



For Immediate Release

Toronto Stock Exchange: BPF.UN

BOSTON PIZZA ROYALTIES INCOME FUND ANNOUNCES 2021 SECOND QUARTER RESULTS

COVID-19's continued impact on Boston Pizza resulted in Same Restaurant Sales of positive 27.1% for the Period and negative 41.0% if compared to the second quarter of 2019.

HIGHLIGHTS

- By the end of the Period, approximately 380 Boston Pizza restaurants were providing on-premises dining services with reduced seating capacity, of which approximately 265 restaurants had their dining rooms and sports bars open (and, where applicable, patios) and approximately 115 restaurants only had their patios open due to governmental restrictions.
- System-Wide Gross Sales¹ of \$162.9 million for the Period and \$319.7 million YTD, representing an increase of 25.5% and a decrease of 9.9%, respectively, versus the same periods one year ago.
- Franchise Sales² from royalty pool restaurants of \$134.8 million for the Period and \$263.8 million YTD, representing an increase of 25.8% and a decrease of 6.2%, respectively, versus the same periods one year ago.
- Same Restaurant Sales³ of positive 27.1% for the Period and negative 8.6% YTD. As COVID-19 began to adversely affect sales in Boston Pizza restaurants in March of 2020, the Fund believes that it is also useful to calculate and report SRS comparing 2021 gross sales to 2019 gross sales. If SRS were calculated comparing gross sales in the Period and YTD to gross sales in the same periods in 2019, SRS would be negative 41.0% and negative 40.7%, respectively.
- SRS on a Franchise Sales basis of positive 27.0% for the Period and negative 5.1% YTD. If SRS were calculated comparing Franchise Sales in the Period and YTD to Franchise Sales in the same periods in 2019, SRS would be negative 37.0% and negative 36.9%, respectively.
- Distributable Cash⁴ per Unit increased 279.8% for the Period and increased 41.1% YTD.
- Payout Ratio⁵ of 104.3% for the Period and 165.1% YTD, and 91.2% on a trailing 12-month basis. Cash balance at the end of the Period was \$1.6 million.
- On August 12, 2021, the trustees of the Fund declared the July 2021 distribution to unitholders of the Fund ("**Unitholders**") of \$0.065 per Unit.

VANCOUVER, BC, August 13, 2021 – Boston Pizza Royalties Income Fund (the "**Fund**") and Boston Pizza International Inc. ("**BPI**") reported financial results today for the second quarter period from April 1, 2021 to June 30, 2021 (the "**Period**") and January 1, 2021 to June 30, 2021 ("**YTD**"). A copy of this press release, the condensed consolidated interim financial statements and related management's discussion and analysis ("**MD&A**") of the Fund and BPI are available at www.sedar.com and www.bpincomefund.com. The Fund will host a conference call to discuss the results on August 13, 2021 at 8:30 am Pacific Time (11:30 am Eastern Time). The call can be accessed by dialling 1-800-319-4610 or 604-638-5340. A replay will be available until September 13, 2021 by dialling 1-800-319-6413 or 604-638-9010 and entering the access code: 7082 followed by the # sign. The replay will also be available at www.bpincomefund.com.

"Boston Pizza restaurants across the country continue to benefit from the easing of regional operating restrictions due to improved COVID-19 conditions," said Jordan Holm, President of BPI. "By the end of the Period, as permitted by local governments, all restaurants in operation had re-opened their dining rooms, sports bars and/or patios. Due to the recent easing of government COVID-19 restrictions, we are optimistic that Same Restaurant Sales levels for the balance of 2021 will be favourable compared to the first half of 2021. However, there is reason for caution as we anticipate that COVID-19 will continue to have a negative and volatile impact on the business of Boston Pizza restaurants during the remainder of the year. Our immediate focus continues to be the safety of our guests and staff in restaurants, serving our communities with take-out, delivery and on-premise dining, and helping our franchisees manage effectively as provinces continue to reopen."

