

**COVER SHEET**

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**S H A K E Y ' S P I Z Z A A S I A V E N T U R E S**  
**I N C . ( F O R M E R L Y I N T E R N A T I O N A L**  
**F A M I L Y F O O D S E R V I C E S , I N C . )**  
**A N D S U B S I D I A R I E S**

(Company's Full Name)

**1 5 K M E A S T S E R V I C E R O A D**  
**C O R N E R M A R I A N R O A D 2 ,**  
**B R G Y . S A N M A R T I N D E**  
**P O R R E S , P A R A Ñ A Q U E C I T Y**  
**1 7 0 0**

(Business Address: No. Street/City/Province)

**MARIA ROSARIO YBAÑEZ**  
 Contact Person

**(02) 8742 5397**  
 Company Telephone Number

**1 2**      **3 1**  
 Month      Day  
 Fiscal Year

**SEC Form 20-IS**  
 FORM TYPE

**June 20 of each year**  
 Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles  
 Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic      Foreign

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 To be accomplished by SEC Personnel concerned

File Number  
 Document I.D.

LCU  
 Cashier

STAMPS

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## Amended Notice of Annual Stockholders' Meeting

Notice is hereby given that the Annual Stockholders Meeting will be held on **Wednesday, June 24, 2026 at 8:30** in the morning.

The agenda for the said meeting shall be as follows:

1. Call to Order
2. Secretary's Proof of Due Notice of the Meeting and Determination of Quorum
3. Matters for Approval of Stockholders
  - a. Approval of the Minutes of the Stockholders' Meeting held on July 3, 2025
  - b. Management's Report
  - c. Ratification of Acts of the Board of Directors and Management During the Previous Year
  - d. Election of Directors (including Independent Directors)
  - e. Appointment of External Auditor
4. Other Matters
5. Adjournment

Pursuant to the Company's By-laws, the meeting shall be presided by the Chairman of the Board at the Company's principal place of business with address at WOW Center 15KM East Service Road corner Marian Road 2, Brgy. San Martin de Porres, Paranaque City. Stockholders may attend the meeting via remote communication and vote in *absentia* only. Copies of this Amended Notice shall be published in two (2) newspapers of general circulation on May 27 and May 28, 2026.

A brief explanation of the agenda item which requires stockholders' approval is provided above. The Information Statement, Management Report, SEC Form 17A are uploaded to the Company's website <https://www.shakeysgroup.ph/> and PSE EDGE.

The record date for the determination of the shareholders entitled to vote at said meeting is on **May 4, 2026**.

Stockholders pre-registration is open from **May 29, 2026 to June 5, 2026**, using the registration link below:

[SPA VI ASM 2026 Registration Link<sup>1</sup>](#)

Upon registration, stockholders shall be asked to provide the information and upload the documents listed below (the file size should be no larger than 5MB):

For individual stockholders:

1. Email address
2. First and Last Name
3. Address
4. Mobile Number
5. Current photograph of the stockholder, with the face fully visible
6. Stock Certificate Number and number of shares held by the stockholder
7. Valid government-issued ID

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<sup>1</sup> <https://forms.cloud.microsoft/r/FXTaVndnud>

For stockholders with joint accounts: A scanned copy of an authorization letter signed by all stockholders, identifying who among them is authorized to cast the vote for the account

For corporate/organizational stockholders:


1. Email address
2. Name of stockholder
3. Address
4. Mobile Number
5. Phone Number
6. Stock certificate number and number of shares held by the stockholder
7. Current photograph of the individual authorized to cast the vote for the account (the "Authorized Voter")
8. Valid government-issued ID of the Authorized Voter
9. A scanned copy of the Secretary's Certificate or other valid authorization in favor of the Authorized Voter

Stockholders who will join by proxy shall fill out and submit the corresponding proxy form on or before **June 15, 2026** through the link below:

[SPAVI ASM 2026 Registration via Proxy<sup>2</sup>](#)

All registrations shall be validated by the Corporate Secretary in coordination with the Stock Agent. Successful registrants will receive an electronic invitation via email with a complete guide on how to join the meeting and how to cast votes.

Only stockholders of record as of the close of business on **May 4, 2026** are entitled to notice and to vote at the meeting.

  
**MARIA ROSARIO L. YBANEZ**  
Corporate Secretary

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<sup>2</sup> <https://forms.cloud.microsoft/r/FXTaVndnud>

## EXPLANATION OF AGENDA ITEMS

### *Proof of notice and determination of quorum*

The Company has established a designated website in order to facilitate the registration and voting in absentia by stockholders at the annual meeting, as allowed under Sections 23 and 57 of the Revised Corporation Code. A stockholder or member who participates through remote communication and votes by proxy shall be deemed present for purposes of quorum.

The Corporate Secretary will certify the date the notice of the meeting was published as required by the Securities and Exchange Commission (SEC) in the Notice on Alternative Mode of Distributing and Providing Copies of the Notice, Information Statement, Management Report, and the SEC Form 17-A dated March 11, 2026.

The Corporate Secretary will further certify the existence of a quorum. For purposes of quorum, only the following stockholders shall be counted as present:

- A. Stockholders who have registered and voted on the website for voting *in absentia* before the cut-off time;
- B. Stockholders who have sent their proxies via registration on the website by June 15, 2026; or
- C. Stockholders who have sent their proxies via electronic mail to the Stock Transfer Agent or the Corporate Secretary by June 15, 2026.

A majority of the outstanding capital stock shall constitute a quorum for the transaction of business.

The complete guidelines for voting in absentia are found in the attached Appendix 1.

### *Approval of minutes of previous meeting*

The minutes of the meeting held on July 3, 2025 are posted at the Company's website, which can be accessed through this link: [PIZZA ASM 2025 Minutes](#)

### *Annual Management Report*

The President and Chief Executive Officer, Mr. Vicente L. Gregorio, will deliver a report to the stockholders on the performance of the Company in 2025 and the outlook for 2026. The financial statements as of December 31, 2025 (FS) will be incorporated in the Information Statement.

Copies of the [Management Report](#)<sup>3</sup> and [SEC Form 17-A](#)<sup>4</sup> are uploaded to the Company's Website and PSE EDGE under Shakey's Pizza Asia Ventures Inc. Company Disclosures.

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<sup>3</sup> [PIZZA Management Report 2025 Slides compressed-compressed.pdf](#)

<sup>4</sup> [01 PIZZA SEC 17A Annual Report for 2025-SEC compressed \(1\).pdf](#)

### *Election of directors including the Independent Directors*

Each stockholder entitled to vote may cast the votes to which the number of shares he owns entitles him, for as many persons as there are to be elected as directors, or he may give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of Directors to be elected. The nine nominees receiving the highest number of votes will be declared elected as directors of the Company.

Please refer to the attached Appendix 1 for the complete guidelines on voting. Please refer to the attached Appendices 4, 5, and 6 for the Independent Director Nominees' Certifications.

### *Election of external auditor and fixing of its remuneration*

The profile of the external auditor will be provided in the Information Statement for examination by the stockholders.

A resolution for the election of the external auditor will be presented to the stockholders for adoption by the affirmative vote of stockholders representing a majority of the voting stock present at the meeting.

### *Consideration of such other business as may properly come before the meeting*

The Chairman will answer questions on matters concerning the Agenda, the Information Statement and the Management Report sent via the voting website.

**PROXY**

The undersigned stockholder of **SHAKEY’S PIZZA ASIA VENTURES INC.** (the “Company”) hereby appoints the **Chairman, Christopher Paulus Nicholas T. Po**, as *attorney-in-fact* and *proxy*, to represent and vote all shares registered in his/her/its name at the annual meeting of stockholders of the Company on June 24, 2026 and at any of the adjournments thereof for the purpose of acting on the following matters:

- |   |  |
|---|--|
| <p>1. Approval of minutes of previous meeting<br/> <input type="checkbox"/> For   <input type="checkbox"/> Against   <input type="checkbox"/> Abstain</p> <p>2. Annual Report<br/> <input type="checkbox"/> For   <input type="checkbox"/> Against   <input type="checkbox"/> Abstain</p> <p>3. Ratification of the acts of the Board of Directors and Officers<br/> <input type="checkbox"/> For   <input type="checkbox"/> Against   <input type="checkbox"/> Abstain</p> | <p>5. Election of SGV &amp; Co. as the independent auditor and fixing of its remuneration<br/> <input type="checkbox"/> For   <input type="checkbox"/> Against   <input type="checkbox"/> Abstain</p> <p>6. At his/her discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting<br/> <input type="checkbox"/> Yes   <input type="checkbox"/> No</p> |
|---|--|

4. Election of Directors

	No. of Votes	
Christopher Paulus Nicholas T. Po	_____	
Ricardo Gabriel T. Po	_____	PRINTED NAME OF STOCKHOLDER
Teodoro Alexander T. Po	_____	
Leonardo Arthur T. Po	_____	NUMBER OF SHARES
Vicente L. Gregorio	_____	
Lance Y. Gokongwei	_____	
 <i>Independent Directors:</i> <sup>5</sup>		
Frances J. Yu	_____	SIGNATURE OF STOCKHOLDER/ AUTHORIZED SIGNATORY
Regina Roberta L. Lorenzana	_____	
Kristine Romano	_____	DATE

THIS PROXY SHOULD BE RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE **5:00PM ON June 15, 2026** via [PIZZA ASM 2026 Registration Link via Proxy](#)<sup>6</sup>. A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY THE CHAIRMAN.

NOTARIZATION OF THIS PROXY IS NOT REQUIRED.

<sup>5</sup> Per SEC MC No. 7 Series of 2026, Independent Directors shall be elected for a term of one (1) year and a maximum cumulative term of nine (9) years).

<sup>6</sup> <https://forms.cloud.microsoft/r/FXTaVndnud>



## CERTIFICATE

I, **MARIA ROSARIO L. YBANEZ**, of legal age, Filipino, with office address at the 7<sup>th</sup> Floor Centerpoint Building, Julia Vargas Avenue corner Garnet Road, Ortigas Center, Pasig City, hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of Shakey's Pizza Asia Ventures Inc. (the "Company") with principal office address at 15Km East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City.
2. There are no directors, independent directors or officers of the Company who are currently appointed in any government agency or is an employee of any government agency.

  
**MARIA ROSARIO L. YBANEZ**  
Corporate Secretary

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*Required Disclosures under Section 49 of the Revised Corporation Code (RCC)*

<p>1. Minutes of the most recent regular stockholders' meeting which includes the following:</p> <ul style="list-style-type: none"> <li>(i) A description of the voting and vote tabulation procedures;</li> <li>(ii) A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given;</li> <li>(iii) The matters discussed and resolutions reached;</li> <li>(iv) A record of the voting results for each agenda item;</li> <li>(v) A list of the directors or trustees, officers and stockholders or members who attended the meeting;</li> <li>(vi) Such other items that the Commission may require in the interest of good corporate governance and the protection of minority stockholders.</li> </ul>	<p>Please see Minutes of the Annual Stockholders' Meeting as <b>Appendix 7</b> of the Definitive Information Statement</p>
<p>2. A detailed, descriptive, balanced and comprehensible assessment of the corporation's performance, which shall include information on any material change in the corporation's business, strategy, and other affairs</p>	<p>Please see Management Report found on <b>page 33</b> of the Definitive Information Statement</p>
<p>3. A financial report for the preceding year, which shall include financial statements duly signed and certified in accordance with this Code and the rules the Commission may prescribe, a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees</p>	<p>Please see Audited Financial Statements for period ending December 31, 2025 attached as <b>Appendix 11</b> of the Definitive Information Statement</p>
<p>4. A financial report for the first quarter of the year</p>	<p>Please see Audited Financial Statements for period ending March 31, 2026 attached as <b>Appendix 12</b> of the Definitive Information Statement</p>
<p>5. An explanation of the dividend policy and the fact of payment of dividends or the reasons for nonpayment thereof</p>	<p>Please see discussion on Dividend Policy found on <b>page 52 and 68</b> of Definitive Information Statement</p>
<p>6. Director or trustee profiles which shall include, among others, their qualifications and relevant experience, length of service in the corporation, trainings and continuing education attended, and their board representations in other corporations</p>	<p>Please see Director Profiles found on <b>Item 5, pages 13 to 17</b> and trainings and continuing education attended on <b>page 59</b> of Definitive Information Statement</p>
<p>7. A director or trustee attendance report, indicating the attendance of each director or trustee at each of the meetings of the board and its committees and in regular or special stockholder meetings</p>	<p>Please see <b>Appendix 8</b> of the Definitive Information Statement</p>
<p>8. Director disclosures on self-dealings and related party transactions</p>	<p>Please see <b>Appendix 9</b> of the Definitive Information Statement</p>
<p>9. The profiles of directors nominated or seeking election or reelection</p>	<p>Please see <b>Item 5</b> and <b>Appendices 4, 5, and 6</b> of the Definitive Information Statement</p>

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 20-IS**  
**INFORMATION STATEMENT OF SHAKEY'S PIZZA ASIA VENTURES INC.**  
**PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

- Preliminary Information Statement  
 Definitive Information Statement

2. Name of Registrant as specified in its charter: **Shakey's Pizza Asia Ventures Inc.**

3. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Philippines**

4. SEC Identification Number: **54666**

5. BIR Tax Identification Code: **000-163-396**

6. Address of principal office: **15 Km East Service Rd., Brgy. San Martin De Porres, Parañaque City** Postal Code: **1700**

7. Registrant's telephone number, including area code: **(632) 8742-5397**

8. Date, time and place of the meeting of security holders

**Date : June 24, 2026**  
**Time : 8:30 AM**

**via Remote communication**, stockholders must pre-register within the period of **May 29, 2026 to June 5, 2026** at this link: [SPAVI ASM 2026 Registration Link](#)

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **on or before May 27 and 28, 2026 through publication in two (2) newspapers of general circulation**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock
<b>Common Shares</b>	<b>1,683,760,178</b>

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes / No \_\_\_\_

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

**Main Board of The Philippine Stock Exchange, Inc.**

## INFORMATION REQUIRED IN INFORMATION STATEMENT

### A. GENERAL INFORMATION

#### *Item 1. Date, Time and Place of Meeting of Security Holders*

(a) Date, Time, and Place of Meeting:

Date: June 24, 2026  
Time: 8:30 AM

(b) Online web addresses/URLs

- For participation by remote communication: [SPAVI ASM 2026 Registration Link via remote communication](#)<sup>7</sup>
- For voting *in absentia*: [SPAVI ASM 2026 Registration Link via In Absentia](#)<sup>8</sup>

(c) Complete Mailing Address of Principal Office:

15 Km East Service Road corner Marian Road 2, Barangay San Martin De Porres, Parañaque City 1700

(d) Approximate date when the Information Statement is first to be sent or given to security holders:

**on or before May 27 and 28, 2026 through publication on the Company's website and two (2) newspapers of general circulation.**

#### *Item 2. Dissenters' Right of Appraisal*

Under Section 80, Title X of the Revised Corporation Code of the Philippines ("Revised Corporation Code"), a stockholder shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- i. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- ii. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- iii. In case of merger or consolidation; and
- iv. In case of investment of corporate funds for any purpose other than the primary purpose of the Company.

In relation thereto, Section 81 of the Revised Corporation Code provides that the dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand to the Company for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: *Provided*, that failure to make the

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<sup>7</sup> <https://forms.cloud.microsoft/r/FXTaVndnud>

<sup>8</sup> <https://forms.cloud.microsoft/r/FXTaVndnud>

demand within said 30-day period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the Company shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken excluding any appreciation or depreciation in anticipation of such corporate action.

If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the Company and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made: *Provided*, That no payment shall be made to any dissenting stockholder or unless the Company has unrestricted retained earnings in its books to cover such payment: *Provided*, further, That upon payment by the Company of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the Company.

As of date, there are no matters or proposed corporate action included in the agenda of the meeting which may give rise to a possible exercise by stockholders of their appraisal rights.

### ***Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon***

No current director, nominee for election as director, associate of the nominee, or executive officer of the Company at any time since the beginning of the last fiscal year has had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

None of the incumbent directors has informed the Company in writing of an intention to oppose any action to be taken by the Company at the meeting.

## **B. CONTROL AND COMPENSATION INFORMATION**

### ***Item 4. Voting Securities and Principal Holders Thereof:***

(a) Voting Securities:

**Number of Shares Outstanding as of March 31, 2026:** 1,683,760,178 Common Shares

**Number of Votes entitled:** One (1) vote per share

(b) Record Date:

All stockholders of record at the close of business on May 4, 2026 are entitled to notice of and to vote at, the Annual Stockholders' Meeting.

(c) Election of Directors and Voting Rights

Each stockholder may vote such number of shares for as many persons as there are directors to be elected. To be clear, if there are nine (9) directors to be elected, each voting share is entitled to nine (9) votes. The stockholder may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many nominees as he shall see fit, provided

that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

See Appendix 1 on complete guidelines on voting.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners

As of March 31, 2026, the following are owners of more than 5% of the Company's outstanding shares:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	Nature of Beneficial Ownership	% of Total Outstanding
Common	Century Pacific Group, Inc., <i>Stockholder of Record</i>  7F Centerpoint Building, Julia Vargas Avenue, Ortigas Center, Pasig City	Same as record owner	Filipino	836,445,141	Direct	64.04% <sup>9</sup>
				241,824,247	Indirect (lodged in PCD)	
				1,078,269,388	<b>TOTAL</b>	
Common	PCD Nominee Corp. (Filipino), <i>Stockholder of Record</i>  The Enterprise Center, Ayala Avenue corner Paseo de Roxas, Makati City	Various Individuals/Entities (attached as Appendix 2)	Filipino	663,013,100	Indirect (lodged in PCD)	39.37% <sup>10</sup>
			Non-Filipino	131,645,137	Indirect (lodged in PCD)	7.81%

There are no voting trust shares or shares issued pursuant to a Voting Trust Agreement registered with the Company nor has there been any change in control of the Company. The Company is also not aware of any contractual arrangement or otherwise between its shareholders and/or third parties, which may result in change in control.

(2) Security Ownership of the Board of Directors and Senior Management

The following are the number of shares owned of record by the Directors and Key Officers of the Company, and Nominees for election as director as of March 31, 2026:

Title of Class	Name of Beneficial Owner	Citizenship	Amount and Beneficial Ownership	
			Direct shares	Indirect shares
Common	Ricardo Gabriel T. Po	Filipino	1	1
Common	Teodoro Alexander T. Po	Filipino	1	1
Common	Christopher Paulus Nicholas T. Po	Filipino	1	1
Common	Leonardo Arthur T. Po	Filipino	1	1
Common	Vicente L. Gregorio	Filipino	2,764,189	-
Common	Frances J. Yu	Filipino	1	-

<sup>9</sup> Shareholders owning 5% or more via PCD Nominee Corp. (both Filipino and Non-Filipino) are Century Pacific Group, Inc. and JE Holdings Inc. Century Pacific Group, Inc. owns 836,445,141 shares of the Company in its own name and another 241,824,247 shares of the Company lodged under PCD Nominee Corp. (Filipino).

<sup>10</sup> JE Holdings Inc. owns 249,514,337 shares lodged under PCD Nominee Corp. (Filipino). JE Holdings Inc. shares represent 14.82% of the total shareholdings of the Company.

Title of Class	Name of Beneficial Owner	Citizenship	Amount and Beneficial Ownership	
			Direct shares	Indirect shares
Common	Regina Roberta L. Lorenzana	Filipino	100	-
Common	Kristine A. Romano	Filipino	1,000	-
Common	Lance Y. Gokongwei	Filipino	100	-
Common	Jose Arnold T. Alvero	Filipino	75,555	-
Common	Alois Brielbeck	Filipino	359,600	-
Common	Kellda M. Centeno	Filipino	-	-
Common	Jorge Maria Q. Concepcion	American and Filipino	649,245	-
Common	Kathrina M. David	Filipino	4,189	-
Common	Charmaine Jodi Go	Filipino	-	-
Common	Chuck Pebenito	Filipino	-	-
Common	Maria Elma C. Santos	Filipino	-	-
Common	Samuel V. Santillan	Filipino	-	-
Common	Oliver Angelo C. Sicam	Filipino	56,300	-
Common	Gilbert L. Tolentino	Filipino	-	-
Common	Dino T. Francisco	Filipino	-	-
Common	Yiow L. Tan	Filipino	-	-
Common	Jenifer Mae San Juan-Tecson	Filipino	3,500	-
Common	Myrose April C. Victor	Filipino	562,700	-
Common	Maria Rosario L. Ybanez	Filipino	-	-
<b>TOTAL</b>			<b>4,476,483</b>	<b>4</b>

### **Item 5. Directors and Executive Officers**

#### (a) Directors and Officers

The overall management and supervision of the Company is undertaken by the Company's Board of Directors. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Pursuant to the Company's amended articles of incorporation, the Company's board of directors shall consist of nine (9) members, of whom three (3) are independent directors.

The incumbent Directors of the Company as of March 31, 2026 are as follows:

**Christopher Paulus** Date Appointed: October 5, 2016

**Nicholas T. Po** Term: 8 years and 8 months

*55 years old, Filipino*

*Chairman*

Mr. Po concurrently serves as the Executive Chairman of Century Pacific Food, Inc and as a Director of Arthaland Corporation, a property developer listed on the PSE. He is an Independent Director of Maya Bank, Inc. and Director of AB Capital and Investment Corporation. Prior to those roles, he was Managing Director for Guggenheim Partners, a U.S. financial services firm where he was in charge of the firm's Hong Kong office. Previously, he was a Management Consultant at McKinsey & Company working with companies in the Asian region. He also worked as the Head of Corporate Planning for JG Summit Holdings, a Philippine-based conglomerate with interests in food, real estate, telecom, airlines and retail. He graduated in 1991 from the Wharton School and College of Engineering of the University of Pennsylvania with dual degrees in Economics (finance concentration) and applied science (system

engineering). He holds a Master's Degree in Business Administration from the Harvard University Graduate School of Business Administration. He is a member of the Board of Trustees of the Ateneo de Manila University, serves as a Board member of the Child Protection Network as well as Asia Society Philippines, and is the President of the CPG-RSPo Foundation.

**Ricardo Gabriel T. Po, Jr.**  
*58 years old, Filipino*  
*Vice Chairman*

Date Appointed: October 5, 2016  
Term: 8 years and 8 months

Mr. Po concurrently serves as Vice Chairman of Century Pacific Food, Inc. and as Vice Chairman of Arthaland Corporation. He was the Executive Vice President and Chief Operations Officer of from 1990 to 2006 and became the Vice Chairman of its Board of Directors in 2006. He graduated magna cum laude from Boston University with a Bachelor of Science degree in Business Management in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in 2000.

**Teodoro Alexander T. Po**  
*56 years old, Filipino*  
*Vice Chairman*

Date Appointed: October 5, 2016  
Term: 8 years and 8 months

Mr. Po concurrently serves as Vice Chairman, President and Chief Executive Officer of Century Pacific Food, Inc. He is also a Member of the Board of Directors of CPG. Since 1990, he has held various positions in CPG. He graduated summa cum laude from Boston University with a Bachelor of Science degree in Manufacturing Engineering in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School.

**Leonardo Arthur T. Po**  
*49 years old, Filipino*  
*Treasurer*

Date Appointed: October 5, 2016  
Term: 8 years and 8 months

Mr. Po concurrently serves as the Director and Treasurer of Century Pacific Food, Inc. and President of Pacifica Homes Development Corporation. He graduated magna cum laude from Boston University with a degree in Business Administration and has extensive and solid business development experience in consumer marketing, finance and operations of fast-moving consumer goods (FMCG), foodservice, quick-serve restaurants, and real estate development. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in November 2023.

**Vicente L. Gregorio**  
*60 years old, Filipino*  
*President and Chief Executive Officer*

Date Appointed: October 5, 2016  
Term: 8 years and 8 months

Mr. Gregorio has also been the Company's President and Chief Executive Officer since March 2013. He has more than 30 of experience in the food business, previously serving as Operations Director in various food service companies prior to assuming the position of

Executive Vice President and Chief Operations Officer of the Company in February 2003. He also currently serves as a member of the board of the Philippine Franchise Association, Cavallino, Inc., Don Bosco Technical College, Bosconian International Chamber of Commerce, and Plan Master Insurance and Financial Services, Inc. Mr. Vicente Gregorio graduated from Central Colleges of the Philippines with a degree in Bachelor of Science in Electrical Engineering and has earned units in the Business Administration Master's program of the Graduate School of Business at Ateneo de Manila University.

**Lance Y.  
Gokongwei**  
*59 years old, Filipino  
Independent Director*

Date Appointed: July 15, 2021  
Term: 3 years and 11 months

Mr. Gokongwei is the President and Chief Executive Officer and Executive Director of JG Summit Holdings, Inc. since May 14, 2018. He is Chairman of Cebu Air, Inc., Universal Robina Corporation, Robinsons Land Corporation, and Chairman, President and Chief Executive Officer of JG Summit Olefins Corporation effective October 1, 2025. He is a Director and Vice Chairman of Manila Electric Company, Vice Chairman of Maxicare Corporation, and a member of the Advisory Council of Bank of the Philippine Islands since April 2023. He is also a Director of Oriental Petroleum and Minerals Corporation, Singapore Land Group Limited, Shakey's Asia Pizza Ventures, Inc., SP New Energy Corporation, and was elected Director of Robinsons Retail Holdings, Inc. on July 25, 2025. He is a Trustee and the Chairman of the Gokongwei Brothers Foundation, Inc. He holds a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania.

**Regina Roberta L.  
Lorenzana**  
*59 years old, Filipino  
Independent Director*

Date Appointed: July 03, 2025

Ms. Lorenzana concurrently serves as an Independent Director of Century Pacific Food, Inc. She is a member of the Board of Directors of BetterBrandLabs, Inc., the Founder of Nada Debajo S.L., and Board Director of other privately owned companies. Ms. Lorenzana is an experienced global executive, having held various senior leadership positions, including Global Vice President for Fabric & Fashion at Unilever PLC, Regional Vice President for Deodorants in Asia, Africa & the Middle East, Vice President for Personal Care at Unilever Philippines, and Marketing Director roles in Unilever Indonesia and China. She graduated from Ateneo de Manila University with a degree in BS Management Engineering and has completed executive programs in Sustainability Leadership at the University of Cambridge, Leading Global Brands at Harvard Business School, and several senior executive programs on technology, leadership, and purpose at Harvard Business School and INSEAD. She is a fellow at the International Women's Forum and holds a certification in Corporate Governance from INSEAD.

**Kristine A. Romano** Date of Appointment: July 03, 2025

42 years old, Filipino  
Independent Director

Ms. Romano was the former Managing Partner of the Philippine office of McKinsey & Company, where she has over two decades of management consulting experience. She has a track record of advising leading institutions in SE Asia towards transformational results, with a focus on finance- and consumer-driven industries in the Philippines. Prior to leading the Philippines office of McKinsey, Ms. Romano's work centered on organizational transformation and governance among private and public institutions across Southeast Asia. Ms. Romano graduated from the University of the Philippines with a degree in BS Business Administration & Accountancy and completed her Master's in International Development at the Harvard Kennedy School of Government.

**Frances J. Yu** Date Appointed: August 16, 2018

57 years old, Filipino  
Lead Independent  
Director

Term: 6 years and 10 months

Ms. Yu concurrently serves as an Independent Director of Century Pacific Food, Inc. She was previously the Chief Retail Strategist of Mansmith and Fielders, Inc., the largest marketing and sales training company in the Philippines. Prior to this, she was the Vice President and Business Unit Head of Rustan's Supermarket and the Vice President and Head of Marketing Operations for Rustan's Supercenters, Inc. She founded FJY Consulting, Inc., a corporate marketing and management consulting company which she managed as President. She was also the Vice President and General Manager of a marketing research and consulting firm catering to the top 500 corporations in several sectors. From 2003 to 2005, she served as the Chairperson for the National Retail Conference and Stores Asia Expo (NRCE) Programs Committee of the Philippine Retailers Association. She graduated summa cum laude from Fordham University, New York with a Bachelor of Arts degree in English Literature. She graduated magna cum laude from Augustine Institute in Denver, with a Master's Degree in Theology.

