



**TELEPIZZA GROUP, S.A.**

**ORDINARY GENERAL SHAREHOLDERS MEETING 2018**

The Ordinary General Shareholders Meeting of TELEPIZZA GROUP, S.A., held on 28 June 2018 in the registered address (calle Isla Graciosa 7, San Sebastián de los Reyes) was validly celebrated with the attendance of eleven (11) shareholders owning 1,167,072 shares, representing 1.159% of the share capital, and the proxy of ninety eight (98) shareholders owning 68,717,040 shares, representing 68.225% of the share capital.

Therefore, the share capital attending the General Meeting both in-person or by proxy amounted to 17,471,028 euros, represented by 109 shareholders owning 69,884,112 shares, which equals to 69,384% of the share capital.

All the resolutions included in the agenda for the General Meeting have been adopted, in the following terms:



***1.-Examination and approval, if applicable, of the Annual and the Management Report for the Company and its Consolidated Group, as well as the management of the Company by the Board of Directors, all referring to the financial year closed on December 31st, 2017.***

The Ordinary General Shareholders Meeting has approved the annual accounts and directors' report of TELEPIZZA GROUP, S.A. (the "**Company**"), as well as the management of the Company by the Board of Directors, relating to the period ending on 31 December 2017, as well as the annual accounts and directors' report, individual and consolidated of the Group Telepizza relating to the same period, which have the following result:

- a) Individual: a benefit 10,143,245 euros.
- b) Consolidated: a benefit of 31,843,725 euros.

The Ordinary General Shareholders Meeting has authorized the President of the Board of Directors, Mr. Pablo Juantegui Azpilicueta, and the Secretary of the Board of Directors, Mr. Javier Gaspar Pardo de Andrade, indistinctly and with powers to subdelegate, to deposit the annual accounts, directors' reports and audit reports, both individual and consolidated, relating to the Company and to its Group, as well as to issue the corresponding certificates, in accordance with articles 279 of the Law on Corporations and 366 of the Mercantile Registry Regulations.

***2.- Examination and approval, if applicable, of the application of the result for the 2017 financial year.***

The Ordinary General Shareholders Meeting has approved the proposal of application of the result of TELEPIZZA GROUP, S.A., individual, relating to the period 2017 in the amount of 10,143,245 euros, to be distributed in the following terms:

- a) The amount of 3,773,500 euros shall be allocated to voluntary reserves.
- b) The amount of 6,369,745 euros shall be allocated to the distribution of dividends charged to profit for the financial year 2017

The dividend charged to profit for the financial year 2017, for 0,063 euros per share, will be paid out to the shareholders from 9 July 2018. The dividend will be paid via the entities participating in the clearing house Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR). The tax withholding required by applicable legislation for the gross amount paid will be made, as the case may be.

***3.-Re-election of the Auditor for the accounts of the Company and its Consolidated Group for the 2018 financial year.***

Following the recommendation and preference made by the Audit and Compliance Committee to the Board of Directors, the Ordinary General Shareholders Meeting has appointed as Auditors of the annual accounts of TELEPIZZA GROUP, S.A. and of the Consolidated Group for the period 2018 the Company KPMG Auditores, S.L., with



domicile in Madrid, Paseo de la Castellana 259C and NIF B-78510153, number S0702 of the Official Registry of Auditors of Accounts in Spain, and registered in the Business Registry of Madrid, volumen 11,961, page 90, section 8, sheet M-188,007.

***4.-Ratification of the interim appointment of Mr. Mark Alistair Porterfield Brown as proprietary Director, and re-election for the statutory period.***

The Ordinary General Shareholders Meeting has ratified the interim appointment of Mr. Mark Alistair Porterfield Brown as Director, by resolution of the Board of Directors at its meeting held on June 22th 2017, and appoint him as proprietary Director for the statutory period of four years, upon a prior report of the Board of Directors, based in the appointment proposal by the Appointments and Remunerations Committee.

***5.-Examination and approval, if applicable, of the strategic alliance and multijurisdictional master franchise agreement between Pizza Hut International, LLC and Telepizza Group.***

The Ordinary General Shareholders Meeting has approved a strategic alliance and multijurisdictional master franchise agreement between the Company and Pizza Hut International, LLC, as well as the granting to the latter, by the subsidiary to be incorporated by the Company, of a call option over the bare ownership on all of the Telepizza distinctive signs, under the terms and conditions that are described in the Board of Director's report approved on 24 May 2018.

