2026 SPAVI MANAGEMENT REPORT SCRIPT

TARGET: 15-20 minutes (max)

OUTLINE	SCRIPT
Intro	Welcome, dear shareholders, board directors, and colleagues, to SPAVI's Annual Stockholders' Meeting. I am Vic Gregorio, President and Chief Executive Officer. Thank you for joining us this morning.
2025 overview	The SPAVI that stands before you today is a business transformed in the last five years. We've grown from a single entity into a global, multi-brand, multi-format business – expanding into new formats in both casual dining and kiosks and diversifying our geographic markets. Through all this transformation, we've had our share of growing pains along with many lessons we're still learning. We've gone from survival mode in the pandemic into a wave of hypergrowth, both in topline and the organization. These are deliberate choices we've made to build a more resilient business – to diversify our portfolio, strengthen our brands, widen our reach, and develop our capability. Deliberate choices made against a challenging landscape in the past half decade. Another year later, and it was no less another challenging landscape. 2025 tested our resilience and the very structure we've built over the years. It was a tale of two halves. The first six months began with promise – easing inflation gave Filipinos more room to celebrate and supported healthy same store sales growth across the board. As 2025 progressed, global trade volatility and domestic headwinds weighed on our operating environment. At home, inclement weather coupled with political upheavals dampened consumer sentiment and slowed down GDP growth. The consumer became ever more deliberate, making every hard-earned peso worth their spend. Guests dined out together less often, foot traffic in restaurants pulled back, and the year-end holidays were not as upbeat as we hoped. However, it's times like this where our multi-brand, multi-format portfolio rises to the occasion.

	Our portfolio allows us to adapt – to times when belts are tight and when spending power improves, during celebrations and the simple moments in between. 2025 demonstrated this adaptability. When casual dining softened, our kiosks stepped up. Potato Corner was right there as an affordable luxury where guests need not stretch their wallets to experience joy. We will continue to build resilience into our portfolio, especially as the landscape becomes more complex. Through it all, our mission to “WOW Everyone, Everywhere, Every day” guides our growth journey. It compels us to strive for better – to be better than before, better than expected.
2025 Financial Performance	Against this backdrop, systemwide sales in 2025 still grew 14% year-on-year, reaching Php24.8 billion. Meanwhile, same store sales was flattish at 1% - an honest reflection of the Filipino consumer’s disposition. What fueled topline was our sustained network expansion. Amidst a soft environment, we continued to invest in new stores as a critical part of our long-term play. We ended the year with a total of 2,970 units in our global network. Of which, 351 were opened in 2025 – a rate of nearly one new store per day. With 16% of our total store footprint located in international shores, it reflects our strategic intent to WOW more guests around the world. While our sales grew, upfront expansion costs and weak consumption took a toll on our bottomline. We took a major hit. Net income fell by 32% versus the previous year to Php 816 million. Excluding one-offs, core net income reached Php 952 million, down 20% year-on-year. Core EBITDA was able to improve slightly by 3% to Php2.7 billion – demonstrating our ability to generate cash amidst headwinds. We do not take these results lightly. We view our wins as benchmarks and our shortfalls as lessons. If we want to change the outcome, we cannot stick to the same formula. First, we need to get leaner and fitter. This means trimming away inefficiencies in our operations, tackling the bloat in our costs, and rationalizing our store network. Freeing up and redirecting resources into growth opportunities where we have a right to win. Next, we need to level up our competitive edge.