ONGOING EFFECTS OF COVID-19

COVID-19 had significant adverse effects on the business of the Fund, BPI and Boston Pizza Canada Limited Partnership (“**BP Canada LP**”) during the Period and YTD. Various governmental authorities across Canada had imposed assorted restrictions on the operations of restaurants in an attempt to control the spread of COVID-19. The restrictions ranged from reductions in operating hours, reductions in permitted hours to serve alcohol, closures of indoor dining rooms and closures of patio dining depending upon the particular regions and times within the Period and YTD. During April and May 2021, approximately 375 Boston Pizza restaurants were providing take-out and delivery services, with a low of approximately 90 Boston Pizza restaurants, and a high of approximately 210 Boston Pizza restaurants, also having their dining rooms and sports bars and/or patios open with reduced seating capacity. In June 2021, various governmental authorities across Canada began easing restrictions previously imposed on the operations of restaurants as COVID-19 case counts declined. By the end of the Period, approximately 380 Boston Pizza restaurants were providing on-premises dining services with reduced seating capacity, of which approximately 265 restaurants had their dining rooms and sports bars open (and, where applicable, patios) and approximately 115 restaurants only had their patios open due to governmental restrictions. The restrictions adversely affected SRS and Franchise Sales at Boston Pizza restaurants, and the resulting Royalty, Distribution Income and Distributable Cash available for distribution to Unitholders for the Period and YTD. However, the easing of these restrictions at the end of the Period allowed Boston Pizza restaurants to increase their sales in June 2021. For a detailed discussion on the Fund’s SRS, Franchise Sales, Royalty, Distribution Income and Distributable Cash, please see the “Operating Results” section in the Fund’s MD&A for the Period and YTD.

Since the end of the Period, various governmental authorities across Canada further eased restrictions previously imposed on the operations of restaurants. However, COVID-19 continues to impact the business of the Fund, BPI and BP Canada LP, and the operation of Boston Pizza restaurants. Franchise Sales, and the resulting Royalty and Distribution Income, for July 2021 were approximately 122% of the level they were in July 2020 and approximately 99% of the level they were in July 2019. SRS for July 2021 was approximately positive 22% when compared to the same period in 2020 and approximately 0% when compared to the same period in 2019.

PERIOD RESULTS

SRS, a key driver of distribution growth for Unitholders, was positive 27.1% for the Period and negative 8.6% YTD compared to negative 53.5% and negative 35.0%, respectively, versus the same periods one year ago. If SRS were calculated comparing gross sales in the Period and YTD to gross sales for the same periods in 2019, SRS would be negative 41.0% and negative 40.7%, respectively. Franchise Sales, the basis upon which Royalty and Distribution Income are paid by BPI and BP Canada LP respectively, indirectly to the Fund, excludes revenue from sales of liquor, beer, wine and approved national promotions and discounts. On a Franchise Sales basis, SRS was positive 27.0% for the Period and negative 5.1% YTD compared to negative 50.3% and negative 33.4%, respectively, for the same periods in 2020. If SRS on a Franchise Sales basis were calculated comparing Franchise Sales in the Period and YTD to Franchise Sales for the same periods in 2019, SRS would be negative 37.0% and negative 36.9%, respectively. The increase in SRS for the Period was principally due to increases in restaurant guest traffic due to the easing of dining restrictions in the Period and increased take-out and delivery sales, whereas the decline in SRS YTD was principally due to declines in restaurant guest traffic and the temporary closure of dining rooms, sports bars and patios, partially offset by increased take-out and delivery sales as a result of COVID-19.

Franchise Sales of Boston Pizza restaurants in the Royalty Pool were \$134.8 million for the Period and \$263.8 million YTD compared to \$107.1 million and \$281.2 million, respectively for the same periods in 2020. The increase in Franchise Sales for the Period was primarily due to positive SRS on a Franchise Sales basis, whereas the decrease in Franchise Sales YTD was primarily due to negative SRS on a Franchise Sales basis.

