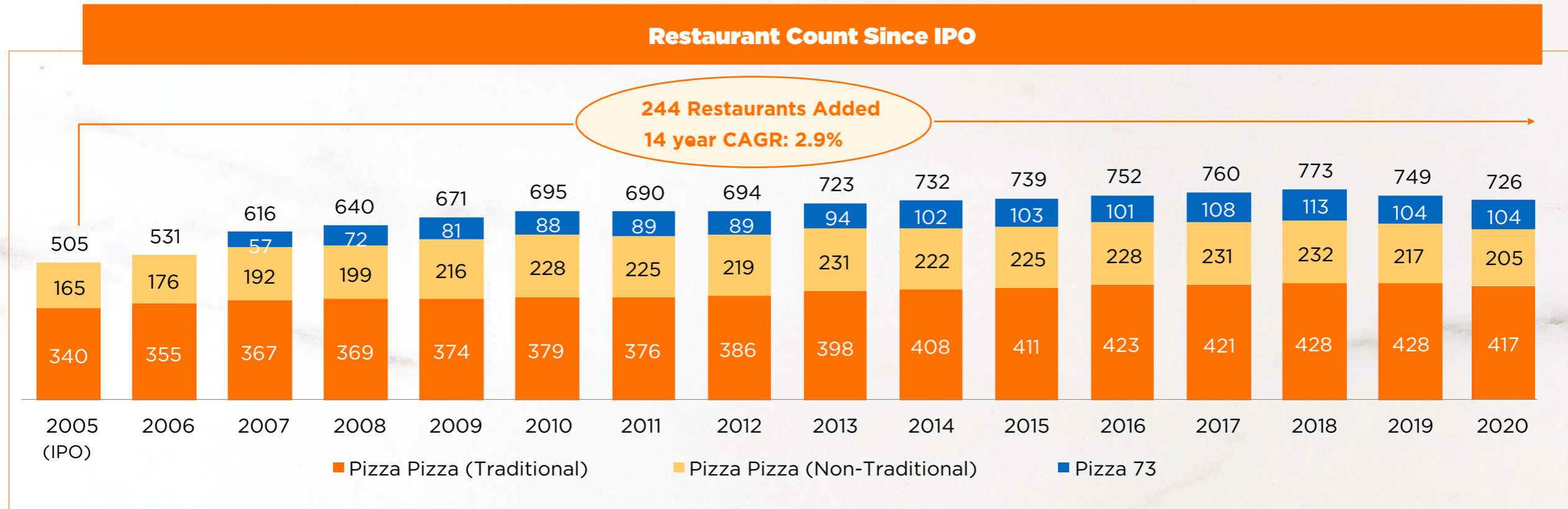
Royalty Pool System Sales and Same Store Sales



#1 pizzeria in Canada with leading market share in its core markets of Ontario and Alberta

TRACK RECORD OF STEADY RESTAURANT GROWTH

- Pizza Pizza has consistently grown its restaurant network since its IPO through growth in existing markets and expansion into new markets
 - Over the last five years, Pizza Pizza has opened new restaurants outside its core markets, including nine locations in British Columbia, three in Manitoba, one in Nova Scotia, 22 in Quebec, two in Saskatchewan, and one in the Yukon

















- Historically low closure rate throughout restaurant network
 - Closed 77 traditional Pizza Pizza locations since 2000 and 11 Pizza 73 locations in last nine years
- In 2020, PPL undertook an extensive review of its restaurant network, which resulted in the closure of 17 underperforming traditional restaurants
- PPL also closed 15 non-traditional restaurants, which are more volatile in nature than traditional restaurants due to their shorter contractual arrangements with licensees

PPL has taken a measured approach to restaurant growth, expanding its network by ~3% annually, on average, since 2005

RESTAURANT FORMATS AS OF 12/31/20

- Restaurant system includes traditional and non-traditional formats, which allows tailoring of offerings to particular market or venue
 - 69% of restaurants are traditional and 31% are non-traditional
- In urban markets, in advance of opening traditional restaurants, non-traditional restaurants open (e.g. sports arenas) to promote brand awareness

Traditional Restaurant Format		Non-Traditional Restaurant Format	
Total: 504 (69%)		Total: 235 (31%)	
 417 (57%)	 87 (12%)	 205 (29%)	 17 (2%)
		 <p style="text-align: center;">Select Sponsorship / Non-Traditional Venues / Special Events</p> <div style="display: flex; justify-content: space-around; align-items: center;">     </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">     </div>	
Menu	<ul style="list-style-type: none"> Full menu with customer seating, take-out & delivery 	Menu	<ul style="list-style-type: none"> More limited and targeted to "captured traffic" locations
Size	<ul style="list-style-type: none"> Pizza Pizza: 1,400-3,000 sq. ft. Pizza 73 locations: ~1,200 sq. ft. 	Size	<ul style="list-style-type: none"> Vary in size but generally offer counter service and typically do not include eat-in areas
Locations	<ul style="list-style-type: none"> High traffic and high visibility locations that are easily accessible 	Locations	<ul style="list-style-type: none"> Sports, entertainment and other public venues

Different restaurant formats allow flexibility to tailor product offering to specific markets or venues