	We cannot simply rest on our laurels. To keep up with the ever-evolving consumer and stay top of mind, our brands need to continuously reinvigorate our relevance with WOWing value and WOWing experiences. Lastly, we must keep the long-term view intact and grow sustainably. By continuing to invest in our brands, our stores, and our people – we are laying the groundwork, staying the course for a more resilient SPAVI, and return to growth.
Invest in Brands	Our multi-brand portfolio across casual dining and kiosks continue to generate our lift and accelerate our momentum. In Shakey's, 2025 marked its golden anniversary year. This milestone campaign strengthened our flagship brand, resonating across generations from those who grew up with it to those discovering Fun, Family, Pizza for the first time. We are proud of Shakey's legacy and the team's efforts to solidify our leadership in casual dining. These have translated to market share gains with full-service restaurant chains at 22% and full-service pizza chains at 69%. For our challenger restaurant brand, Peri-Peri – 2025 was a call to do better. The roast chicken brand is focusing on fundamentals, so that the brand can grow from a position of strength. Meanwhile our kiosk brand, Potato Corner, fueled its winning streak. Through the charisma of its very first endorser-led campaign, Potato Corner reignited brand love, especially among the youth. Together with its well-loved flavored fries, winning value promotions, and enticing innovations that guests eagerly embraced, the #1 kiosk brand reinforced its value proposition as an accessible, crave-worthy indulgence. The flavor fries brand also proved itself as a versatile, universal snack with PC international launching their own takes on local delicacies and catering to local tastebuds.
Invest in Stores	Investing in our store network lays the groundwork for sustainable growth. We continue to open new stores that demonstrate robust store unit economics, targeting payback periods of 3 to 5 years for restaurants and 1 to 3 years for kiosks.

	From Peri-Peri and Potato Corner opening in La Union to Shakey's 300th landmark store in Zamboanga in early 2026, we've been deliberate in expanding beyond the metro. We come in as among the first food chains in these up-and-coming cities, establishing our brands as dining destinations. We carry this energy into new global frontiers. In 2025, Potato Corner touched down in Taipei, and very recently, entered Laos this year. The brand is now present in 17 markets worldwide, further proving its universal appeal. Our stores are more than just places to eat. They are spaces where our brands come alive, where we can deepen the connection with the guest. And we continue to invest in making those moments more tangible. This is why we've continued refreshing our store designs, infusing our spaces with a more contemporary look and feel to elevate the guest experience. A standout example is our Potato Corner XP stores. With larger formats, expanded, exclusive menus, and brand merchandise, they're designed to give guests a richer, more immersive Potato Corner experience. From 2025 to early this year, we've opened two more XP stores in Estancia and Trinoma.
Invest in People	At the heart of our business is our people, our most enduring competitive advantage. As our multi-brand enterprise grows and as our store network expands, the caliber of our people becomes the greatest determinant of our success. We continued to develop a thriving organization – investing in training, building capable leaders, and instilling our WOW! Culture as our lifeline. Over 20,000 individuals whose livelihoods we get to sustain through the business – a responsibility we take seriously. This responsibility extends to our franchisee partners as fellow entrepreneurs whose respective businesses we get to support. Building a business that lasts means we can continue investing in our people's development and advancing entrepreneurship. It means we can continue delivering the WOW experience to more guests, create more job opportunities, and empower more businesses.
ESG	At SPAVI, our People, Planet, Pizza sustainability agenda remains a non-negotiable part of how we run our business. It means extending the positive impact we can make to our communities and running our operations responsibly. On People, we deepened our commitment to inclusion and equal opportunity.