The Fund’s net and comprehensive income was \$7.7 million for the Period and \$19.3 million YTD compared to net and comprehensive income of \$7.6 million and net and comprehensive loss of \$9.3 million, respectively, for the same periods in 2020. The Fund’s basic earnings per unit of the fund (“**Unit**”) was \$0.36 for the Period and \$0.90 YTD compared to basic earnings per Unit of \$0.35 and basic loss per Unit of \$0.43, respectively, for the same periods in 2020. The Fund’s diluted earnings per Unit was \$0.36 for the Period and \$0.90 YTD compared to diluted earnings per Unit of \$0.35 and diluted loss per Unit of \$0.93, respectively, for the same periods in 2020. The \$0.1

million increase in the Fund's net and comprehensive income for the Period compared to the second quarter of 2020 was primarily due to higher Royalty and Distribution Income of \$1.5 million, partially offset by high interest expense on Class B general partner units ("**Class B Units**") of Boston Pizza Royalties Limited Partnership ("**Royalties LP**") of \$0.6 million, higher interest expense on long-term debt of \$0.3 million, higher income tax expense of \$0.3 million and a \$0.1 million decrease in fair value gain. The \$28.7 million increase in the Fund's net and comprehensive income YTD compared to year-to-date in 2020 was primarily due to a \$30.1 million increase in fair value gain and lower income tax expense of \$0.2 million, partially offset by lower Royalty and Distribution Income of \$0.9 million, higher interest expense on long-term debt of \$0.5 million and higher interest expense on Class B Units of \$0.4 million. For a detailed discussion on the Fund's net and comprehensive income, please see the "Operating Results – Net and Comprehensive Income (Loss) / Basic and Diluted Earnings (Loss)" section in the Fund's MD&A for the Period and YTD. The Fund's net income or loss under International Financial Reporting Standards ("**IFRS**") contains non-cash items, such as the fair value adjustments on financial instruments and deferred income taxes, that do not affect the Fund's business operations or its ability to pay distributions to Unitholders. In the Fund's view, net income or loss is not the only or most meaningful measurement of the Fund's ability to pay distributions. Consequently, the Fund reports the non-IFRS metrics of Distributable Cash and Payout Ratio to provide investors with more meaningful information regarding the amount of cash that the Fund has generated to pay distributions and the extent to which the Fund has distributed that cash. The Fund also reports the non-IFRS metric of SRS to provide investors useful information regarding the change in gross sales of Boston Pizza restaurants. Readers are cautioned that Distributable Cash, Payout Ratio and SRS are non-IFRS financial measures that do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. For a reconciliation between cash flow from operating activities (the most directly comparable IFRS measure) and Distributable Cash see the "Financial Summary" section of this press release. For a detailed discussion on the Fund's Distributable Cash and Payout Ratio, please see the "Operating Results – Distributable Cash / Payout Ratio" section in the Fund's MD&A for the Period and YTD. A reconciliation of SRS and Payout Ratio to an IFRS measure is not possible.

The Fund generated Distributable Cash of \$4.0 million for the Period, compared to negative \$2.2 million for the second quarter of 2020. The increase in Distributable Cash of \$6.2 million or 280.1% was primarily due to an increase in cash flow generated from operating activities of \$7.2 million and lower SIFT Tax on Units of \$0.9 million, partially offset by a contractually required debt repayment of \$1.0 million for which there is no comparable repayment in the second quarter of 2020, increased entitlement of BPI's Class B Units of \$0.5 million and an increase of interest paid on long-term debt of \$0.3 million. The Fund generated Distributable Cash of \$7.7 million YTD compared to \$5.5 million year-to-date in 2020. The increase in Distributable Cash of \$2.2 million or 40.9% was primarily due to an increase in cash flow generated from operating activities of \$3.6 million and lower SIFT Tax on Units of \$1.5 million, partially offset by contractually required debt repayments of \$2.1 million for which there are no comparable repayments in 2020, an increase of interest paid on long-term debt of \$0.4 million and increased entitlement for BPI's Class B Units of \$0.3 million.