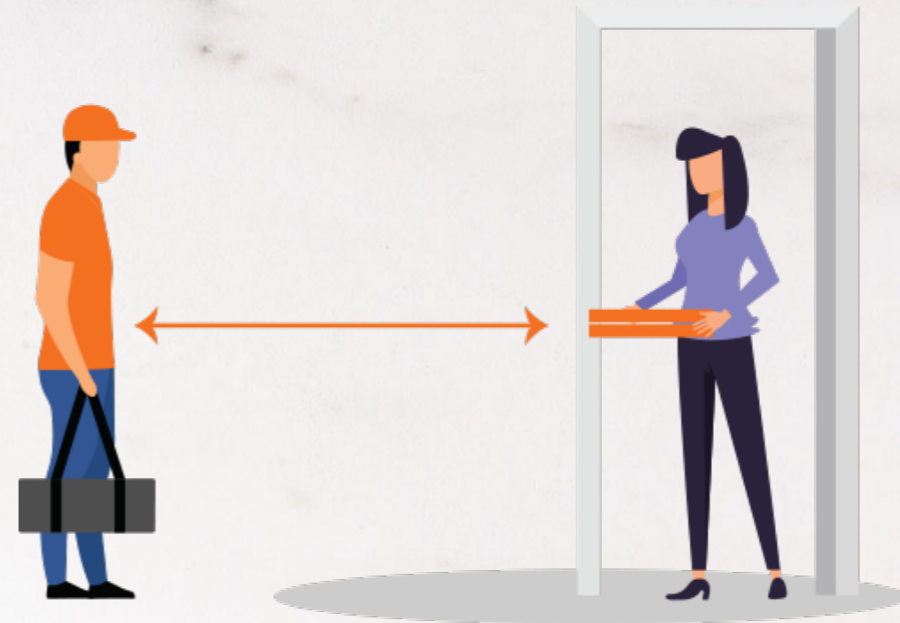
COVID EFFECTS & INITIATIVES

Recent Pizza Pizza Initiatives:

- Contactless delivery
- Online payment and tips
- Award winning tamper proof boxes
- Temporary dividend decrease in April 2020 and subsequent increase in November 2020

COVID-19 Impact:

- Walk-in initially decreased, but slowly returning
- Non-traditional location closures due to mandated government legislation



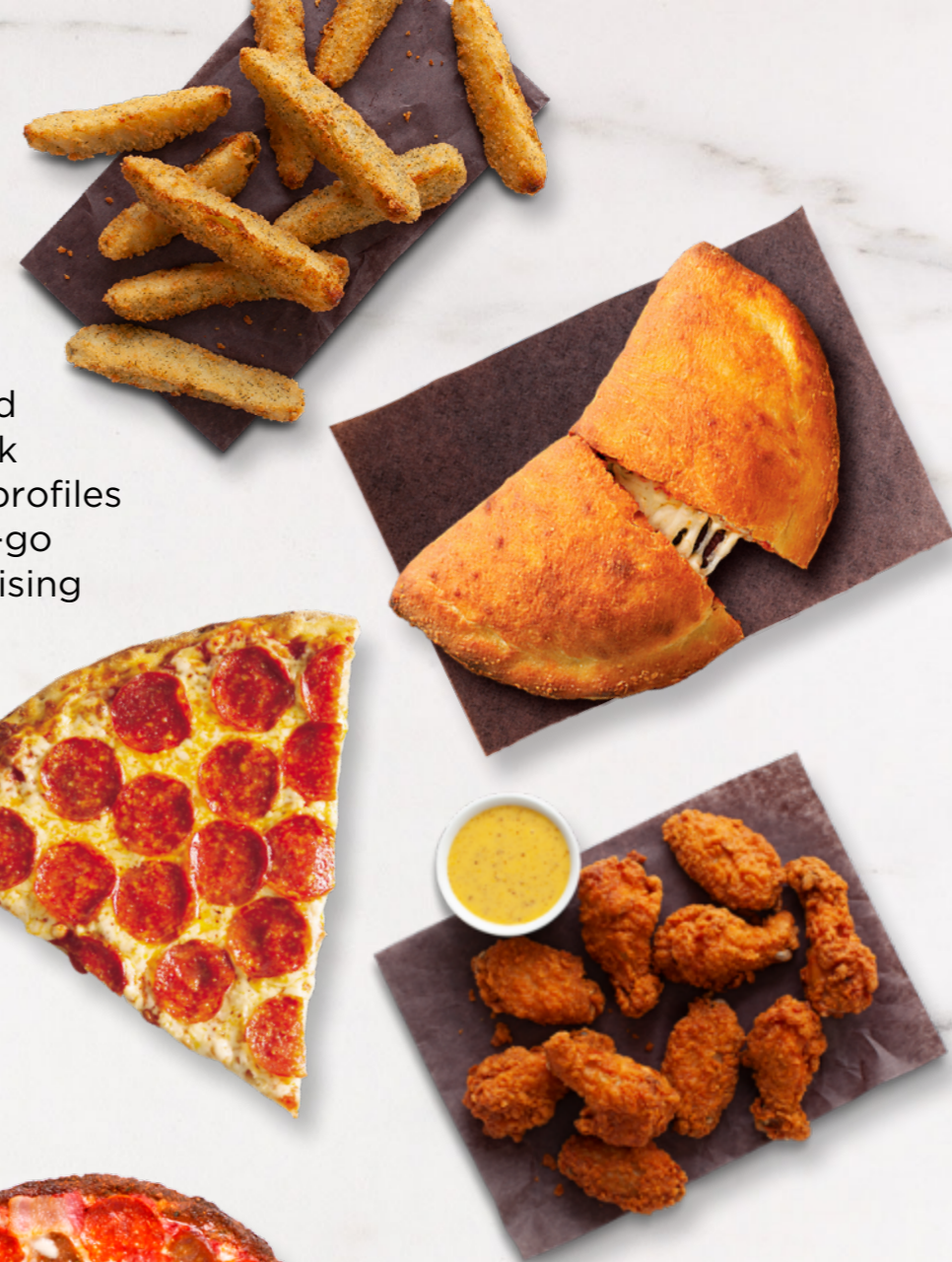
Delivery & pickup sales increased significantly

DIVERSE MENU

- Pizza Pizza and Pizza 73 offer a wide selection of pizzas, plus wings, appetizers, sides and desserts, satisfying demand across lunch, snack and dinner meal occasions



- Growing menu and restaurant network serves all flavour profiles for people on-the-go without compromising taste or quality



Pizza Pizza's Mission:

“... to make each and every occasion with us an enjoyable and memorable experience by offering the highest quality of fresh products and exemplary services, guaranteed!”



- In 2020, Pizza Pizza added new Keto pizzas, relaunched its cauliflower crust, and introduced plant based toppings to attract vegan consumers.
- Pizza Pizza also launched a ghost kitchen concept called Chicken Chicken for 3rd party delivery. By mid-2021, popcorn chicken and a new chicken sandwich was introduced.



- Pizza Pizza launched vegan & lactose free cheese, and keto, gluten-free, cauliflower and superfood crust options to meet the different flavour and dietary preferences of customers

DIVERSE MENU



In crust we trust.