Other positions held by members of the Board of Directors in other corporations:

<b>Name</b>	<b>Corporations</b>	<b>Position</b>
<b>Christopher Paulus Nicholas T. Po</b> <i>Chairman/Non-Executive</i>	Century Pacific Food, Inc.	Chairman
	Arthaland Corporation	Director
	Maya Bank, Inc.	Independent Director
	Ateneo de Manila University	Member of the Board of Trustees
	Child Protection Network	Board Member
	Asia Society Philippines	Board Member
	CPG-RSPo Foundation	President
<b>Ricardo Gabriel T. Po</b> <i>Vice Chairman/Non-Executive</i>	Century Pacific Food, Inc.	Vice Chairman
	IP E-Game Ventures, Inc.	Non-executive
	Arthaland Corporation	Vice Chairman

<b>Name</b>	<b>Corporations</b>	<b>Position</b>
<b>Teodoro Alexander T. Po</b> <i>Vice Chairman /Non-Executive</i>	Century Pacific Food, Inc	Vice Chairman
<b>Leonardo Arthur T. Po</b> <i>Treasurer and Member/Non-Executive</i>	Century Pacific Food, Inc.	Director and Treasurer
	Pacifica Homes Development Corporation	President
<b>Vicente L. Gregorio</b> <i>Member/ Executive Director</i>	Philippine Franchise Association	Board Member
	Cavallino, Inc.	Board Member
	Don Bosco Technical College	Board Member
	Bosconian International Chamber of Commerce	Board Member
	Plan Master Insurance and Financial Services, Inc.	Board Member
<b>Lance Y. Gokongwei</b> <i>Director/Non-Executive</i>	JG Summit Holdings Inc.	President and CEO
	Gokongwei Brothers Foundation, Inc.	Chairman and Trustee
	SP New Energy Corporation	Director
	AB Capital and Investment Corporation	Director
	Singapore Land Group Limited	Director
	Oriental Petroleum Minerals Corporation	Director
	Altus Property Ventures, Inc.	Director
	RL Commercial REIT, Inc.	Director
	Bank of the Philippine Islands	Member of the Advisory Council
	Maxicare Corporation	Vice Chairman
	Robinsons Retail Holdings, Inc.	Board Adviser
	Manila Electric Company	Director and Vice Chairman
	Robinsons Land Corporation	Chairman
	JG Summit Olefins Corporation	Chairman
Universal Robina Corporation	Chairman	
Cebu Air, Inc.	Chairman	
<b>Frances J. Yu</b> <i>Lead Independent Director</i>	Century Pacific Food, Inc.	Independent Director
<b>Regina Roberta L. Lorenzana</b> <i>Independent Director</i>	BetterBrandLabs, Inc.	Board Member
	Century Pacific Food, Inc.	Independent Director
	Nada Debajo S.L.	Founder
	LaEsquina Blumentritt Inc.	Director
	Belo Medical Group	Chief Executive Officer
<b>Kristine A. Romano</b> <i>Independent Director</i>	McKinsey & Co.	Partner
	University of the Philippines	Part-time Lecturer

Key Executives and Corporate Officers as of March 31, 2026:

**Jose Arnold T. Alvero**

*63 years old, Filipino  
Chief Operating  
Officer and Business  
Unit Head of Potato  
Corner*

Mr. Alvero is a hospitality professional with more than 35 years of transnational experience in Hotel Operations, Restaurant General Management, Franchising, Business Development, Guest Service Management, and Strategic Planning. Prior to his new appointment, he was the Business Unit General Manager for Franchised Store Operations as well as Director for Franchise and Business Development where he led the store network expansion & growth of Shakey's Philippines outside of Metro Manila and developed the Franchise ACE program for its esteemed franchisees. Previous to that, he was Planning and Business Development Director of Shakey's Philippines wherein he strengthened the brand's Countrywide Development Plan and steered the Company's Business Development team. Before joining Shakey's Philippines, he was the Corporate Franchising and Channel Development Head of One Food Group and oversaw the development of the Tokyo Tokyo and Mister Donut franchising programs. Before that, he also served as Regional Business Unit (RBU) General Manager for both Company-Owned and Franchised stores for Mister Donut. He also had stints in Red Ribbon Bakeshop, Inc, McDonald's Philippines, The Palace Hotel, Beijing, and The Mandarin Oriental, Manila in various managerial capacities in Operations and Guest Services early in his career. He is a graduate of the University of the Philippines where he finished a B.S. Hotel and Restaurant degree, cum laude.

**Alois Brielbeck**

*65 years old, German  
General Manager  
(Commissary)*

Mr. Brielbeck has served as the General Manager of the Company's in-house Commissary since October 2005. He moved to the Philippines in February 2000 as the Chief Operating Officer for Culinary Systems Specialists Inc., a company involved in the production of bakery products to both local and export markets. He has held key positions in pastry kitchens in Hong Kong and Tokyo, Japan before moving to the Philippines. Mr. Alois Brielbeck is a fully qualified Baker with a Baker Master Diploma from the Master School of Lochham in Munich, Germany.

**Karina Kellda M. Centeno**

*41 years old, Filipino  
Chief Digital and IT  
Officer*

Ms. Centeno joined Shakey's in March 2020 as the Delivery Business Unit Head providing leadership in all aspects of Shakey's Delivery Business Unit. Ms. Centeno served as Chief Operating Officer of Storm Technologies prior to joining the Company and has 15 years of leadership roles in various companies which includes Unilever Philippines. She was also the co-owner/co-founder of a Filipino restaurant group franchise where she plays a key role in the business expansion plans. Ms. Centeno graduated Magna cum laude with a bachelor's degree in management at the Ateneo de Manila University.

**Jorge Maria Q. Concepcion**

Mr. Concepcion has previously served as the Company's General Manager since his repatriation from the US in 2014. He previously held the position of Executive Vice-President & General Manager in Gallo Giro (a Mexican restaurant chain in California), Red Ribbon

*70 years old,  
American and  
Filipino  
Country Head -  
Potato Corner USA*

Bakeshop, Inc. (US and the Philippines) and Goldilocks Corp. of California. Before entering the foodservice retail industry, Mr. Concepcion started in the Branded Foods FMCG business where he worked for various Unilever Asia affiliates in the Philippines, Malaysia and Singapore in different capacities in marketing, sales, corporate planning and general management. He first repatriated to the Philippines in 1996 with the ConAgra joint-venture company, Hunts-URC. He then subsequently and concurrently headed URC-Dairy Product Division and URC-Food Service Division before eventually migrating to the US in 2006. He has a degree in Bachelor of Arts (Honors) in Mathematics from De La Salle University and has a Master of Science in Industrial Engineering and Operations Research from the University of the Philippines.

**Kathrina M. David**  
*41 years old, Filipino  
Group Supply Chain  
Director*

Ms. David has approximately 15 years of experience in Procurement, Audit and Accounting. She was formerly the Shared Services Manager for PIZZA, handling Corporate Procurement and Administrative Shared Services. Ms. David holds a bachelor's degree in accountancy from Holy Angel University and is a Certified Purchasing Professional.

**Charmaine Jodi R. Go**  
*42 years old, Filipino  
Chief Marketing  
Officer - Potato  
Corner*

Ms. Go has more than 12 years of Marketing Leadership experience in FMCG and most significant in Food Retail. Her core expertise lies in Strategic Marketing, Brand Management, Product Innovation and Marketing Program Execution. Her wide expertise spanned careers at Southeast East Asia Food Inc./NutriAsia, Inc., Fresh and Famous Foods Inc. as Senior Brand Manager for Brand and Retail, and Philippine Airlines, as Marketing Director. She holds a double degree Major: BA, Major in Psychology and BS, Major in Business Management and graduated with honors from De La Salle University.

**Vicente L. Gregorio**  
*60 years old, Filipino  
President and Chief  
Executive Officer*

*See qualifications under Directors in page 14.*

**Samuel V. Santillan**  
*64 years old, Filipino  
Chief Audit Executive*

Mr. Santillan joined the Century Pacific Group in 2008 as Corporate Internal Audit Manager. Prior to that, he had 24 years of experience in auditing, finance and accounting management roles at various manufacturing, shipping, trading, and retail businesses, such as SGV & Co., Pepsico Inc., Baliwag Navigation Inc., Universal Food Corporation (now NutriAsia), Marsman Drysdale Inc. and Pilipinas Makro, Inc. as Systems and Audit Manager in the Philippines and as Finance Director in Beijing, China. Mr. Santillan graduated from Pamantasan ng Lungsod ng Maynila with a Bachelor of Science Degree in Business Administration major in Accounting and has MBA units from De La Salle University.

**Romeo Pe Benito,  
Jr.**

Mr. Pe Benito has more than 35 years of leadership experience in the restaurant industry. Over the past two decades in the United States,

*55 years old, Filipino  
Deputy General  
Manager - Potato  
Corner USA*

he has held leadership and advisory roles including Financial Analyst, Operations Consultant, and Director of Operations, supporting brands such as Popeyes Louisiana Kitchen, Applebee's, and Burger King. He began his career at Shakey's Malate in the Philippines as a restaurant crew member and advanced into management roles before joining Kenny Rogers Roasters as an Operations Officer. He later helped lead the opening of Seattle's Best Coffee in the Philippines. He holds an MBA and an MS in Management from the Gies College of Business at the University of Illinois Urbana-Champaign, with concentrations in Mergers & Acquisitions and Global Challenges in Business.

**Maria Elma C. Santos**  
*50 years old, Filipino  
Chief Human  
Resources Officer*

Ms. Santos was the Company's General Manager for Peri Peri Business Unit and was previously the Company's Guest Engagement Director in 2015, and General Manager of Project Pie from 2016 to 2017. In mid of 2017, she became Shakey's Delivery Systems Head and headed the HR Division of Shakey's until mid-2019. She earned her master's degree in business administration from the Ateneo-Regis Program.

**Oliver Angelo C. Sicam**  
*47 years old, Filipino  
Shakey's General  
Manager*

Mr. Sicam was previously appointed as the Company's Group Director for Marketing on July 3, 2025. Mr. Sicam has built his expertise in Market Development, Brand and Category Strategy, Brand Communication & Innovation, Developing and Emerging Markets from various industries and geography. Before joining the Company, he pursued and deepened his experience in the social impact space, as the Managing Director of Generation Hope, Inc. wherein he oversees the Sales, Marketing, Operations, Accounting and HR functions. He was also the Marketing & Strategy Director for Plastic Credit Exchange, the 1st Global Non-profit Plastic Offset Program. Early in his career, he held various leadership roles in several industry leaders such as Unilever in the Philippines, UK, and Brazil, and multiple brands for Jollibee Foods Corporation.

**Gilbert L. Tolentino**  
*55 years old, Filipino  
Corporate Business  
Development Head*

Mr. Tolentino has 33 years of experience in the food industry and has handled different departments like Operations, Training, Organization Development, Franchising, Business Development, and Technical Services. Previously the Group Training Manager for Pancake House, Dencio's, and Teriyaki Boy. Mr. Tolentino has been with the Company for 15 years.

**Dino T. Francisco**  
*52 years old, Filipino*  
*Peri Peri General*  
*Manager*

Mr. Francisco is an accomplished executive with extensive experience in food service, consumer retail, and strategic management consulting. He has held leadership positions in Goldilocks Bakeshop, Dunkin' Donuts Philippines, Generika Drugstore, and Vista Malls, where he successfully drove business growth, operational improvements, and brand development. He has been instrumental in expanding retail networks, enhancing operational efficiencies, and pioneering innovative business strategies. His leadership at Goldilocks saw the successful management of over 800 retail stores, as well as helping generate a new revenue stream for its manufacturing operations. While at Dunkin' Donuts, he spearheaded initiatives that resulted in significant revenue growth and brand revitalization. His expertise also extends to commercial leasing, having overseen leasing operations for SM Supermalls and Vista Malls.

**Yiow L. Tan**  
*52 years old,*  
*Singaporean*  
*Group Director for*  
*International*

Mr. Tan has more than 25 years of transnational experience in Business Development, Market Development, and Investment & Asset Management. Before joining the Company, he was the Business Development Director – International Franchise for Minor Food Group where he spearheaded the growth of the Group's brand in the international market. Prior to that, he held various posts in Yum! Brands, Inc., a US Fortune 500 company that operates quick service restaurants including KFC, Pizza Hut and Taco Bell. His last post is Consultant for KFC Asia Development, where he led regional franchise teams to enable sustainable and profitable growth in the region. He also had stints in Metro Group AG, Focus Brands International, Capitaland Retail Limited, Shell Oil Company and Deutsche Bank AG in various managerial capacities early in his career. Mr. Tan is a graduate of where he finished a Bachelor of Science in Economics in London School of Economics and Political Science and earned a Master of Science in Economics in the same school.

**Jenifer Mae San**  
**Juan-Tecson**  
*41 years old, Filipino*  
*Investor Relations*  
*Head and Corporate*  
*Strategy and*  
*Planning Director*

Ms. Tecson has been serving under the Company's Investor Relations team since 2021, playing key roles in stakeholder management, Mission Inspire, corporate acquisitions and public relations. Her efforts have earned her and the Company multiple regional IR awards and recognition these last few years. Ms. Tecson holds a degree in Business Administration and Accountancy from UP Diliman.

**Myrose April C.**  
**Victor**  
*41 years old, Filipino*  
*Chief Financial*  
*Officer*

Ms. Victor has close to 20 years of work experience in the Finance and Accounting, Planning, Systems Implementation and General Management functions in various industries such as food retail, banking and energy. Prior to joining the Company, Ms. Victor was the Head of Finance for DOLE's Packaged Division, heading the functions of Finance Planning and Controllership for the Philippines and Other Distributor Markets. Ms. Victor also held various roles on general and finance management, leading for transformation and turnaround projects for companies in the food, banking and energy industries.

She graduated in 2005 from the University of the Philippines with a degree in BS Business Administration and Accountancy (mcl). Ms. Victor also completed her Global Master in Finance from the IE Business School in 2019.

**Maria Rosario L. Ybanez**  
*50 years old, Filipino*  
*Corporate Secretary*

Ms. Ybanez concurrently serves as the Legal Counsel and Compliance Officer of Century Pacific Food Inc. Atty. Ybanez graduated with a Bachelor of Arts Degree in Legal Management from the Ateneo de Manila University and obtained her J.D. from the Ateneo de Manila School of Law.

(b) Significant Employees

Other than the Key Executive and Corporate Officers indicated above, there are no other employees whose functions are expected to make a significant contribution to the business.

(c) Nomination of Directors

The Company's Corporate Governance and Sustainability Committee which acts as the Nomination Committee pre-screened and accepted the nominations for the following Directors in accordance with the criteria provided in the Securities Regulation Code, the Company's Manual of Corporate Governance and the Company's By-Laws:

1. Ricardo Gabriel T. Po
2. Christopher Paulus Nicholas T. Po
3. Teodoro Alexander T. Po
4. Leonardo Arthur T. Po
5. Vicente L. Gregorio
6. Lance Y. Gokongwei
7. Frances J. Yu, *Independent*
8. Kristine Romano, *Independent*
9. Regina Roberta L. Lorenzana, *Independent*

Mmes. Yu, Lorenzana and Romano and Mr. Gokongwei, were nominated by Christopher T. Po. Mmes. Yu, Lorenzana and Romano and Mr. Gokongwei are neither related to Mr. Po nor to each other. Mmes. Yu, Lorenzana and Romano's Certifications of Independent Director are attached as Appendices 4, 5 and 6 respectively.

Once elected, the Directors serve for a term of one (1) year<sup>11</sup>. Unless he or she resigns, dies, or is removed, each Director holds office until the next annual election and until his successor is duly elected.

(d) Family Relationships

Mr. Christopher T. Po, the Executive Chairman, Mr. Ricardo Gabriel T. Po, the Vice Chairman, Mr. Teodoro Alexander T. Po, the Vice Chairman, and Mr. Leonardo Arthur T. Po, the Treasurer, are brothers. Aside from the foregoing, there are no known family relationships between the current Directors and Key Officers as of March 31, 2026.

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<sup>11</sup> An independent director shall be elected for a term of one (1) year, and shall serve a maximum cumulative term of nine (9) years in the same company. (SEC MC No. 7 Series of 2026, Sec. 2)

(e) Legal Proceedings

None of the Directors and Officers have been involved in any bankruptcy proceeding, nor have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment, or decree of competent jurisdiction, permanent or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, or found in action by any court or administrative bodies to have violated a securities of commodities law, for the past five (5) years up to the latest date.

As of date of this report, the Company is not a party to any litigation or arbitration proceedings of material importance, which could be expected to have a material adverse effect on the Company or on the results of its operations. No litigation or claim of material importance is known to be pending or threatened against the Company or any of its properties.

(f) Certain Relationships and Related Transactions

The Company is a subsidiary of Century Pacific Group, Inc. (formerly Century Canning Corporation) and is a member of Century Pacific Group, Inc.'s Group of Companies (the Group). As of March 31, 2026, Century Pacific Group, Inc. holds 1,078,269,388 common shares of the outstanding shares of the Company.

The Company and its subsidiaries, in their ordinary course of business, engage in transactions with companies in the Group and other companies controlled by the Po Family.

The most significant of these transactions would include:

- a) 20-year lease agreement with Century Pacific Group, Inc. on a property in Parañaque City, Metro Manila where the Company's commissary plant is located
- b) Purchase of raw materials from Century Pacific Food, Inc.
- c) Sale of raw materials and toll packing, as well as purchase of raw materials from The Pacific Meat Company, Inc., also a subsidiary of Century Pacific Food, Inc.

In addition to the foregoing transactions, the Company also provides certain corporate services including corporate finance, corporate legal, tax compliance, consulting, corporate planning, procurement, human resources, controller and treasury services to companies in the Group and other companies controlled by the Po Family.

The Company's policy with respect to related party transactions is to ensure that these transactions are entered into an arm's length basis under terms comparable to those available from unrelated third parties.

Further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to affiliated companies, can be found in the notes to the Company's financial statements.

A summary of the Company's transactions and outstanding balances with related parties as at and for the period ended December 31, 2025 is set out below:

Category	Nature	Year	of transaction	Outstanding Balance		Terms	Conditions	
				Receivable (see Note 8)	Payable (see Note 17)			
<b>Century Pacific Group Inc. (CPGI, Ultimate Parent Company)</b>								
Sales	Sale of goods at prices (normally on cost plus basis) mutually agreed upon by both parties	2025	P7,766,842	P3,082,080	P692,543	30-day; non-interest bearing	Unsecured; not impaired	
		2024	P7,766,842	P3,082,080	P1,385,087			
		2023	P7,766,842	P3,082,080	P-			
<b>Companies with common members of BOD and stockholders as the Group</b>								
<b>The Pacific Meat Company Inc. (PMCI)</b>								
Sales	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	2025	9,528,691	1,903,763	-	30-day; non-interest bearing	Unsecured; not impaired	
		2024	14,772,502	12,394,892	-			
		2023	8,587,176	5,400,644	-			
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	2025	119,245,157	-	106,963,778	30-day; non-interest bearing	Unsecured	
		2024	177,074,571	-	122,114,155			
		2023	241,786,131	-	142,402,642			
<b>DBE Project Inc. (DBE)</b>								
Trade sales and service income	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	2025	-	1,962,435	298,043	30-day; non-interest bearing	Unsecured; not impaired	
		2024	-	1,962,435	298,043			
		2023	-	-	-			
<b>Century Pacific Food, Inc. (CPFI)</b>								
Sales	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	2025	P32,997,550	P8,199,208	P-	30-day; non-interest bearing	Unsecured; not impaired	
		2024	25,436,328	3,775,179	-			
		2023	26,857,813	9,975,859	-			
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	2025	40,967,254	-	13,805,671	30-day; non-interest bearing	Unsecured	
		2024	44,105,908	-	26,738,643			
		2023	15,232,070	-	9,297,624			
				2025	P15,147,486	P121,760,035		
				2024	P21,214,586	P150,535,928		

See note 19 of the 2025 Audited Consolidated Financial Statement attached herein as Appendix 11.

The outstanding balances as of December 31, 2025 are as follows:

Amounts in Php	As of December 31, 2025
Due from related parties	15,147,486
Due to related parties	121,760,035

The Company or its related parties have no material transaction with parties that fall outside the definition of "related parties" under SFA/IAS No. 24 that are not available for other more clearly independent parties on an arm's length basis.

#### Item 6. Compensation of Directors and Executive Officers

The levels of remuneration of the Company should be sufficient to be able to attract and retain the services of qualified and competent Directors and Officers. A portion of the remuneration of Executive Directors may be structured or based on corporate and individual performance.

No Director or Executive Officer should participate in deciding on his remuneration.

The Company may, in exceptional cases, e.g., when the Company is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its Directors and Officers.

(a) Summary Compensation Table

*2025 CEO and five other most highly compensated executive officers*

Name	Principal Position	Year	Salary	Bonus	Other Compensation
Vicente L. Gregorio	President and Chief Executive Officer	2025			₱63,596,187
Jorge Maria Q. Concepcion	Country Head - Potato Corner USA				
Myrose April C. Victor	Chief Financial Officer				
Oliver Angelo C. Sicam	General Manager - Shakey's				
Jose Arnold T. Alvero	Chief Operating Officer and Business Unit Head of Potato Corner				
Yiow L. Tan	Group Director - International				

*2024 CEO and five other most highly compensated executive officers*

Name	Principal Position	Year	Salary	Bonus	Other Compensation
Vicente L. Gregorio	President and Chief Executive Officer	2024			₱64,610,672
Jorge Maria Q. Concepcion	Chief Operating Officer - Shakey's				
Alois Brielbeck	General Manager - BMI				
Yiow L. Tan	Group Director - International				
Manuel T. Del Barrio	Vice President & Chief Operating Officer				
Jose Arnold T. Alvero	Chief Operating Officer and Business Unit Head of Potato Corner				

*Compensation of Directors and Officers as a Group*

Name	Principal Position	Year	Salary	Bonus	Other Compensation
Aggregate compensation paid to all Executive Officers and Directors as a group unnamed		2025	₱224,589,481		
		2024	₱192,865,881		

*Compensation of Directors*

Remuneration Item	Independent Directors	Executive Directors	Non-executive Directors (other than Independent Directors)
Fixed Remuneration	None	None	None
Variable Remuneration	None		
Per Diem	Php 111,111 <sup>12</sup>		
Bonuses	None		
Stock Options	None		
Others (Specify)	Php 66,667 <sup>13</sup>		

Other Benefits	Independent Directors	Executive Directors	Non-executive Directors (other than Independent Directors)
1) Advances	None	None	None
2) Credit granted			
3) Pension Plan/s Contributions			
4) Pension Plans, Obligations incurred			
5) Life Insurance Premium			
6) Hospitalization Plan			
7) Car Plan			
8) Others (Specify)			

Each Independent Director is entitled to receive *per diem* allowance for attending board and committee meetings. The Board approves all compensation and remuneration schemes for the senior officers of the Company. As provided by law, the total compensation of Directors shall not exceed ten percent (10%) of the net income before income tax of the Company during the preceding year.

The above table contains the details of the compensation of Directors and Officers of the Company. Other than these fees, the Non-Executive Directors do not receive any share options, profit sharing, bonus or other forms of emoluments.

The Company may grant to the Directors any compensation other than *per diems* by the approval of the shareholders representing at least a majority of the outstanding capital stock.

(b) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no special employment contracts or other arrangements between the Company and its officers or directors, as well as special compensatory plans or arrangements, including payment to be received from the Company with respect to any named director or executive other than the compensation reflected herein.

(c) Warrants and Options Outstanding

There are no outstanding warrants or options held by any of the Company's officers or directors.

<sup>12</sup> Total amount incurred for the term 2025-2026.

<sup>13</sup> Total amount per diem per meeting for Committee Meetings held on dates different from that of Regular Board Meetings.

(d) Standard Arrangement and Other Arrangements

There are no standard arrangements for its Directors and Officers other than the remuneration herein stated.

**Item 7. Independent Public Accountants**

(a) External Auditor

SGV & Co., a member firm of Ernst & Young, independent auditors, has audited the Company's financial statements as at and for the year ended 2025. SGV & Co. has been the Company's Independent Public Accountants since 1975. Christine G. Vallejo is the current audit partner. The Company has not had any material disagreements on accounting and financial disclosures with its current external auditor for the same periods or any subsequent interim period. SGV & Co. has neither shareholdings in us nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in us. SGV & Co. does not receive any direct or indirect interest in the Company or its securities (including options, warrants or rights thereto). The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

SGV & Co. has reviewed the Company's pro forma adjustments and the application of those adjustments to the historical amounts in the pro forma condensed consolidated financial information as of December 31, 2025 in accordance with the Philippine Standard on Assurance Engagements 3000, *Assurance Engagements Other than Audits or Review of Historical Financial Information*, and the Philippines Securities and Exchange Commission Memorandum Circular No. 2, Series of 2008, *Guideline on Attestation of Pro Forma Financial Information*. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's assumptions, the pro forma adjustments and the application of those adjustments to historical financial information. Accordingly, SGV & Co. does not express such opinion on the pro forma condensed consolidated financial information.

Representatives of SGV & Co. are expected to be present at the Annual Meeting. They will have the opportunity to respond to appropriate questions sent online on or before June 24, 2026.

(b) Audit Fees

The following table sets out the aggregate fees billed for 2024 and 2025 for professional services rendered by SGV & Co.

Name of Auditor	Audit Fees <sup>14</sup>		Non-Audit Fees	
	2025	2024	2025	2024
Sycip, Gorres, Velayo, & Co. <i>(a member firm within Ernst &amp; Young)</i>	PhP10,086,000.00	PhP8,806,144.00	-	PhP300,000.00

Audit and Audited-Related Fees refer to the professional services rendered by SGV & Co. for audit of the Company's annual financial statements and services that are normally provided in connection with statutory and regulatory filings for the said calendar year

<sup>14</sup> Audit Fees shall include audit fees rendered by Ernst & Young China for select subsidiaries based in China

(c) Audit Committee and Policies

In relation to the audit of the Company's annual financial statements, the Company's Corporate Governance Manual provides that the audit committee shall, among other activities (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

The Audit Committee consists of three members of the Board of Directors, at least one of whom is an independent director, including the chairman of the committee. The Audit Committee has the following functions:

- Reviews the independent auditors' audit plan — discusses scope, staffing, reliance upon management and the internal audit department, general audit approach, and coverage provided to any significant areas of concern that the audit committee may have.
- Reviews and confirms the independence of the external auditors on relationships by obtaining statements from the auditors on the relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors.
- Prior to publishing the year-end earnings, discusses the results of the audit with the independent auditors.
- On an annual basis, the audit committee reviews and discusses with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence.
- On a regular basis, the audit committee meets separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- The Audit Committee reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters: (i) any change/s in accounting policies and practices, (ii) areas where a significant amount of judgment has been exercised, (iii) significant adjustments resulting from the audit, (iv) going concern assumptions, (v) compliance with accounting standards and (vi) compliance with tax, legal and regulatory requirements.
- The Audit Committee also reviews the disposition of the recommendations in the External Auditor's management letter.

The Audit Committee is composed of the following members, the chairman of which is an independent director:

<b>Name</b>	<b>Position</b>
Frances J. Yu	Chairman
Ricardo Gabriel T. Po	Member
Kristine A. Romano	Member

### ***Item 8. Compensation Plans***

The Company's By-Laws provide that directors shall receive per diems for their attendance at each meeting of the Board. Any compensation other than per diems may be allowed subject to the approval of stockholders at a regular or special meeting.

No matter relating to any compensation plan will be taken up during the meeting.

## **C. ISSUANCE AND EXCHANGE OF SECURITIES**

### ***Item 9. Authorization or Issuance of Securities Other than for Exchange***

There are no matters or actions to be taken up in the meeting with respect to authorization or issuance of securities.

### ***Item 10. Modification or Exchange of Securities***

There are no matters or actions to be taken up in the meeting with respect to the modification of any class of the Company's securities or the issuance of authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

### ***Item 11. Financial and Other Information***

The audited financial statements as of December 31, 2025 and other data related to the Company's financial information are attached hereto as Appendix 11.

The interim financial statements as of March 31, 2026, and other data related to the Company's financial information are attached hereto as Appendix 12.

Representatives of the Company's external auditor, SGV & Co., are expected to be present at the Annual Meeting, and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions from the stockholders. The Company has had no material disagreement with SGV & Co. on any matter of accounting principle or practices or disclosures in the Company's financial statements.

### ***Item 12. Mergers, Consolidations, Acquisitions and Similar Matters***

There are no matters or actions to be taken up in the meeting with respect to merger, consolidation, acquisition by, sale or liquidation of the Company.

### ***Item 13. Acquisition or Disposition of Property***

There are no matters or actions to be taken up in the meeting with respect to acquisition or disposition of any property by the Company.

#### ***Item 14. Restatement of Accounts***

The accounting policies adopted are consistent with those of the previous financial year.

