August 13, 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 GROUP SUSTAINS DOUBLE-DIGIT SYSTEMWIDE SALES GROWTH OF 12% YOY IN 1H26; PROFITS LAG DUE TO ECONOMIC HEADWINDS**

Please be informed that Shakey's Pizza Asia Ventures Inc (PIZZA) is issuing the attached press release entitled "**Shakey's Group sustains double-digit systemwide sales growth of 12% YoY in 1H26; Profits lag due to economic headwinds**".

Very Truly Yours,

Jenifer Mae San Juan - Tecson
Investor Relations Manager

Shakey's Group sustains double-digit systemwide sales growth of 12% YoY in 1H26; Profits lag due to economic headwinds

- *1H26 systemwide sales (SWS) increased by 12% compared to the same period last year, as continuous investments in store network expansion cushion soft same-store sales. Consolidated revenues improved by 9% year-on-year (YoY).*
- *The Group opened 35 net new units for 2Q, led by Shakey's & Potato Corner, bringing year-to-date net openings at 104 units. SPAVI's global store network stood at 3,074 units at end 1H26.*
- *Despite the impact of the ongoing conflict, SPAVI's multi-brand portfolio was able to sustain same-store sales (SSS), registering flattish (-1%) performance for both 2Q and year-to-date.*
- *Continued investments in store expansion, geopolitical conflict, and Peri-Peri network restructuring led 1H26 headline net income after tax (NIAT) to decline by 33% YoY. Removing non-recurring restructuring costs, 1H26 core NIAT declined by 26% YoY.*
- *1H26 core earnings before interest, taxes, depreciation, and amortization (EBITDA) was sustained, posting a 1% improvement versus the same period last year.*

Shakey's Pizza Asia Ventures, Inc. (PSE:PIZZA | SPAVI), one of the leading restaurant and food kiosk chain operators in the Philippines, reports continued double-digit growth in SWS for the first six months of 2026. Amid a volatile operating environment, SPAVI's multi-brand portfolio was able to deliver Php 13.0 billion in SWS, reflecting a growth rate of 12% YoY on the back of continued investments in store network expansion. Consolidated revenues amounted to Php 8.2 billion, up 9% versus the same period last year.

During the second quarter, the domestic market saw an inflationary spike as pump prices soared due to the war in the Middle East, further weakening consumer discretionary spending. Against this backdrop, SSS performance remained flattish, down by 1%. On a sequential basis, the Group saw SWS and revenues improve in 2Q26, up 4% versus the prior quarter. Sustained sales from the first quarter were supported by the strong turnout on celebratory days, such as graduation season, Mother's Day, and Father's Day.

Driving SPAVI's topline growth is its continued investment in expanding its store network, albeit more moderated given the macroeconomic landscape. The Group opened net new stores and outlets of 35 and 104 in 2Q26 and 1H26, respectively, ending the period with 3,074 units in its global network. New stores include Shakey's at Festive Walk in Iloilo and Potato Corner Khaosiung Dream Mall, the brand's 15th store in Taiwan, among others.

Vic Gregorio, SPAVI President and Chief Executive Officer, said, "Despite the tough environment, we continue to see bright spots across the portfolio and remain confident in the long-term growth prospects of our brands. We continue to expand our network, at a measured pace and higher hurdle rates, as we exercise investment discipline. While expansion has near-term impacts on our bottomline, it also positions our brands for long-term value creation."

"At the same time, we acknowledge the need to reset our approach. While brands like Shakey's and Potato Corner showed the ability to withstand headwinds, less established brands like Peri-Peri are more vulnerable in this challenging environment. We are using this period to restructure our network, optimize cash usage, and strengthen portfolio fundamentals that will position our group for better days ahead."

In terms of profitability, SPAVI's gross margins landed at 20.1%, contracting by 1 percentage point versus the same period last year. Weighing on margins were network expansion-related expenses and rising utilities, amplified by the impact of operating leverage due to softer same-store sales. Operating expenses as a percentage of sales also increased by 130 basis points YoY to 13.9%, reflecting investments in brand-building and promotions to stimulate demand.

As a result of these, including the impact of non-recurring costs related to Peri-Peri network restructuring recognized during the period, headline net income after tax in 1H26 amounted to Php 232 million, down 33% compared to the same period last year. Excluding one-offs, core net income after tax declined by 26%.

Meanwhile, core earnings before interest, taxes, depreciation, and amortization was sustained, improving by 1% for the period. Furthermore, despite a volatile, higher cost environment, the Group remained cash generative, with a healthy Php 257 million in free cash flow.

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According to Gregorio, the pursuit of sustainable growth goes beyond financial performance. It is fundamental to SPAVI's character as a business. "SPAVI is a people business, and we need to ensure the longevity of the Group because of our role and responsibility to create more job opportunities in the communities in which we operate and inclusive growth for our business partners."

The Company's commitment to inclusive growth was recently recognized at the 31st Apolinario Awards held at the House of Representatives on the 3rd of August. SPAVI received the 'Empowerment of Persons with Disabilities Award', in recognition of its commitment to inclusion and to promoting the dignity of individuals with Down Syndrome through its Love 'Em Down program. In partnership with the Down Syndrome Association of the Philippines, Inc. (DSAPI), SPAVI provides employment opportunities to persons with Down Syndrome, creating for them a safe and meaningful workplace environment. For the first half of 2026, SPAVI has 38 Love 'Em Down participants. SPAVI also collaborates with local government units to provide job opportunities to senior citizens and differently abled people.

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Gregorio shared, "As we enter the second half of the year beset with headwinds, we are managing the business to deliver a soft landing for the full year and take advantage of this challenging environment to finetune business execution. Early third quarter results are somewhat encouraging, with improvements seen across our brands. We also have the celebratory 4th quarter to look forward to. However, the landscape remains volatile, both from a demand and cost perspective. We are taking the necessary steps to weather through this and emerge stronger, from strategic restructuring efforts and unlocking efficiencies to ensuring value for our guests and rolling out brand-building efforts to further deepen the moat around our market-leading brands."

"Our 2026 reset will have near-term impacts to our bottomline; nevertheless, it will position the Group to deliver a much better 2027," 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 more than tripled 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 2,000 stores in the Philippines and a wide store network internationally.

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