Pizza Pizza offers more crust options than any other Pizza QSR.

...WITH FOCUS ON QUALITY...

Artisan Dough



- Hand tossed artisan dough made with 100% Canadian wheat and spring water, dusted with durum semolina before baking
- Customizable crust available, including regular, thin or thick crust as well as gluten-free, cauliflower, keto and superfood crust also available

Awesome Sauce



- 100% vine ripened tomatoes harvested at their peak
- Fresh packed within six hours to seal bold and vibrant flavours

Say Cheese



- Mozzarella cheese sourced locally wherever possible and made with 100% Canadian milk
- Dairy-free, vegan cheese is also available
- Other cheese options include: feta, parmesan or goat cheese

Eat Your Veggies!




- Over 15 different vegetable toppings available including plant-based toppings
- Gourmet toppings: artichokes, kalamata olives, sun-dried tomatoes and fire roasted red peppers, & others




Pizza Pizza is committed to sourcing the highest quality ingredients to make Canada's favourite pizzas

...AND VALUE

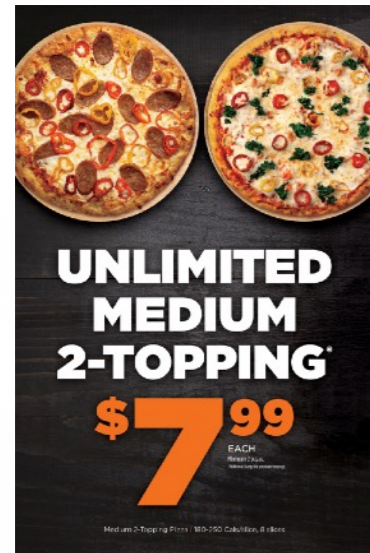
Select Pizza Pizza Value Offerings



LARGE PIZZA + 3 DRINKS
 Large 3 Topping* Pizza + 3 Drinks (355mL).
 *Additional charge for premium toppings. Upsize to XL for \$3.00.
\$13.99
 ORDER NOW



2 MEDIUM PIZZAS, DRINKS + DIPS
 2 Medium Pizzas + 4 Toppings* (combined) + 4 Drinks(355ml) + 2 Dips. Upsize to Large for \$6
 *Additional charge for premium toppings
\$19.99
 ORDER NOW



UNLIMITED MEDIUM 2-TOPPING
\$7.99 EACH
Medium 2-Topping Pizza | 180-280 Calories, 8 slices



2 FOR \$6
 CHEESE OR PEPPERONI SLICE
Cheese Slice | 110-120 Calories, 1 slice
 Pepperoni Slice | 170-180 Calories



1-TOPPING PICKUP SPECIAL
MEDIUM \$6.99
LARGE \$8.99
X-LARGE \$9.99
*Additional charge for premium toppings
 Medium 1-Topping Pizza | 180-220 Calories, 6 slices
 Large 1-Topping Pizza | 220-280 Calories, 10 slices
 X-Large 1-Topping Pizza | 280-360 Calories, 12 slices

Select Pizza 73 Value Offerings



PLENTY FOR \$20
 2 MEDIUM 2-TOPPER PIZZAS + 4 DRINKS (355mL)
UPSIZING TO LARGE FOR \$6
 ORDER NOW



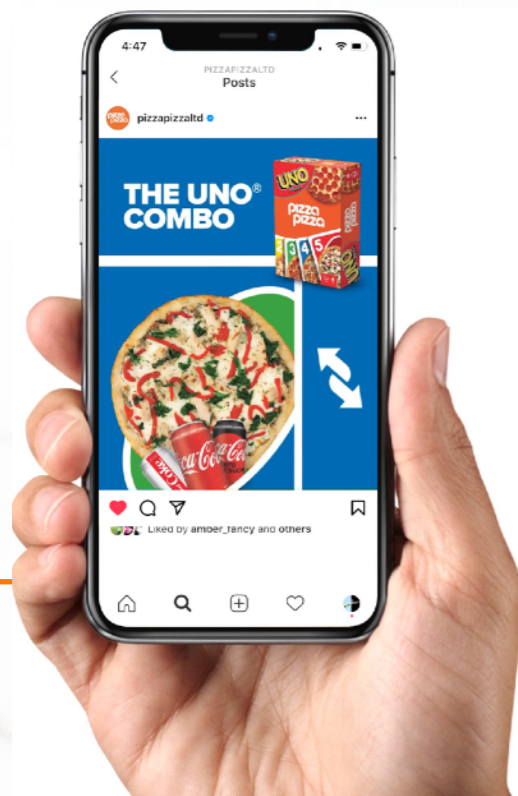
UNLIMITED* MEDIUM 2-TOPPER PIZZAS
\$9.73 EACH
*Unlimited does not apply to topping.
 ORDER NOW

Continuous promotion of high quality, value oriented offerings, and popular walk-in and delivery options drive customer traffic and keep brands top of mind

MARKETING TO A HUNGRY AUDIENCE

Annual marketing spend is \$30mm+ for both brands and is funded entirely by restaurants. Franchisees are required to contribute 6% of net sales for traditional Pizza Pizza locations and 8% of net sales for Pizza 73 restaurants to a marketing fund weekly.

Focusing on digital marketing, email and social media to drive awareness, online sales and app downloads.



Launching innovative products like Superfood Crust not only meets the ever-changing needs of our customers, but also positions Pizza Pizza as a market leader.

Delivering compelling offers that provide convenience and value to customers.

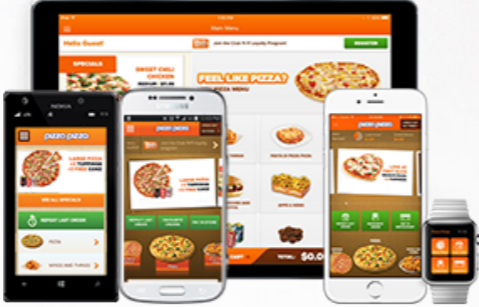




Leveraging our sponsorships with sports properties such as the Toronto Raptors allows us to connect with fans on a deeper level and build loyalty.



Fundraising initiatives like Slices for Smiles have raised over \$3.3 million for Children's Miracle Network.