#### **D. OTHER MATTERS**

#### ***Item 15. Action with Respect to Reports***

The approval of the following will be considered and acted upon at the meeting:

1. Minutes of the Annual Stockholders' Meeting held on July 3, 2025
2. Ratification of acts of the Board of Directors and Management
3. Election of Directors for the ensuing year
4. Appointment of external auditors
5. Report of the Chief Executive Officer and President

A detailed explanation of the matters requiring action from security holders during the meeting is provided in the Explanation of Agenda Items. Appended to this Information Statement as Appendix 7 is the minutes of the Annual Stockholders' Meeting of the Company held on July 3, 2025 which fully reflects the proceedings therein.

For reference, we have likewise attached as Appendix 8 a schedule of the dates of the Board of Directors' meetings and the resolutions made during the said meetings. The report covering Directors' self-dealing until March 31, 2026 is attached herein as Appendix 9.

#### ***Item 16. Matters Not Required to be Submitted***

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

#### ***Item 17. Other Proposed Action***

Other than the matters indicated in the Notice and Agenda included in this Information Statement, there are no other actions proposed to be taken at the annual meeting.

#### ***Item 18. Voting Procedures***

(a) Manner of Voting

Method: Straight and Cumulative Voting

In all items for approval except election of directors, each share of stock entitles its registered owner to one vote.

In case of election of directors, each stockholder are entitled to cumulate their votes as discussed in Part B, Item 4(c) of this Information Statement.

The manner of voting provided by the Amended By-Laws of the Company are: (1) in person, (2) by proxy, (3) in absentia or by remote communication. The Annual Stockholders' Meeting held on July 03, 2025 was held via remote communication and by proxy.

For this year's Annual Stockholders' Meeting, the Company has established a designated website in order to facilitate the registration of and voting in absentia by stockholders at the annual meeting, as allowed under Sections 23 and 57 of the Revised Corporation Code. A stockholder or member who participates through remote communication and votes by proxy shall be deemed present for purposes of quorum.

(b) Vote required for approval

The vote of stockholders representing at least a majority of the issued and outstanding capital stock entitled to vote is required.

(c) Methods of Counting Votes


Each share shall be counted as one (1) vote. Similar to the method applied during the last stockholders' meeting, the votes will be tabulated by the stock and transfer agent.

Please see Appendix 1 on the complete voting guidelines.

*Signature Page to follow.*

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Pasig on 19 MAY 2026.

By:  \_\_\_\_\_

**Maria Isabel M. Llave**

**UNDERTAKING**

Upon the written request of a stockholder, the Company undertakes to timely furnish such stockholder with a copy of the full version of this SEC Form 20-IS (Definitive Information Statement), the SEC Form 17-A and the First Quarter 17-Q free of charge. Such written request shall be directed to the Office of the Corporate Secretary, 15Km WOW Center, East Service Road corner Marian Road 2, Brgy. San Martin de Porres, Paranaque City or sent via email at [SECAdmin\\_SPAVI@shakeys.biz](mailto:SECAdmin_SPAVI@shakeys.biz).

## MANAGEMENT REPORT

### BUSINESS OVERVIEW AND GENERAL INFORMATION

#### Business Overview

Shakey's Pizza Asia Ventures Inc. (the Company or PSE:PIZZA), is one of the leading food service groups in the Philippines. Its portfolio is comprised of casual dining concepts and kiosks. As of December 31, 2025, it operated a total of 2,970 stores and kiosks - a mix of company-owned and franchise outlets in the Philippines and abroad.

In 2016, Century Pacific Group Inc. (CPGI) and the sovereign wealth fund of Singapore acquired majority ownership of the Company. CPGI is the parent corporation of Century Pacific Food Inc. (CNPF), the largest manufacturer of canned food in the Philippines. Subsequently, on December 15, 2016, PIZZA successfully listed on the Main Board of the Philippine Stock Exchange (PSE) with a total of 1,531,321,053 common shares at ₱11.26 per share.

The first among PIZZA's brands is *Shakey's*, the market leader in chained pizza full-service restaurant and chained full-service restaurant with 68.6% and 22.3% market shares, respectively, based on 2025 data from Euromonitor.

*Shakey's* has 50 years of brand legacy in the Philippines. Originally an American brand established in 1954, *Shakey's* expanded into the Philippines in 1975, and has since become a household name to generations of Filipinos. *Shakey's* strength comes from its unique products paired with excellent guest service. It is best known for its original thin crust pizza and iconic Chicken N' Mojos.

The Company owns the trademarks and licenses to operate the *Shakey's* brand in the Philippines and has full control over the management and execution of *Shakey's* Philippine operations. As the brand owner, the Company generates additional revenue from franchising while not having to pay royalty fees for the use of the *Shakey's* name. The Company also owns the rights and trademarks in Asia (except Malaysia and Japan), China, Middle East, Australia and Oceania. This gives the Company international expansion opportunities in the long-term. As of today, the Company operates stores in the Philippines and Singapore.

*Peri-Peri Charcoal Chicken* was acquired in June 2019. It is an emerging fast casual and full-service restaurant brand in the Philippines. The acquisition includes assets and intellectual property relating to the Peri Peri business, including its brand, trade name, and the various proprietary recipes used by the chain to make its trademark *Peri-Peri* chicken.

*Potato Corner* was acquired by the Company in March 2022. The deal included the purchase of assets and intellectual property relating to *Potato Corner*. *Potato Corner* is one of the leading and most established food kiosk chains in the Philippines with an estimated market share of 18.9% based on data from Euromonitor. Since its inception in 1992, the brand has built a vast network of over 2,000 outlets domestically and has a growing international footprint in Asia and beyond. The Company owns the rights and trademarks of the *Potato Corner* brand globally.

Other brands in the PIZZA Portfolio include *R&B milk tea* and *Project Pie*. In August 2020, the Company entered into a master franchise agreement with Singapore-based Koufu Group Ltd to bring the *R&B milk tea* brand to the Philippines. R&B is one of the leading milk tea and bubble tea players in Singapore. It currently has more than 1,000 outlets worldwide, spanning across China, U.S., Singapore, Cambodia, Vietnam, Malaysia and Indonesia. Under the agreement, the Company was awarded the territorial rights to sell *R&B* milk tea, bubble tea, and other specialty tea drinks in the Philippines, through stand-alone store formats and co-branding in select *Shakey's* outlets.

With this portfolio, the Company is able to serve the A, B and upper C income classes through its various sales channels, from dine-in to off-premise, which includes carry out and delivery. The Company's dine-in segment caters mostly to families and friends who want an affordable upgrade from the usual fast-food dining. At the same time, the Company also reaches its guests through its delivery segment. *Shakey's* has an in-house delivery platform. The Group also reaches delivery guests via aggregators.

PIZZA's brands are accessible nationwide through various store formats. For restaurant brands, stores differ in size ranging from 120 sq. m. to 400 sq. m., while kiosk brands have store sizes at 50 sq. m. and below. Smaller stores tend to need lower capital investment. This allows the Company flexibility to serve the demand of a specific market, while still achieving the desired profitability.

The Company has an in-house commissary that supplies proprietary raw materials and other baked products to its stores. With this vertical integration strategy, product quality is preserved and controlled while also enabling for higher sales margins.

Finally, the Company operates a simple business model that is cash generative and requires low upfront costs due to the simplicity of its products. This model enables high financial liquidity and an average payback period of 3 to 5 years for its restaurant brands and 1 to 3 years for its kiosk brands.

### **Factors Affecting Results of Operations**

The Company's performance is subject to broader macroeconomic and geopolitical environment. Uncertain global conditions may dampen consumer sentiment and reduce discretionary spending, which could adversely affect the Company's performance.

The Company competes directly and indirectly with both local and foreign full-service, casual dining and fast-food stores that offer dine-in, delivery, and catering services nationwide. With the Philippine food service industry being a highly competitive market with low barrier to entry, failure to successfully compete and consistently outperform its peers may adversely affect its business and financial and operational results.

The Company's operations may be disrupted by major calamities, including natural disasters, health emergencies, and other force majeure events. Such events may result in temporary closures, supply chain interruptions, and operational setbacks that could affect the Company's business performance and financial results.

The Company's profitability and operating margins are partially dependent on its ability to anticipate and react to changes in input costs. Rising cost pressures, driven by global supply chain disruptions and inflationary trends, may impact the Company's business and results of operations.

The Company's operations depend on the continuous and secure functioning of its information technology systems and digital infrastructure. Cybersecurity threats, including unauthorized access, data breaches, and system disruptions, may compromise the integrity of business operations, expose confidential data, and damage the Company's reputation.

The Company's continued growth is highly dependent on its ability to attract, develop, and retain strong leaders and key talent across its organization. Elevated attrition rates and gaps in the leadership bench may hinder succession planning and the execution of the Company's strategic objectives.

The Company is committed to maintaining the highest standards in product quality and food safety across all of its stores. Any lapse in product quality or safety standards may expose guests to health risks, lead to regulatory sanctions, and result in significant reputational damage.

The Company's growth is partially dependent on the strength of its brands, recognized for high-quality product offerings and world-class guest service, as well as excellent culture and warm ambience of its stores. Any damage to its brand reputation and negative publicity to its stores may have an impact on the business, results of operations, and its prospective plans.

The Company is reliant on its franchisees and major partners for the successful management and operations of its franchise stores. In addition, a portion of the company's revenue is derived from royalty and franchise payments. A failure by franchisees or major partners to deliver what is expected of them, or the exit of major brand partners, may significantly harm the image and goodwill of the Group's various brands, as well as adversely affect its business operations and results of operations.

### **Key Variable and Other Qualitative and Quantitative Factors**

#### **(a) Any known Trends, Events or Uncertainties (Material Impact on Liquidity and Sales)**

Food service businesses are affected by changes in consumer tastes, international, national, regional and local economic conditions and demographic trends. For example, if prevailing health or dietary preferences cause consumers to avoid pizza and other products offered in favor of foods that are perceived as more healthy, its business, financial condition and results of operations would be materially adversely affected. The timing of product launches, pricing and advertising efforts of competitors may also impact the Company's sales of new menu items. In the past, the Company has introduced new products which were unsuccessful and there can be no guarantee that it will be able to introduce new menu items successfully in the future. If the Company cannot successfully introduce new menu offerings, its business, financial condition and results of operations could be materially and adversely affected.

Majority of company-owned and franchised stores are currently located in the Philippines. As a result, the Company's operations are significantly impacted, and will continue to be significantly impacted, by macroeconomic conditions in the Philippines. Demand for, and prevailing prices of, the Company's menu offerings are directly related to the strength of the Philippine economy and consumer confidence, including overall growth levels and the amount of business activity in the Philippines. Over the past several years, economic growth in the Philippines has led to an increase in personal disposable income, resulting in increased purchasing power and greater demand for consumer products. Any deterioration in the Philippine economy may adversely affect consumer sentiment and lead to a contraction in demand for the Company's products.

As of the date of this disclosure and other than as disclosed, the Company is not aware of any other trends, events or uncertainties that would have had or that could reasonably be expected to have a material favorable or unfavorable impact on it's the Company revenues from continuing operations.

#### **(b) Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation**

The Company entered into a loan agreement with BDO Unibank on June 8, 2016, which in turn was used to finance the acquisition of majority control of the Shakey's Group from the Prieto Family.

There are a number of other covenants under the loan, including a restriction on the amendments of constitutive documents that will impact the ability of the Company to fulfil its obligations under the loan without the consent of the lender.

- (c) All material off-balance sheet transactions, obligations including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

As of the date of this disclosure, the Company is not a financial guarantor of the obligations of any unconsolidated entity, and it is not a party to any off-balance sheet obligations or arrangement.

- (d) Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures

The Company makes capital expenditures annually to support its business goals and objectives. As part of its strategy, the Company invests capital in developing and constructing new stores. The Company also invests in on-going maintenance of existing stores.

The Company has historically funded its capital expenditures primarily through internally generated funds derived from operating income.

- (e) Any Significant Elements of Income or Loss (from continuing operations) and Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%)

Causes for material changes are explained in Management's Discussion and Analysis or Plan of Operation and Notes to the Consolidated Financial Statements.

- (f) Seasonal Aspects that has Material Effect on the FS

The Company's net sales exhibit seasonal fluctuations, with its strongest sales levels historically occurring in the fourth quarter of the year boosted by celebrations during the holiday season. The Company takes advantage of stronger seasonal sales by implementing campaigns geared towards increasing average check per guest and launching marketing strategies to increase transaction count during seasons with lower sales levels.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FINANCIAL POSITION – 31 March 2026 vs. 31 December 2025

	31 Mar 2026	31 Dec 2025	% of Change
Cash and cash equivalents	994,840,756	1,167,134,283	-15%
Trade and other receivables	1,516,065,330	1,729,416,840	-12%
Inventories	1,366,640,296	1,490,438,659	-8%
Prepaid expenses and other current assets	635,842,164	534,970,041	19%
Property and equipment	2,815,705,562	2,635,637,656	7%
Intangible assets	10,444,637,504	10,451,917,509	0%
Right-of-use asset	2,258,887,080	2,106,371,689	7%
Deferred tax assets	324,329,203	298,714,054	9%
Rental and other non-current assets	579,929,295	539,392,774	8%
<b>TOTAL ASSETS</b>	<b>20,936,877,190</b>	<b>20,953,993,505</b>	<b>0%</b>
Accounts payable and other current liabilities	1,979,063,329	2,347,318,430	-16%
Short-term loan	1,220,000,000	1,220,000,000	0%
Current portion of loan payable	3,549,060,215	3,549,060,215	0%
Current portion of unearned franchise fees	101,972,002	107,664,098	-5%
Lease liability - current	354,305,817	354,296,695	0%
Income tax payable	116,956,132	85,955,583	36%
Noncurrent portion of loan payable	1,272,000,000	1,280,000,000	-1%
Dealers' deposit and other non-current liabilities	107,046,040	105,559,382	1%
Unearned franchise fees	151,812,403	128,738,260	18%
Lease liability - non-current	2,270,632,208	2,100,456,682	8%
Accrued pension costs	216,076,463	202,811,390	7%
Deferred tax liabilities - net	169,852,137	169,852,137	0%
<b>Total Liabilities</b>	<b>11,508,776,746</b>	<b>11,651,712,872</b>	<b>-1%</b>
Capital stock	1,683,760,178	1,683,760,178	0%
Additional paid-in capital	2,451,116,470	2,451,116,470	0%
Retained earnings	5,257,722,311	5,123,918,370	3%
Other components of equity	35,501,485	43,485,615	-18%
<b>Total Equity</b>	<b>9,428,100,444</b>	<b>9,302,280,633</b>	<b>1%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>20,936,877,190</b>	<b>20,953,993,505</b>	<b>0%</b>

The Company's total resources as of 31 March 2026 was at ₱20.94 billion, broadly stable versus the 31 December 2025 level of ₱20.95 billion, with the following movements:

*15% Decrease in Cash and cash equivalents*

As of end-March 2026, cash and cash equivalents totaled ₱0.99 billion. Cash includes cash on hand and in banks while cash equivalents are short-term, highly liquid investments that are easily convertible to cash. Cash inflow from operations was at ₱0.39 billion, with ₱0.35 billion net outflows on investing activities and ₱0.22 billion net outflows from financing activities.

*12% Decrease in Trade and other receivables*

Trade and other receivables stood at ₱1.52 billion as of end-March 2026 compared to ₱1.73 billion in end 2025. The decrease is driven by collection of receivables.

*8% Decrease in Inventories*

Inventories stood at ₱1.37 billion as of end-March 2026 compared to ₱1.49 billion in end 2025. The decrease is mainly driven by reduced inventory covers for certain raw materials.

*19% Increase in Prepayments and other current assets*

The increase is mainly driven by the increase in prepaid taxes.

*7% Increase in Property and equipment*

The increase is driven by the Company's network expansion in 2026.

*7% Increase in Right-of-use assets*

The increase is driven by the Company's network expansion in 2026.

*9% Increase in Deferred tax assets*

The increase is driven by higher deductible expenses reported as part of deferred tax assets.

*8% Increase in Rental deposits*

The increase is driven by the Company's network expansion in 2026.

*16% Decrease in Accounts payable and other current liabilities*

The decrease is driven by timing differences in the settlement of payables.

*Increase in Lease liability*

Total lease liability stood at ₱2.62 billion as of end-March 2026, with ₱354 million recognized as the current portion and ₱2.27 billion as the non-current. The total amount is higher compared to the total lease liability of ₱2.45 billion in 2025. The increase is driven by the Company's network expansion in 2026.

**FINANCIAL POSITION - 31 December 2025 vs. 31 December 2024**

	31 Dec 2025	31 Dec 2024	% of Change
Cash and cash equivalents	1,167,134,283	1,319,799,492	-12%
Trade and other receivables	1,729,416,840	1,560,255,051	11%
Inventories	1,490,438,659	1,759,910,852	-15%
Prepaid expenses and other current assets	534,931,075	630,309,536	-15%
Property and equipment	2,635,637,656	2,317,956,225	14%
Intangible assets	10,451,917,509	10,354,987,940	1%
Right-of-use asset	2,106,371,689	1,803,635,740	17%
Deferred input value-added tax	-	1,336,297	-100%
Deferred tax assets	296,131,179	206,391,374	43%
Rental and other non-current assets	539,392,774	420,939,042	28%
<b>TOTAL ASSETS</b>	<b>20,951,371,664</b>	<b>20,375,521,549</b>	<b>3%</b>
Accounts payable and other current liabilities	2,347,318,429	2,212,546,716	6%
Short-term loan	1,220,000,000	1,000,000,000	22%
Current portion of loan payable	3,549,060,215	47,819,494	7322%
Current portion of contract liabilities	107,664,098	101,014,484	7%
Lease liability - current	354,296,695	293,913,746	21%
Income tax payable	85,955,583	141,506,728	-39%
Noncurrent portion of loan payable	1,280,000,000	5,144,751,497	-75%
Dealers' deposit and other non-current liabilities	105,559,382	82,188,507	28%
Noncurrent portion of contract liabilities	128,738,260	121,045,193	6%
Lease liability - non-current	2,100,456,682	1,827,842,338	15%
Accrued pension costs	202,811,390	152,214,080	33%
Deferred tax liabilities - net	167,230,297	396,952,983	-58%
<b>Total Liabilities</b>	<b>11,649,091,031</b>	<b>11,521,795,766</b>	<b>1%</b>
Capital stock	1,683,760,178	1,683,760,178	0%
Additional paid-in capital	2,451,116,470	2,451,116,470	0%
Retained earnings	5,123,918,370	4,645,088,555	10%
Other components of equity	43,485,615	73,760,580	-41%
<b>Total Equity</b>	<b>9,302,280,633</b>	<b>8,853,725,783</b>	<b>5%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>20,951,371,664</b>	<b>20,375,521,549</b>	<b>3%</b>

Shakey's Pizza Asia Ventures, Inc.'s total resources as of 31 December 2025 was at ₱20.95 billion, 3% higher than the 31 December 2024 level of ₱20.38 billion, due to the following:

*12% Decrease in Cash and cash equivalents*

As of end 2025, cash and cash equivalents totalled ₱1.17 billion. Cash includes cash on hand and in banks while cash equivalents are short-term, highly liquid investments that are easily convertible to cash. Cash flow from operations generated ₱2.47 billion, offset by ₱1.11 billion net outflows on investing activities and ₱1.51 billion net outflows from financing activities.

*11% Increase in Trade and other receivables*

Trade and other receivables stood at ₱1.73 billion as of end 2025 compared to ₱1.56 billion in end 2024. The increase is driven by the growth of the Company's business.

*15% Decrease in Inventories*

Inventories stood at ₱1.49 billion as of end 2025 compared to ₱1.76 billion in end 2024. The decrease is driven by efforts to manage inventory positions amidst the growth of the Company's business.

*14% Increase in Property and equipment*

Property and equipment stood at ₱2.64 billion as of end 2025 compared to ₱2.32 billion in end 2024. The increase is driven by the Company's network expansion in 2025.

*43% Increase in Deferred tax assets*

The increase is driven by higher deductible expenses as a result of the increase in net operating loss carryover reported as part of deferred tax assets.

*17% Increase in Right-of-use assets*

The increase is driven by the Company's network expansion in 2025.

*28% Increase in Rental deposits*

The increase is driven by the Company's network expansion in 2025.

*6% Increase in Accounts payable and other current liabilities*

The increase is driven by higher trade payables as a result of the growth of the Company's business.

*22% Increase in Short-term loans payable*

The increase is driven primarily by a portion of long-term loans being converted into short-term loans.

*Decrease in Long-term loans payable*

Total long-term loans payable stood at ₱4.83 billion as of end 2025, with ₱3.55 billion recognized as the current portion and ₱1.28 billion as the non-current. The total amount is lower compared to the total long-term loans payable of ₱5.19 billion in 2024 due to the conversion of a portion of long-term loans into short-term loans. The increase in the current portion is due to the financial reporting reclassification of long-term loans due within 12 months, which are expected to be refinanced on a long-term basis. The increase is driven by the Company's network expansion in 2024.

*Increase in Lease liability*

Total lease liability stood at ₱2.45 billion as of end 2025, with ₱354 million recognized as the current portion and ₱2.10 billion as the non-current. The total amount is higher compared to the total lease liability of ₱2.12 billion in 2024. The increase is driven by the Company's network expansion in 2025.

*58% Decrease in Deferred tax liabilities*

The increase is driven by higher deductible expenses as a result of the increase in net operating loss carryover reported as part of deferred tax liabilities.

*10% Increase in Retained earnings*

The increase in retained earnings is driven by the recognition of the Company's consolidated net income for 2025 of ₱852 million, net of ₱337 million dividends declared for the year.

**FINANCIAL POSITION – 31 December 2024 vs. 31 December 2023**

	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>	<b>% of Change</b>
Cash and cash equivalents	1,319,799,492	901,147,527	46%
Trade and other receivables	1,560,255,051	1,224,789,572	27%
Inventories	1,759,910,852	1,712,217,989	3%
Prepaid expenses and other current assets	630,309,536	635,187,293	-1%
Property and equipment	2,317,956,225	1,833,780,583	26%
Intangible assets	10,354,987,940	10,366,799,313	0%
Right-of-use asset	1,803,635,740	1,540,630,889	17%
Deferred input value-added tax	1,336,297	3,886,410	-66%
Deferred tax assets	206,391,374	100,394,721	106%
Rental and other non-current assets	420,939,042	309,113,712	36%
<b>TOTAL ASSETS</b>	<b>20,375,521,549</b>	<b>18,627,948,009</b>	<b>9%</b>
Accounts payable and other current liabilities	2,212,546,716	1,753,136,296	26%
Short-term loan	1,000,000,000	700,000,000	43%
Current portion of loan payable	47,819,494	47,876,004	0%
Current portion of unearned franchise fees	101,014,484	30,059,596	236%
Lease liability - current	293,913,746	275,584,146	7%
Income tax payable	141,506,728	142,150,319	0%
Noncurrent portion of loan payable	5,144,751,497	5,194,694,987	-1%
Dealers' deposit and other non-current liabilities	82,188,507	106,626,720	-23%
Unearned franchise fees	121,045,193	117,882,366	3%
Lease liability - non-current	1,827,842,338	1,555,254,353	18%
Accrued pension costs	152,214,080	117,600,878	29%
Deferred tax liabilities - net	396,952,983	627,872,928	-37%
<b>Total Liabilities</b>	<b>11,521,795,766</b>	<b>10,668,738,593</b>	<b>8%</b>
Capital stock	1,683,760,178	1,683,760,178	0%
Additional paid-in capital	2,451,116,470	2,451,116,470	0%
Retained earnings	4,645,088,555	3,788,433,048	23%
Other components of equity	73,760,580	35,899,720	105%
<b>Total Equity</b>	<b>8,853,725,783</b>	<b>7,959,209,416</b>	<b>11%</b>

	31 Dec 2024	31 Dec 2023	% of Change
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>20,375,521,549</b>	<b>18,627,948,009</b>	<b>9%</b>

Shakey's Pizza Asia Ventures, Inc.'s total resources as of 31 December 2024 was at ₱20.38 billion, 9% higher than the 31 December 2023 level of ₱18.63 billion, due to the following:

*46% Increase in Cash and cash equivalents*

As of end 2024, cash and cash equivalents totalled ₱1.32 billion. Cash includes cash on hand and in banks while cash equivalents are short-term, highly liquid investments that are easily convertible to cash. Cash flow from operations generated ₱2.38 billion, offset by ₱1.12 billion net outflows on investing activities and ₱0.83 billion net outflows from financing activities.

*27% Increase in Trade and other receivables*

Trade and other receivables stood at ₱1.56 billion as of end 2024 compared to ₱1.22 billion in end 2023. The increase is driven by the growth of the Company's business.

*26% Increase in Property and equipment*

Property and equipment stood at ₱2.32 billion as of end 2024 compared to ₱1.83 billion in end 2023. The increase is driven by the Company's network expansion in 2024.

*106% Increase in Deferred tax assets*

The increase is driven by higher deductible expenses as a result of the increase in net operating loss carryover reported as part of deferred tax assets.

*17% Increase in Right-of-use assets*

The increase is driven by the Company's network expansion in 2024.

*36% Increase in Rental deposits*

The increase is driven by the Company's network expansion in 2024.

*26% Increase in Accounts payable and other current liabilities*

The increase is driven by higher trade payables as a result of the growth of the Company's business.

*43% Increase in Short-term loans payable*

The loans availed in 2024 refers to support for working capital requirements.

*Increase in Lease liability*

Total lease liability stood at ₱2.12 billion as of end 2024, with ₱294 million recognized as the current portion and ₱1.83 billion as the non-current. The total amount is higher compared to the total lease liability of ₱1.83 billion in 2023. The increase is driven by the Company's network expansion in 2024.

*37% Decrease in Deferred tax liabilities*

The increase is driven by higher deductible expenses as a result of the increase in net operating loss carryover reported as part of deferred tax liabilities.

*23% Increase in Retained earnings*

The increase in retained earnings is driven by the recognition of the Company's consolidated net income for 2024 of ₱1.19 billion, net of ₱336 million dividends declared for the year.

**FINANCIAL POSITION - 31 December 2023 vs. 31 December 2022**

	31 Dec 2023	31 Dec 2022	% of Change
Cash and cash equivalents	901,147,527	989,578,790	-9%
Trade and other receivables	1,224,789,572	1,133,066,392	8%
Inventories	1,712,217,989	1,001,114,060	71%
Prepaid expenses and other current assets	635,187,293	730,884,353	-13%
Property and equipment	1,833,780,583	1,764,723,405	4%
Intangible assets	10,366,799,313	10,339,886,416	0%
Right-of-use asset	1,540,630,889	1,443,780,579	7%
Deferred input value-added tax	3,886,410	9,653,323	-60%
Deferred tax assets	100,394,721	25,566,418	293%
Rental deposits	309,113,712	270,164,541	14%
<b>TOTAL ASSETS</b>	<b>18,627,948,009</b>	<b>17,708,418,277</b>	<b>5%</b>
Accounts payable and other current liabilities	1,753,136,296	2,132,213,295	-18%
Short-term loan	700,000,000	500,000,000	40%
Current portion of loan payable	47,876,004	47,932,514	0%
Current portion of unearned franchise fees	30,059,596	13,445,337	124%
Lease liability - current	275,584,146	58,902,122	368%
Income tax payable	142,150,319	52,155,804	173%
Noncurrent portion of loan payable	5,194,694,987	5,242,625,440	-1%
Dealers' deposit and other non-current liabilities	106,626,720	146,635,403	-27%
Unearned franchise fees	117,882,366	61,226,844	93%
Lease liability - non-current	1,555,254,353	1,641,116,052	-5%
Accrued pension costs	117,600,878	86,599,794	36%
Deferred tax liabilities - net	627,872,928	679,788,566	-8%
<b>Total Liabilities</b>	<b>10,668,738,593</b>	<b>10,662,641,171</b>	<b>0%</b>
Capital stock	1,683,760,178	1,683,760,178	0%
Additional paid-in capital	2,451,116,470	2,451,116,470	0%
Retained earnings	3,788,433,048	2,877,362,495	32%
Other components of equity	35,899,720	33,537,963	7%
<b>Total Equity</b>	<b>7,959,209,416</b>	<b>7,045,777,106</b>	<b>13%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>18,627,948,009</b>	<b>17,708,418,277</b>	<b>5%</b>

Shakey's Pizza Asia Ventures, Inc.'s total resources as of 31 December 2023 was at ₱18.63 billion, 5% higher than the 31 December 2022 level of ₱17.71 billion, due to the following:

*9% Decrease in Cash and cash equivalents*

As of end 2023, cash and cash equivalents totaled ₱901 million. Cash includes cash on hand and in banks while cash equivalents are short-term, highly liquid investments that are easily

convertible to cash. Cash flow from operations generated ₱1.18 billion, offset by ₱0.55 billion net outflows on investing activities and ₱0.72 billion net outflows from financing activities.