In the context of the above, it is agreed to delegate on the board of directors, with express faculties of substitution, the authority to carry out as many actions as are necessary or merely convenient for the conclusion of the transaction and perform as many acts as are necessary, recommended, required or convenient for its most complete execution, including, by way of clarification but not limited to, negotiating and signing any agreements necessary to implement the transaction, signing and submitting to any public authorities, including the European Commission, the Spanish Commission on Markets and Competition (in its acronym in Spanish, CNMC) and the Spanish Securities Market Commission (in its acronym in Spanish, CNMV), all documents deemed necessary within the framework of the transaction, or the granting of the public documents that are required.

***6.- Directors' remuneration***

***6.1.- Examination and approval, if applicable, of the maximum amount for the annual remuneration of the Company's directors acting as such.***

The Ordinary General Shareholders Meeting has set in 520,000 euros the maximum amount of the annual remuneration of all the Directors in their capacity as such, in accordance with the provisions of article 217.3 of the Companies Act. This amount will be applicable for the financial year 2018 and the subsequent financial years, and will



remain in force as long as the Shareholders General Meeting does not agree to its modification.

***6.2.- Examination and approval, if applicable, of the new Remuneration Policy for the Company's directors for the financial years 2018, 2019 and 2020.***

The Ordinary General Shareholders Meeting has approved the Company's Directors Remuneration Policy applicable for financial years 2018, 2019 and 2020, whose full text, together with the mandatory report by the Appointments and Remuneration Committee, are included within the report by the Board of Directors made available to the shareholders as part of the documentation relating to the Annual Shareholders Meeting from the date of publication of the notice of call.

***7.-Examination and approval, if applicable, of the inclusion of the Company's CEO in a Long Term Incentive Plan for the period including financial years 2018 to 2021, as approved by the Board of Directors on its meeting held on 24 May 2018.***

The Ordinary General Shareholders Meeting has approved the participation of the Chief Executive Officer of the Company in a Long-Term Incentive Plan for the period running between fiscal years 2018 and 2021 (the "**Plan**") approved by the Board of Directors in the session of 24 May 2018, which includes the delivery of ordinary shares in the Company ("**Shares**") linked to the achievement of an objective of increasing the value of the Company's share, addressed to the Company's Management Committee and certain executives and employees ("**Beneficiaries**"), with the following basic characteristics:

1. The Plan is divided into two (2) independent cycles ("**Cycles**"), each with a measurement period ("**Measurement Period**") of three (3) years:
  - Cycle 2018: from January 1, 2018 to December 31, 2020 ("**First Cycle**").
  - Cycle 2019: from January 1, 2019 to December 31, 2021 ("**Second Cycle**").
2. The Chief Executive Officer's inclusion in the Plan will commence on occasion of the approval of his participation by the Shareholders' Meeting, and will end on the date of delivery of the Shares in accordance with what is stated in the section 5 below.
3. In each Cycle, a reference amount shall be assigned to each Beneficiary, determined based on his/her compensation, which shall serve as a basis for awarding a certain number of "theoretical shares" ("**Restricted Stock Units**" or "**RSUs**"), which shall be used as a reference for determining the final number of Shares to be delivered to each Beneficiary.

The initial reference value ("**Initial Reference Value**" or "**IRV**") for determining the RSUs to be assigned at the beginning of each Cycle shall be calculated as the average closing price of the Telepizza share on the first thirty (30) trading sessions of the first fiscal year of each Cycle, that is, 2018 for the First Cycle and 2019 for the Second Cycle. For the First Cycle of the Plan, the IRV is 4.96 euros per share.

The final reference value ("**Final Reference Value**" or "**FRV**") for determining whether the objective of increasing the value of the Shares has been met shall be



calculated as the average closing price of the Telepizza share in relation to the month of December 2020, for the First Cycle, and 2021 for the Second Cycle.

The scale for determining the Shares to be delivered shall be the following (any degree of achievement of the objective falling between the intermediate ranges indicated will be calculated through linear interpolation):

First Cycle of the Plan:

<b>First Cycle</b>		
<b>FRV</b>	<b>Degree of achievement of the objective</b>	<b>Percentage of conversion of RSUs</b>
<6.60 euros	<85.16%	0%
6.60 euros	85.16%	30%
6.98 euros	90%	50%
<b>7.75 euros</b>	<b>100%</b>	<b>100%</b>
≥9.69 euros	125%	125%

The initial tranche of the previous scale (6.60 euros) is calculated by applying an increase of a 20% to the average closing price of the Company's share in the last thirty (30) sessions prior to the date of the Board's meeting that summons the General Shareholders Meeting in which the participation of the Chief Executive Officer in this incentive plan is approved.