The Fund generated Distributable Cash per Unit of \$0.187 for the Period compared to negative \$0.104 per Unit for the second quarter of 2020. The increase in Distributable Cash per Unit of \$0.291 or 279.8% was primarily attributable to the increase in Distributable Cash outlined above. The Fund generated Distributable Cash per Unit of \$0.357 YTD compared to \$0.253 per Unit year-to-date in 2020. The increase in Distributable Cash per Unit of \$0.104 or 41.1% was primarily attributable to the increase in Distributable Cash outlined above and fewer Units outstanding compared to the same period in 2020 due to the Fund's normal course issuer bid that was in effect from February 19, 2020 until February 18, 2021.

The Fund's Payout Ratio for the Period was 104.3% compared to 0.0% in the second quarter of 2020. The increase in the Fund's Payout Ratio for the Period was due to distributions paid of \$4.2 million with no distributions paid during the second quarter of 2020 and Distributable Cash increasing by \$6.2 million or 280.1%. The Fund's Payout Ratio YTD was 165.1% compared to 126.8% year-to-date in 2020. The increase in the Fund's Payout Ratio YTD was due to distributions paid increasing by \$5.8 million or 83.4%, partially offset by Distributable Cash increasing by \$2.2 million or 40.9%. Payout Ratio YTD factors in the Special Distribution (defined below) that was paid on January 29, 2021 even though the cash generated to fund the Special Distribution was generated during 2020. If the Special Distribution was excluded in the calculation of Payout Ratio YTD, Payout Ratio would be 109.1%. The Fund's Payout Ratio is typically higher in the first and fourth quarters compared to the second and third quarters since Boston Pizza restaurants generally experience higher Franchise Sales levels during the summer months when restaurants open their patios and benefit from increased tourist traffic. On a trailing 12-month basis, the

Fund's Payout Ratio was 91.2% as at June 30, 2021. The effects of COVID-19 may materially affect the Fund's Payout Ratio in the future.

COVID-19 has resulted in material declines to Franchise Sales and SRS when compared to periods prior to COVID-19. The declines in Franchise Sales and SRS will result in significant declines to Royalty and Distribution Income payable by BPI and BP Canada LP to the Fund when compared to periods prior to COVID-19, and significant declines in the amount of Distributable Cash available for distribution to Unitholders when compared to periods prior to COVID-19.

DISTRIBUTIONS

During the Period, the Fund declared distributions on the Units in the aggregate amount of \$4.2 million or \$0.195 per Unit. During the second quarter of 2020, the Fund did not declare distributions on the Units. During the Period, the Fund paid distributions on the Units in the aggregate amount of \$4.2 million or \$0.195 per Unit. During the second quarter of 2020, the Fund did not pay distributions on the Units. The amount of distributions declared and paid during the Period increased by \$0.195 per Unit due to the combined effect of the Fund recommencing monthly distribution beginning with the September 2020 distribution and the Fund not declaring distributions on Units during the second quarter of 2020. YTD, the Fund declared distributions on the Units in the aggregate amount of \$7.0 million or \$0.325 per Unit compared to \$4.4 million or \$0.204 per Unit year-to-date in 2020. YTD, the Fund paid distributions on the Units in the aggregate amount of \$12.7 million or \$0.590 per Unit, compared to \$6.9 million or \$0.319 per Unit for the same period in 2020. The amount of distributions declared YTD increased by \$0.121 per Unit due to the Fund not declaring distributions in the second quarter of 2020 partially offset by a decrease in the monthly distribution rate from \$0.102 per Unit that was in effect for distributions declared in the first quarter of 2020 to \$0.065 per Unit for YTD. The amount of distributions paid YTD increased by \$0.271 per Unit due to a special one-time cash distribution to Unitholders of \$0.20 per Unit, which was paid on January 29, 2021 to Unitholders of record at the close of business on December 31, 2021 (the "**Special Distribution**") and the Fund not having paid distributions in respect of the second quarter of 2020, partially offset by decreases in the monthly distribution rates: (a) from \$0.115 per Unit that was in effect for the December 2019 distribution that was paid on January 31, 2020 to \$0.065 per Unit for the December 2020 distribution that was paid on January 29, 2021; and (b) from \$0.102 per Unit that was in effect for the January and February 2020 distributions that were paid on February 28 and March 31, 2020, respectively, to \$0.065 per Unit for the January and February 2021 distributions that were paid on February 26 and March 31, 2021, respectively.