*8% Increase in Trade and other receivables*

Trade and other receivables stood at ₱1.22 billion as of end 2023 compared to ₱1.13 billion in end 2022. The increase is driven by the growth of the Company's business.

*71% Increase in Inventories*

Inventories amounted to ₱1.71 billion as of end 2023 compared to ₱1.00 billion as of end 2022. The increase is driven by the growth of the Company's business, as well as efforts to build ample covers to ensure supply security.

*290% Increase in Prepaid expenses and other current assets*

Prepaid expenses and other current assets stood at ₱635 million as of end 2023 compared to ₱731 million in end 2022. The decrease is driven by lower advances to suppliers in 2023.

*7% Increase in Right-of-use assets*

The increase is driven by the Company's network expansion in 2023.

*14% Increase in Rental deposits*

The increase is driven by the Company's network expansion in 2023.

*18% Decrease in Accounts payable and other current liabilities*

The decrease is primarily driven by lower trade payables, which normalized in 2023 following heightened levels in the previous year.

*40% Increase in Short-term loans payable*

The loans availed in 2023 refers to support for working capital requirements.

*Increase in Lease liability*

Total lease liability stood at ₱1.83 billion as of end 2023, with ₱276 million recognized as the current portion and ₱1.55 billion as the non-current. The total amount is higher compared to the total lease liability of ₱1.70 billion in 2022. The increase is driven by the Company's network expansion in 2023.

*173% Increase in Income tax payable*

The increase is mainly driven by higher current income taxes as a result of the growth of the Company's business in 2023.

*32% Increase in Retained earnings*

The increase in retained earnings is driven by the recognition of the Company's consolidated net income for 2023 of ₱1.08 billion, net of ₱168 million dividends declared for the year.

## RESULTS OF OPERATIONS – 31 March 2026 vs. 31 March 2025

	31 Mar 2026	31 Mar 2025	% of Change
Revenues	4,000,304,281	3,549,230,002	13%
Cost of sales	(3,196,436,577)	(2,793,714,085)	14%
<b>Gross income</b>	<b>803,867,704</b>	<b>755,515,917</b>	<b>6%</b>
General and administrative expenses	(550,073,990)	(470,742,860)	17%
Interest expense	(117,531,913)	(106,054,230)	11%
Other income, net	3,305,654	13,427,093	-75%
<b>Income before income tax</b>	<b>139,567,455</b>	<b>192,145,920</b>	<b>-27%</b>
Provision for (benefit from) income tax	5,763,514	10,085,655	-43%
<b>Net income (loss)</b>	<b>133,803,941</b>	<b>182,060,265</b>	<b>-27%</b>
Total other comprehensive income	(7,984,130)	(14,832,908)	-46%
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>125,819,811</b>	<b>167,227,357</b>	<b>-25%</b>

Results of Operations for the quarter ended 31 March 2026 compared to the quarter ended 31 March 2025:

### *13% Increase in Revenues*

Consolidated net revenues, composed of sales from company-owned stores, franchise and royalty fees from franchisees, and revenues from wholly-owned subsidiaries, reached ₱4.00 billion for the first three months of 2026, increasing by 13% from the reported net revenues of ₱3.55 billion during the same period last year. This revenue growth was mainly supported by network expansion amid flat same store sales.

### *14% Increase in Costs of sales*

For the first three months of 2026, consolidated Cost of Sales increased by 14% to ₱3.20 billion from ₱2.79 billion during the same period last year. Consolidated cost of sales is mainly composed of raw material and packaging costs, direct labor costs, and store-related costs including rent and utilities.

### *6% Increase in Gross income*

Consolidated Gross Profit amounted to ₱804 million for the first three months of 2026, higher by 6% year-on- year. This yielded a gross profit margin of 20%.

### *17% Increase in General and administrative expenses*

Consolidated General and Administrative Expenses totaled ₱550 million for the first quarter of 2026, representing an 14% cost-to-sales ratio. This is higher compared to 13% during the previous period due to the impact of soft same-store sales coupled with investments in demand-generating and brand-building activities.

### *27% Decrease in Net income*

Net income for the first three months of 2026 registered at ₱134 million, 27% lower than the same period the year before, driven by the faster increase in cost of goods sold and operating expenses versus revenues. The Company's net profit margin stood at 3%, lower versus the prior year figure of 5%. Excluding the impact of one-offs arising from network restructuring costs in the first three months of 2026, core net income registered at ₱152 million, representing a 17% decline year-on-year and translating to a core net profit margin of 4%.

## RESULTS OF OPERATIONS – 31 December 2025 vs. 31 December 2024

	31 Dec 2025	31 Dec 2024	% of Change
Revenues	16,049,646,251	14,451,839,459	11%
Cost of sales	(12,380,181,222)	(10,813,468,207)	14%
<b>Gross income</b>	<b>3,669,465,029</b>	<b>3,638,371,252</b>	<b>1%</b>
General and administrative expenses	(2,335,711,925)	(1,996,077,603)	17%
Interest expense	(494,343,320)	(410,963,852)	20%
Other income, net	101,659,290	31,586,195	222%
<b>Income before income tax</b>	<b>941,069,074</b>	<b>1,262,915,992</b>	<b>-25%</b>
Provision for (benefit from) income tax	125,487,222	69,508,449	81%
<b>Net income (loss)</b>	<b>815,581,852</b>	<b>1,193,407,543</b>	<b>-32%</b>
Total other comprehensive income	(30,274,965)	37,860,860	-180%
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>785,306,887</b>	<b>1,231,268,403</b>	<b>-36%</b>

Results of Operations for the year ended 31 December 2025 compared to the year ended 31 December 2024:

### *11% Increase in Revenues*

Consolidated net revenues, composed of sales from company-owned stores, franchise and royalty fees from franchisees, and revenues from wholly-owned subsidiaries, reached ₱16.05 billion in 2025, increasing by 11% from the reported net revenues of ₱14.45 billion in 2024. This revenue growth was supported by same-store sales growth (SSSG) of 1% and a 13% network expansion.

### *14% Increase in Costs of sales*

In 2025, consolidated Cost of Sales increased by 11% to ₱12.38 billion from ₱10.81 billion in 2024. Consolidated cost of sales is mainly composed of raw material and packaging costs, direct labor costs, and store-related costs including rent and utilities.

### *1% Increase in Gross income*

Consolidated Gross Profit amounted to ₱3.67 billion in 2025, higher by 1% from ₱3.64 billion in the previous year. This yielded a gross profit margin of 23%.

### *17% Increase in General and administrative expenses*

2025 Consolidated General and Administrative Expenses totaled ₱2.34 billion, representing an 15% cost-to-sales ratio. This is higher compared to 14% during the previous period due to the impact of softer same-store sales coupled with investments in demand-generating activities towards the tail end of the year.

### *32% Decrease in Net income*

2025 net income registered at ₱816 million, 32% lower than the same period the year before, driven by the faster increase in cost of goods sold and operating expenses versus revenues. The Company's net profit margin stood at 5%, lower versus the prior year figure of 8%

## RESULTS OF OPERATIONS – 31 December 2024 vs. 31 December 2023

	31 Dec 2024	31 Dec 2023	% of Change
Revenues	14,451,839,459	12,823,923,008	13%
Cost of sales	(10,813,468,207)	(9,683,398,537)	12%
<b>Gross income</b>	<b>3,638,371,252</b>	<b>3,140,524,471</b>	<b>16%</b>
General and administrative expenses	(1,996,077,603)	(1,553,403,975)	28%
Interest expense	(410,963,852)	(361,489,106)	14%
Other income, net	31,586,195	18,779,332	68%
<b>Income before income tax</b>	<b>1,262,915,992</b>	<b>1,244,410,722</b>	<b>1%</b>
Provision for (benefit from) income tax	69,508,449	164,964,152	-58%
<b>Net income (loss)</b>	<b>1,193,407,543</b>	<b>1,079,446,570</b>	<b>11%</b>
Total other comprehensive income	37,860,860	2,361,757	1503%
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,231,268,403</b>	<b>1,081,808,327</b>	<b>14%</b>

Results of Operations for the year ended 31 December 2024 compared to the year ended 31 December 2023:

### *13% Increase in Revenues*

Consolidated net revenues, composed of sales from company-owned stores, franchise and royalty fees from franchisees, and revenues from wholly-owned subsidiaries, reached ₱14.45 billion in 2024, increasing by 13% from the reported net revenues of ₱12.82 billion in 2023. This revenue growth was supported by same-store sales growth (SSSG) of 4% and a 22% network expansion.

### *12% Increase in Costs of sales*

In 2024, consolidated cost of sales increased by 12% to ₱10.81 billion from ₱9.68 billion in 2023. Consolidated cost of sales is mainly composed of raw material and packaging costs, direct labor costs, and store-related costs including rent and utilities.

### *16% Increase in Gross income*

Consolidated gross profit amounted to ₱3.64 billion in 2024, higher by 16% from ₱3.14 billion in the previous year. This yielded a gross profit margin of 25%.

### *28% Increase in General and administrative expenses*

2024 consolidated general and administrative expenses totaled ₱2.00 billion, representing an 14% cost-to-sales ratio. This is higher compared to 12% during the previous period due to brand, systems, and organizational investments made since the latter part of 2023.

### *11% Increase in Net income*

2024 net income registered at ₱1.19 billion, 11% higher than the same period the year before, broadly in line with the Company's topline growth. The Company's net profit margin slightly contracted by 10 bps to 8.3%.

## RESULTS OF OPERATIONS – 31 December 2023 vs. 31 December 2022

	31 Dec 2023	31 Dec 2022	% of Change
Revenues	12,823,923,008	10,142,024,578	26%
Cost of sales	(9,673,051,933)	(7,546,508,401)	28%
<b>Gross income</b>	<b>3,150,871,075</b>	<b>2,595,516,177</b>	<b>21%</b>
General and administrative expenses	(1,570,509,929)	(1,222,810,270)	28%
Interest expense	(361,489,106)	(323,971,110)	12%
Other income, net	25,538,682	49,680,141	-49%
<b>Income before income tax</b>	<b>1,244,410,722</b>	<b>1,098,414,938</b>	<b>13%</b>
Provision for (benefit from) income tax	164,964,152	224,012,857	-26%
<b>Net income (loss)</b>	<b>1,079,446,570</b>	<b>874,402,081</b>	<b>23%</b>
Total other comprehensive income	2,361,757	41,100,308	-94%
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,081,808,327</b>	<b>915,502,389</b>	<b>18%</b>

Results of Operations for the year ended 31 December 2023 compared to the year ended 31 December 2022:

### *26% Increase in Revenues*

Consolidated net revenues, composed of sales from company-owned stores, franchise and royalty fees from franchisees, and revenues from wholly-owned subsidiaries, reached ₱12.82 billion in 2023, increasing by 26% from the reported net revenues of ₱10.14 billion in 2022. Amidst a challenging macroeconomic environment, this revenue growth was supported by same-store sales growth (SSSG) of 13% and a 20% network expansion.

### *28% Increase in Costs of sales*

In 2023, consolidated cost of sales increased by 28% to ₱9.67 billion from ₱7.55 billion in 2022. Consolidated cost of sales is mainly composed of raw material and packaging costs, direct labor costs, and store-related costs including rent and utilities.

### *21% Increase in Gross income*

Consolidated gross profit amounted to ₱3.15 billion in 2023, higher by 21% from ₱2.60 billion in the previous year. This yielded a gross profit margin of 25%.

### *28% Increase in General and administrative expenses*

2023 consolidated general and administrative expenses totaled ₱1.57 billion, representing an 12% cost-to-sales ratio. This is in line compared to 12% during the same period in 2022.

### *23% Increase in Net income*

2023 net income registered at ₱1.08 billion, 23% higher than the same period the year before, primarily driven by the Company's topline growth. The Company's net profit margin slightly contracted by 20 bps to 8.4%.

## FINANCIAL RATIOS

	31 Mar 2026	31 Mar 2025
Gross Profit Margin <i>Gross Profit / Net Revenue</i>	20.1%	21.3%
Before Tax Return on Sales <i>Net Profit Before Tax / Net Revenue</i>	3.5%	5.4%
Return on Equity <i>Trailing Twelve Months Net Income / Average Equity</i>	8.3%	14.0%
Net Gearing Ratio <i>(Interest-bearing liabilities - Cash) / Total Equity</i>	0.54x	0.58x
Current Ratio <i>Total Current Assets / Total Current Liabilities</i>	0.62x	1.34x

	31 Dec 2025	31 Dec 2024	31 Dec 2023
Gross Profit Margin <i>Gross Profit / Net Revenue</i>	22.9%	25.2%	24.5%
Before Tax Return on Sales <i>Net Profit Before Tax / Net Revenue</i>	8.7%	8.7%	9.7%
Return on Equity <i>Net Income / Average Equity</i>	9.0%	14.2%	14.4%
Net Gearing Ratio <i>(Interest-bearing liabilities - Cash) / Total Equity</i>	0.52x	0.55x	0.63x
Current Ratio <i>Total Current Assets / Total Current Liabilities</i>	0.64x	1.39x	1.52x

## FINANCIAL STABILITY INDICATORS

**SHAKEY'S PIZZA ASIA VENTURES INC.**  
**FINANCIAL SOUNDNESS INDICATORS-FINANCIAL INDICATOR**  
As of December 31, 2025

Ratio	Formula	Current Year	Prior Year
Current ratio	Total Current Assets 4,921,959,823 Divide by: Total Current Liabilities 7,664,295,021 Current Ratio 0.64	0.64x*	1.39x
Quick/Acid test ratio	Total Current Assets 4,921,959,823 Less: Inventories (1,490,438,659) Prepayments and other Current Assets (534,970,041) Quick assets 2,896,551,123 Divide by: Total Current Liabilities 7,664,295,021 Quick/Acid test ratio 0.38	0.38x*	0.76x
Debt-to-equity ratio	Total Liabilities 11,651,712,872 Divide by: Total Equity 9,302,280,633 Debt-to-equity ratio 1.25	1.25x	1.35x
Gearing ratio	Interest bearing liabilities 6,049,060,215 Divided by: Total Equity 9,302,280,633 Gearing ratio 0.65	0.65x	0.7x
Net Gearing ratio	Interest bearing liabilities 6,049,060,215 Minus: Cash 1,167,134,283 Net 4,881,925,932 Divide by: Total Equity 9,302,280,633 Net Gearing Ratio 0.52	0.52x	0.55x
Asset-to-equity ratio	Total Assets 20,953,993,505 Divide by: Total Equity 9,302,280,633 Asset-to-equity ratio 2.25	2.25x	2.35x
Interest rate coverage ratio	EBIT 941,069,074 Divide by: Interest Expenses 494,343,320 Interest rate coverage ratio 1.90	1.9x	4.07x
Working capital turnover	Net Sales 16,049,646,251 Divide by: Working capital Current Assets 4,921,959,823 Less: Current Liabilities (7,664,295,021) Working Capital (2,742,335,198) Working Capital Turnover -5.85	-5.85x*	9.81x
Solvency ratio	Profit for the Year adjusted for Noncash Expenses divided by Average Profit for the Year 4,999,168,825 Adjustments: Tax Benefit from DTA Depreciation 1,504,542,830 Provision for inventory obsolescence 234,508,833 Amortization of intangible assets 21,515,840 Impairment loss on investment in subsidiaries - Unrealized foreign exchange loss (gain) - net (21,902,922) Doubtful accounts expense 7,691,090 Reversal of accruals 121,704,066 Reversal of allowance for inventory obsolescence - Adjusted Profit for the Year 6,867,228,562 Divide by: Average Total Liabilities Current Year Total Liabilities 19,554,798,369 Prior Year Total Liabilities 15,991,714,955 Total 35,546,513,324 Divide by: 2 Years 2 Average Total Liabilities 17,773,256,662 Solvency ratio 38.64%	39.18%	39.18%
Return on equity	Net Income 815,581,852 Divide by: Total Equity 9,302,280,633 Return on equity 8.77%	8.77% Core ROE: 10.23%**	13.48%
Return on assets	Net Income 815,581,852 Divide by: Total Assets 20,953,993,505 Return on assets 3.89%	3.89% Core ROA: 4.54%**	5.74%
Earnings per share	Net Income 815,581,852 Average No. of shares 1,683,760,178 Earnings per share 0.48	0.48 Core EPS: 0.57**	0.71

\*Driven by the reclassification on a long-term loan as "current portion of long-term loans payable"; the Group is actively negotiating with the bank for the extension of the loan's repayment term beyond its current maturity date. Management anticipates the favorable resolution of these negotiations in 2026, which should result to the reclassification of the outstanding balance back to noncurrent liabilities.

\*\*Based on core net income as computed by Management

## MARKET INFORMATION

### (a) Market Information

The Company's common shares are traded in the Main Board of The Philippine Stock Exchange, Inc. ("PSE"). The common shares were listed on December 15, 2016.

The following table shows the high and low prices (in pesos per common share) of the Company's shares in the PSE for each quarter within the last 3 years:

Period	High	Low
1st Quarter of 2023	8.70	7.26
2nd Quarter of 2023	9.10	8.20
3rd Quarter of 2023	9.80	8.80
4th Quarter of 2023	9.82	9.15
<b>January 1, 2023 to December 31, 2023</b>	<b>9.82</b>	<b>7.26</b>
1st Quarter of 2024	10.72	9.77
2nd Quarter of 2024	10.24	9.40
3rd Quarter of 2024	9.74	9.20
4th Quarter of 2024	9.53	7.86
<b>January 1, 2024 to December 31, 2024</b>	<b>10.72</b>	<b>7.86</b>
1st Quarter of 2025	8.40	6.62
2nd Quarter of 2025	8.00	6.68
3rd Quarter of 2025	8.19	7.28
4th Quarter of 2025	7.50	6.60
<b>January 1, 2025 to December 31, 2025</b>	<b>8.40</b>	<b>6.60</b>
<b>January 1, 2026 to March 31, 2026</b>	<b>7.25</b>	<b>6.40</b>

Source: Daily Quotation Reports of the Philippine Stock Exchange

The market capitalization of the Company's common shares as of end of 2025, based on the closing price of ₱6.80 per share was ₱11,449,569,210. The market capitalization of the Company's common shares as of March 31, 2026, based on the closing price of ₱6.74 per share was ₱11,348,543,600.

### (b) Holders

Total shares outstanding as of March 31, 2026, is 1,683,760,178 with a par value of ₱1.00.

The number of shareholders of record as of March 31, 2026, was 39. The shareholders as of the same date are as follows:

No.	Name of Shareholder	Number of Shares	% Ownership
1	Century Pacific Group, Inc.	1,078,269,388	64.04% <sup>15</sup>
2	PCD Nominee Corp. (Non-Filipino)	131,645,137	7.81%
3	PCD Nominee Corp. (Filipino)	663,013,100	39.37%
4	Ma. Luisa P. Lovina	13,766,511	0.81%
5	Leopoldo M. Prieto III	6,882,542	0.40%

<sup>15</sup> Century Pacific Group, Inc. owns 836,445,141 shares of the Company in its own name and another 241,824,247 shares of the Company lodged under PCD Nominee Corp. (Filipino).

No.	Name of Shareholder	Number of Shares	% Ownership
6	Jamille P. Torres	3,706,257	0.22%
7	Panda Development Corporation	3,314,264	0.19%
8	Jamille M. P. Torres	3,176,285	0.18%
9	Ma. Consuelo P. Guerrero	2,923,808	0.17%
10	Ma. Pilar P. Lorenzo	2,923,808	0.17%
11	Ma. Cristina P. Moraza	2,923,808	0.17%
12	Carlos M. Prieto	2,923,808	0.17%
13	Eduardo M. Prieto	2,923,808	0.17%
14	L.L.P. Enterprises, Inc.	2,808,968	0.16%
15	Ma. Ines P. Borromeo	1,943,056	0.11%
16	Ramon Antonio Lluch Prieto Jr. Or Pacita Maria Teodora O. Prieto	788,473	0.04%
17	Daniela Ariane Lluch Prieto	788,472	0.04%
18	Gabriela Maxine Lluch Prieto	788,472	0.04%
19	Carousel Holdings, Inc.	50,000	-
20	Python Rock Enterprises Inc.	11,100	-
21	Alma Bella Pil Alberastine	2,000	-
22	Percival Byron Salazar Bueser	2,000	-
23	Veronica Aguilar Pedrasa	2,000	-
24	Leopoldo H. Prieto, Jr.	1,427	-
25	Dondi Ron R. Limgenco	1,111	-
26	Christine F. Herrera	1,000	-
27	Gabrielle Claudia F. Herrera	1,000	-
28	John T. Lao	1,000	-
29	Teresa P. Marcelino	1,000	-
30	Celina F. Lucero	400	-
31	Owen Nathaniel S Au Itf: Li Marcus Au	110	-
32	Victor Co And/Or Alian Co	100	-
33	Shareholders` Association Of The Philippines, Inc.	100	-
34	Jesus San Luis Valencia	100	-
35	Gerardo L. Salgado	8	-
36	Joselito T. Bautista	1	-
37	Paulo L. Campos III	1	-
38	Botschaft N. Cheng or Sevilla Ngo	1	-
39	Fernan Victor P. Lukban	1	-

(c) Dividends

The Company provides an annual cash and/or share dividend pay-out of its recurring net income after tax for the preceding fiscal year, subject to the requirements of applicable laws and regulations.

Date	Type	Rate (Php)	Payable Date	Remarks
July 3, 2025	Regular Cash Dividends	0.20 per share	August 19, 2025	To all stockholders of record as of August 04, 2025

(d) Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

The Company did not issue any stocks to its employees as of March 31, 2026.

There has been no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

## COMPLIANCE TO CORPORATE GOVERNANCE

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The role of the Board is to provide leadership and strategic guidance for the Company. It oversees management's implementation of its initiatives to foster the long-term success of the Company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives. The Board ensures compliance with the Company's long-term best interests of its shareholders and other stakeholders.

The Board is composed of nine (9) directors with collective working knowledge, experience or expertise that is relevant to the Company's industry. Majority of the Board sit as non-executive directors with three (3) as Independent Directors. The Lead Independent Director is Ms. Frances J. Yu.

#### Composition of the Board of Directors

Name	Educational Background	Companies	Position
<b>Christopher Paulus Nicholas T. Po</b>  <i>Chairman/Non-Executive</i>	- Dual degrees in Economics (finance concentration) and applied science (system engineering) from Wharton School and College of Engineering of the University of Pennsylvania  - Master's Degree in Business Administration from the Harvard University Graduate School of Business Administration	Century Pacific Food, Inc.	Executive Chairman
		Arthaland Corporation	Director
		Maya Bank, Inc.	Independent Director
		Ateneo de Manila University	Member of the Board of Trustees
		Child Protection Network	Board Member
		Asia Society Philippines	Board Member
		CPG-RSPo Foundation	President
<b>Ricardo Gabriel T. Po</b>  <i>Vice Chairman/Non-Executive</i>	- Bachelor of Science degree in Business Management (magna cum laude) at Boston University  - Executive Education Program (Owner-President Management Program) at Harvard Business School	Century Pacific Food, Inc.	Vice Chairman
		Arthaland Corporation	Vice Chairman
<b>Teodoro Alexander T. Po</b>  <i>Vice Chairman / Non-Executive</i>	- Bachelor of Science degree in Manufacturing Engineering (summa cum laude) at Boston University  - Executive Education Program (Owner-President Management Program) at Harvard Business School	Century Pacific Food, Inc	Vice Chairman

<b>Name</b>	<b>Educational Background</b>	<b>Companies</b>	<b>Position</b>
<b>Leonardo Arthur T. Po</b>  <i>Treasurer and Member/Non-Executive</i>	- Business Administration (magna cum laude) at Boston University  - Executive Education Program (Owner-President Management Program) at Harvard Business School	Century Pacific Food, Inc.	Director and Treasurer
		Pacifica Homes Development Corporation	President
<b>Vicente Gregorio L.</b>  <i>Member/Executive Director</i>	- Bachelor of Science in Electrical Engineering at Central Colleges of the Philippines  - Master's Degree in Business Administration Ateneo de Manila University	Philippine Franchise Association	Board Member
		Cavallino, Inc.	Board Member
		Don Bosco Technical College	Board Member
		Bosconian International Chamber of Commerce	Board Member
		Plan Master Insurance and Financial Services, Inc.	Board Member
<b>Lance Gokongwei Y.</b>  <i>Director/Non-Executive</i>	- Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania	JG Summit Holdings Inc.	President and CEO
		Gokongwei Brothers Foundation, Inc.	Chairman and Trustee
		SP New Energy Corporation	Director
		AB Capital and Investment Corporation	Director
		Singapore Land Group Limited	Director
		Oriental Petroleum Minerals Corporation	Director
		Altus Property Ventures, Inc.	Director
		RL Commercial REIT, Inc.	Director
		Bank of the Philippine Islands	Member of the Advisory Council
		Maxicare Corporation	Vice Chairman
		Robinsons Retail Holdings, Inc.	Board Adviser
		Manila Electric Company	Director and Vice Chairman
		Robinsons Land Corporation	Chairman
		JG Summit Olefins Corporation	Chairman
		Universal Robina Corporation	Chairman
Cebu Air, Inc.	Chairman		

<b>Name</b>	<b>Educational Background</b>	<b>Companies</b>	<b>Position</b>
<b>Frances J. Yu</b> <i>Lead Independent Director</i>	- Bachelor of Arts degree in English Literature from Fordham University, New York (summa cum laude)  - Master's Degree in Theology from Augustine Institute in Denver (magna cum laude)	Century Pacific Food, Inc.	Independent Director
<b>Regina Roberta L. Lorenzana</b> <i>Independent Director</i>	- BS Management Engineering from Ateneo de Manila University  - Executive programs in Sustainability Leadership at the University of Cambridge, Leading Global Brands at Harvard Business School  - Senior executive programs on technology, leadership, and purpose at Harvard Business School and INSEAD	BetterBrandLabs, Inc.	Board Member
		Nada Debajo S.L.	Founder
		LaEsquina Blumentritt Inc.	Director
		Century Pacific Food, Inc.	Independent Director
		Belo Medical Group	Chief Executive Officer
<b>Kristine Romano</b> A. <i>Independent Director</i>	- BS Business Administration & Accountancy from University of the Philippines  - Master's Degree in International Development from Harvard Kennedy School of Government.	McKinsey & Co.	Partner
		University of the Philippines	Part-time Lecturer

## Board Committees

### 1. Audit Committee

The Audit Committee (the "Committee") is composed of three (3) Non-Executive Directors, the majority of whom, including the Chairman, is independent. All of the members have relevant background, knowledge, skills, and experience in the areas of auditing and finance. The Chairman is not the Chairman of any other committee. The terms of reference and Committee Charter are accessible through the Company's website.

The purpose of the Committee is to enhance the oversight capability of the Board over the Company's financial reporting process, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.

It is responsible for overseeing Senior Management in establishing and maintaining an adequate, effective and efficient internal control framework. The Audit Committee ensures that systems and processes are designed to provide assurance in areas including the recommendation to the Board the appointment, reappointment, removal of an external auditor, reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets. The Audit Committee meets at least quarterly.

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>	<b>% of Attendance</b>
Frances J. Yu	Chairman	Independent Director	100%
Ricardo Gabriel T. Po	Member	Non-Executive Director	100%
Kristine A. Romano	Member	Independent Director	100%

Samuel V. Santillan was appointed as Chief Audit Executive on February 5, 2026. Under the Audit Committee Charter, the Chief Audit Executive reports functionally to the Committee and administratively to the Chief Executive Officer.

### *2. Corporate Governance and Sustainability Committee*

The Corporate Governance and Sustainability Committee (the “Committee”) is composed of three (3) Directors, all of whom are Independent Directors. Kristine Romano is an accountant. The terms of reference and Committee Charter are accessible through the Company’s website.

The Committee is tasked in ensuring compliance with and proper observance of corporate governance principles and practices. It assists the Board of Directors of the Company in the performance of its corporate governance responsibilities, including the functions of a Nomination and Remuneration Committee.

The Committee also provides oversight of the Company’s strategies, opportunities, and risks concerning material sustainability issues to ensure progress in these areas and to advise management on process and performance improvements in order to achieve targets. The Committee meets at least twice a year.

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>	<b>% of Attendance</b>
Regina Roberta L. Lorenzana	Chairman	Independent Director	100%
Frances J. Yu	Member	Independent Director	100%
Kristine A. Romano	Member	Independent Director	100%

### *3. Board Risk Oversight Committee*

The Board Risk Oversight Committee (the “Committee”) is composed of three (3) members, majority of whom are Independent Directors. The Chairman must be an Independent Director and must not sit as Chair in any other Board Committee in the Company. The terms of reference and Committee Charter are accessible through the Company’s website.