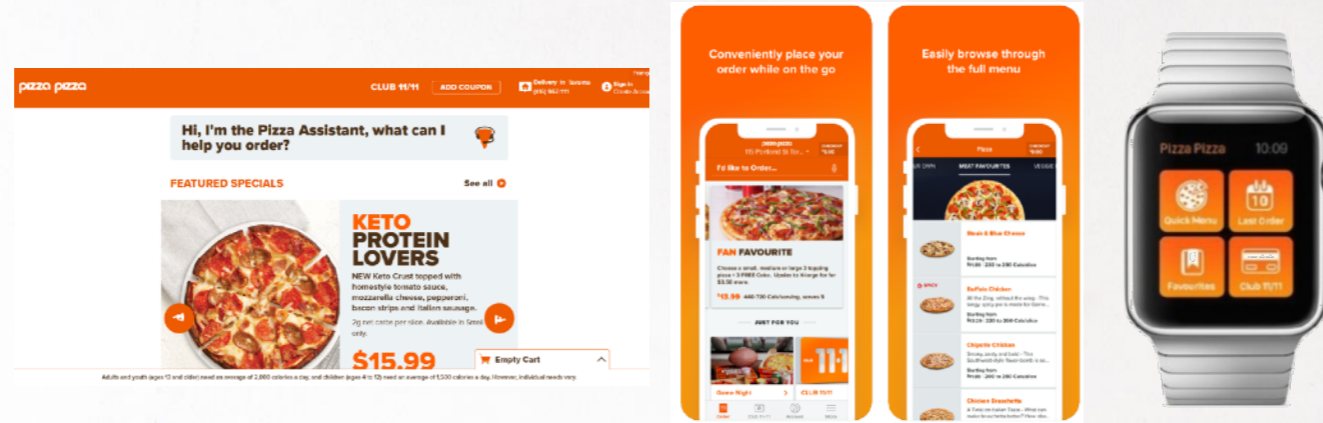
MULTI-CHANNEL ORDERING PLATFORM

	Channel Description	
<p>Digital (www.pizzapizza.ca) (www.pizza73.com)</p>		<ul style="list-style-type: none"> ▪ PPL offers many digital ordering platforms, including its Webby Award-winning iPhone app and mobile apps for iPad / Apple Watch, and Android Smartphones and websites ▪ In 2019, PPL transformed its full array of digital ordering websites and apps, which went live in Q4 2019 ▪ Digital orders comprise over 60% of total delivery and pick-up orders
<p>Call Centre</p>		<ul style="list-style-type: none"> ▪ Call centres employ VOIP (Voice Over IP) technologies for placing and transmitting calls over an IP network ▪ Centralized call centre and remote agents relay customer orders electronically to restaurant printers ▪ Customer service agents respond to customer inquiries ▪ Full implementation of Artificial Intelligence ("AI") at call centre is planned for 2021 to drive operational improvements
<p>In-Restaurant</p>		<ul style="list-style-type: none"> ▪ 622 Pizza Pizza and 104 Pizza 73 restaurants in convenient and accessible locations ▪ Supports order-ahead for pick-up or walk-in transactions ▪ Special walk-in promotions target value-conscious consumers and drive SSS

Multi-channel ordering platform provides multiple touchpoints for consumers and supports focus on convenience

CONTINUOUSLY LEVERAGING TECHNOLOGY & INNOVATION

Online, Mobile and Apple Watch Ordering



Data Analytics

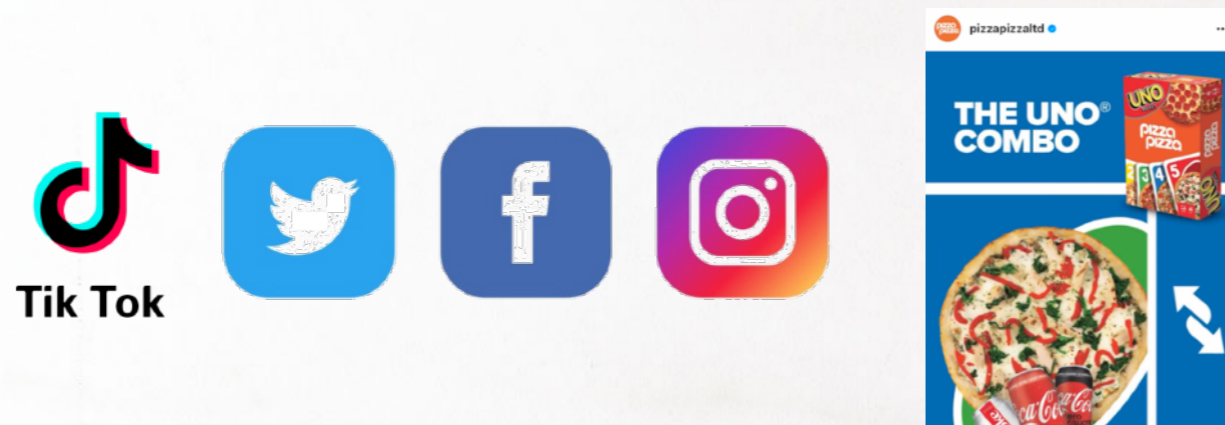


- Pizza Pizza continuously invests in technology, including online website and mobile apps
- Industry leading Apple Watch app with full ordering capabilities
- Technology enables Pizza Pizza to gather data from multiple channels in order to best serve its customers
- Social media presence reaches over 350,000 Canadians
- Digital ordering platforms have grown from ~4mm orders in 2015 to ~6mm orders in 2020
- Average cheque size for digital orders is \$25.10 compared to average walk-in cheque size of \$9.62

