



May 14, 2026

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street cor. 5th Avenue
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

RE: PRESS RELEASE – SHAKEY’S DELIVERYS 14% SYSTEMWIDE SALES GROWTH IN 1Q26, CORE NET INCOME FALLS 17%; EARNINGS WEIGHED BY INVESTMENTS IN EXPANSION AND WEAK DISCRETIONARY SPENDING

Please be informed that Shakey’s Pizza Asia Ventures Inc (PIZZA) is issuing the attached press release entitled **“Shakey’s delivers 14% systemwide sales growth in 1Q26, Core net income falls 17%; Earnings weighed by investments in expansion and weak discretionary spending”**

Very Truly Yours,

Jenifer Mae San Juan - Tecson
Investor Relations Manager



Shakey's delivers 14% systemwide sales growth in 1Q26, Core net income falls 17%; Earnings weighed by investments in expansion and weak discretionary spending

- 1Q26 systemwide sales increased by 14% compared to the same period last year, supported by continuous investments in store network expansion. Consolidated revenues improved by 13% year-on-year (YoY).
- During the quarter, the Group opened 69 net new units, breaching the 3,000-store milestone. SPAVI's global store network stood at 3,039 stores and outlets as at end 1Q26.
- Amid a volatile landscape with weakening consumer spending, same-store sales was flat versus the comparable period last year. SPAVI's multi-format portfolio provided some resilience, with healthy kiosk sales outweighing the softness in casual dining.
- With muted sales and ongoing investments, core net income after tax (NIAT) declined by 17% YoY. Notwithstanding, core earnings before interest, taxes, depreciation, and amortization improved by 7% versus 1Q25.

Shakey's Pizza Asia Ventures Inc. (PSE:PIZZA | SPAVI), one of the leading restaurant and kiosk chain groups in the Philippines, reported its unaudited financial results for the first quarter of 2026. Amid a soft consumption environment, systemwide sales amounted to Php 6.4 billion, growing by 14% versus the same period last year on the back of network expansion. Revenues reached Php 4.0 billion, increasing by 13% YoY. Same-store sales were flat versus 1Q25.

Meanwhile, earnings remained subdued, weighed down by investments in expansion and demand-generating activities, muted sales, and non-recurring network restructuring costs. Headline NIAT declined by 27% year-on-year to Php 134 million. Ex-one-off network restructuring costs, core NIAT dipped 17%.

Vic Gregorio, President and Chief Executive of SPAVI, said, "Entering 2026, we prepared for a tough environment, which is now exacerbated by the prolonged geopolitical conflict in the Middle East. While efforts are underway to navigate headwinds in pursuit of growth, they come with near-term impacts on our bottom line."

SPAVI's 1Q26 topline performance was supported by its strategic thrust to expand its global footprint, which stood at 3,039 stores and outlets at the end of the first quarter. The Group opened 69 units during the period. Demand-generating activities such as innovations and seasonal offerings to provide guests with more value also supported same-store sales.

As a result of these initiatives, combined with the impact of softer sales, gross margins slipped by 120bps to 20.1%, with expansion-related costs offsetting favorable inputs. In line with efforts to support demand, advertising and promotions increased, leading operating expenses as a percentage of sales to rise by 50bps. Headline net profit margins contracted 180bps YoY to 3.3%. Similarly, core net profit margins dipped by 130bps to 3.8%.



Nonetheless, core EBITDA posted a 7% growth rate, illustrating the Group's underlying cash-generating capability and the near-term impact of expansion on profitability, as SPAVI continues to invest for long-term value creation.

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During the period, SPAVI opened its milestone 3000th unit, a Shakey's store located in Arca South, Metro Manila. Shakey's also opened its 300th store in SM Zamboanga, illustrating the brand's thrust to expand beyond metros and reach more guests.

On the kiosk side, Potato Corner entered Laos during the first quarter, marking the brand's 17th international market. The brand also built a new XP store at Trinoma Mall in Quezon City. XP stores are experiential stores with a larger footprint and expanded menus, bringing the brand to life and enhancing guest experiences.

According to Gregorio, as the group invests in stores that will deliver long-term growth, it is also cognizant of near-term constraints. "With much uncertainty in our operating environment, we need to be choiceful in our deployment of resources. We are investing continuously, albeit more moderately. This means building accretive stores with higher hurdle rates. To ensure that we are using capital efficiently, we are reviewing our store network strategy, so that this strategic pillar continues to create shared value as we progress."

SPAVI ended the period with 3,039 units in its global store network, of which 16% are located on international shores.

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Gregorio said, "While our Group is wired to deliver double-digit growth, the shifting landscape creates profound uncertainty. As we navigate 2026, what is clear is that the imperative to build a more resilient business has never been more pressing since the pandemic. We're building resilience on two fronts. Near-term, we are proactively optimizing general and administrative costs and driving savings across operations. Measured pricing action will be taken, balancing the realities of a higher cost environment with the needs of our guests."

"Taking a longer view, we are fortifying our portfolio and store network. Our multi-brand and multi-format portfolio provides some resilience, and we must invest behind it accordingly. Shakey's and Potato Corner are leading brands in their respective categories, serving as a competitive moat that we must deepen. Kiosks, with their more accessible ticket sizes, tend to hold up better during inflationary shocks, while casual dining tends to be more cyclical and benefits from economic growth. In conjunction, we are treating this period as a stress test of our portfolio, surfacing inefficiencies in our network that can be addressed to unlock value. Ultimately, we will strive to deliver growth that endures, built on a strong portfolio and operational foundation that will stand resilient for years to come," Gregorio concluded.



Disclaimer:

This press release includes forward-looking statements. Such forward-looking statements are management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.

The reader is cautioned not to rely on such forward-looking statements, which speak only as of the date they were made. All subsequent forward-looking statements attributable to the Company, its affiliates or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements referred to in this press release.

About PIZZA:

Shakey's Pizza has been creating 50 years of great times and great memories. It is one of the leading Fast Casual Restaurants in the Philippines, focused on family casual dining. It maintains market leadership in both the chained pizza full-service and chained full-service restaurant categories.

Peri-Peri Charcoal Chicken and Sauce Bar is an emerging fast-casual and full-service restaurant brand in the Philippines. Its mainstay is charcoal-grilled chicken, marinated for 24 hours, served with an assortment of unique sauces to choose from. Since its acquisition in 2019, PIZZA has already doubled the store footprint of Peri-Peri.

PIZZA owns the master franchise of R&B Milk Tea in the Philippines. R&B Milk tea is one of the leading milk tea players in Singapore. It is available in Shakey's stores and now has two independent stores, one of which is the first drive-through milk tea store in the country.

In 2021, PIZZA relaunched Project Pie, a modern and upscale pizza concept and an artisan pizza chain known for its build-your-own pizzas.

In 2022, PIZZA acquired Potato Corner, one of the leading food kiosk brands in the Philippines renowned for its flavored fries. Potato Corner has over 1,800 stores in the Philippines and a wide store network internationally.



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