The Committee is responsible for the oversight of the Enterprise Risk Management (“ERM”) system of the Company to ensure its functionality and effectiveness. The Committee met on November 27, 2025.

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>	<b>% of Attendance</b>
Kristine A. Romano	Chairman	Independent Director	100%
Frances J. Yu	Member	Independent Director	100%
Lance Y. Gokongwei	Member	Non-Executive Director	100%

#### 4. Related Party Transaction Committee

The Related Party Transactions Committee (“Committee”) is composed of three (3) Non-Executive Directors, majority of whom must be Independent Directors, including the Chairman. The purpose of the Committee is to ensure that terms and conditions of all Related Party Transactions (“RPT”) must be equivalent to those that prevail in arm’s length transactions and shall be subject to appropriate corporate approvals and actions of the Company and of related parties, with the best interest of the investing public and the Company in mind. Any RPT entered into by the Company and its affiliates shall be in accordance with applicable laws, rules and regulations and the Company’s Policy.

Name	Designation	Directorship	% of Attendance
Regina Roberta L. Lorenzana	Chairman	Independent Director	100%
Frances J. Yu	Member	Independent Director	100%
Ricardo Gabriel T. Po	Member	Non-Executive Director	100%

#### Board Diversity

The Company recognizes the benefits of having a diverse board and sees diversity as an essential element in supporting its continued growth and the attainment of its strategic objectives. The Board aims to make good use of the differences in gender, age, cultural, educational background, ethnicity, professional experience, skills, and knowledge of its Directors.

The membership of the Board is a combination of Executive and Non-Executive Directors (which include Independent Directors) in order that no Director or small group of Directors can dominate the decision-making process. The Non-Executive Directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

#### Board Meetings and Director Attendance

All Board Meetings are scheduled at the start of the fiscal year and notices thereof are given to all Directors and Key Officers. Directors attend regular and special board meetings in person. Board members take part in active discussions during Board meetings. Meetings were held in 2025 which were attended by all member of the Board Directors.

Board	Female	Male
Executive	0	1
Non-Executive	3	5
Independent	3	0

#### REGULAR AND SPECIAL MEETINGS

Name	Directorship	% of Attendance
Christopher T. Po	Chairman, <i>Non-executive</i>	100%
Ricardo Gabriel T. Po	Vice Chairman, <i>Non-executive</i>	100%
Teodoro Alexander T. Po	Treasurer and Member, <i>Non-executive</i>	100%
Leonardo Arthur T. Po	Member, <i>Non-executive</i>	100%
Vicente L. Gregorio	Member, <i>Executive</i>	100%
Lance Y. Gokongwei	Director, <i>Non-executive</i>	100%

Name	Directorship	% of Attendance
Frances J. Yu	Lead Independent Director	100%
Regina Roberta L. Lorenzana	Independent Director	100%
Kristine A. Romano	Independent Director	100%

## Board Training and Continuing Education

### 1. Corporate Governance Training

All Directors attend an annual four (4) hour continuing training program involving courses on corporate governance and matters relevant to the Company, including audit, internal controls, risk management, sustainability and strategy.

### 2. Roster of Corporate Governance Training Sessions for the years 2024 and 2025

	Directors/Officers	Program	Program Facilitator
2024	Teodoro Alexander T. Po Ricardo Gabriel T. Po Leonardo Arthur T. Po Vicente L. Gregorio Frances J. Yu Manuel T. del Barrio Darel G. Pallesco Jenifer Mae V. San Juan Maria Rosario L. Ybanez	1. Strengthening of Internal Controls with the Three Lines of Defense Fighting Fraud through Data Analysis and Whistleblowing: Anti-Bribery and Anti-corruption (2 hours) 2. Effectively Cascading the Company Strategic Plan (2 hours)	Institute of Corporate Directors
2025	Christopher Paulus Nicholas T. Po Teodoro Alexander T. Po Ricardo Gabriel T. Po Leonardo Arthur T. Po Vicente L. Gregorio Regina Roberta L. Lorenzana Frances J. Yu Manuel T. del Barrio Jorge Maria Q. Concepcion Darel G. Pallesco Jenifer Mae V. San Juan	1. Turbocharging Talent at the Top: The Board's Role in Succession, Leadership, and Rewards (2 hours) 2. AI Governance and Strategy for Corporate Leaders (2 hours)	Institute of Corporate Directors
	Kristine A. Romano	Professional Directors Program (40 hours)	Institute of Corporate Directors
	Myrose April C. Victor	1. Masterclass The Fifth Series: Session 3 - The Board's Role in the Human Capital Strategy of a Company (2 hours) 2. Masterclass The Fifth Series: Session 5 - Fraud Risk Assessment: Important Element of Good Governance (2 hours)	Institute of Corporate Directors
	Maria Rosario L. Ybanez	3. Masterclass The Fifth Series: Session 5 - Fraud Risk Assessment: Important	Institute of Corporate Directors

	<b>Directors/Officers</b>	<b>Program</b>	<b>Program Facilitator</b>
		Element of Good Governance (2 hours) 4. Masterclass The Fifth Series: Session 6 - AI Governance and Strategy for Corporate Leaders (2 hours)	

### 5. *First Time Directors Training and Orientation*

The Company has an established orientation program for every new director to ensure of their practical understanding of business in general, and of the Company in particular. All first-time Directors attend an eight (8) hour orientation program covering SEC-mandated topics on Corporate Governance and an introduction to the Company’s business, Articles of Incorporation, and Code of Conduct. In 2017 and 2019, first-time Directors attended the 8-hour Introduction to Corporate Governance Training provided by the Institute of Corporate Directors. First time Director Kristine Romano attended the Professional Directors Program conducted by Institute of Corporate Directors on June 3, 4, 10, 11, 17, 18, 24, 25, July 1 and 2, 2025.

### **Board Assessment**

The Company has implemented a Board Performance Assessment with the following Criteria and Process of evaluation:

The assessment criteria includes the structure, efficiency, and effectiveness of the Board, participation and engagement of each member of the Board, contribution of each member Director to their respective Committees, and the performance of management. The criteria also reflects the specific duties, responsibilities and accountabilities of each party assessed as provided in the Company’s By-Laws, Manual on Corporate Governance, Board Committee Charters and governing policies.

The following rating system shall be used by the directors in accomplishing the self-rating form:

- SA – Strongly Agree**
- A – Agree**
- N – Neither Agree Nor Disagree**
- D – Disagree**
- SD – Strongly Disagree**

The form also allows the Director to provide comments and suggestions to further enrich the assessment process. For further clarification on this policy and the performance assessment exercise, the Board may address their queries to the Compliance Officer.

### **Board Nomination**

The Corporate Governance and Sustainability Committee (“Committee”) has the responsibility to assess and make recommendations based on merit, suitable candidates to the Board, with due regard for the benefits of diversity on the Board.

In addition to the qualifications for membership in the Board provided in the Revised Corporation Code, the Securities and Regulation Code, the Code of Corporate Governance and relevant

Securities and Exchange Commission Circulars, as may be amended, a member of the Board of Directors in the Company must have, among others, the following:

1. College education or equivalent academic degree;
2. Practical understanding of the business of the Company;
3. Membership in good standing in relevant industry, business or professional organization;
4. Previous business experience.
5. Other additional qualifications that the Board may deem necessary;

Nomination is conducted by the Committee, which functions as the Nomination Committee, prior to a stockholders' meeting pursuant to the provisions of SRC Rule 38. All nominations for Directors to be elected by the Stockholders of the Company shall be submitted in writing to the Corporate Secretary prior to the date of the regular or special meeting of stockholders for the Election of Directors. The Directors shall be elected annually from among the stockholders during the annual meeting of stockholders.

### **Succession Planning**

The Company recognizes the critical importance of effective succession planning to sustain organizational excellence and continuous growth. The Board ensures and adopts an effective succession planning program for Directors, Key Officers and Senior Management to ensure growth and a continued increase in shareholders' value.

The Board works with the Company's Human Resources Management Group in developing talent succession programs that identify high performing talents within the Company and implement various people engagement initiatives such as training and personal development to ensure ready supply talent to leadership positions.

### **Remuneration**

Under the Company's By Laws, the Board shall determine the compensation of the President of the Company. Further, each member of the Board shall be paid *per diems* for every regular or special meeting actually attended in such amount to be fixed from time to time by the stockholders at a regular or special meeting.

The Board Charter vests on the Board the responsibility to approve the remuneration packages and policies for Corporate Officers and employees. To attract and retain top talent, the Board ensures, through the Human Resources Management Group, that compensation packages are competitive with the industry standards across all levels of the organization.

The Company adopts a Performance Management System Policy outlining individual Key Performance Indicators, Departmental targets and goals, to Company-wide long term business strategies. It is an effective performance management where process is embedded into the day-to-day working structure of business life. This helps employees and management to align on work expectations for the year and provide an opportunity for employees to develop themselves.

## **Related Party Transactions**

It is the policy of the Company to ensure fairness and transparency in Related Party Transactions (RPTs) between the Company and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, principal officers, and directors, including their spouses, children, dependent siblings, and parents, and of interlocking Director relationships by members of the Board. The Related Party Transactions Committee (*see page 58*) ensures terms and conditions of all RPTs entered into by the Company are equivalent to those that prevail in arm's length transactions and shall be subject to appropriate corporate approvals and actions of the Company and of related parties.

With this, the Company has adopted a groupwide policy governing RPTs which includes the appropriate thresholds, review and approval parameters which guarantee fairness and transparency of the transactions.

Under the Company's Policy on Material Related Party Transactions, the Company has an approval requirement such that material RPT shall be reviewed by the Related Party Transactions Committee and an External Independent Party, and approved by at least two-thirds (2/3) vote of the Board of Directors with a majority of the independent directors voting to approve the material RPT. In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of stockholders representing at least two thirds (2/3) of the outstanding capital stock. Material RPTs are those transactions that meet the Committee approved threshold value of ten percent (10%) or higher of the Company's total assets based on its latest audited financial statement. *Provided*, if the Company is a parent company, the total assets shall pertain to its total consolidated assets.

The Company, in its regular conduct of business, has entered into transactions with associates, joint ventures, and other related parties. The names of all related parties, degree of relationship, nature and value for each material/significant RPT are disclosed by the Company in its Consolidated Financial Statements.

In addition, all RPTs are (1) covered by individual agreements ensuring that they are arms-length and (2) disclosed regularly to shareholders, the SEC, the PSE and all other applicable regulatory government agency.

## **Risk Management and Internal Control System**

Risk Management covers systematic measures which include reviews, checks and balances, methods and procedures.

The Board of Directors is ultimately responsible for the oversight of the Company's risk management processes and internal controls that involve identifying, measuring, analyzing, monitoring and controlling risks. The Board of Directors has created the board level Audit Committee to spearhead the managing and monitoring of risks. The adequacy of the internal controls is reviewed quarterly by the Internal Audit team which directly reports to the Audit Committee.

## **Business Conduct and Ethics**

The Board adopts a Code of Business Conduct and Ethics, which provides standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the Company. The Company upholds fair dealings in

all its conduct of business as it is dictated by free competition, without monopoly and price manipulation. Employees are mandated to comply with fair trade practices at all times.

All Employees of the Company, Directors and Key Officers are required to abide by the Code of Business Conduct and Ethics. The Company thru its Human Resource Department implements and monitors the implementation of the Code through approved policies.

## **Conflict of Interest**

The Company has a comprehensive Conflict of Interest policy which defines conflicting interests between the Company and its respective Directors, Key Officers, Employees and external stakeholders. Under the Code of Business Conduct and Ethics Policy of the Company, all employees, irrespective of rank should always act for the best interest of the Company and all conflicts of interest shall be avoided and prohibited.

### *Disclosure of Financial and Business Interests*

The Directors, Senior Management and employees are required to annually disclose the following:

- For all employees:
  - o outside financial and/or business interests arising from transactions with the Company and any of its related corporations;
  - o Family affiliations up to third degree of consanguinity or affinity which are also employees of the Company or any of its related corporations, including its direct competitors;
- For Directors and Senior Management:
  - o to disclose all individual related parties within the fourth civil degree of consanguinity or affinity, legitimate or common-law;
- For Directors:
  - o to disclose all interlocking Directorships/Officerships in other companies.

### *1. Directors*

In addition to the above disclosures, under the Company's Manual on Good Corporate Governance, the Directors are required to notify the Board where he/she is an incumbent director before accepting a directorship in another company. This enables the Board to assess his/her present responsibilities and commitment to the Company and avoids conflicting business interests altogether.

Further, in line with the Insider Trading Policy of the Company, Directors are required to report any purchase or sale of the Company's securities to the Compliance officer. Further, Directors in possession of material information and are made aware of the timing of its disclosure shall be strictly prohibited from purchasing or selling the Company's securities five (5) days prior to the release of the disclosure.

Under the Related Party Transaction Policy of the Company, Directors who have conflicting interests shall abstain from voting and inhibit themselves from participating in discussions on a particular agenda or related party transactions when they are conflicted.

## 2. External stakeholders

The Company adopted its Supplier Accreditation Policy where all potential suppliers are subjected to the accreditation and assessment process. The suppliers' business, owners and its employees must in no way be related to any existing employees of the Shakey's Group of Companies to avoid any appearance, apparent or not, of conflict of interest between the Company and its suppliers.

Under the Company's Code of Business Conduct and Ethics, the Company adopts a No-Gift Policy whereby all employees are not allowed to solicit or receive gifts from suppliers, clients, customers, customers, service providers, business partners, and other similar entities for whatever purpose.

### **Insider Trading Policy**

The Company has revised its Insider Trading Policy to strictly prohibit: (a) Directors, (b) Executive Officers, (c) Managers and other Key Officers, (d) Consultants and Advisers of the Company, and (e) all other employees who obtain material information prior to disclosure to the investing public, including the immediate family members and those persons living in the same household as that of the (a) to (e) persons above (collectively, "Covered Persons"), from purchasing or selling the Company's securities *five (5) days prior* to the disclosure of a material information and *three (3) days after* the material information of any Structured or Unstructured containing material information.

The Covered Persons are mandated to report any purchase or sale of the Company's securities to the Compliance Officer for monitoring and recording. Failure to comply with the revised Policy shall subject Covered Persons to the appropriate disciplinary actions under the Code of Conduct, without prejudice to all other available legal remedies that the Company may avail of.

The policy goes beyond legal and regulatory requirements to observe highest degree of ethical trading practices in the Company and reinforces the Company's commitment to strong corporate governance by promoting transparency and preventing unfair advantage in the Company's stock trading.

### **Policy on Use of Company Funds and Approval of Contracts**

Under the Code of Business Conduct and Ethics, the Company mandates that all employees are required to act as responsible custodians of all company funds, assets, properties, and information. Company employees shall, in all business dealings, be prohibited from disclosing or using their own advantage regarding any non-public information.

Further, fund disbursements are strictly governed by the Company's Approval Authority Limits (AAL) Policy. The AAL likewise outlines the officers authorized to approve contracts. All fund disbursements are supported by contracts, invoices or purchase orders without which, funds are not disbursed.

The Company also adopted a Creditor Protection Policy where the Company upholds its financial obligations to its creditors by observing the following principles (1) Integrity in all dealings, (2) Ensures compliance, (3) Financial Discipline, (4) Strategic and Efficient, and (5) Transparency.

## **Whistleblower Empowerment Policy**

The Company implements a Whistleblower Empowerment Policy that provides an avenue for employees, suppliers, business partners, guests and other third parties to report misconduct, unethical and illegal acts of employees. The policy seeks to encourage responsible and good faith report of wrongdoing through approved channels and offers protection to whistleblowers against harassment, retribution, retaliatory acts, and keeping investigations, reports, documentation, private and confidential.

The Human Resources Department (“Department”) validates any written complaint it receives. After prima facie evidence is established, involved persons are required to fill a Notice to Explain/Charge sheet. Hearings and investigations are undertaken and lead by the Department which will make its own finding and recommendation to the appropriate authority.

## **IT Security**

The Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the Board.

The Company has a Technology Advisory Group which reports to management on matters relating to the role of technology in executing the business strategy of the Company. The Technology Advisory Group is composed of seven (7) members.

The following are the key areas where the Group provides advice:

1. The Company’s Information Technology (IT) Systems and Procurement.
2. The Company’s IT and digital Roadmap, planning and strategy. Areas including IT infrastructure, Supercard program, project management and emerging technology trends among others.
3. The Company’s performance indicators around IT and digital.
4. Relevant guidelines or policies involving IT and digital processes and transaction

## **Environmental, Social, and Governance Policy**

The Company adopts an ESG Policy where the Company is committed to running business responsibly. Its Board-level Corporate Governance & Sustainability Committee (*see page 57*) and the Management’s Sustainability Steering Committee mandate and guide the Company’s sustainability agenda, while its business units implement these on the ground.

The Company’s Sustainability Framework, which outlines its main pillars of People, Planet, Pizza, and Responsible Governance. This framework directs the Company’s efforts toward the most pertinent sustainability challenges and opportunities for the business and stakeholders.

The Company’s sustainability strategy continues to be anchored on the environmental, social, and economic impacts of the Company’s various business activities along its value chain. The Company maps out key sustainability issues against the Company’s value chain to help manage risks and negative impacts and identify opportunities to scale the positive impact of the Company and create greater value for stakeholders. The Company’s Annual Sustainability Report are published in the Company’s website.

## **PROTECTING THE RIGHTS OF AND EQUITABLE TREATMENT OF SHAREHOLDERS**

### **Right to Vote and Right to Receive Notices and Attend Meetings**

The Company's By-Laws provide that Notices for the meetings shall be sent by the Secretary by personal delivery, by mail or electronic message at least twenty-one (21) days for regular and special meetings, or such number of days as may be required under relevant rules and regulations, prior to the date of the meeting, to each stockholder of record at his or her last known address. The notice shall state the place, date, and hour of the meeting, and the purpose for which the meeting is called.

Shareholders also have the right to attend meetings and vote on corporate matters, including the election of directors, amendments to the articles of incorporation, adoption/amendment of bylaws, and other major corporate actions.

### **Annual Stockholders' Meeting**

The Company's By-Laws mandates the conduct of its Annual Stockholders' Meeting on the 20<sup>th</sup> day of June each year. The stockholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy duly appointed according to the prescribed Voting Rules of the Company.

Stockholders may also vote via remote communication or in absentia, in which case they shall be deemed present for purposes of quorum. *Provided*, however, that the votes are received by the Secretary before the Company finishes the tally of votes.

The Company's By-Laws provide that the Order of Business at all annual meetings of stockholders shall be, as far as applicable and practicable, include the following:

1. Call of Order
2. Certification of notice and determination of quorum
3. Approval of the Minutes of the previous meeting
4. Report of the President
5. Approval and Ratification of all acts and proceedings of the Board of Directors, the Board Committees and management during their respective term of offices.
6. Election of Directors
7. Appointment of External Auditor
8. Other matters
9. Adjournment

### **Voting**

The Company's By-Laws further provides under its Section 5.06 the right of each Shareholder to vote at all meetings the number of shares registered in their respective names, either in person or by proxy.

Stockholders who executed proxies were asked to submit their proxy forms to the weblink or prescribed form provided for remote submission of proxies on or before June 17, 2025. Thereafter, the proxies are validated and the votes were tabulated by the Corporate Secretary and verified by the external auditor. Stockholders who opted to vote in person were given forms to fill-in before the meeting.

For the year 2025, all items of the agenda for the 2025 ASM were approved. The voting results are as follows:

Agenda	Voting Results		
	For	Against	Abstain
Call to Order	99.64%	0.00%	0.06%
Secretary's Proof of Due Notice of the Meeting and Determination of Quorum	99.64%	0.00%	0.06%
Approval of the Minutes of the Stockholders' Meeting held on June 20, 2024	100.00%	0.00%	0.00%
Management's Report	100.00%	0.00%	0.00%
Approval and Ratification of all Acts of the Board of Directors, Board Committees and Management for the year 2024	100.00%	0.00%	0.00%
Election of Board of Directors			
1. Ricardo Gabriel T. Po	100.00%	0.00%	0.00%
2. Christopher Paulus Nicholas T. Po	100.00%	0.00%	0.00%
3. Teodoro Alexander T. Po	100.00%	0.00%	0.00%
4. Leonardo Arthur T. Po	100.00%	0.00%	0.00%
5. Vicente L. Gregorio	100.00%	0.00%	0.00%
6. Lance Y. Gokongwei	99.54%	0.47%	0.00%
7. Regina Roberta L. Lorenzana (Independent)	100.00%	0.00%	0.00%
8. Kristine A. Romano (independent)	100.00%	0.00%	0.00%
9. Frances J. Yu (Independent)	100.00%	0.00%	0.00%
Appointment of External Auditor	100.00%	0.00%	0.00%
Amendment of Amended By-Laws	100.00%	0.00%	0.00%
Other Matters	99.18%	0.82%	0.00%
Adjournment	99.64%	0.00%	0.06%

During the meeting, stockholders were likewise given the opportunity to ask questions from the Board of Directors after each agenda item except Call to Order, Proof of Notice of the Meeting and Determination of Quorum, and Adjournment. The questions asked and answers given during the meeting is recorded in the minutes for the 2025 Annual Stockholders' Meeting attached herein as Appendix 7.

The following Directors and Officers were present during the 2025 Annual Stockholders' Meeting ("ASM"):

Christopher Paulus Nicholas T. Po	- Chairman
Ricardo Gabriel T. Po	- Vice Chairman
Teodoro Alexander T. Po	- Vice Chairman
Leonardo Arthur T. Po	- Director and Treasurer
Vicente L. Gregorio	- President and CEO
Lance Y. Gokongwei	- Director
Regina Roberta L. Lorenzana	- Independent Director
Kristine A. Romano	- Independent Director
Frances J. Yu	- Independent Director
Manuel T. Del Barrio	- Chief Financial Officer, Compliance Officer, Chief Risk Officer and Chief Information Officer
Alois Brielbeck	- General Manager (Commissary)
Jorge Maria Q. Concepcion	- Shakey's Chief Operating Officer

Dino T. Francisco Oliver Angelo C. Sicam Gilbert L. Tolentino	- Peri Peri General Manager - Shakey's General Manager - Corporate Business Development Head
Jose Arnold T. Alvero	- Chief Operating Officer and Business Unit Head of Potato Corner
Yiow Leong Tan Myrose April C. Victor	- Group Director for International - Deputy Chief Finance Officer and Head of Corporate Strategy and Planning
Kathrina M. David Kelda M. Centeno Maria Elma C. Santos Charmaine Jodi R. Go	- Group Supply Chain Director - Chief Digital and IT Officer - Chief Human Resources Officer - Potato Corner Chief Marketing Officer
Darel G. Pallesco Jenifer San Juan-Tecson Maria Rosario L. Ybanez	- Chief Audit Executive - Head, Investor Relations - Corporate Secretary

The stockholders who attended the 2025 ASM represented a total of 1,359,925,485 common shares, constituting 80.77% of the total outstanding capital stock of the Company as of record date May 9, 2025.

### Right to Dividends

Under the Dividend Declaration Policy of the Company, the Company provides an annual cash and/or share dividend pay-out of its recurring net income after tax for the preceding fiscal year, subject to the requirements of applicable laws and regulations.

#### Declaration of Dividends

Date	Type	Rate (Php)	Payable Date	Remarks
July 3, 2025	Regular Cash Dividends	0.20 per share	August 19, 2025	To all stockholders of record as of August 04, 2025

### Right to Receive Information

The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of the Company's financial condition, results and business operations.

The Company's Investor Relations team present information on performance results, business progress, industry trends, impact of external factors, and regulations to shareholders, analysts, investors, and media every quarter during the Investors Earnings Call and Briefing and Teleconference, as well as Media Briefing. The Medium of Communication are the following:

- Company disclosures filed with the Securities and Exchange Commission and the Philippine Stock Exchange
- Print (e.g. broadsheets, brochures)
- Written notices
- Corporate website
- Briefing sessions for analysts
- Investor conferences and non-deal roadshows
- One-on-one meetings with investors, bankers, and creditors
- Onshore and offshore investor conferences
- Conference calls on quarterly financial results
- Regular engagement with brokers and analysts
- Non-deal roadshows to key financial market centers
- Press releases
- Selected manufacturing site visits
- Regulatory and formal reporting requirements
- Use of corporate website

Reports distributed and made available to shareholders and other stockholders can be found in the PSE Edge website and in the Company website. A summary of the Company's disclosures is attached to this Information Statement as Appendix 10.

## **SUSTAINABILITY AND RESILIENCE**

### **Employees**

#### *1. Employee Safety and Health*

A healthy and safe working environment is a prerequisite to the well-being of the Company's workforce and paramount to the success of its operations. The Company is committed to creating decent and safe working conditions whether in the corporate workplace or on store and warehouse floors to protect employees and workers from injury and health risks. The Company fulfils this through its Occupational Safety and Health (OSH) Program and Policies, in full compliance with RA 11058 and the Department of Labor and Employment (DOLE)'s standards.

The Company's Health and Safety Committee manages its OSH program. This includes orientation and regular training, support for work permits for at-risk establishments, and provision of select protective equipment. Work-related hazards are regularly identified and assessed for severity and frequency and given appropriate control systems to prevent these safety risks. Any disabling injury whether permanent, temporary, or resulting in fatalities are reported to DOLE and submitted with required supporting documents to be processed.

In accordance with RA 11058, the Company also has put the following OSH policies in place to ensure a safe, productive, and supportive workplace:

1. Company Commitment on Occupational Safety and Health Promotion of a Drug-Free Workplace
2. Mental Health Services in the Workplace
3. Prevention and Control of HIV-AIDS
4. Prevention and Control of Tuberculosis
5. Prevention and Control of Hepatitis B
6. Composition and Duties of Health and Safety Committee

## 2. Employee Training

The Company invests on Employee training and development as described below:

<b>Shakey's Company Wide Training Programs and Courses</b>	<b>Description</b>
<b>Training Programs</b>	
Comprehensive Onboarding Program	Onboarding program for newly hired employees that covers company orientation and philosophies, product knowledge, guest service, duties and responsibilities, safety and security guidelines, and cashiering
Management Development Program	Develops Manager Trainees in restaurant operations
Restaurant Train the Trainer Workshop	Transforms employees both at the restaurant operations and Corporate Support Office (CSO) into credible and effective trainers who can cascade company goals, philosophies, means, and standards to employees
New Store Opening Training	Equips core teams of opening stores with technical capabilities required for store operations
Restaurant Staff Development Program	Trains restaurant staff in the technical and leadership competencies necessary for Shift Management positions through leadership training, certification, and dual specialization sessions
<b>Training Courses</b>	
Operations Training Courses	Upskills Store Operations employees with technical and leadership competencies that will enable them to perform their jobs successfully
Corporate Support Office Training Courses	Reinforces company goals, philosophies, means, and standards among our CSO employees while also offering learning opportunities to enhance their skill set and improve attitude and habits

<b>Average Training Hours</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Female (hrs/employee)	92	124	208
Male (hrs/employee)	84	115	217
Overall (hrs/employee)	88	119	213

## Customers and Guests

The Company has a robust Guest Engagement program in place. Through its Guest Engagement department, the Company connects and engages with guests by an integrated feedback management system that has enabled it to respond to feedback and attend to concerns with the utmost expediency. Guests are able to course their feedback through various channels such as store staff, WeCare email, Electronic Guest Comment Card, Shakey's delivery hotline, Shakey's website, Shakey's mobile application, Facebook, Twitter, and Instagram.

## **Suppliers**

### *1. Supply Chain Credibility*

Instituted in 2021, the Company's Supplier Code of Conduct and Ethics (SCOCE) outlines the Company's stance on responsible sourcing and supply chain sustainability and the corresponding requirements we expect its suppliers, manufacturers, and service providers to uphold.

The SCOCE covers the Company's standards on:

- Human rights (child labor, forced labor and human trafficking, non-discrimination, harassment, working hours, wages, and benefits)
- Health, safety, and quality
- Business ethics (business integrity, no gift policy, fair competition, privacy and intellectual property, conflict of interest)
- Environmental compliance with applicable laws and regulations
- Management systems

100% of current suppliers signed and acknowledged the SCOCE as a requirement to work with the Company.

## **Community**

### *1. Corporate Social Responsibility – Job Creation and Livelihood Support*

The Company creates livelihood opportunities and encourage decent working environments for its core businesses as well as for partners, vendors and suppliers. The Company's Supplier Code of Conduct and Ethics (SCOCE) is key to its ability to create positive impact while expanding its locus of positive influence.

### *2. Total number of jobs supported across the Company's value chain in 2025: 22,830*

The Company contributes to the national economy by supporting 22,830 jobs (2024: 20,725). This figure includes company-owned restaurant and corporate support employees and workers, as well as those whose jobs are indirectly supported through its business relationships such as franchised staff, store riders, participants from its inclusive hiring programs, call center agents, and maintenance and utilities staff.