Third Party Delivery Partnerships

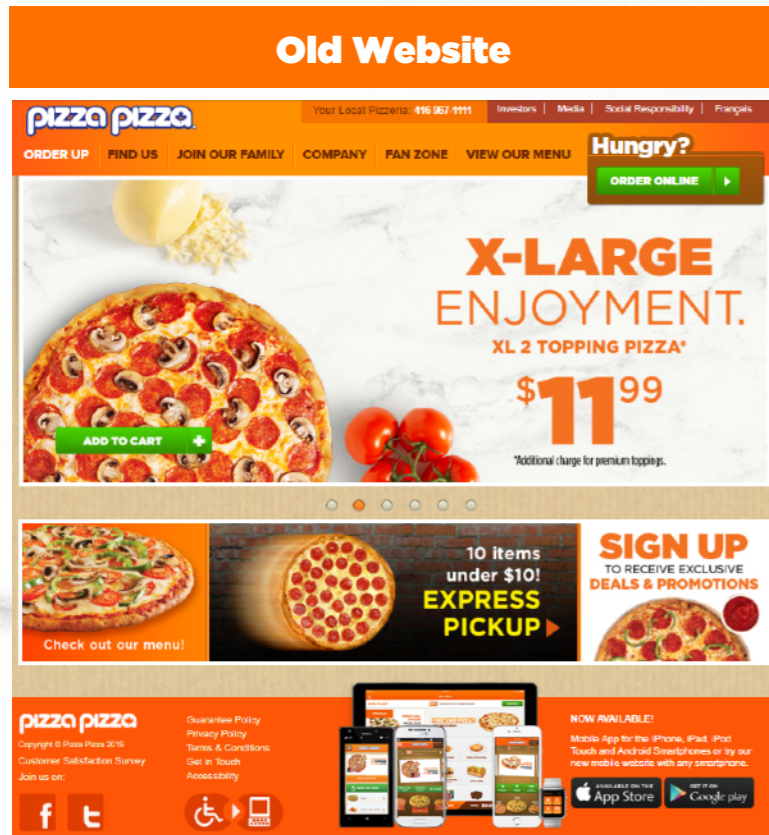


Social Media Presence



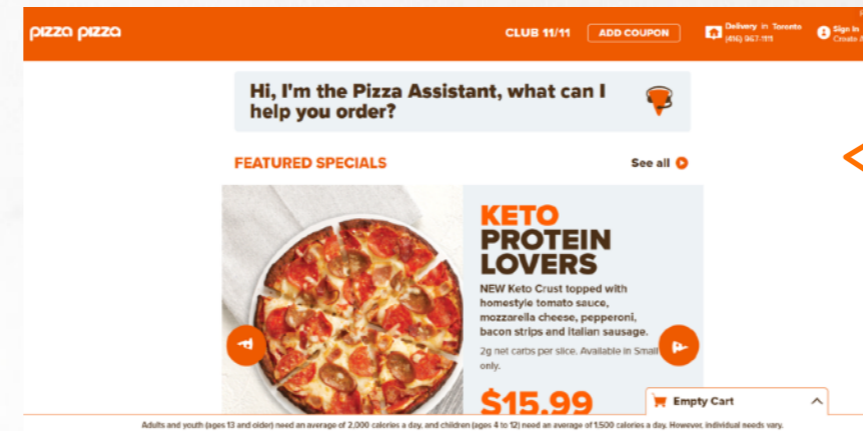
Leverages organic and third party technology to ensure brand is top of mind with consumers and focuses on enhancing customer engagement and experiences with the Pizza Pizza and Pizza 73 brands

WEBSITE & APPS FULL MODERNIZATION IN 2019

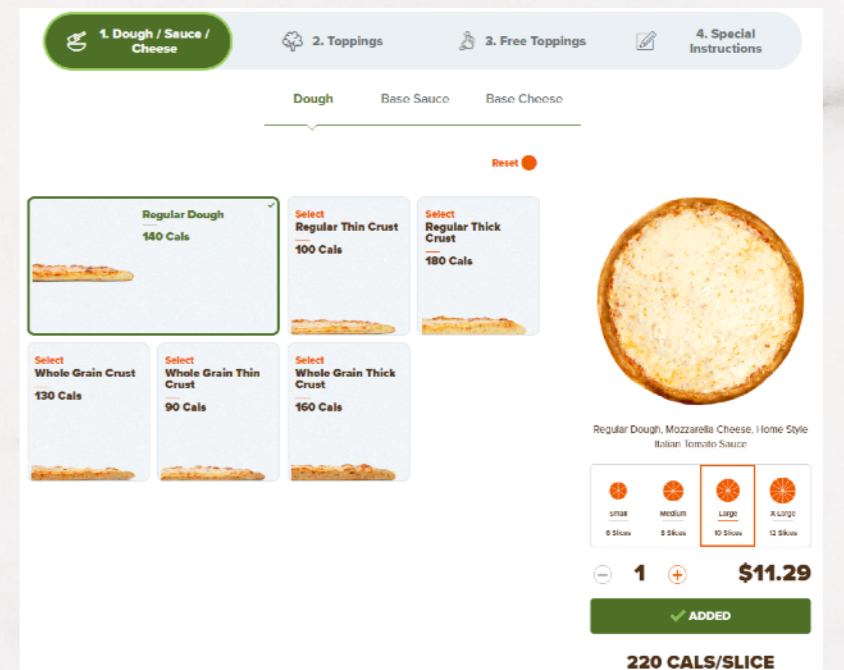
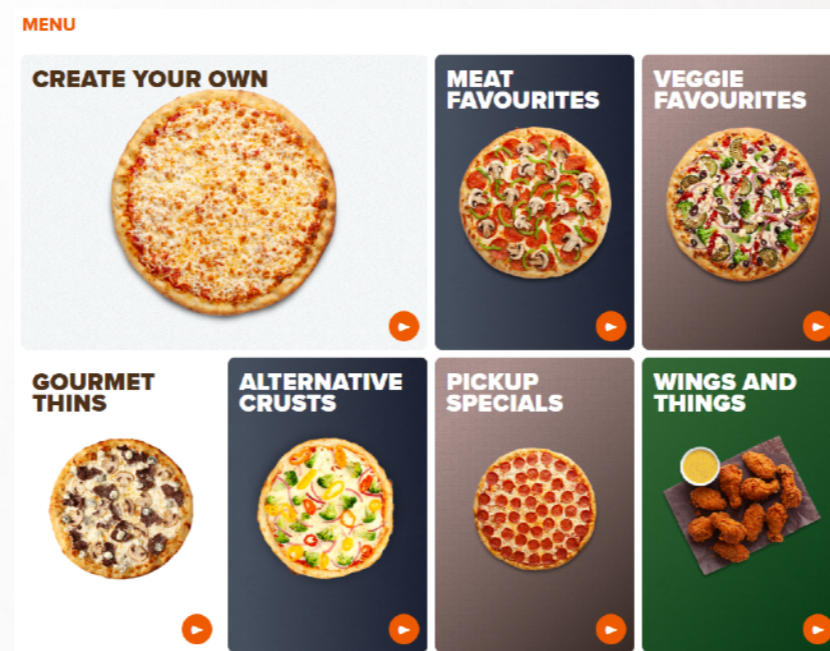


