

102142018001431



SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No. 0000077487
Company Name JOLLIBEE FOODS CORP.
Industry Classification Miscellaneous Business Activities
Company Type Stock Corporation

Document Information

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COVER SHEET

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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			

(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. Angeline L. Chong

Contact Person

(632) 634-1111 loc. 7817

Company Telephone Number

31-Dec

Month Day Year
Fiscal Year

Any Day in June

Month Day Year
Annual Meeting

17C Press Release JFC to Increase Ownership of Smashburger to 85%

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total no. of Stockholders

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Domestic

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Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

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JOLLIBEE FOODS CORPORATION

(Company's Full Name)

10/F Jollibee Plaza Building

10 F. Ortigas Jr. Avenue,

Ortigas Center, Pasig City

(Company's Address)

(632) 634-1111

Telephone Number

December 31

(Fiscal Year Ending)

Any day in the month of June

(Annual Meeting)

17C Press Release

JFC to Increase Ownership of Smashburger to 85%

(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 **February 13, 2018**
2. Commission identification number **77487**
3. BIR Tax Identification No. **000-388-771**
4. **JOLLIBEE FOODS CORPORATION**
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) 634-1111**
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
Common	<u>1,085,534,067</u>
Treasury Shares: Common	<u>16,447,340</u>

Note: *Total common outstanding shares of 1,085,534,067 is inclusive of 1,255,999 shares entrusted with Deutsche Regis Partners, Inc. with the following details:*

MSOP Shares:	
Beginning balance (per SEC Form 17-C dated February 9, 2018)	853,373
Shares applied for listing	<u>(54,084)</u>
Ending balance, as of February 13, 2018	799,289
ELTIP Shares:	
Beginning Balance (per SEC Form 17-C dated February 9, 2018)	456,710
Shares applied for listing	<u>-</u>
Ending balance, as of February 13, 2018	456,710
TOTAL	<u>1,255,999</u>

JFC Group of Companies

JFC to Increase Ownership of Smashburger to 85%

Metro Manila, Philippines, February 13, 2018 – *Jollibee Foods Corporation* (PSE: JFC)

Jollibee Foods Corporation (“JFC”), the largest Asian food service company, disclosed today that JFC, through its wholly-owned subsidiary Bee Good! Inc. (“BGI”), will purchase from Smashburger Master LLC (“Master”) an additional 45% of SJBFL LLC, the parent company of the entities comprising the Smashburger® business. This will increase BGI’s ownership in SJBFL LLC from current 40% to 85%. Master will retain the balance 15% ownership. The transaction, valued at USD 100 million is expected to be completed in one to two months, subject to government approvals in the United States and meeting certain closing conditions. JFC will pay Master through BGI in cash.

JFC Chairman, Mr. Tony Tan Caktiong gave the following statement: “With this acquisition of more shares, JFC will have a more significant business in the United States. The US will increase its contribution to our worldwide system wide sales from 5% to 15%. We will be able to participate in the very large mainstream American consumer market in addition to serving Filipino-Americans there. We believe that we will be able to profitably provide the mainstream American consumer with superior tasting products with excellent services at very good value for money as we have demonstrated in the Philippines, China, Vietnam, Singapore, Hong Kong, Brunei and the Middle East. The proportion of our foreign business to worldwide system wide sales will increase from present 20% to 30%. We will eventually achieve our goal of 50/50 revenue split between the Philippines and foreign businesses even as our Philippine business continues to expand strongly since our foreign business is growing even faster. It will only be a matter of time.”

The consolidation of Smashburger into JFC will increase its worldwide store network by 365 stores or +9.6% to 4,162. This will also expand JFC’s geographical presence from 16 countries to 21 adding Costa Rica, Egypt, El Salvador, United Kingdom (England and Scotland), and Panama.

JFC Chief Executive Officer, Mr. Ernesto Tanmantiong gave the following statement: “The consolidation of Smashburger into JFC will increase JFC’s store network in the US by 5-fold, from 83 to 417 and will expand its presence to 39 states in the US from current 10 states. It will also increase JFC’s store network in Canada, from 2 to 8. To ensure that we have the organization that can effectively manage this expanded business, Mr. Thomas C. Ryan, who is one of the founders of the Smashburger brand and who has been its Chief Executive Officer for the past 15 months will continue to be its CEO, together with his management team. He and his team have done an excellent job of strengthening the business over the past year. We are confident that this team will be able to make the business even stronger and more profitable. We will introduce at Smashburger the JFC Business Systems that have proven to work successfully in its brands in several countries. JFC will also benefit in learning from Smashburger’s marketing and in-store digital technology. Mr. Jose Maria A. Miñana, Jr., JFC’s Country Head for North America business, will continue to have overall responsibility over JFC’s entire North America Business which will consist of four



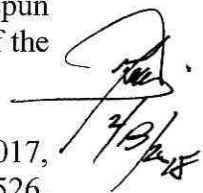
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brands: Jollibee, Chowking, and Red Ribbon serving mainly Filipino-American consumers and Smashburger serving the mainstream American consumer.”

Based on the financial data of the past six months annualized, Smashburger has annual system wide sales of USD 333 million and net revenues of USD 200 million. It has positive and improving EBITDA.

One of JFC’s priorities will be to change Smashburger’s debt structure, to significantly reduce its financing cost and enable the business to make more investments for long term growth. It will focus on significantly growing sales per store and increasing profit which JFC has been able to achieve in practically all its acquired businesses in the Philippines and abroad.

Smashburger with headquarters in Denver, Colorado is a leading Fast Casual “better burger” restaurant known for its 100% Fresh, Never Frozen Ground Beef burgers that are smashed on the grill to sear in the juices, creating an upscale quality burger packed with flavor and served at a great value. In addition to premium beef and turkey burgers, Smashburger offers grilled or crispy chicken sandwiches, black bean burgers, fresh salads, signature side items and hand-spun Haagen-Dazs® shakes. The chain is recognized in various surveys and publications as one of the best tasting burgers in the US.



JFC operates the largest food service network in the Philippines. As at December 31, 2017, it was operating 2,875 restaurant outlets in the country: Jollibee brand 1,062, Chowking 526, Greenwich 272, Red Ribbon 427, Mang Inasal 495 and Burger King 93. Abroad, it was operating 922 stores: Yonghe King (China) 309, Hong Zhuang Yuan (China) 43, Dunkin’ Donuts (China) 15, Jollibee 198 (US 37, Vietnam 98, Brunei 15, Saudi Arabia 12, UAE 9, Qatar 6, Singapore 5, Kuwait 4, Hong Kong 8, Bahrain 1, Canada 2 and Oman 1), Red Ribbon in the US 31, Chowking 45 (US 15, UAE 20, Qatar 3, Oman 3, Kuwait 3, and Saudi Arabia 1), Highlands Coffee 244 (Vietnam 212, Philippines 32), Pho 24 29 (Vietnam 12, Indonesia 15, Korea 1, and Australia 1), Hard Rock Cafe 8 (Vietnam 2, Hong Kong 3, Macau 3). The JFC Group’s worldwide store network reached 3,797 stores.

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.

JOLLIBEE FOODS CORPORATION

Registrant



YSMAEL V. BAYSA
Chief Financial Officer &
Corporate Information Officer