On August 12, 2021, the trustees of the Fund declared a distribution for the period of July 1, 2021 to July 31, 2021 of \$0.065 per Unit, which will be payable on August 31, 2021 to Unitholders of record on August 21, 2021. Including the July 2021 distribution, which will be paid on August 31, 2021, the Fund will have paid out total distributions of \$361.0 million or \$23.14 per Unit which includes 223 monthly distributions and the Special Distribution.

FINANCIAL SUMMARY

The table below sets out selected information from the Fund's condensed consolidated interim financial statements together with other data and should be read in conjunction with the condensed consolidated interim financial statements and MD&A of the Fund for the three month and six month periods ended June 30, 2021 and June 30, 2020.

<i>For the periods ended June 30</i>	Q2 2021	Q2 2020	YTD 2021	YTD 2020
<i>(in thousands of dollars – except restaurants, SRS, Payout Ratio and per Unit items)</i>				
System-Wide Gross Sales	162,931	129,845	319,673	354,602
Number of restaurants in Royalty Pool	387	395	387	395
Franchise Sales reported by restaurants in the Royalty Pool	134,839	107,149	263,836	281,218
Royalty income	5,393	4,286	10,553	11,249
Distribution Income	1,797	1,423	3,514	3,716
Interest income	29	24	69	29
Total revenue	7,219	5,733	14,136	14,994
Administrative expenses	(309)	(352)	(655)	(746)
Interest expense on debt and financing fees	(999)	(730)	(1,940)	(1,433)
Interest expense on Class B Unit liability	(605)	-	(1,019)	(648)
Profit before fair value gain (loss) and income taxes	5,306	4,651	10,522	12,167
Fair value gain (loss) on investment in BP Canada LP	6,274	7,202	17,840	(30,389)
Fair value (loss) gain on Class B Unit liability	(2,796)	(3,208)	(7,948)	13,527
Fair value gain (loss) on Swaps	193	(158)	1,311	(1,998)
Current and deferred income tax expense	(1,235)	(908)	(2,403)	(2,646)
Net and comprehensive income (loss)	7,742	7,579	19,322	(9,339)
Basic earnings (loss) per Unit	0.36	0.35	0.90	(0.43)
Diluted earnings (loss) per Unit	0.36	0.35	0.90	(0.93)
<u>Distributable Cash / Distributions / Payout Ratio</u>				
Cash flows generated from (used in) operating activities	6,448	(709)	12,365	8,792
BPI Class B Unit entitlement	(523)	-	(989)	(648)
Interest paid on long-term debt	(929)	(668)	(1,809)	(1,369)
Principal repayments on long-term debt	(1,036)	-	(2,072)	-
SIFT Tax on Units	65	(858)	197	(1,316)
Distributable Cash	4,025	(2,235)	7,692	5,459
Distributions paid	4,197	-	12,698	6,923
Payout Ratio	104.3%	0.0%	165.1%	126.8%
Distributable Cash per Unit	0.187	(0.104)	0.357	0.253
Distributions paid per Unit	0.195	-	0.590	0.319
<u>Other</u>				
Same Restaurant Sales	27.1%	(53.5%)	(8.6%)	(35.0%)
Number of restaurants opened	0	0	0	1
Number of restaurants closed	1	4	2	6
			Jun 30, 2021	Dec 31, 2020
Total assets			401,108	390,804
Total liabilities			131,881	133,904

Notes:

