

AmRest takes over Pizza Hut business in Germany



Wroclaw, Poland, March 27th, 2017, AmRest Holdings SE („AmRest”, “the Company”) (WSE: EAT), the largest publicly listed restaurant operator in Central Europe, announces signing on March 27th, 2017 the Binding Head of Terms (the “HoT”) with Yum Restaurants International Holding, Ltd (“Yum”) and Pizza Hut Delivery Germany GmbH (“PH Delivery”) aimed at becoming Pizza Hut master franchisee for Germany and acquisition of two Pizza Hut delivery stores in Dusseldorf.

The HoT determines the key terms and conditions on, and subject to which AmRest would become the master-franchisee for 74 restaurants currently operated by multiple sub-franchisees in the German market. The Company, as a master-franchisee, would have the right to granting the license to the third parties to operate Pizza Hut restaurants, while ensuring a certain share of restaurants operated directly by itself. Additionally, AmRest would acquire 2 Pizza Hut equity restaurants (“Equity Business”) from PH Delivery. The purchase price for the Equity Business is subject to the results of a due diligence to be carried out by AmRest.

Intention of the HoT parties is to finalize the transaction within next couple of months, which is a subject to conclusion of the agreements required for the acquisition of the Equity Business from PH Delivery (“Purchase Agreements”) as well as certain agreements with Yum: the Master Franchise Agreement (“MFA”) and International Franchise Agreement for each of the equity units. If the Purchase Agreements and the MFA are not signed by May 30th, 2017 the HoT shall terminate immediately, unless otherwise agreed in writing by both parties.

Management Board sees huge room for growth in Germany and is enthusiastic about another transaction aimed at strengthening AmRest presence in that potential market. The Company entered that country in 2012 with opening of La Tagliatella restaurants. The expansion in Germany was continued through acquisition of 144 Starbucks stores in mid-2016 and the takeover of 15 KFC equity units that was finalized just couple weeks ago.

“We are very happy about this great opportunity of creating and building the future of Pizza Hut brand in Germany. This is another step in establishing our presence in Western Europe as well as a milestone in executing our strategy of building nr.1 Pizza Brand in Europe. We are delighted to welcome so many sub-franchisees and Pizza Hut teams in our AmRest family”
- said Monika Czyż, Pizza Hut Delivery&Express President at AmRest.

The transaction perfectly embodies AmRest’s plans of accelerated growth of the Pizza Hut brand, recently realized by signing the master franchise agreement for Central and Eastern



Europe and the acquisition of Pizza Hut Delivery business in France. The development plans for Germany will be focused mainly on Pizza Hut Delivery and Express concepts.

The Management Board believes that the dynamic development of Pizza Hut brand in Europe combined with the Company's vast operational experience and unique Core Values will contribute to the value creation for the Company's shareholders.

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