## **Environmental Compliance**

### *1. Water Consumption Reduction*

Water is essential to the Company's business operations, from general cleaning and sanitation at stores to the cooking process. The Company monitors, measures, and analyzes its water usage to continuously improve resource efficiency, ensure the cleanliness and safety of operations, and mitigate environmental impact. This is especially important for the Company as it operates in high water stress areas, such as Metro Manila.

	2023 <sup>16</sup>	2024 <sup>17</sup>	2025
Water withdrawal (CBM)	1,236,342	778,985	605,789
Water intensity (CBM/Revenues in PHP Millions)	96.41	53.90	37.74

The Company invests in technology to reduce water consumption, such as installing automatic low-flow handwashing machines, and communicating responsible water usage with guests at company stores.

All wastewater discharged from all SPAVI facilities adheres to minimum standards established by the Department of Environment and Natural Resources (DENR) Administrative Order (DAO) 2021-19, the City Environment & Natural Resources Office (CENRO), the Municipal Environment & Natural Resources Office (MENRO), and Laguna Lake Development Authority (LLDA).

In 2025, 54 standalone Shakey's stores utilized onsite sewage treatment plants (STPs) to treat effluents from their operations before discharging, the same number of stores as in 2024.

## 2. Energy Consumption Reduction

Energy fuels the Company's operations, powering stores, offices, warehouses, equipment, and vehicles, which primarily rely on electricity, gasoline, and LPG. The Company is committed to minimizing energy use by implementing efficiency measures and promoting behavioral changes. This approach includes investing in technology like thermal insulation and inverter-type cold storage to conserve energy.

The Company encourages staff to actively participate in energy-saving efforts, such as turning off lights when not needed. While it has greater oversight over company-owned locations, the Company shares energy-saving strategies with leased spaces and franchisees, aiming to broadly reduce its energy footprint. In 2025, 64 Shakey's stores and 19 Peri-Peri stores were installed with thermal insulation.

Disclosure	2023	2024 <sup>18</sup>	2025
Total energy consumption (GJ) <sup>19</sup>	66,673,325	37,217,077	34,875,033
Non-renewable	66,673,325	37,217,077	34,875,033
Renewable	0	0	0
Energy intensity (GJ/Revenues in PHP Million)	5,199	2,575	2,173

## 3. Environmental Impact Management

Managing the Company's resources responsibly goes hand-in-hand with managing and mitigating its negative impacts on the environment and doing its part in tackling climate change.

<sup>16</sup> Water data from 2023 still includes data from franchises and is thus significantly higher than for succeeding years.

<sup>17</sup> Water data from 2024 has been restated to exclude franchised data.

<sup>18</sup> Energy data for 2023 and 2024 have been restated upon refinement of calculation methods. Furthermore, franchised data was included in the 2023 figure, but excluded for succeeding years.

<sup>19</sup> The sources of energy included in this disclosure are non-renewable electricity, gasoline, LPG, and diesel.

#### 4. Greenhouse Gas Emission Reduction

The Company's senior leadership team and Board of Directors are jointly responsible for assessing the impacts and developing the appropriate mitigation and adaptation strategies to reduce carbon emissions and manage climate-related risks.

Effective responses to climate change rely on credible strategies to transition towards a low carbon economy. The Company strives to increase the uptake of renewable energy in its operations. The Company explores mixed energy sources, such as solar panel installations at the corporate head office, free-standing stores, and commissaries, and use of solar powered water heaters.

##### ***GHG Emissions & GHG Intensity of the Company (Scopes 1 & 2)<sup>20</sup>***

<b>Disclosure</b>	<b>2023</b>	<b>2024<sup>21</sup></b>	<b>2025</b>
Scope 1 (tonnes CO <sub>2</sub> e)	4,014,403,249	2,339,962	2,192,507
Scope 2 (tonnes CO <sub>2</sub> e)	52,945	33,070	31,645
Emission intensity (tCO <sub>2</sub> e/Revenues in Php Million) <sup>13</sup>	313,042.44	164.20	138.58

#### 5. Landfill Waste Reduction

The Company's waste action plan targets significant reduction in plastic and food waste, the predominant types of waste in the Food and Beverage sector.

In 2025, SPAVI continued to divert hazardous waste from disposal, amounting to 69% of total waste diverted. Kitchen wastewater passes through grease chambers before undergoing treatment in its STP prior to discharge into the municipal sewer system. Other hazardous waste generated across its stores are managed by third-party DENR-accredited haulers, who transport these materials to licensed Treatment, Storage, and Disposal (TSD) facilities to ensure safe and compliant handling.

	<b>2023</b>	<b>2024</b>	<b>2025</b>
Waste generated from operations	208,991	641,784 <sup>22</sup>	459,772
Diverted from disposal	48,106 (23%)	489,333 (79%)	316,879 (69%)
Directed to disposal	160,885 (77%)	130,015 (21%) <sup>23</sup>	142,893 (31%)

<sup>20</sup> Standards used for the computation are based on the GHG Protocol Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Philippine Department of Energy. The gases reported include carbon dioxide, methane, and nitrous oxide

<sup>21</sup> Energy data for 2023 and 2024 have been restated upon refinement of calculation methods. Furthermore, franchised data was included in the 2023 figure but excluded in succeeding years.

<sup>22</sup> Restatement in 2024 to exclude franchised stores.

<sup>23</sup> Restatement in 2024 to exclude franchised stores.

## 6. Waste from customer packaging

	2023	2024 <sup>24</sup>	2025
Materials used (mt)	47,540	143,034	116,249
Renewable materials (%)	97%	52%	57%
Non-renewable materials (%)	3%	48%	43%

While sourcing sustainable packaging is a step forward, we face a greater hurdle in the Philippines due to underdeveloped waste management systems, with the urgent task of keeping these materials out of landfills and recycling them effectively.

The post-consumer waste challenge is complex, as it falls outside the Company's direct control. Nonetheless, the Company is dedicated to reducing the environmental footprint of its packaging along the entire value chain. In the interim, the Company is committed to offsetting the usage of non-biodegradable plastic packaging through its Plastic Cleanup program.

## 7. Plastic Footprint Reduction

The Company actively pursues a robust strategy to address the plastic footprint resulting from post-consumer waste. Recognizing that some plastic use is currently unavoidable, the Company has taken concrete action by partnering with the Plastic Credit Exchange (PCX). The partnership with the Plastic Credit Exchange (PCX) enables the Company to work towards reducing plastic footprint for the brands that rely on flexible packaging. The Company operationalizes this commitment by purchasing plastic credits, similar to the carbon offset model, which funds the collection, recycling, or co-processing of a volume of plastic waste equivalent to the packaging output.

January 2025 marked the Company's sixth year of committing to Plastic Footprint Reduction.

The Company actively engages in plastic waste management through the PCX program, which ensures the removal and repurposing of plastics equivalent to the Company's usage into new products or energy, aiding in coal replacement. In 2025, the Company purchased 99 MT of plastic credit to partially offset plastic packaging procured for the year. To uphold the integrity of plastic offsets, PCX mandates third-party audits by Isla Lipana & Co. (PricewaterhouseCoopers). The audit validates SPAVI's plastic footprint, supporting PCX in its activities as a Plastic Cleanup partner.

It also verifies the Company's plastic footprints against its annual packaging usage, confirming that a proportionate amount of plastic waste has been responsibly recycled or co-processed. The Company began the audit in earnest in 2023 and acquired certification in 2024. This rigorous process, detailed in the PCX credit registry, not only enhances its plastic management but also aligns the Company with the Extended Producer Responsibility Act of 2022.

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<sup>24</sup>2024 materials data has been restated due to improvements in data collection.

## APPENDIX “1”

### 2026 ANNUAL STOCKHOLDERS’ MEETING OF SHAKEY’S PIZZA ASIA VENTURES INC.

#### REGISTRATION AND PROCEDURE FOR VOTING IN ABSENTIA AND PARTICIPATION VIA REMOTE COMMUNICATION

##### I. VOTING IN ABSENTIA

Shakey’s Pizza Asia Ventures, Inc. (the “Company”) has established a designated website in order to facilitate the registration of and voting in absentia by stockholders at the annual meeting, as allowed under Sections 23 and 57 of the Revised Company Code.

Stockholders as of May 4, 2026 (the “Stockholder/s”) may register from **May 29, 2026 to June 4, 2026** at this link: [SPAVI ASM 2026 Registration Link](#)

1. Upon registration, Stockholders shall be asked to provide the information and upload the documents listed below (the file size should be no larger than 5MB):

For individual Stockholders:

- i. Email address
- ii. First and Last Name
- iii. Address
- iv. Mobile Number
- v. Current photograph of the Stockholder, with the face fully visible
- vi. Stock certificate number and number of shares held by the stockholder
- vii. Valid government-issued ID
- viii. For Stockholders with joint accounts: A scanned copy of an authorization letter signed by all Stockholders, identifying who among them is authorized to cast the vote for the account

For corporate/organizational Stockholders:

- i. Email address
- ii. Name of Stockholder
- iii. Address
- iv. Mobile Number
- v. Phone Number
- vi. Stock certificate number and number of shares held by the stockholder
- vii. Current photograph of the individual authorized to cast the vote for the account (the “Authorized Voter”)
- viii. Valid government-issued ID of the Authorized Voter
- ix. A scanned copy of the Secretary’s Certificate or other valid authorization in favor of the Authorized Voter

2. Registration shall be validated by the Office of the Corporate Secretary in coordination with the Stock Transfer Agent of the Company. Once the Stockholder has been successfully validated, a username and password shall be generated for the Stockholder, which shall be sent to the email address indicated by the Stockholder on the registration form.
3. The registered Stockholder may then proceed to log in on the voting website using the username and password provided and cast their votes. All items in the agenda for

approval shall be shown one at a time and the registered Stockholder may vote Yes, No, or Abstain. The vote is considered cast for all the registered Stockholder's shares.

4. Once voting on all the agenda items is finished, the registered Stockholder shall be shown a summary of votes cast. The Stockholder can then proceed to submit the accomplished ballot by clicking the 'Submit' button. Before submission, the website will prompt the Stockholder to confirm the submission of the ballot.
5. Voting shall be open from June 5, 2026, 12:01 a.m. to June 11, 2026, 11:59 p.m.
6. The Office of the Corporate Secretary shall tabulate all votes cast in absentia together with the votes cast by proxy, and an independent third party will validate the results.
7. Stockholders who register and vote on the website for voting in absentia are hereby deemed to have given their consent to the collection, use, storing, disclosure, transfer, sharing and general processing of their personal data by the Company and by any other relevant third party for the purpose of electronic voting in absentia for the Annual Stockholders' Meeting and for all other purposes for which the Stockholder can cast his/her/its vote as a stockholder of the Company.

## **II. PARTICIPATION VIA REMOTE COMMUNICATION**

1. Stockholders may attend the meeting on June 24, 2026 at 8:30 a.m. via the livestreaming link sent to the email address indicated by the Stockholder on the registration form. The livestream shall be broadcast via Zoom, which may be accessed either on the web browser or on the Zoom app. Those who wish to view the livestream may join the stream anonymously.
2. For purposes of quorum, only the following Stockholders shall be counted as present:
  - i. Stockholders who have registered and voted on the website for voting in absentia before the cut off time;
  - ii. Stockholders who have sent their proxies via registration on the website; or
  - iii. Stockholders who have sent their proxies via electronic mail to the Stock Transfer Agent by June 15, 2026.

Questions and comments on the items in the Agenda, Information Statement and Management Report may be sent through the voting website. Questions or comments received on or before June 19, 2026 may be responded to during the meeting. Any questions not answered during the meeting shall be answered via email.

**APPENDIX “2”**

PIZZA0000000 March 31, 2026  
**OUTSTANDING BALANCES FOR SPECIFIC COMPANY**  
 March 31, 2026  
 PIZZA0000000

<b>BPNAME</b>	<b>QUANTITY</b>
UPCC SECURITIES CORP.	29,100
A & A SECURITIES, INC.	15,920,619
ABACUS SECURITIES CORPORATION	281,567
PHILSTOCKS FINANCIAL INC	621,867
A. T. DE CASTRO SECURITIES CORP.	576,800
ALPHA SECURITIES CORP.	152,400
AP SECURITIES INCORPORATED	264,700
ANSALDO, GODINEZ & CO., INC.	22,800
AB CAPITAL SECURITIES, INC.	323,880,613
SARANGANI SECURITIES, INC.	11,600
SB EQUITIES, INC.	587,000
ASIA PACIFIC CAPITAL EQUITIES & SECURITIES CORP.	2,000
ASIASEC EQUITIES, INC.	111,400
ASTRA SECURITIES CORPORATION	30,000
CHINA BANK SECURITIES CORPORATION	312,500
BELSON SECURITIES, INC.	55,000
BPI SECURITIES CORPORATION	10,511,241
CAMPOS, LANUZA & COMPANY, INC.	396,600
SINCERE SECURITIES CORPORATION	100
CENTURY SECURITIES CORPORATION	27,000
CTS GLOBAL EQUITY GROUP, INC.	3,100
LUNA SECURITIES, INC.	2,600
TRITON SECURITIES CORP.	43,100
IGC SECURITIES INC.	46,400
CUALOPING SECURITIES CORPORATION	30,000
DAVID GO SECURITIES CORP.	882,400
DIVERSIFIED SECURITIES, INC.	141,600
E. CHUA CHIACO SECURITIES, INC.	86,600
EAST WEST CAPITAL CORPORATION	10,000
EASTERN SECURITIES DEVELOPMENT CORPORATION	215,200
EQUITIWORLD SECURITIES, INC.	82,000
EVERGREEN STOCK BROKERAGE & SEC., INC.	137,913
FIRST ORIENT SECURITIES, INC.	35,000
FIRST INTEGRATED CAPITAL SECURITIES, INC.	9,000
F. YAP SECURITIES, INC.	50,800
AURORA SECURITIES, INC.	47,600
GLOBALINKS SECURITIES & STOCKS, INC.	18,467
JSG SECURITIES, INC.	8,000
GOLDSTAR SECURITIES, INC.	5,000
GUILD SECURITIES, INC.	9,100
CNN SECURITIES, INC.	133,300

H. E. BENNETT SECURITIES, INC.	2,000
I. B. GIMENEZ SECURITIES, INC.	1,000
INVESTORS SECURITIES, INC,	132,900
IMPERIAL,DE GUZMAN,ABALOS & CO.,INC.	12,900
INTRA-INVEST SECURITIES, INC.	45,800
VALUE QUEST SECURITIES CORPORATION	109,900
STRATEGIC EQUITIES CORP.	11,000
LARRGO SECURITIES CO., INC.	10,000
LOPEZ, LOCSIN, LEDESMA & CO., INC.	17,500
LUCKY SECURITIES, INC.	25,000
LUYS SECURITIES COMPANY, INC.	16,200
MANDARIN SECURITIES CORPORATION	14,001,911
COL Financial Group, Inc.	14,765,464
DA MARKET SECURITIES, INC.	47,000
MERCANTILE SECURITIES CORP.	5,000
MERIDIAN SECURITIES, INC.	56,300
MDR SECURITIES, INC.	15,800
REGIS PARTNERS, INC.	20,601,816
MOUNT PEAK SECURITIES, INC.	1,000
NEW WORLD SECURITIES CO., INC.	137,500
OPTIMUM SECURITIES CORPORATION	165,000
RCBC SECURITIES, INC.	257,600
PAN ASIA SECURITIES CORP.	4,600
PAPA SECURITIES CORPORATION	21,338,031
MAYBANK SECURITIES, INC.	1,282,502
PLATINUM SECURITIES, INC.	15,000
PNB SECURITIES, INC.	221,000
PREMIUM SECURITIES, INC.	29,000
SALISBURY SECURITIES CORPORATION	210,600
QUALITY INVESTMENTS & SECURITIES CORPORATION	312,000
R & L INVESTMENTS, INC.	1,333
ALAKOR SECURITIES CORPORATION	10,000
R. COYIUTO SECURITIES, INC.	79,900
REGINA CAPITAL DEVELOPMENT CORPORATION	96,500
R. NUBLA SECURITIES, INC.	36,000
AAA SOUTHEAST EQUITIES, INCORPORATED	19,600
R. S. LIM & CO., INC.	6,000
RTG & COMPANY, INC.	53,200
S.J. ROXAS & CO., INC.	1,398,800
SECURITIES SPECIALISTS, INC.	99,600
FIDELITY SECURITIES, INC.	4,500
SUMMIT SECURITIES, INC.	499,600
STANDARD SECURITIES CORPORATION	135,000
TANSENGCO & CO., INC.	167,000
THE FIRST RESOURCES MANAGEMENT & SECURITIES CORP.	80,100
TOWER SECURITIES, INC.	6,172,900
APEX PHILIPPINES EQUITIES CORPORATION	15,000

DRAGONFI SECURITIES, INC.	101,146
LANDBANK SECURITIES, INC.	51,700
UOB KAY HIAN SECURITIES (PHILS.), INC.	6,247,700
VENTURE SECURITIES, INC.	21,700
FIRST METRO SECURITIES BROKERAGE CORP.	9,662,200
WEALTH SECURITIES, INC.	686,835
WESTLINK GLOBAL EQUITIES, INC.	26,600
BERNAD SECURITIES, INC.	140,700
YAO & ZIALCITA, INC.	50,000
META CAPITAL SECURITIES INC	123,600
BDO SECURITIES CORPORATION	5,772,791
EAGLE EQUITIES, INC.	32,000
SOLAR SECURITIES, INC.	116,800
G.D. TAN & COMPANY, INC.	191,000
PHILIPPINE EQUITY PARTNERS, INC.	155,298,164
UNICAPITAL SECURITIES INC.	242,815
SunSecurities, Inc.	8,500
ARMSTRONG SECURITIES, INC.	7,000
TIMSON SECURITIES, INC.	24,600
CITIBANK N.A.	51,141,010
DEUTSCHE BANK MANILA-CLIENTS A/C	4,887,100
BANK OF COMMERCE - TRUST SERVICES GROUP	56,600
STERLING BANK OF ASIA TRUST GROUP	5,800
DEUTSCHE BANK MANILA-CLIENTS A/C	5,620,009
STANDARD CHARTERED BANK	60,320,493
THE HONGKONG AND SHANGHAI BANKING CORP. LTD. -CLIENTS' ACCT.	20,737,900
MBTC - TRUST BANKING GROUP	3,473,920
AB CAPITAL & INVESTMENT CORP. - TRUST & INVESTMENT DIV.	31,091,110
<b>TOTAL LODGED SHARES</b>	<b>794,658,237</b>

## APPENDIX "3"

COMPANY NAME : SHAKEY'S PIZZA ASIA VENTURES INC.  
 LIST OF TOP 100 STOCKHOLDERS  
 As Of March 31, 2026

STOCKHOLDER'S NAME	OUTSTANDING & ISSUED SHARES (FULLY PAID)	OUTSTANDING & ISSUED SHARES (PARTIALLY PAID)	TOTAL HOLDINGS (SUBSCRIBED)	PERCENTAGE TO TOTAL
CENTURY PACIFIC GROUP, INC.	796,445,141	0	796,445,141	47.302
PCD NOMINEE CORP. (FILIPINO)	663,013,100	0	663,013,100	39.377
PCD NOMINEE CORP. (NON-FILIPINO)	131,645,137	0	131,645,137	7.819
CENTURY PACIFIC GROUP INC.	40,000,000	0	40,000,000	2.376
MA. LUISA P. LOVINA	13,766,511	0	13,766,511	0.818
LEOPOLDO M. PRIETO III	6,882,542	0	6,882,542	0.409
JAMILLE P. TORRES	3,706,257	0	3,706,257	0.220
PANDA DEVELOPMENT CORPORATION	3,314,264	0	3,314,264	0.197
JAMILLE M. P. TORRES	3,176,285	0	3,176,285	0.189
MA. CONSUELO P. GUERRERO	2,923,808	0	2,923,808	0.174
MA. PILAR P. LORENZO	2,923,808	0	2,923,808	0.174
MA. CRISTINA P. MORAZA	2,923,808	0	2,923,808	0.174
CARLOS M. PRIETO	2,923,808	0	2,923,808	0.174
EDUARDO M. PRIETO	2,923,808	0	2,923,808	0.174
L.L.P. ENTERPRISES, INC.	2,808,968	0	2,808,968	0.167
MA. INES P. BORROMEIO	1,943,056	0	1,943,056	0.115
RAMON ANTONIO LLUCH PRIETO JR. OR PACITA MARIA TEODORA O. PRIETO	788,473	0	788,473	0.047
DANIELA ARIANE LLUCH PRIETO	788,472	0	788,472	0.047
GABRIELA MAXINE LLUCH PRIETO	788,472	0	788,472	0.047
CAROUSEL HOLDINGS, INC.	50,000	0	50,000	0.003
PYTHON ROCK ENTERPRISES INC	11,100	0	11,100	0.001
ALMA BELLA PIL ALBERASTINE	2,000	0	2,000	0.000
PERCIVAL BYRON SALAZAR BUESER	2,000	0	2,000	0.000
VERONICA AGUILAR PEDRASA	2,000	0	2,000	0.000
LEOPOLDO H. PRIETO, JR.	1,427	0	1,427	0.000
DONDI RON R. LIMGENCO	1,111	0	1,111	0.000
CHRISTINE F. HERRERA	1,000	0	1,000	0.000
GABRIELLE CLAUDIA F. HERRERA	1,000	0	1,000	0.000
JOHN T. LAO	1,000	0	1,000	0.000
TERESA P. MARCELINO	1,000	0	1,000	0.000
CELINA F. LUCERO	400	0	400	0.000
OWEN NATHANIEL S AU ITF: LI MARCUS AU	110	0	110	0.000
VICTOR CO AND/OR ALIAN CO	100	0	100	0.000
SHAREHOLDERS' ASSOCIATION OF THE PHILIPPINES, INC.	100	0	100	0.000
JESUS SAN LUIS VALENCIA	100	0	100	0.000
GERARDO L. SALGADO	8	0	8	0.000
JOSELITO T. BAUTISTA	1	0	1	0.000
PAULO L. CAMPOS III	1	0	1	0.000
BOTSCHAFT N. CHENG OR SEVILA NGO	1	0	1	0.000
FERNAN VICTOR P. LUKBAN	1	0	1	0.000
GRAND TOTAL (40)	1,683,760,178	0	1,683,760,178	

APPENDIX "4"

REPUBLIC OF THE PHILIPPINES )  
Pasig City ) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Frances J. Yu Filipino, of legal age and a resident of 4229 South Joya, Rockwell Center, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for Independent Director of Shakey's Pizza Asia Ventures Inc and have been an Independent Director since August 16, 2018.
- 2. I am affiliated with the following companies or organizations (including Government- Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Century Pacific Food, Inc.	Independent Director	2019 to present


- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Shakey's Pizza Asia Ventures Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. I am not related to any director/officer/substantial shareholder of Shakey's Pizza Asia Ventures Inc. and its subsidiaries and affiliates.
- 5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
- 7. I shall inform the Corporate Secretary of Shakey's Pizza Asia Ventures Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 30 2026 day of Pasig City.

  
FRANCES J. YU  
Affiant

Subscribed and sworn to before me this APR 30 2026 day of Pasig City affiant personally appeared before me and exhibited to me her TIN ID with no. 152-911-191.

Doc. No. 453 ;  
Page No. 97 ;  
Book No. 76 ;  
Series of 2026.

  
ATY. JOMAR M. HUCOLA  
NOTARY PUBLIC  
Cities of Pasig, San Juan, Pateros, Metro Manila  
3003 38<sup>th</sup> Flr. Corporate Finance Plaza Bldg.  
Ruby Rd. cor. Topaz Rd. Ortigas Center, Pasig City  
Appointment No. 207; Until Dec 31, 2026  
SC. Roll No. 81022; May 21, 2022  
PTR No. 3993001; 01/14/2026 Pasig City  
IBP No. 588574; 01/05/2026 IBP Manila I  
MCLE No. VII-0006903; Feb 20, 2024 - Apr 24, 2025

**APPENDIX "5"**

REPUBLIC OF THE PHILIPPINES )

) S.S.

*Pasig City*

**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, Regina Roberta L. Lorenzana, Filipino, of legal age and a resident of 218 Recoletos Street, Urdaneta Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of Shakey's Pizza Asia Ventures Inc. and have been its Independent Director since July 2025.
2. I am affiliated with the following companies or organizations (including Government- Owned and Controlled Corporations):

Company/Organization	Position/ Relationship	Period of Service
Century Pacific Food, Inc.	Independent Director	2021 to present
BetterBrandLabs, Inc.	Chief Energist/Board Member	2021 to present
Nada Debajo S.L.	Founder/Administrator	2020 to present
LaEsquina Blumentritt Inc.	Director	2023 to present
Belo Medical Group	CEO	2025 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Shakey's Pizza Asia Ventures Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of Shakey's Pizza Asia Ventures Inc. and its subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of Shakey's Pizza Asia Ventures Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 30 2026 day of Pasig City

**REGINA ROBERTA L. LORENZANA**  
Affiant

Subscribed and sworn to before me this APR 30 2026 day of Pasig City, affiant personally appeared before me and exhibited to me his TIN ID with no. 139-326-395.

Doc. No. 452 ;  
Page No. 92 ;  
Book No. 16 ;  
Series of 2026.

**APTY. JOSE R. VIGOLA,**  
NOTARY PUBLIC  
Cities of Pasig, San Juan, Marikina, Metro Manila  
3803 38<sup>th</sup> Flr., Corporate Finance Plaza Bldg.,  
Ruby Bld. c/cr. Topaz Ed. Ortigas Center, Pasig City  
Appointment No. 207; Until Dec 31, 2026  
SC. Roll No. 81022; May 21, 2022  
PTR No. 3993001; 01/14/2026 Pasig City  
IBP No. 588574; 01/05/2026 IBP Manila I  
MCLE No. VIII-0006903; Feb 28, 2024 - Apr 14, 2025

**APPENDIX "6"**

REPUBLIC OF THE PHILIPPINES )  
Pasig City ) S.S.

**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, Kristine Romano, Filipino, of legal age and a resident of 104 Aguirre St., Legazpi Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for Independent Director of Shakey's Pizza Asia Ventures Inc. and have been its Independent Director since July 2025.
- 2. I am affiliated with the following companies or organizations (including Government- Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
McKinsey & Co.	Partner	2004-2025
University of the Philippines	Part-time Lecturer	2019

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Shakey's Pizza Asia Ventures Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. I am not related to any director/officer/substantial shareholder of Shakey's Pizza Asia Ventures Inc. and its subsidiaries and affiliates.
- 5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
- 7. I shall inform the Corporate Secretary of Shakey's Pizza Asia Ventures Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 30 2026 day of Pasig City.

*Kristine Romano*  
**KRISTINE ROMANO**  
Affiant

**APR 30 2026**

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ at Pasig City affiant personally appeared before me and exhibited to me her \_\_\_\_\_.

Doc. No. 457 ;  
Page No. 97 ;  
Book No. 6 ;  
Series of 2026.