- 1) **"System-Wide Gross Sales"** means the gross revenue: (i) of the corporate Boston Pizza restaurants in Canada owned by BPI; and (ii) reported to BP Canada LP by franchised Boston Pizza restaurants in Canada, without audit or other form of independent assurance, and in the case of both (i) and (ii), including revenue from the sale of liquor, beer, wine and revenue from BP Canada LP approved national promotions and discounts and excluding applicable sales and similar taxes.
- 2) **"Franchise Sales"** is the basis upon which Royalty and Distribution Income are payable, and means the gross revenue: (i) of the corporate Boston Pizza restaurants in Canada owned by BPI that are in the Fund's royalty pool; and (ii) reported to BP Canada LP by franchised Boston Pizza restaurants in Canada that are in the Fund's royalty pool, without audit or other form of independent assurance, and in the case of both (i) and (ii), after deducting revenue from the sale of liquor, beer, wine and revenue from BP Canada LP approved national promotions and discounts and excluding applicable sales and similar taxes. Nevertheless, BP Canada LP periodically conducts audits of the Franchise Sales reported to it by its franchisees, and the Franchise Sales reported herein include results from sales audits of earlier periods.
- 3) **"Same Restaurant Sales"** or **"SRS"** is the change in gross revenue of Boston Pizza restaurants as compared to the gross revenue for the same period in the previous year for Boston Pizza restaurants that have been open for a minimum 24 months. SRS is a non-IFRS financial

measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes SRS provides investors useful information regarding the change in gross sales of Boston Pizza restaurants.

- 4) **"Distributable Cash"** is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that this non-IFRS financial measure provides useful information to investors regarding the amount of cash the Fund has generated for distribution on the Units. The preceding table provides a reconciliation from this non-IFRS financial measure to cash flows from operating activities, which is the most directly comparable IFRS measure. Investors are cautioned that this should not be construed as an alternative to cash flows from operating activities.
- 5) **"Payout Ratio"** is calculated by dividing the aggregate distributions paid by the Fund during a period by the Distributable Cash generated in that period. Payout Ratio is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that this non-IFRS financial measure provides investors with useful information regarding the extent to which the Fund distributes cash on the Units. As the Payout Ratio is calculated from a formula which includes Distributable Cash, which is a non-IFRS measure, a reconciliation of Payout Ratio to an IFRS measure is not possible. For additional information regarding this financial metric, see the heading "Description of Non-IFRS and Additional IFRS Measures" in the Fund's MD&A for the Period and YTD.
- 6) Royalties LP licenses BPI the right to use various Boston Pizza trademarks in return for BPI paying Royalties LP a royalty equal to 4% of Franchise Sales of Boston Pizza restaurants (the **"Royalty"**) in the Fund's royalty pool (the **"royalty pool"**). **"Distribution Income"** is income received indirectly by the Fund on Class 1 LP Units and Class 2 LP Units of BP Canada LP. See the "Overview – Purpose of the Fund / Sources of Revenue" section of the Fund's MD&A for the Period and YTD for more details.
- 7) Profit before fair value adjustments and income taxes is an additional IFRS measure. For additional information regarding these financial metrics, see the heading "Description of Non-IFRS and Additional IFRS Measures" in the Fund's MD&A for the Period and YTD.
- 8) Capitalized terms used in this press release that are undefined have the meanings ascribed to them in the Fund's MD&A for the Period and YTD.

SHORT-TERM OUTLOOK

COVID-19 had sudden, unexpected and unprecedented impacts on the general economy, the restaurant industry and has specifically caused significant disruption to the business of the Fund and BPI. The focus of BPI's management is to continue to: (i) monitor carefully the continuously evolving COVID-19 situation; (ii) modify the operating procedures of Boston Pizza restaurants to ensure the safety of guests and staff of BP Canada LP's franchisees; (iii) responsibly and safely operate the dining rooms, sports bars and patios of Boston Pizza restaurants across Canada when permitted by applicable provincial health authorities; (iv) maximize the opportunity to grow its take-out and delivery business; and (v) review and adapt current and future plans to responsibly address the challenges and opportunities presented by COVID-19. Management of BPI anticipates that sales levels for the second half of 2021 may be favourable compared to the first half of 2021 due to the easing of governmental restrictions in June 2021, however, COVID-19 will continue to have a negative and volatile impact on the business of Boston Pizza restaurants during the remainder of 2021.

The trustees of the Fund will continue to closely monitor BPI's and BP Canada LP's business as the COVID-19 situation continues to develop and consider the best interests of the Fund and its stakeholders. While COVID-19 persists, the trustees of the Fund expect that Franchise Sales and SRS at Boston Pizza restaurants, and resulting Royalty, Distribution Income and Distributable Cash available for distribution to Unitholders will continue to be adversely affected.