Second Cycle of the Plan:

<b>Second Cycle</b>		
<b>FRV</b>	<b>Degree of achievement of the objective</b>	<b>Percentage of conversion of RSUs</b>
<8 euros	<80%	0%
8 euros	80%	30%
9 euros	90%	50%
<b>10 euros</b>	<b>100%</b>	<b>100%</b>
≥12.50 euros	125%	125%

4. The maximum number of Shares that may be delivered to the Chief Executive Officer for each of the Plan Cycles is 472,530 Shares, which represents a total of 0.94% of the current capital stock of Telepizza.
5. The Shares shall be delivered, as the case may be, on the date to be determined by the Company's Board of Directors at the end of the Measurement Period of each Cycle ("Delivery Date") and in any case by no later than June 30, 2021 for the First Cycle and June 30, 2022 for the Second Cycle.
6. In order to receive the Shares, besides achieving the objectives relating to the listing price of the share established in the section 3 above, the Beneficiary must maintain



his/her contractual relationship with Telepizza on the Delivery Date of each Cycle, save for certain cases of termination of his/her relationship (“**Good Leaver**”) established by the Company’s Appointments and Compensation Committee.

7. The Shares that are delivered, net of the corresponding payment on account of the Personal Income Tax, must be maintained by the Chief Executive Officer for a period of two (2) years after delivery.
8. This Plan may be covered with shares deriving from the treasury stock, newly issued shares, or with an appropriate financial instrument contracted by the Company.

The Ordinary General Shareholders Meeting has authorized, with a view to the implementation, development, formalization and execution of the Plan, the Board of Directors so that, with express power of delegation in favor of any of its members, the board committees, or any other person that the Board expressly empowers for the purpose, it may adopt as many resolutions and sign as many public or private documents as may be necessary or advisable for their fullest implementation, including the power of correction, rectification, modification or supplementation of this resolution and, in particular, and merely for illustration purposes, the power to:

- Develop and establish the specific conditions for the delivery of Shares in the Company, with respect to any aspect not provided for in the resolution brought before the Shareholders’ Meeting for approval, establishing, among other circumstances and merely for illustration purposes, the corporate scope of application of the Plan, the requirements to be met to receive the Shares, the Share delivery procedure, the cases that give rise to the early settlement of the Plan, and the set of rules which shall govern it.
- Draft, sign and file all such communications, documents, both public and private, and supplementary documentation as may be necessary or advisable, with any public or private organization, in order to implement, execute or settle the Plan, including, if necessary, the relevant prior communications and prospectuses.
- Carry out any procedure, declaration or formality before any organization or entity, or public or private registry, whether national or foreign, to obtain the permits or verifications necessary to implement, execute or settle the Plan and deliver the Shares in the Company.
- Negotiate, agree and execute all kinds of contracts with financial institutions or other types of entities which the Board of Directors of the Company freely chooses, on the terms and conditions which s/he deems appropriate, whether necessary or advisable for the most effective implementation, execution or settlement of the Plan, including, when necessary or advisable due to the legal regime applicable to some Beneficiaries or to certain entities of the Telepizza group, or if necessary or advisable for legal, statutory or operating reasons or other similar ones, the establishment of any legal concept or the execution of agreements with any kind of entities for the deposit, safekeeping, holding and/or management of the Shares, and/or their subsequent delivery to the Beneficiaries in the context of the Plan.

- Draft and publish as many announcements as may be necessary or advisable in the context of the Plan.
- Draft, sign, execute and, as the case may be, certify any kind of document relating to the Plan.
- Adapt the contents of the Plan to the circumstances and transactions of the Company that may arise during the validity thereof, on the terms and conditions deemed necessary or advisable at any given time to maintain the aim of the Plan, including the relevant adjustments in the scales of achievement established for the delivery of the Shares as a consequence of changes in the par value of the Shares, changes in the capital structure of the Company, or other corporate transactions that so advise in the opinion of the Board of Directors.
- And, in general, perform as many steps, make as many decisions and execute as many documents as may be necessary or merely advisable for the validity, effectiveness, implementation, development, execution, settlement and successful outcome of the Plan and of the resolutions adopted previously.

***8.-Consultative vote on the Annual Report on Remuneration for the Directors corresponding to the 2017 financial year.***

The Ordinary General Shareholders Meeting has approved, on a consultive basis, the Annual Report on Remunerations of the members of the Board of Directors of TELEPIZZA GROUP, S.A., whose text has been made available to the shareholders together with the rest of documents related to the Annual General Meeting from the calling date.

***9.-Delegation of powers in favour of the Board of Directors for the interpretation, application, execution, formalization, development and, where necessary, remediation of the foregoing resolutions, as well as for the notarization of all of the above where required.***

The Ordinary General Shareholders Meeting has approved the delegation of powers in favor of the Board of Directors for the interpretation, application, execution, formalization, development and, where necessary, remediation of the foregoing resolutions, as well as for the notarization of all of the above where required.