*Atty. Jonary Pezzola*  
**ATTY. JONARY PEZZOLA**  
NOTARY PUBLIC  
Cities of Pasig, San Juan, Pateros, Metro Manila  
3013 30<sup>th</sup> Flr., Corporate Finance Plaza Bldg.  
Ruby Rd. cor. Topaz Rd., Ortigas Center, Pasig City  
Appointment No. 207; Until Dec 31, 2026  
S.C. Roll No. 81022; May 21, 2022  
PTR No. 3993001; 01/14/2026 Pasig City  
IBF No. 568574; 01/05/2026 IBF Manila I  
MCLE No. VIII-0006903; Feb 20, 2024 - Apr 14, 2028

APPENDIX "7"

MINUTES  
OF THE  
ANNUAL MEETING OF STOCKHOLDERS OF  
SHAKEY'S PIZZA ASIA VENTURES INC.  
(via remote communication)  
Thursday, 03 July 2025, AT 8:30 O'CLOCK IN THE MORNING

Number of shares held by shareholders:

Present in Person or Represented by Proxy, and Participant Brokers	-	1,359,925,485
Number of Total Outstanding Shares Preferred and Common	-	1,683,760,178
Percentage of the Total Shares Represented By Proxies and In Person	-	80.77%

Incumbent Directors Present:

Mr. Christopher T. Po	Chairman
Mr. Ricardo Gabriel T. Po	Vice Chairman
Mr. Teodoro Alexander T. Po	Vice Chairman
Mr. Vicente L. Gregorio	President and CEO
Mr. Leonardo Arthur T. Po	Treasurer
Mr. Lance Y. Gokongwei	Director
Mr. Fernan Victor P. Lukban	Independent Director
Mr. Paulo L. Campos III	Independent Director
Ms. Frances J. Yu	Independent Director

Also Present:

Maria Pilar P. Lorenzo	Consultant of the Board
Leopoldo P. Prieto, Jr.	Consultant of the Board
Editha Estacio	External Auditor (Sycip Gorres & Velayo Co.)
Wilson Tan	External Auditor (Sycip Gorres & Velayo Co.)
Manuel T. Del Barrio	Chief Financial Officer, Compliance Officer, Chief Risk Officer and Chief Information Officer
Myrose April C. Victor	Deputy Chief Finance Officer and Head of Corporate Strategy and Planning
Alois Brielbeck	General Manager (Commissary)
Jorge Maria Q. Concepcion	Shakey's Chief Operating Officer
Oliver Angelo C. Sicam	Shakey's General Manager

Dino T. Francisco	Peri Peri General Manager
Jose Arnold T. Alvero	Chief Operating Officer and Business Unit Head of Potato Corner
Yiow Leong Tan	Group Director for International
Kathrina M. David	Group Supply Chain Director
Maria Elma C. Santos	Chief Human Resources Officer
Gilbert L. Tolentino	Corporate Business Development Head
Kellida M. Centeno	Chief Digital and IT Officer
Charmaine Jodi R. Go	Potato Corner Chief Marketing Officer
Darel G. Pallesco	Chief Audit Executive
Jenifer San Juan-Tecson	Head, Investor Relations
Maria Rosario L. Ybanez	Corporate Secretary

**I. Call to Order**

The Chairperson, Mr. Christopher T. Po, called the meeting to order and presided over the meeting.

**II. Proof of Notice and Determination of Existence of Quorum**

The Corporate Secretary, Atty. Maria Rosario L. Ybanez, certified that (a) notices for the annual stockholders' meeting together with the agenda and the Definitive Information Statement of the Corporation were disclosed via PSE EDGE and posted on the Corporation's website on May 23, 2025 and were published in two (2) newspapers of general circulation on May 29 and 30, 2025, and (b) based on the record of attendance, present for the meeting were stockholders, in person or by proxy, holding a total of 1,359,925,485 common shares representing 80.77% of the total outstanding voting shares of the Corporation as of record date of May 9, 2025. The Corporate Secretary therefore certified that there was a quorum for the transaction of business and proceeded to record the minutes of the proceedings.

**III. Approval of Minutes of the Annual Stockholders' Meeting held on June 20, 2024**

The next item was the approval of the minutes of the Annual Stockholders' Meeting held on June 20, 2024. A copy of the minutes was posted on the Corporation's website soon after the adjournment of last year's Annual Stockholders' Meeting. Copies of the minutes were also included in the Definitive Information Statement disclosed via PSE EDGE and uploaded to the Corporation's website.

The Corporate Secretary then presented the results of voting for the approval of the minutes:

	<b>Number of Shares</b>	<b>Percentage</b>
<b>In Favor</b>	1,359,925,485	100%
<b>Against</b>	0	0
<b>Abstain</b>	0	0

With the above votes in favor, the minutes of the Annual Stockholders' Meeting held on June 20, 2024 were approved.

#### IV. Management's Report and 2024 Audit Financial Statements

The Chairman proceeded to the next item in the agenda which was the approval of the Management's Report and Audited Financial Statements for 2024. The financial statements of the Corporation were appended to the Definitive Information Statement.

The President then presented the Report on Operations for 2024.

#### REPORT ON OPERATIONS FOR 2024

The President reported that the Company's systemwide sales reached 21.7 billion, posting a growth rate of 17% versus 2023. The increase in sales was also supported by the Group's store network expansion program. In 2024, the Company successfully opened 478 new stores and outlets, increasing its global footprint to 2,619 units – a 22% year-on-year growth that underscores the momentum of its multi-brand international expansion strategy. Net Income for the year rose to ₱1.19 billion, representing a 10% increase from the previous year and marking the second consecutive year of exceeding the ₱1 billion milestone.

#### BRANDS:

1. Shakey's maintained its leadership as the #1 full-service pizza chain in the Philippines, holding a 68% market share. Key initiatives launched during the year include the 'Cheesier Pizza' Program, Bunch of Lunch, and Hero Sandwiches, all of which emphasized product quality and everyday value. The brand also strengthened its digital ecosystem through enhancements to the Shakey's Super App, offering personalized deals and engaging promotions such as the Supercard Super Cars giveaway, further driving customer loyalty and digital engagement.
2. Potato Corner, now a key growth driver two years post-acquisition, retained its position as the leading flavored fries kiosk brand. Growth was fueled by the introduction of new product formats and offers including Crunchy Chicken Pops, Terra Bundles, and limited-edition Poco merchandise, helping increase transaction volume and average basket size.
3. Peri Peri Charcoal Chicken and Sauce Bar focused on recalibrating its store formats to enhance dine-in experiences and scale its off-premise reach through strategic food aggregator partnerships. These efforts resulted in a doubling of off-premise sales year-over-year, signaling strong demand and brand relevance.
4. R&B Milktea and Project Pie, are the emerging brands and the Company is still incubating these brands to accelerate the growth and continue to future-proof the business.

## STORES:

The Company capitalized on synergies across its business development efforts, rolling out innovative new formats and expanding its geographic reach. The introduction of the Potato Corner XP store format in key locations offered customers a larger, more immersive experience, featuring expanded menus, seating, and merchandise.

Domestically, the Company entered new markets such as Ilocos (Peri-Peri) and Mindoro (Potato Corner), while internationally, it strengthened its presence in Thailand and expanded into Malaysia and China. Across all formats, the Company focused on enhancing the overall guest experience, ensuring its physical spaces reflect brand identity, drive relevance, and reinforce customer satisfaction and competitiveness.

## PEOPLE:

The Company continued to uphold its commitment to being a people-centric organization by supporting a total of 20,725 jobs across its corporate offices, franchise network, and supply chain. The Company also invested heavily in leadership development and capability-building initiatives to ensure operational excellence and enhance the guest experience. A key program was the 'Spec Ops Bootcamp', a leadership training initiative for store managers focused on collaboration, trust-building, and motivating high-performing teams that resulted in over 300 promotions.

## ESG:

The Company, in partnership with the Public Employment Service Office of various local government units, provided job opportunities to senior citizens and differently-abled individuals.

The Company also continued its flagship program, "Love 'Em Down", in partnership with the Down Syndrome Association of the Philippines. This initiative provides livelihoods to individuals with Down Syndrome, creating a fun and welcoming environment and offering them valuable learning opportunities.

At the same time, through the partnership with the Plastic Credit Exchange (PCX), the Company actively engage in plastic waste management through the PCX program, which ensures the removal and repurposing of plastics equivalent to the usage into new products or energy, aiding in coal replacement. In 2024, the Company diverted 92 metric tons of plastic credit to offset the plastic packaging procured for the year, in compliance with the Extended Producer Responsibility Act.

To continue the Company's advocacy for sports development, the Company promoted initiatives like the Shakey's Super League, the biggest intercollegiate all-girls volleyball tournament in the country. This initiative not only fosters the growth of sports but also empowers young women to excel in athletics, leadership, and teamwork, aligning with the commitment to supporting diverse and inclusive opportunities for all.

The Company also earned two Golden Arrow Awards from the Institute of Corporate Directors (ICD) under the ASEAN Corporate Governance Scorecard.

At this point, the President thanked the management team, and the women and men behind Shakey's. Much gratitude was given to the customers and partners who have worked alongside the team and became conduits to deliver the Company's mission. A special mention to the board was also made, for the guidance they have given to Shakey's. Lastly, gratitude was given to the shareholders for the confidence and support it has given the Company through the years.

At the end of the presentation, the Corporate Secretary presented the results of voting for the approval of the Management's Report and the 2024 Audited Financial Statements of the Corporation:

	Number of Shares	Percentage
In Favor	1,359,925,485	100%
Against	0	0
Abstain	0	0

With the above votes in favor, the Management's Report and 2024 Audited Financial Statements of the Corporation were approved.

**V. Approval and Ratification of All Acts of the Board of Directors, Board Committees, and Management for the year 2024.**

The Chairman of the Meeting then proceeded to the next item on the agenda which was the ratification of all acts, transactions and contracts entered into as well as resolutions made and adopted by the Board of Directors and its duly constituted committees and of the Management of the Company from January to December 2024, as reflected in the minutes of the meetings of the Board of Directors, and its duly constituted committees and of the Management for the period.

The Corporate Secretary presented the results of voting for the ratification of the acts of the Board of Directors, Board Committees, and Management for the previous year:

	Number of Shares	Percentage
In Favor	1,359,925,485	100%
Against	0	0
Abstain	0	0

With the above votes in favor, all acts of the Board of Directors, Board Committees, and Management for 2024 were ratified.

**VI. Election of the Board of Directors**

The Chairman of the Meeting announced as the next item in the agenda the election of members of the Board of Directors of the Corporation for 2025 to 2026.

Atty. Maria Rosario L. Ybanez, reported that there were nine (9) persons nominated to, and qualified for, the Board. She confirmed that the Nominations Committee had determined that the following had all the qualifications and none of the disqualifications to be directors of the Corporation for 2025 to 2026:

1. Mr. Christopher T. Po
2. Mr. Ricardo Gabriel T. Po
3. Mr. Teodoro Alexander T. Po
4. Mr. Leonardo Arthur T. Po
5. Mr. Vicente L. Gregorio
6. Mr. Lance Y. Gokongwei

**Independent Directors:**

1. Ms. Frances J. Yu
2. Ms. Regina Roberta L. Lorenzana
3. Ms. Kristine A. Romano

Below are the results of the ballots:

Director	No of Votes
Ricardo Gabriel T. Po	1,359,925,485
Christopher T. Po	1,359,925,485
Teodoro Alexander T. Po	1,359,925,485
Leonardo Arthur T. Po	1,359,925,485
Vicente L. Gregorio	1,359,925,485
Lance Y. Gokongwei	1,353,648,425
Frances J. Yu	1,359,925,485
Regina Roberta L. Lorenzana	1,359,925,485
Kristine A. Romano	1,359,925,485

Given the nine (9) individuals nominated to and qualified for the Board and the votes they received as shown above, all nine (9) individuals were duly elected to the Board of Directors of the Corporation for the year 2025 to 2026.

**VII. External Auditor**

The Chairman of the Meeting then announced that the next item in the agenda would be the appointment of the external auditor for the year 2025-2026. The current external auditor, Sycip Gorres Velayo & Co., is being recommended for re-appointment as external auditor.

The Chairman gave those present the opportunity to object or ask questions but none was raised on the appointment of Sycip Gorres Velayo & Co. as the Corporation's external auditor.

The Corporate Secretary presented the results of voting for the appointment of the Corporation's External Auditor for 2025 to 2026:

	Number of Shares	Percentage
In Favor	1,359,925,485	100%
Against	0	0
Abstain	0	0

With the above votes in favor, Sycip Gorres Velayo & Co. was appointed as the External Auditor of the Corporation for 2025 to 2026.

#### VIII. Other Matters

The Chairman proceeded to the question-and-answer portion of the meeting. The Corporate Secretary read the questions, which were answered by the Chairman and President.

The first question read *'How has the Group performed so far during the year?'*. Mr. Vicente Gregorio responded that the Company's performance is at a steady pace with regard to its systemwide sales growth as of year to date vs. 2024. While the Company is still conscious with the current events and demands of consumers especially with the upcoming events and Christmas holidays, the Company hopes that the last two quarters of 2025 will help increase the total balance of the year of the Company as still aiming for a double-digit growth. Mr. Christopher Paulus Nicholas T. Po also pointed out that while the brands are widely accepted not just in the Philippines but also globally, challenges are still coming in the way, but the Company is still optimistic in maintaining the double-digit growth for the rest of the financial year.

The second question read *'Can you share more about the Group's expansion plans? Do you have any expansion plans in the North?'* Mr. Vicente Gregorio affirmed that the Company's strategic objective for 2025 is continued network expansion, with a budget allocation set to support the opening of at least 400 new stores across both in domestic and international markets. He further emphasized that the Business Development team is open to seeking high-potential locations in the northern region of the Philippines, as part of its broader market penetration and growth acceleration initiatives.

The Chairman inquired if there is any other matter which may be properly taken up by the stockholders in the meeting, and the Corporate Secretary stated that there are no other matters for stockholders' approval.

#### IX. Adjournment

There being no further business to transact, and upon motion duly made and seconded, the meeting was adjourned.

  
MARIA ROSARIO L. YBANEZ  
Corporate Secretary

ATTESTED:

CHRISTOPHER T. PO  
Chairman

DRAFT ONLY

## APPENDIX "8"

Schedule and Summary of Board Meetings for 2025:

DATE OF MEETING	RESOLUTIONS
January 6, 2025	Authorized representative to transact with Various Government agencies in Legazpi City, Albay; authorized representative to transact with Various Government agencies in Pili, Camarines Sur; amendment to the Secretary's Certificate dated September 2, 2024 regarding the authorized signatories to enter into Contract of Lease, Contract of Sublease and notice of Termination; authorized signatory to avail a Credit Line agreement with San Miguel Mills, Inc; authorized signatory for the Sale of Shakey's Store with Excellent People's Multi-Purpose Cooperative; authorized signatory for the Sale of Shakey's Store with Shanuman Foods, OPC; amendment of Secretary's Certificate dated September 2, 2024 regarding the authorized signatories to transact with Various Government agencies
February 3, 2025	Authorized signatory to sign the Affidavit of Undertaking to be submitted to the Securities and Exchange Commission (SEC) for the Filing of its amended Code of by-Laws; authorized representative and signatory to apply for the Issuance of Certificate of Product Registration with the Food and Drug administration in Connection to the Company's Soda Water; authorized representative to File any Criminal, Civil, administrative and/or other actions against Christopher Raymundo Espanola, Jr.; authorized signatories and representative to sign and process and documents relative to the claiming of the Refund of Security Deposit with SM Prime Holdings, Inc - SM Tanza Branch; authorized signatories to sign Documents Relative to the Virtual Mall Seller agreements with SM Prime Holdings, Inc; authorized signatory for the sale of Shakey's Store with Krusty Patty Pizza Corp.; authorized signatories for the use of Computer-Generated BIR form 2307; authorized representative and signatories to process the Closure and Cessation of Business Operations of Shakey's Robinsons General Trias Branch
February 27, 2025	October 2024 Financial Performance; Declaration of Cash Dividend Proposal
March 3, 2025	Authorized signatories and representatives for the Processing of Closure and Cessation of Business Operations of Shakey's Branches in Las Pinas City; authorized signatories and representatives for the Processing of Termination of Lessor Permit of Shakey's Las Pinas; authorized representative to Claim the Check on Behalf of the Company for the Payment Made by the Light Rail Transit authority ("LRTA"); authorized signatory to sign Deeds of assignment for the Change of Ownership of Company-Owned Stores to Franchise-Owned Stores; Cancellation of the Secretary's Certificate dated April 3, 2020 and February 3, 2025 regarding the authorized signatories to enter into Merchant affiliation with Grab Express, Inc; Cancellation of the Secretary's Certificate dated January 15, 2024 regarding the authorized signatories to enter into Contract of Lease, Sub-Lease and notice of Termination for R&B Tea Stores; amendment of the Secretary's Certificate dated December 18, 2017 regarding the authorized signatories to enter into Merchant affiliation with Global Telecommunications Company; amendment of the Secretary's Certificate dated December 18, 2017 regarding the authorized signatories to enter into Merchant affiliation with insurance companies; amendment of the Secretary's Certificate dated August 15, 2023, regarding the authorized signatories to enter into Merchant affiliation with Maya Group; amendment of the Secretary's Certificate dated December 18, 2017, regarding the authorized signatories to enter into Merchant affiliation with Maynilad Water Services, Inc and Manila Water Company, Inc; amendment of the Secretary's Certificate dated December 18, 2017, regarding the authorized signatories to enter into Merchant affiliation with Manila Electric Company (MERALCO) and other Electricity, Power or Energy Providers; amendment of the Secretary's Certificate dated December 18, 2017, regarding the authorized signatories to enter into Merchant affiliation with PLDT, Inc and its Subsidiaries; amendment of the Secretary's Certificate dated December 18, 2017, regarding the authorized signatories to enter into Merchant affiliation with Sky Cable Company; authorized representative to apply and Request for the Refund of Cash advance with Manila Electric Company; authorized signatories and representative to Enroll the Company for a Petron Fleet Card
March 27, 2025	Notice of annual Stockholders' Meeting for 2025
April 8, 2025	Authorized representatives to transact with Bureau of Customs; authorized representative to Receive and Claim the Check Made by National Housing authority ("NHA") Under PR No. Noa No. R3-24-G09 ("Project"); authorized representative to Receive and Claim the Check Made by National Housing authority ("NHA") Under PR No. Noa No. R3-24-G10 ("Project"); authorized representative to Receive and Claim the Check Made by National Housing authority ("NHA") Under PR No. Noa No. R3-24-G11 ("Project"); authorized representative to Receive and Claim the Check Made by National Housing authority ("NHA") Under PR No. Noa No. R3-24-G12 ("Project"); Closure and Cessation of Shakey's Bagumbong Branch; authority to transact with Isla Lipana & Co. (PwC Philippines); application for Credit Line with the Philippine airlines

May 5, 2025	Authorized representatives for audit of Books of accounts and Tax assessment by the Bureau of internal Revenue (BIR); authorized representative to Participate in the Bidding Conducted by the City Government of Las Piñas for the Food for Sportsfest and Preparation for Mass Wedding on March 26, 2025 and Wedding Day on March 27, 2025 (“Project”); authorized representative to Participate in the Bidding Conducted by the City Government of Las Piñas for the Social Pension for indigent Senior Citizen – Payout Project; amendment to the Secretary’s Certificate dated September 4, 2024 for the authorized representative to transact with Various Government agencies
June 4, 2025	Request for Confirmatory Ruling with the Bureau of internal Revenue; authorized representative to Participate in the Bidding Conducted by the Provincial Government of Pampanga Public Employment Service office (“Peso”) for the Supply and Delivery of Various Meals in Services Under PR No. 25-1888; authority to transact with Subic Bay Metropolitan authority (“SBMA”) for the Renewal of Business Permits of Shakey’s Subic Bay Freeport Zone Branch; authorized representatives to transact with Megaworld Company to apply for the Refund of the Company’s Security Deposit and Excess Rental Payment for the Leased Premises in Lucky Chinatown Mall; authorized signatory for the Transfer of Ownership of Vehicle; Confirmation of Sale of Vehicle Between international Family Foo Services, Inc and Vicente L. Gregorio
June 10, 2025	Postponement of Annual Stockholder’s Meeting
June 19, 2025	Approval of the incorporation of PC Americas Franchising, Inc.
July 3, 2025	Regular Meeting of the Board, approval of Minutes of the annual Stockholders’ Meeting Held on June 20, 2024, President’s Report on Operations, approval and Ratification of all acts of the Board of Directors, Board Committees, and Management for the Year 2024; Election of the Board of Directors, appointment of External auditor
July 7, 2025	Authorized representative to Participate in the Bidding Conducted by the Department of Migrant Workers for the Supply and Delivery of Various Meals for the Children’s Day; authorized signatories for transactions with Various Banks; authorized signatories to enter into a Staffing augmentation Engagement with Yondu, Inc
August 8, 2025	Authorized signatory for the Sale of Shakey’s Store with Zappi Mountain Food Inc; authorized signatory for the Sale of Shakey’s Store with Happy Sunrise Corp.
August 19, 2025	Authorized representative to Participate in the Bidding Conducted by the Philippine Postal Corporation for the Supply and Delivery of Various Meals for Defensive Driving Techniques and Road Safety and Traffic Laws Training and Basic Vehicle Basic Maintenance and Fuel, Efficiency, Environmental awareness and Eco-Friendly Driving Training; authorized representative to Participate in the Bidding Conducted by the East avenue Medical Center for the Supply and Delivery of Various Meals for Meetings
August 28, 2025	YTD June 2025 Financial Report; Shakey’s Business Updates; Potato Corner Domestic Business Updates
September 1, 2025	Amendment to the Secretary’s Certificate dated May 5, 2025 for the authorized representative to transact with Various Government agencies; authorized signatories and representatives for transactions with Shell Pilipinas Corporation; authorized signatories to transact with Bpi asset Management and Trust Corporation; authorized representative to Participate in the Bidding Conducted by the East avenue Medical Center (“EAMC”) for the Supply and Delivery of Meals and Snacks for EAMC’s anniversary; authorized representative to Participate in the Bidding Conducted by the tourism infrastructure and enterprise Zone authority (“TIEZA”) for the Supply and Delivery of Meals and Snacks for TIEZA’s 125th Philippine Civil anniversary Celebration; authorized signatories and representatives to transact with Eastern Telecommunications Phil. Inc; authorized representative to Participate in the Bidding Conducted by the Antipolo City Hall for the Supply and Delivery of Meals and Snacks for the Celebration of World’s Teachers Day
September 19, 2025	Authorized representative to Participate in the Bidding Conducted by the City Government of Pasay for the Supply and Delivery of Food for the Training Sessions on Urban Farm activity of the City Cooperative office; authorized signatory to enter into a Contract of Lease with Travellers international Hotel Group, Inc for the Lease of a Stall in Newport Mall, Newport City; authorized representative to Participate in the Bidding Conducted by the Department of Education - Cabuyao for the Supply and Delivery of Food for the Celebration of Cabuyao Teachers’ Day; authorized representative to File and institute Criminal, Civil, administrative and/or all Other actions Filed and/or to Be Filed against Dennis G. Bautista; authorized representative to Participate in the Bidding Conducted by the Philippine Charity Sweepstakes office (“PCSO”) in Mandaluyong City for the Supply and Delivery of Food for the Participants in the PCSO Charity Run; authorized signatory to enter into a Memorandum of agreement with Fast Retailing Philippines, Inc (“Uniqlo”) for the UTme! Potato Corner Extension Project; authorized representative to Participate in the Bidding Conducted by the Home Development Mutual Fund (“HDMF”) in Makati Branch for the Supply and Delivery of Food for Employers’

	<p>forum of Alphaland Makati Place Branch for the Month of September 2025; authorized representative to Participate in the Bidding Conducted by the Pamantasang Lungsod ng Maynila for the Supply and Delivery of Food for Commencement Exercises, Recognition and Baccalaureate Events; authorized signatory and representative to to apply as the official Food Supplier for Events Held by the City Government of Valenzuela; authorized representative to Participate in the Bidding Conducted by the Barangay of Dasmariñas, Makati City for the Supply and Delivery of Food for Various Seminars; authorized representative to Participate in the Bidding Conducted by the Pasay City Government for the Supply and Delivery of Food for the Year-End Physical Count/inventory-Taking of Supplies, Semi-Expendable Property and Property, Plant &amp; Equipment activity of the General Services offices; authorized representative to Participate in the Bidding Conducted by the Municipality of Malay, Aklan for the Supply and Delivery of Food for the Celebration of Filipino Elderly Week; authorized representative to Participate in the Bidding Conducted by the Department of agriculture - Bureau of animal industry for the Supply and Delivery of afternoon Snacks and Dinner</p>
<p>October 5, 2025</p>	<p>Authorized representative for any Bidding transactions to Be Conducted by the Department of Education Central office for the Supply and Delivery of Meals and Snacks for its DepEd Spooktacular Treats; authorized representatives for any Bidding transactions to Be Conducted by the Barangay of Dasmariñas, Makati City, for the Supply and Delivery of Food for Various Seminars; authorized representatives for any Bidding transactions to Be Conducted by the Department of Education – Cabuyao for the Supply and Delivery of Food for the Celebration of Teachers’ Day; authorized representatives for any Bidding transactions to Be Conducted by the Municipality of Malay, Aklan, for the Supply and Delivery of Food for the Celebration of Filipino Elderly Week; Designation of the President and Chief Executive officer, Vicente L. Gregorio, with any and all transactions on the Lease authorization with Travellers international Hotel Group, Inc; authorized representatives for any Bidding transactions to Be Conducted by the Philippine Charity Sweepstakes office (“PCSO”) in Mandaluyong City for the Supply and Delivery of Food for the Participants in the PCSO Charity Run Under PR No. 09-08-250398; authorized representatives for any Bidding transactions to Be Conducted by the Provincial Health office – Province of Aklan for the Supply and Delivery of Food for Various activities and Meetings; amendment of Secretary’s Certificate dated September 1, 2025, authorized representatives on any and all transactions with Various Government agencies; amendment of Secretary’s Certificate dated September 19, 2025, regarding the authorization of Jane Madlansacay, Operations Manager, on Behalf of Shakey’s Pizza Asia Ventures Inc. to File and institute Criminal, Civil, administrative and/or all Other actions against Dennis G. Bautista; authorized representatives for transactions with Globe Telecommunications Company (“Globe”) including But not Limited to the Purchase of Microsoft Licenses and Related Products Using Globe’s order form; authorization of officers and a representative to act on Behalf of Shakey’s Pizza Asia Ventures Inc. in entering into a Merchant agreement with Travellers international Hotel Group, Inc; authorized representatives for any Bidding transactions to Be Conducted by Home Development Mutual Fund (“Pag-IBIG”) for the Supply and Delivery of Food for the National Housing Expo at World Trade Center, Pasay City; authorized representatives for any Bidding transactions to Be Conducted by East avenue Medical Center for the Supply and Delivery of Meals and Snacks for its Christmas Party; authorized signatory on Behalf of Shakey’s Pizza Asia Ventures Inc in entering into a Memorandum of agreement with Franchises; authorized signatories for any and all transactions with the Bureau of Customs (BOC); authorized signatory to the Store Purchase agreement with Excellent People’s Munti-Purpose Cooperative for the Purchase of Shakey’s SBMA Moonbay</p>
<p>November 3, 2025</p>	<p>Amendment to the Secretary’s Certificate dated October 6, 2025, for the Purpose of Updating the authorized representatives of the Company Before Various Government agencies; authorized signatories for the application and Issuance of Permits with the City Government of Baguio &amp; Barangay Lualhati – Baguio City for Shakey’s Wright Park; authorized signatories for the application of Retirement of Business Permits with the Local Government Unit (LGU) of Barangay District II and City Government of Cauayan, Isabela, for Shakey’s SM City Cauayan; authorized signatories for the application of Retirement of Business Permit for the Business Operation of Shakey’s Sangandaan Located at G/F one1place Commercial Building; authorized signatories for the application of Retirement of Business Permit with the Local Government Unit (LGU) of Barangay Caritan Norte and City Government of Tuguegarao; authorized signatories for the application of Business Permit with the Local Government Unit (LGU) of Barangay Leonarda and City Government of Tuguegarao; authorized representative for the application of Retirement of Business Permit to the Local Government Unit (LGU) of Barangay Caritan Norte and City Government of Tuguegarao, Cagayan, for Shakey’s SM City Tuguegarao; authorized representatives for the transactions with BDO Unibank, Inc (BDO) - Araneta Center Alimall II branch; authority to Transfer of Vehicle to Ms. Maria Judit L. Nanat; authorized representatives for the Bidding Conducted by the Municipality of San Mateo, Rizal, for the Supply and Delivery of Food for Public Schools of the Municipality of San Mateo, Rizal;</p>

	authorized representatives for the Bidding Conducted by the Municipality of San Mateo, Rizal, for the Supply and Delivery of Food for the Symposium Conference of Employees; authorized representative for the Bidding Conducted by the City Government of Olongapo for the Supply and Delivery of Meals and Snacks for the Olongapo City annual Get-together Celebration 2025; authorized representative for the Bidding Conducted by the Metropolitan Manila Development authority (MMDA) for the Supply and Delivery of Meals and Snacks for MMDA Christmas Party; authorized representative for the Bidding Conducted by the Court of Tax appeals for the Supply and Delivery of Meals and Snacks for CTA 2025 Observance of the 18-Day Campaign to End VAW; authorized signatories for any and all transactions with Globe Fintech innovations, Inc and its affiliates and Subsidiaries (Mynt Group); authorized representatives for the Bidding Conducted by the Barangay of Forbes Park for the Supply and Delivery of Food for their 2025 Year-End Yugyugan; authorized signatories for the application of Merchant affiliation with BDO Unibank, Inc (BDO) Honoring Card Payments Passing BDO's Point-of-Sale (POS)
November 27, 2025	YTD October 2025 Financial Report and 2026 Budget Overview; international Business Updates – PC China
December 1, 2025	Amendment to the Secretary's Certificate dated February 3, 2025 Relating to the authorized signatories to sign Documents Relative to the Virtual Mall Seller agreements with SM Prime Holdings, Inc; authorized representatives for the Bidding Conducted by the City Environment and Natural Resources office for the Supply and Delivery of Food for the Capacity Building on Enforcement of Smoke and/or Vape Free Environment; authorized representatives for the Bidding Conducted by the Professional Regulation Commission – Central office ("PRC") for the Supply and Delivery of Food for its Loyalty and Service Excellence awarding Ceremony and Year-End Gathering; authorized representatives for the Bidding Conducted by the Civil Service Commission for the Supply and Delivery of Food for the Tree Lighting activity (Year-End and Thanksgiving Celebration); authorized representative to enter into a Mutual Non-Disclosure agreement with Monee (Credit) Finance Philippines, Inc ("Shopee Philippines"); authorized representatives for the Bidding Conducted by the National Telecommunications Commission for the Supply and Delivery of Food its Christmas Party; amendment to the Secretary's Certificate dated November 3, 2025 Relating to the authorized signatories for the application and Issuance of Permits with the City Government of Baguio & Barangay Lualhati – Baguio City for Shakey's Wright Park; amendment to the Secretary's Certificate dated March 3, 2025 Relating to the authorized signatories and representatives for the Processing of Closure and Cessation of Business Operations of Shakey's Branches in Las Pinas City