	Our Love 'Em Down program continued strengthening our longstanding partnership with the Down Syndrome Association of the Philippines. With more stores opened, we provided more avenues where individuals with Down Syndrome can flourish and contribute. Our inclusive hiring program also expanded its reach – enabling us to provide senior citizens and persons with disabilities with work opportunities in our Quezon City stores. On Planet, our partnership with the Plastic Credit Exchange helped us manage our packaging footprint more responsibly and contribute to a more circular environment. And as our network grows, so does our commitment to identifying and scaling more renewable energy and sustainability initiatives across our stores. On Pizza, we are well aware that our guests continue to evolve. They seek more value, more variety, and more options that suit their different preferences and different moments. And so, we listened. From innovations like our Creamy Spinach Pizza to healthier plate options and exciting limited-time offerings, we're giving our guests more reasons to choose our brands and more reasons to keep coming back.
2026 outlook	Here we are in 2026, and the year is unfolding with its own set of challenges. As I speak, a war rages in the Middle East, causing turmoil across the globe and at home. Now that I look back at 2025, I am deeply grateful for SPAVI's resolve to hold firm in the face of challenges. A resolve that is being tested again this year. Geopolitical tensions are sending macro shockwaves across global supply chains. At home, pump prices have since doubled, inflation soared to 7.2%, and GDP fell to 2.8%. The Filipino consumer is feeling the brunt of it – and it's reflecting on our foot traffic and same store sales. Like most, we entered 2026 with a plan – to deliver double-digit growth. However, as the operating landscape weakens, we are going back to the drawing board. Rest assured, I am not discouraged. SPAVI views this moment as a stress test – a chance to surface weak spots and address them head on. Through it all, our portfolio is what will carry us forward. Over the years, we've been building a multi-brand, multi-format mix in restaurants and kiosks, a model that provides a degree of resilience. Our kiosk brands hold the fort when wallets are tight while our casual dining brands are poised to accelerate when the economy rebounds. Together, they are designed to deliver across conditions, not just to endure the near term, but to power our long-term growth.

	But we have work to do. We have yet to foolproof this resilience and become a stronger, leaner, more capable business. Our brands are our growth engines and so we will keep them compelling and relevant. With competitive heat intensified, brand equity becomes our moat, and we intend to deepen it. This year, we hit a milestone: our 3,000th store. As we persist in reaching more guests, we will do so with much more rigor and discipline. Every new store must be set up to succeed, backed by robust data and a clear path to viability. We've also made the hard but necessary call to restructure Peri-Peri's store network. We're closing down underperforming stores and channeling those resources to where the brand can truly deliver the WOW experience. This will have its short-term impacts, but it is the move we must make to get the brand into shape. In a high-cost environment, we are also driving cost discipline at every level of the organization while proactively managing input costs and forex exposure. It also means balancing these pressures with the needs of our guests. We will be rolling out measured pricing action with care. Never in a way that shocks our guests or erodes the very trust we strive to earn. At the heart of it all, we are putting the Guest First. "How do we deliver superior value that guests truly deserve?" This is the question we ask ourselves as the consumer comes under real pressure. We are doubling down on value and offering experiences that give them every reason to choose our brands.
Thanks and closing	What brought us here today will not be enough to bring us to the next level. We believe a healthy dose of productive paranoia will keep us on our toes to anticipate the next challenge. Staying accountable for our short falls and boldly addressing what needs changing. Always grateful for what we have built yet always raising the bar, hungry for excellence. The road ahead will only get bumpier. But this, too, shall pass. We have our sleeves rolled up with the work to do but our long-term ambition remains clear. We stay the course to deliver healthy, sustainable growth and create lasting value for our guests, our people, and our communities. I have full confidence in the business we're building. We're building a more resilient portfolio, reinforcing our brands, and expanding our reach responsibly. All possible because we have a gritty team with the tenacity to come back stronger. Their passion and capability give me a deep sense of pride and a genuine confidence in the direction SPAVI is headed.

In closing, I would like to extend my sincerest gratitude.

To our teams across all our brands and markets, thank you for your dedication and commitment. We've made it to 50 years, and we can go for 50 more because you show up to WOW, day in and day out.

To our shareholders, thank you for your continued trust and support as we navigate another challenging year. You've placed your bets on us, and we will keep working to prove you right.

To our Board of Directors, thank you for your wisdom and counsel. You push us to be better, and we are a better company because of it.

To our franchisees, partners, suppliers, and the communities we serve, thank you for being with us on this journey. What we have built together is bigger than any single brand or store.

And to our guests, thank you for choosing our WOW brands. Whether it's celebrating at our casual dining brands or treating yourself to a simple pleasure through our kiosks, we strive to be part of your everyday moments and give you the WOWing experience you deserve.

The pursuit of WOW does not come without its difficult chapters. This is one of them. And like every chapter before it, we will turn the page stronger. Maraming salamat po.