- New and improved website includes "cleaner" preview of the variety of menu options available from Pizza Pizza
- "Create Your Own" alternative provides user with unique experience to customize their pizza, while remaining informed of nutritional value of each selection made

New Website



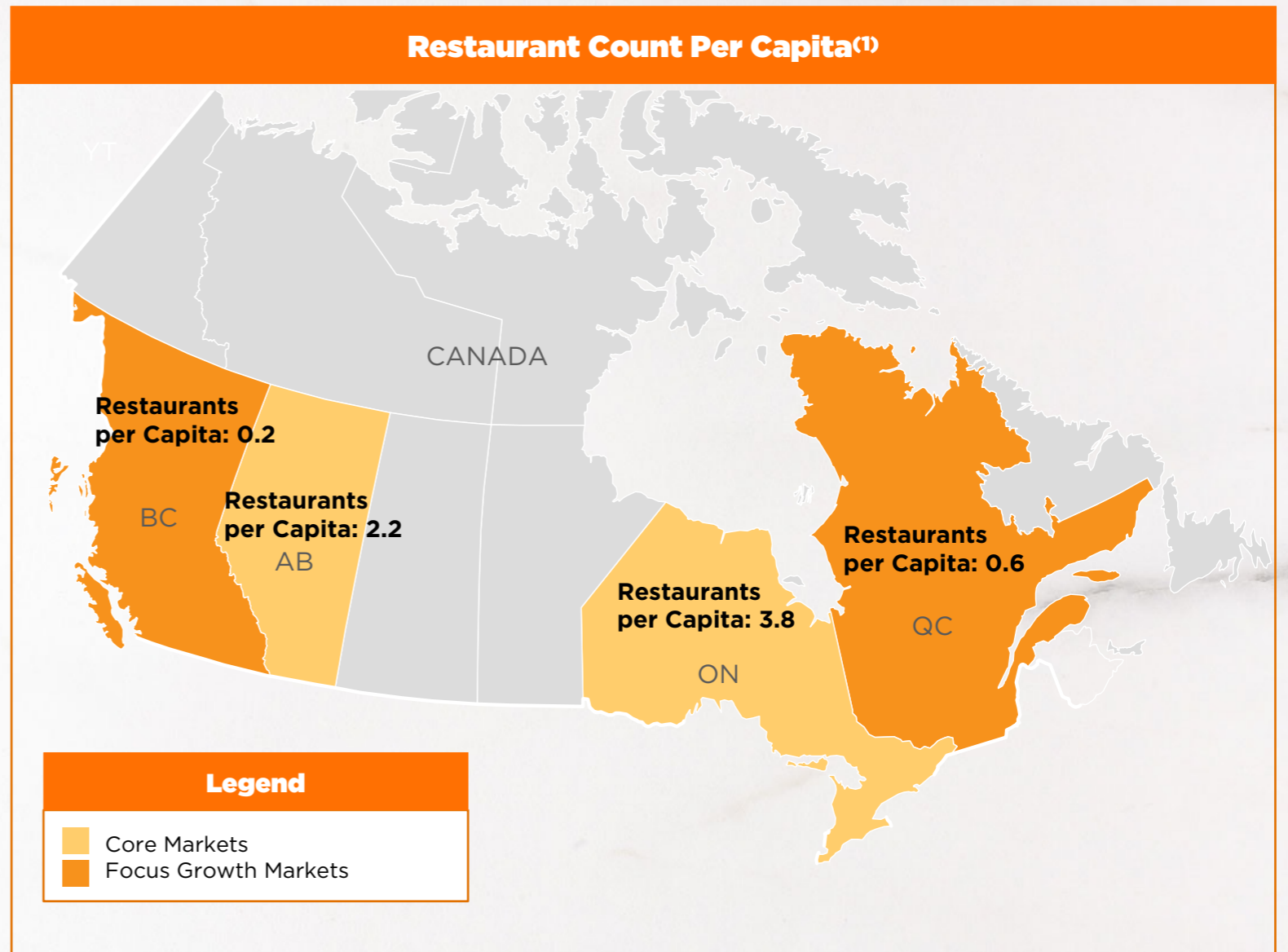
- Homepage has been updated to include the Pizza Assistant, designed to make ordering easier and provide a quick method for users to navigate the website and ask any questions



Website modernization has improved ease of ordering and provided users unique menu options and specials resulting in increase in average digital cheque

RESTAURANT GROWTH

- Pizza Pizza is actively looking to grow its restaurant network nationwide and maintain its market-leading position by leveraging the strength of Pizza Pizza and Pizza 73 brands established in key market strongholds in Ontario and Alberta
- Plan to open 5% new traditional restaurants in 2021
 - Pizza Pizza will add four new restaurants in its core market of Ontario and one new restaurant in Alberta
 - Through its differentiated product offering, Pizza Pizza restaurants in Alberta will aim to reach a different customer base than existing Pizza 73 restaurants
 - Pizza 73 plans to open four new Pizza 73 restaurants in its core market, Alberta
 - Further expand the Pizza Pizza banner across Canada with addition of five new restaurants in Quebec and seven new restaurants in British Columbia