Forward Looking Information

Certain information in this press release constitutes "forward-looking information" that involves known and unknown risks, uncertainties, future expectations and other factors which may cause the actual results, performance or achievements of the Fund, Boston Pizza Holdings Trust, Royalties LP, Boston Pizza Holdings Limited Partnership, Boston Pizza Holdings GP Inc., Boston Pizza GP Inc., BPI, BP Canada LP, Boston Pizza Canada Holdings Inc., Boston Pizza Canada Holdings Partnership, Boston Pizza restaurants, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Fund or its trustees expect or anticipate will or may occur in the future, including such things as, the potential for COVID-19 to continue to materially affect the Fund's Payout Ratio in the future, COVID-19 continuing to result in material declines to Franchise Sales and SRS, declines in Franchise Sales and SRS resulting in significant declines to Royalty and Distribution Income payable to the Fund and significant declines in the amount of Distributable Cash available for distribution to Unitholders, future distributions and dates distributions are to be paid or payable, the focus of BPI's management on guest and staff safety, maximizing the take-out and delivery business and helping franchisees succeed during these challenging times, the trustees of the Fund continuing to closely monitor BPI's and BP Canada LP's business as the COVID-19 situation continues to develop and consider the best interests of the Fund and its stakeholders, that management anticipates that sales levels for the second half of 2021 may be favourable compared to the first half of 2021 due to the easing of governmental restrictions in June 2021, however, COVID-19 will continue to have a negative and volatile impact on the business of Boston Pizza restaurants during the remainder of 2021, and other such matters are forward-looking information. When used in this press release, forward-looking information may include words such as "anticipate", "estimate", "may", "will", "expect", "believe", "plan", "should", "continue" and other similar terminology. The material factors and assumptions used to develop the forward-looking information contained in this press release include the following: despite the gradual easing of governmental restrictions and corresponding increases in sales, COVID-19 will continue to negatively impact Franchise Sales, SRS, Distributable Cash and the restaurant

industry, generally. Risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by the forward-looking information contained herein, relate to (among others) competition, demographic trends, consumer preferences and discretionary spending patterns, business and economic conditions, legislation and regulation, reliance on operating revenues, accounting policies and practices, the results of operations and financial condition of BPI, BP Canada LP and the Fund, national health crises including COVID-19, as well as those factors discussed under the heading "Risks and Uncertainties" in the most recent Annual Information Form of the Fund. This information reflects current expectations regarding future events and operating performance and speaks only as of the date of this press release. Except as required by law, neither the Fund nor BPI assumes any obligation to update previously disclosed forward-looking information. For a complete list of the risks associated with forward-looking information and the Fund's business, please refer to the "Risks and Uncertainties" and "Note Regarding Forward-Looking Information" sections included in the most recent Annual Information Form of the Fund available at www.sedar.com and www.bpincomefund.com.

ABOUT US

The Fund is a limited purpose open ended trust with an excellent track record for investors since its IPO in 2002. Including the July 2021 distribution which is payable on August 31, 2021, the Fund will have paid out 223 monthly distributions and one special distribution totaling \$361.0 million or \$23.14 per Unit. The Fund earns revenue based on the franchise system sales of the 387 Boston Pizza restaurants in the Fund's royalty pool.

BPI is Canada's number one casual dining brand. The Boston Pizza brand has served communities from coast-to-coast for over 56 years since opening its first restaurant in Edmonton, Alberta in 1964. Today Boston Pizza proudly remains a Canadian company with its hundreds of local franchise owners operating more dining rooms, sports bars and patios than any other single brand in the country, along with take-out and delivery. BPI has been recognized as a Platinum Member of Canada's 50 Best Managed Companies and has been a Franchisees' Choice Designation winner for eight consecutive years.

The trustees of the Fund have approved the contents of this news release.

FOR FURTHER INFORMATION PLEASE CONTACT:

Michael Harbinson
Chief Financial Officer
Tel: 905-848-2700
E-mail: investorrelations@bostonpizza.com
www.bpincomefund.com