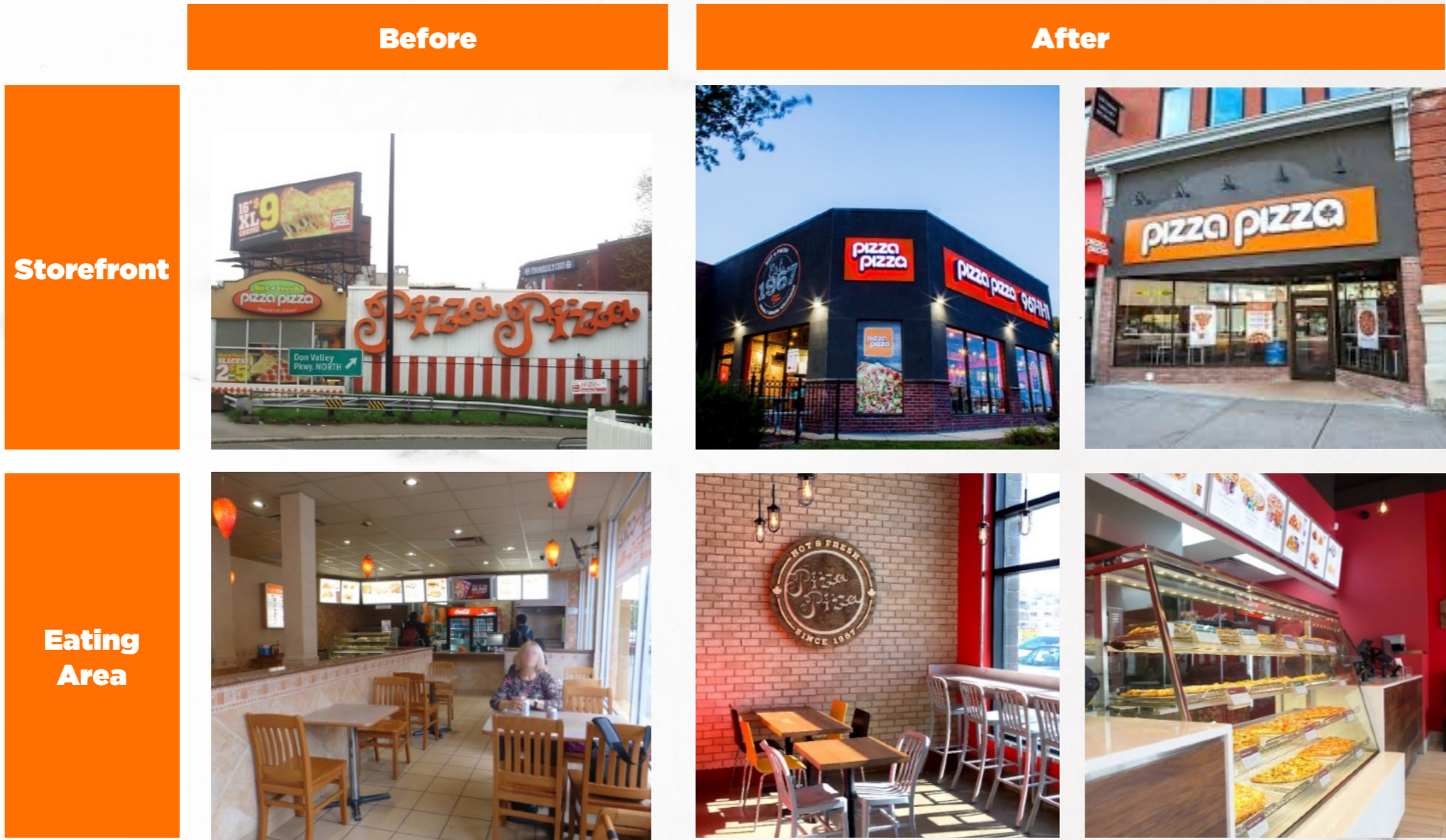


Target markets for future restaurant network growth, particularly in British Columbia and Quebec

(1) Restaurants per capita: Number of restaurants per 100,000 people.

RE-IMAGING

- Restaurant re-imaging program currently underway with over 70% of traditional Pizza Pizza locations renovated
 - Updated restaurants provide a more modern, welcoming ambience
- Operators are obligated to renovate their restaurants and contribute on an ongoing basis to a renovation savings fund



- Refreshing restaurant appearances every five to seven years works to maintain brand relevance
- Pizza Pizza launched restaurant reimagining program in 2017 and targets renovating 100 restaurants per year
- Restaurant operators pay weekly into a savings account to fund their future renovation

Pizza Pizza restaurant re-imaging keeps brand current and top of mind, driving SSS

IMPRESSIVE HISTORY OF AWARDS & RECOGNITION

Franchisees' Choice



Presented annually to the Canadian Franchise Association (CFA) member franchise systems for their solid rankings in franchisee satisfaction in key areas of the franchise business model, such as franchisee selection process, information package, leadership, business planning and marketing, training and support, ongoing operations, and the relationship between franchisor and franchisee

CFA Recognition



Honouring individuals and CFA member companies for outstanding achievements, philanthropic endeavors, and contributions to the Canadian franchise community, these awards showcase those committed to enhancing franchising in Canada by Growing Together™

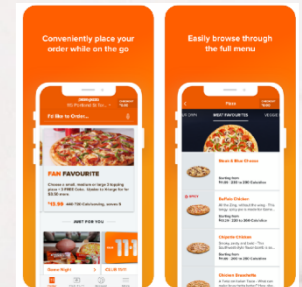
Pinnacle Awards



Pizza Pizza earns Company of the Year at the 25th Annual Pinnacle Award in 2013

Honours a diverse group of leaders for continued success and achievements, representing every facet of the industry, from upscale restaurants to quick service chains. Winners are distinguished for their contributions to the image of the industry through civic, educational and community involvement, as well as their efforts in establishing innovative concepts in foodservice or hotel management

Webby Awards



Presented by the International Academy of Digital Arts and Sciences – a 2000+ member judging body. The Webby Awards are one of the top ranking awards for the internet

Track record of achievements that recognize strength of franchisee relationships, industry and community contributions, and technological advancements

PROVIDING CENTRALIZED, HIGH SERVICE TO RESTAURANT OPERATORS



PPL provides turn-key solutions to support its Pizza Pizza and Pizza 73 restaurants across the network

EXPERIENCED MANAGEMENT TEAM



Paul Goddard,
Chief Executive Officer
Joined: 2009



Philip Goudreau,
Chief Operating Officer
Joined: 2011



Christine D'Sylva,
Chief Financial Officer
Joined: 2007



Curt Feltner,
Senior VP, Strategic
Analysis & Implementation
Joined: 1993



Chuck Farrell,
VP Franchising & People
Joined: 2017



Adrian Fuoco,
VP Marketing
Joined: 2019



Amar Narain,
VP Information
Technology
Joined: 2000



Paul Rice,
VP Operations
& Development
Joined: 2013

Senior management team has 100+ years of collective industry experience with diverse, complementary skill sets

OUTLOOK TO DRIVE SALES

- Positive momentum from recent initiatives, including analytics-based pricing strategies, a focus on its high quality offerings and a full relaunch of the company's website and apps, worked to drive SSS growth in the back half of 2019 and into 2020
- Healthy, on-trend product introductions (gourmet thins, keto and cauliflower crusts) are contributing additional sales to baseline growth
- Since inception, Pizza Pizza has committed significant financial resources to food and technology innovation premised on maintaining relevance with consumers, and enhancing both convenience and product offerings

SSS Growth Initiatives



Multi-pronged approach to drive sustainable SSS growth and increased brand equity



INVESTMENT SUMMARY

Pizza Pizza's been making great pizza since 1967. Along the way, it has grown to 749 restaurants from coast to coast, becoming a trusted brand and leader in the foodservice industry. Pizza Pizza is proud of the quality food it makes – and the difference it makes in communities across Canada.

ADVANTAGES OF PZA

- Royalty Structure
- High-yield Dividend Corp
- Sales Growth History
- Stable Quick Service Industry
- Exceptional Brand Recognition
- Strong Cash Position
- Future Growth Potential

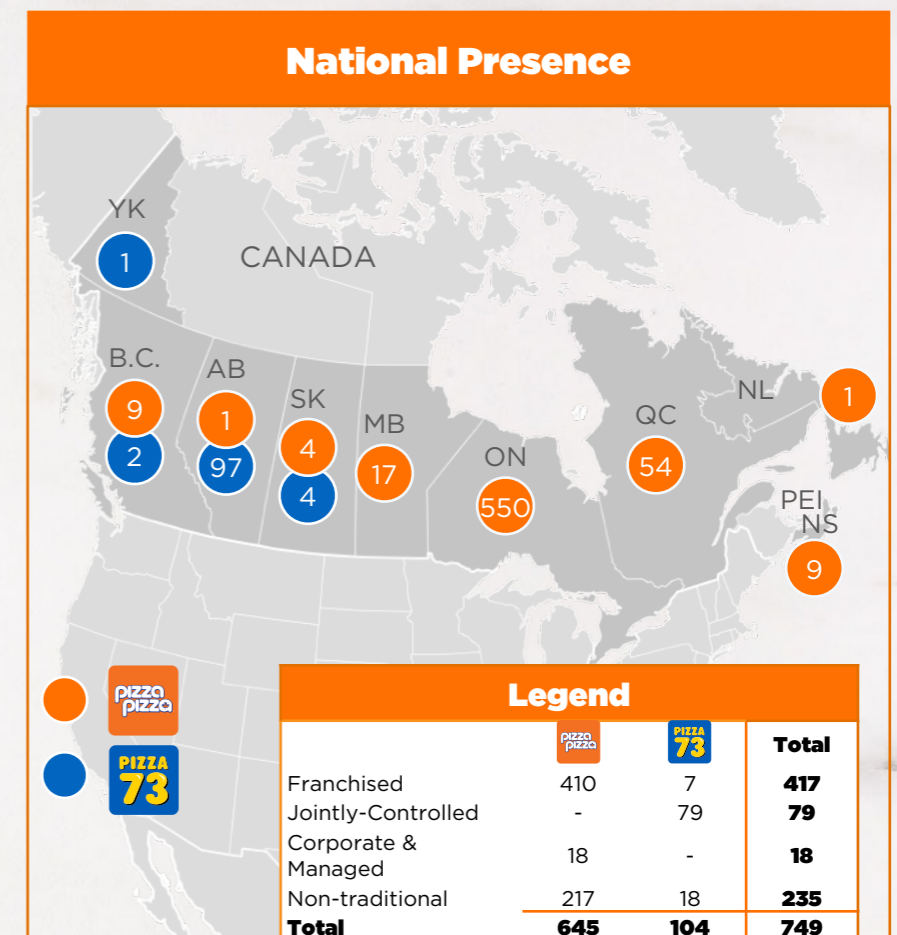




THANK YOU!

PPL SUMMARY

- Pizza Pizza opened its first restaurant in Ontario in 1967 and has since grown to become Canada's #1 pizza quick service restaurant ("QSR")
- Since the acquisition of Pizza 73 in 2007, Pizza Pizza has expanded its restaurant network to 749 locations across the country
- Pizza Pizza, operating primarily in Ontario and Quebec, and Pizza 73, operating primarily in Alberta, are market share leaders in their respective markets
- Strategic partnerships with well-recognized sports properties (e.g. Raptors, Leafs, Oilers, Flames) and high-profile public venues (e.g. Canadian National Exhibition, Canada's Wonderland) enhance Pizza Pizza's brand recognition and customer loyalty
- Pizza Pizza is well positioned to continue building its presence through both same store sales ("SSS") growth and network expansion in existing and new markets
- Pizza Pizza believes its leading market share, high-quality menu offerings, new product introductions, geographic diversification and major convenience advantage, plus its continued leadership in technological innovation, underpin long-term opportunities for sales growth



#1
Pizzeria in Canada

749
Locations

50+
Year History

\$554MM
2019 System Sales

31 million
Number of Orders in 2019

58%
2019 Digital Sales

Pizza Pizza is an iconic Canadian brand with a #1 market position and 50-year history of growth



CONCLUSION

CORPORATE HISTORY



- ### 2020+ Initiatives
- Baseline sales driving initiatives
 - Deliver extreme convenience to customers
 - Focus on product quality
 - Continuous product innovation
 - Maintain value for money
 - Leverage marketing powerhouse
 - Capitalize on digital spend through data analytics
 - Close underperforming restaurants
 - Reorganize business operations
 - Re-evaluate franchisee support
 - Improve profit at the restaurant level
 - Grow and renovate in existing markets
 - Continue expansion into new markets in Canada
 - Other future growth initiatives

Since its inception in 1967, Pizza Pizza has grown to be a market leader through innovation and reinvestment