Schedule and Summary of Audit Committee Meetings for 2025

DATE OF MEETING	RESOLUTIONS
April 9, 2025	Presentation of external Audit for the 2024; Presentation of FY2024 Financial Performance; Internal Audit Updates
May 5, 2025	Presentation of 1Q2025 Unaudited Financial Performance; IT Update; Internal Audit Update
August 5, 2025	Presentation of 1H2025 Unaudited Financial Performance; Internal Audit Update
November 3, 2025	Presentation of the 2025 External Audit Plan; Presentation of Q32025 Unaudited Financial Performance; Internal Audit Updates

Schedule and Summary of Corporate Governance Committee Meetings for 2025

DATE OF MEETING	RESOLUTIONS
February 27, 2025	Results of the Board of Directors' Self-Assessment Survey
November 27, 2025	People Sustainability Updates; People Sustainability Framework; Talent Development and Succession Program Update; Talent Development and Succession Program Initiatives; Circulation of Board of Directors' Self-assessment Survey

Schedule of Related Party transactions Committee Meetings for 2025

DATE OF MEETING	RESOLUTIONS
November 27, 2025	Review of Related Party transactions for YTD 2025

Schedule of the Risk Oversight Committee Meeting for 2025

DATE OF MEETING	RESOLUTIONS
November 27, 2025	Presentation of SPAVI Risk Framework and Key Priorities

**APPENDIX “9”**

Summary of Disclosure on Self-Dealings by the Directors and Key Officers in the Company Shares for the last Financial Year:

	<b>Security</b>	<b>Balance as March 31, 2025</b>	<b>Addition</b>	<b>Disposal</b>	<b>Balance as of March 31, 2026</b>
<b>Directors</b>					
Christopher T. Po	Common	1	-	-	1
Ricardo Gabriel T. Po	Common	1	-	-	1
Teodoro Alexander T. Po	Common	1	-	-	1
Leonardo Arthur T. Po	Common	1	-	-	1
Vicente L. Gregorio	Common	2,737,989	26,200	-	2,764,189
Lance Y. Gokongwei	Common	100	-	-	100
Regina Roberta L. Lorenzana	Common	100	-	-	100
Kristine A. Romano	Common	1,000	-	-	10,00
Frances J. Yu	Common	1	-	-	1
<b>Officers</b>					
Jose Arnold T. Alvero	Common	75,555	-	-	75,555
Alois Brielbeck	Common	359,600	-	-	359,600
Karina Kelda M. Centeno	Common	-	-	-	-
Jorge Maria Q. Concepcion	Common	649,245	-	-	649,245
Kathrina M. David	Common	4,189	-	-	4,189
Dino T. Francisco	Common	-	-	-	-
Charmaine Jodi R. Go	Common	-	-	-	-
Darel G. Pallesco	Common	-	-	-	-
Chuck Pebenito	Common	-	-	-	-
Maria Elma C. Santos	Common	-	-	-	-
Oliver Angelo C. Sicam	Common	56,300	-	-	56,300
Gilbert L. Tolentino	Common	-	-	-	-
Yiow L. Tan	Common	-	-	-	-
Jenifer Mae San Juan-Tecson	Common	2,500	-	-	2,500
Myrose April C. Victor	Common	5,000	557,700	-	562,700
Maria Rosario L. Ybanez	Common	-	-	-	-

## APPENDIX “10”

Reports on SEC Form 17-C:

<b>Date</b>	<b>Subject of Report</b>
February 18, 2025	Resignation of Rommel M. Turbanos as General Manager - Peri Peri
February 18, 2025	Appointment of Dino Francisco as General Manager - Peri Peri
March 12, 2025	Clarification of News Report with Business Mirror
March 20, 2025	Press Release: 50 Years of Growth, Evolution, and Pizza
March 21, 2025	Clarification of News Report with BusinessWorld
March 24, 2025	Notice of Annual Stockholders' Meeting
April 22, 2025	Press Release: Shakey's Pizza Delivers 11% Profit Growth in 2024; 4Q24 Acceleration Drives Full Year Systemwide Sales Increase to 17%
April 24, 2025	Promotion of Karina Kellda M. Centeno as Chief Digital and IT Officer
May 14, 2025	Press Release: Shakey's Pizza Systemwide Sales Grows 17% in 1Q25; on the back of Global Network Expansion and Same-Store Sales Growth
May 21, 2025	Promotion of Myrose April C. Victor as Deputy Chief Finance Officer
May 23, 2025	Amended Notice of Annual Stockholders' Meeting
June 10, 2025	Postponement of Annual Stockholders' Meeting
June 10, 2025	Amended Notice of Annual Stockholders' Meeting
June 18, 2025	Press Release: Shakey's Pizza: Creating Opportunities, Empowering Abilities
June 19, 2025	Material Information/Transactions: Incorporation of Subsidiary in the United States of America
July 3, 2025	Declaration of Regular Cash Dividends
July 3, 2025	Results of Annual Stockholders' Meeting
July 3, 2025	Results of Organizational Meeting of the Board of Directors
July 3, 2025	Completion of Incorporation of Subsidiary in the United States of America
July 11, 2025	Amendment of Results of Organizational Meeting of the Board of Directors
July 15, 2025	Retirement, Change in Designation and Appointment of Officers
August 7, 2025	Press Release: Shakey's Pizza Delivers 15% Systemwide Sales Growth In 1H25, Continues Investments in Network Expansion and Major Brand Building to Scale
September 3, 2025	Press Release: Potato Corner Debuts in Taiwan with Fujin Tree
October 28, 2025	Reply to Exchange's Query: Letter response to correspondence dated October 27, 2025
November 14, 2025	Press Release: Shakey's Pizza Systemwide Sales Grows 14% Despite Muted Discretionary Spending
February 5, 2026	Resignation of Darel Pallesco as Chief Audit Executive
February 26, 2026	Notice of Annual Stockholders' Meeting
March 5, 2026	Retirement of Alois C. Brielbeck as General Manager – Commissary
March 5, 2026	Retirement of Jose Arnold T. Alvero as Chief Operating Officer and Business Unit Head of Potato Corner
March 23, 2026	Appointment of Roy Quejada as Chief Operating Officer and Business Unit Head of Potato Corner

**APPENDIX “11”**

2025 Consolidated Audited Financial Statements of  
**Shakey’s Pizza Asia Ventures Inc.**

(Please refer to next page)



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR CONSOLIDATED FINANCIAL STATEMENTS**

The management of Shakey's Pizza Asia Ventures, Inc. and Subsidiaries (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein as at December 31, 2025 and 2024, and each of the three years in the period ended December 31, 2025, 2024 and 2023, in accordance with the Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein and submits the same to the stockholders or members.

Sycip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards of Auditing and its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

**Christopher T. Po**  
Chairman of the Board

**Vicente L. Gregorio**  
President & Chief Executive Officer

**Myrosa April C. Victor**  
Chief Finance Officer

Signed this APR 14 2026 day of April, 2026.

**SHAKEY'S PIZZA ASIA VENTURES INC.**  
Km. 15 East Service Road corner Marian Road 2, San Martin De Porres,  
Parañaque City



Page 2 of Statement of Management's  
Responsibility for Consolidated Financial Statements

REPUBLIC OF THE PHILIPPINES )  
TAGUIG CITY ) s.s.

SUBSCRIBE AND SWORN to before me this APR 14 2026 affiant(s) exhibiting to me the  
Passport Numbers, as follows:

Name	Passport No.	Date Issue	Place of Issue
Christopher T. Po	P8631182A	Sept. 6, 2018	DFA Manila
Vicente L. Gregorio	P4438672B	Jan. 18, 2020	DFA NCR South
Myrose April C. Victor	P8919292B	Feb. 11, 2022	DFA Manila

Notary Public

Doc. No. 4a1  
Page No. 100  
Book No. VI  
Series of 2026.

*Bcg*  
ATTY. BRENDA C. GARCIA  
Notary Public City of Taguig  
Until 31 December 2026  
IBP O.R. No. INV584820/1-3-2026/Makati City  
PTR No. A-6736209 on Nov. 27, 2025 at Taguig City  
Appointment No. 125(2025-2026)  
MCLE Compliance No. VIII-009332 APRIL 14, 2025  
BGC, Taguig City  
Roll No. 39443

**SHAKEY'S PIZZA ASIA VENTURES INC.**  
Km. 15 East Service Road corner Marian Road 2, San Martin De Porres,  
Parañaque City



## INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors  
Shakey's Pizza Asia Ventures Inc.  
15Km East Service Road corner Marian Road 2  
Barangay San Martin de Porres, Parañaque City 1700

### Opinion

We have audited the consolidated financial statements of Shakey's Pizza Asia Ventures Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRSs) Accounting Standards.

### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



### ***Impairment assessment of Goodwill and Trademarks with Indefinite Useful Life***

Under PFRS Accounting Standards, the Group is required to annually test for impairment the amount of goodwill and trademarks with indefinite useful life. As of December 31, 2025, the Group's goodwill, which are attributable to the Potato Corner, Bakemasters and Peri-Peri businesses, amounting to ₱1.3 billion, and trademarks with indefinite useful life attributable to Shakey's, Potato Corner and Peri-Peri, amounting to ₱8.8 billion, are significant to the consolidated financial statements. In addition, management's assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty, specifically revenue growth rate, gross margin, capital expenditures, discount rate and long-term revenue growth rate.

The Group's disclosures about goodwill and trademarks with indefinite useful life are included in Notes 5 and 12 to the consolidated financial statements.

#### ***Audit response***

We obtained an understanding of the management's assessment process for evaluating the impairment of goodwill and trademarks with indefinite useful life. We involved our internal specialist in evaluating the methodologies and the assumptions used. We compared the key assumptions used, such as revenue growth rate against the historical performance of the cash generating units and other relevant external data. We tested the parameters used in the determination of the discount rate against market data. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value of the cash generating units.

We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of goodwill and trademarks with indefinite useful life.

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 17-A for the year ended December 31, 2025, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the SEC Form 20-IS (Definitive Information Statement) and Annual Report for the year ended December 31, 2025, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Christine G. Vallejo.

SYCIP GORRES VELAYO & CO.

*Christine G. Vallejo*

Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

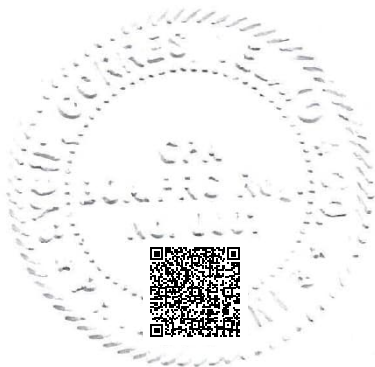
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 14, 2026



**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Notes 7 and 29)	<b>₱1,167,134,283</b>	₱1,319,799,492
Trade and other receivables (Notes 8, 18 and 29)	<b>1,729,416,840</b>	1,560,255,051
Inventories (Note 9)	<b>1,490,438,659</b>	1,759,910,852
Prepaid expenses and other current assets (Note 10)	<b>534,970,041</b>	630,309,536
<b>Total Current Assets</b>	<b>4,921,959,823</b>	5,270,274,931
<b>Noncurrent Assets</b>		
Property and equipment (Note 11)	<b>2,635,637,656</b>	2,317,956,225
Intangible assets (Note 12)	<b>10,451,917,509</b>	10,354,987,940
Right-of-use assets (Note 14)	<b>2,106,371,689</b>	1,803,635,740
Deferred input value-added tax	–	1,336,297
Deferred tax assets - net (Note 28)	<b>298,714,054</b>	206,391,374
Rental deposits and other noncurrent assets (Notes 14, 29 and 30)	<b>539,392,774</b>	420,939,042
<b>Total Noncurrent Assets</b>	<b>16,032,033,682</b>	15,105,246,618
<b>TOTAL ASSETS</b>	<b>₱20,953,993,505</b>	<b>₱20,375,521,549</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Short-term loans payable (Notes 15)	<b>₱1,220,000,000</b>	₱1,000,000,000
Income tax payable	<b>85,955,583</b>	141,506,728
Accounts payable and other current liabilities (Notes 16, 18 and 29)	<b>2,347,318,430</b>	2,212,546,716
Current portion of:		
Long-term loans payable (Notes 17 and 29)	<b>3,549,060,215</b>	47,819,494
Lease liabilities (Note 13)	<b>354,296,695</b>	293,913,746
Contract liabilities (Note 20)	<b>107,664,098</b>	101,014,484
<b>Total Current Liabilities</b>	<b>7,664,295,021</b>	3,796,801,168
<b>Noncurrent Liabilities</b>		
Noncurrent current portion of:		
Long-term loans payable (Notes 17 and 29)	<b>1,280,000,000</b>	5,144,751,497
Lease liabilities (Note 13)	<b>2,100,456,682</b>	1,827,842,338
Contract liabilities (Note 20)	<b>128,738,260</b>	121,045,193
Accrued pension costs (Note 25)	<b>202,811,390</b>	152,214,080
Deferred tax liabilities - net (Note 28)	<b>169,852,137</b>	396,952,983
Dealers' deposits and other noncurrent liabilities (Note 30)	<b>105,559,382</b>	82,188,507
<b>Total Noncurrent Liabilities</b>	<b>3,987,417,851</b>	7,724,994,598
<b>Total Liabilities</b>	<b>11,651,712,872</b>	11,521,795,766
<b>Equity</b>		
Capital stock (Note 19)	<b>1,683,760,178</b>	1,683,760,178
Additional paid-in capital (Note 19)	<b>2,451,116,470</b>	2,451,116,470
Retained earnings (Note 19)	<b>5,123,918,370</b>	4,645,088,555
Other components of equity	<b>43,485,615</b>	73,760,580
<b>Total Equity</b>	<b>9,302,280,633</b>	8,853,725,783
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱20,953,993,505</b>	<b>₱20,375,521,549</b>

*See accompanying Notes to Consolidated Financial Statements.*



**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31		
	2025	2024	2023
<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b> (Notes 20)	<b>₱16,049,646,251</b>	₱14,451,839,459	₱12,823,923,008
<b>COST OF SALES</b> (Notes 21)	<b>12,380,181,221</b>	10,813,468,207	9,683,398,537
<b>GROSS INCOME</b>	<b>3,669,465,030</b>	3,638,371,252	3,140,524,471
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b> (Note 22)	<b>(2,335,711,925)</b>	(1,996,077,603)	(1,553,403,975)
<b>INTEREST EXPENSE</b> (Note 26)	<b>(494,343,320)</b>	(410,963,852)	(361,489,106)
<b>INTEREST INCOME</b> (Note 7)	<b>2,907,864</b>	1,928,966	464,950
<b>OTHER INCOME - Net</b> (Note 27)	<b>98,751,425</b>	29,657,229	18,314,382
<b>INCOME BEFORE INCOME TAX</b>	<b>941,069,074</b>	1,262,915,992	1,244,410,722
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b> (Note 28)			
Current	447,610,977	411,147,231	291,971,466
Deferred	<b>(322,123,755)</b>	(341,638,782)	(127,007,314)
	<b>125,487,222</b>	69,508,449	164,964,152
<b>NET INCOME</b>	<b>815,581,852</b>	1,193,407,543	1,079,446,570
<b>OTHER COMPREHENSIVE INCOME</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Actuarial gain (loss) on defined benefit obligation – net of tax (Note 25)	7,908,816	6,002,303	2,361,757
Unrealized gain (loss) on increase in fair value of financial assets at FVOCI - net of tax (Note 14)	<b>(2,040,000)</b>	16,865,327	–
Translation gain (loss) from foreign subsidiaries	<b>(36,143,781)</b>	14,993,230	–
	<b>(30,274,965)</b>	37,860,860	2,361,757
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱785,306,887</b>	₱1,231,268,403	₱1,081,808,327
<b>Basic/Diluted Earnings Per Share</b> (Note 32)	<b>₱0.48</b>	₱0.71	₱0.64

*See accompanying Notes to Consolidated Financial Statements.*



**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	Capital Stock (Note 19)	Additional Paid-in Capital (Note 19)	Retained Earnings (Note 19)	Other Components of Equity (Note 25)	Total
Balances at January 1, 2025	₱1,683,760,178	₱2,451,116,470	₱4,645,088,555	₱73,760,580	₱8,853,725,783
Total comprehensive income	–	–	815,581,852	(30,274,965)	785,306,887
Cash dividends (Note 19)	–	–	(336,752,037)	–	(336,752,037)
<b>Balances at December 31, 2025</b>	<b>₱1,683,760,178</b>	<b>₱2,451,116,470</b>	<b>₱5,123,918,370</b>	<b>₱43,485,615</b>	<b>₱9,302,280,633</b>
Balances at January 1, 2024	₱1,683,760,178	₱2,451,116,470	₱3,788,433,048	₱35,899,720	₱7,959,209,416
Total comprehensive income	–	–	1,193,407,543	37,860,860	1,231,268,403
Cash dividends (Note 19)	–	–	(336,752,036)	–	(336,752,036)
<b>Balances at December 31, 2024</b>	<b>₱1,683,760,178</b>	<b>₱2,451,116,470</b>	<b>₱4,645,088,555</b>	<b>₱73,760,580</b>	<b>₱8,853,725,783</b>
Balances at January 1, 2023	₱1,683,760,178	₱2,451,116,470	₱2,877,362,495	₱33,537,963	₱7,045,777,106
Total comprehensive income	–	–	1,079,446,570	2,361,757	1,081,808,327
Cash dividends (Note 19)	–	–	(168,376,017)	–	(168,376,017)
<b>Balances at December 31, 2023</b>	<b>₱1,683,760,178</b>	<b>₱2,451,116,470</b>	<b>₱3,788,433,048</b>	<b>₱35,899,720</b>	<b>₱7,959,209,416</b>

*See accompanying Notes to Consolidated Financial Statements.*



**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	<b>₱941,069,074</b>	₱1,262,915,992	₱1,244,410,722
Adjustments for:			
Depreciation and amortization (Note 24)	<b>1,188,902,095</b>	923,747,392	757,777,196
Interest expense (Note 26)	<b>494,343,320</b>	410,963,852	361,489,106
Movement in pension costs (Note 25)	<b>61,102,141</b>	37,853,599	34,234,887
Provision for (reversal of):			
Legal and other contingencies– net (Note 27)	<b>(12,361,296)</b>	12,361,296	–
Loss (gain) on:			
Disposal of property and equipment (Note 27)	<b>7,051,865</b>	7,865,551	(1,228,757)
Pre-terminations of leases (Note 27)	<b>(25,548,805)</b>	(8,132,638)	1,226,148
Interest income from accretion (Note 27)	<b>(6,256,971)</b>	–	(1,692,305)
Interest income from cash in bank (Note 7)	<b>(2,907,864)</b>	(1,928,966)	(464,950)
Net unrealized foreign exchange loss (gain)	<b>(481,695)</b>	(1,646,993)	261,300
Income before working capital changes	<b>2,644,911,864</b>	2,643,999,085	2,396,013,347
Decrease (increase) in:			
Trade and other receivables	<b>(169,161,789)</b>	(335,465,479)	(91,723,180)
Inventories	<b>269,472,193</b>	(47,692,863)	(711,103,929)
Prepaid expenses and other current assets	<b>95,339,495</b>	4,877,757	95,697,060
Deferred input value-added tax	<b>1,336,297</b>	2,550,113	5,766,913
Increase (decrease) in:			
Contract liabilities (Note 20)	<b>(33,026,586)</b>	70,291,818	67,084,402
Accounts payable and other current liabilities	<b>134,771,713</b>	447,049,124	(379,076,999)
Dealers' deposits and other noncurrent liabilities	<b>23,370,875</b>	(24,438,213)	(40,008,683)
Cash generated from operations	<b>2,967,014,062</b>	2,761,171,342	1,342,648,931
Income taxes paid	<b>(503,162,122)</b>	(411,790,822)	(201,976,951)
Interest received	<b>2,907,864</b>	1,928,966	464,950
Net cash provided by operating activities	<b>2,466,759,804</b>	2,351,309,486	1,141,136,930
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of:			
Property and equipment (Note 11)	<b>(883,705,908)</b>	(977,021,389)	(448,155,633)
Software (Note 12)	<b>(121,295,697)</b>	(15,404,868)	(52,909,939)
Franchise right (Note 12)	<b>(13,743,787)</b>	(7,726,152)	–
Proceeds from:			
Disposal of property and equipment (Note 27)	<b>23,122,867</b>	21,464,264	27,577,982
Payment of rental and other deposits and advances (Note 33)	<b>(114,596,761)</b>	(111,825,330)	(37,256,866)
Net cash used in investing activities	<b>(₱1,110,219,286)</b>	(₱1,090,513,475)	(₱510,744,456)

(Forward)



	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from availment of:			
Short-term loans (Note 15)	<b>₱-</b>	<b>₱300,000,000</b>	<b>₱700,000,000</b>
Payments of:			
Short-term loans (Note 15)	<b>(100,000,000)</b>	-	(500,000,000)
Lease liabilities (Note 13)	<b>(713,427,815)</b>	(473,742,119)	(461,980,269)
Long-term loans (Note 17)	<b>(51,054,913)</b>	(50,000,000)	(50,000,000)
Interest	<b>(308,452,658)</b>	(283,296,884)	(238,206,151)
Dividends (Note 19)	<b>(336,752,036)</b>	(336,752,036)	(168,376,017)
Net cash used in financing activities	<b>(1,509,687,422)</b>	(843,791,039)	(718,562,437)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(153,146,904)</b>	417,004,972	(88,169,963)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH</b>	<b>481,695</b>	1,646,993	(261,300)
<b>CASH AT BEGINNING OF YEAR (Note 7)</b>	<b>1,319,799,492</b>	901,147,527	989,578,790
<b>CASH AT END OF YEAR (Note 7)</b>	<b>₱1,167,134,283</b>	₱1,319,799,492	₱901,147,527

*See accompanying Notes to Consolidated Financial Statements.*



# SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 1. General Information

#### Corporate Information

Shakey's Pizza Asia Ventures Inc., doing business under the name and style of Shakey's (SPAVI or the Parent Company), was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 14, 1974. The Parent Company and its subsidiaries (collectively referred to as "the Group") are involved primarily in the development, operations and franchising of fast casual restaurants under the trade names "Shakey's", "Peri-Peri" and "Potato Corner".

On December 15, 2016, the common shares of the Parent Company were listed and traded in the Philippine Stock Exchange (PSE) under the trading name "PIZZA".

The registered office address of the Parent Company is 15Km East Service Road corner Marian Road 2, Barangay San Martin de Porres, Parañaque City 1700.

#### Approval and Authorization for the Issuance of the Consolidated Financial Statements

The consolidated financial statements were approved and authorized for issuance by the Board of Directors (BOD) on April 14, 2026.

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### 2. Basis of Preparation and Consolidation, and Statement of Compliance

#### Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and which are carried at fair value. The consolidated financial statements are presented in Philippine peso, which is the Group's functional currency.

#### Statement of Compliance

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs) Accounting Standards.

#### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its wholly owned subsidiaries as at December 31. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events with similar circumstances.

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries:

	Principal Activities	Place of Incorporation	Percentage of Ownership (%)
Bakemasters, Inc. (BMI)	Manufacturer of pizza dough and pastries	Philippines	100%
PC International Limited (PCIL)	Restaurant business	Singapore	100%
Shakey's International Limited (SIL)	Trademark	Hong Kong	100%
Shakey's Seacrest Incorporated (SSI)	Trademark	Philippines	100%
Shakey's Pizza Regional Foods Limited (SPRFL)	Trademark	Hong Kong	100%

(Forward)



	Principal Activities	Place of Incorporation	Percentage of Ownership (%)
Shakey's Pizza Commerce Inc. (SPCI)	Trading of goods	Philippines	100%
Wow Brand Holdings, Inc. (WBHI)	Restaurant business	Philippines	100%
Shanghai Miaomiao Shu Catering Co. LTD (SMSCCL)	Restaurant business	China	100%
SPAVI International USA Inc. (SIUI)*	Trademark	USA	100%
PC Americas Franchising Inc. (PAFI)**	Franchising	USA	100%
PC USA West Operations LLC (PUWOL)***	Restaurant business	USA	100%
Queensview International Limited (QIL)****	Trademark	British Virgin Islands	100%

\*Incorporated on October 4, 2024

\*\*Incorporated on July 1, 2025

\*\*\*Incorporated on October 2, 2025

\*\*\*\*QIL was already officially liquidated and dissolved

### 3. Changes in Accounting Policies and Disclosures

The Group's accounting policies are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of this new standard did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 21, *Lack of exchangeability*

#### Standards Issued but Not Yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its parent company financial statements. The Group intends to adopt the following pronouncements when they become effective.

#### *Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards -Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

#### *Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation



The Group is currently assessing the impact of the new standard.

- PFRS 19, *Subsidiaries without Public Accountability*

*Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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#### 4. **Material Accounting and Financial Reporting Policies**

##### Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all subsidiaries it controls as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

The Parent Company's subsidiaries, including its ownership interest for each entity is disclosed in Note 2.

##### Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss included under "Remeasurement gain (loss) arising from business combination."

Goodwill is initially measured at cost where cost is the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss and included under "other income (expenses)."

Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are



assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated should:

- represent the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- not be larger than an operating segment determined in accordance with PFRS 8, *Operating Segments*.

Where goodwill forms part of a CGU (or group of CGUs) and part of the operation within the unit that is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

### Financial Instruments

#### Financial Assets

*Financial assets at amortized cost.* The Group's cash, trade and other receivables and rental and other deposits included in "Rental deposits and other noncurrent assets" in the consolidated statement of financial position (see Notes 7, 8 and 14) are included in this category.

Financial assets at amortized cost are measured using the effective interest rate (EIR) method, net of any allowance for expected credit losses (ECL). The Group recognizes ECLs using a forward-looking approach that reflects the probability-weighted outcome of expected credit losses, considering historical loss patterns, current conditions, and reasonable and supportable forecasts of future economic conditions.

For trade receivables, the Group applies the simplified approach and recognizes lifetime ECLs for all balances. Trade receivables are generally assessed collectively based on shared credit risk characteristics, such as customer type and days past due, using a provision matrix.

Certain receivables, including those that are significant, long-outstanding, subject to disputes, credit-impaired, or relating to specific counterparties with distinct risk profiles, are assessed individually. In these cases, management applies judgment in estimating ECLs based on the counterparty's financial position, expected timing and amount of recoveries, and any available collateral or guarantees.

For other financial assets measured at amortized cost, ECLs are measured based on changes in credit risk since initial recognition. A financial asset is considered in default when contractual payments are more than 120 days past due or when other qualitative indicators suggest that full recovery is unlikely. Financial assets are written off when there is no reasonable expectation of recovery.

*Financial assets designated at FVOCI.* Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.



Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group's investment in club shares is classified as equity instruments designated at FVOCI.

#### Financial liabilities

The Group's financial liabilities are classified as loans and borrowing and payables. This category includes short-term and long-term loans payable, accounts payable and other current liabilities (excluding statutory liabilities), lease liabilities (see Notes 13, 15, 16 and 17), and dealers' deposits and other noncurrent liabilities. These are recognized initially at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost. A financial liability is derecognized when the obligation under the liability is discharged or canceled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Group's profit or loss.

#### Prepayment Option

If the Group revises its estimates of payments or receipts, the Group shall adjust the carrying amount of the financial asset or financial liability (or group of financial instruments) to reflect actual and revised estimated cash flows. The entity recalculates the carrying amount by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate or, when applicable, the revised effective interest rate calculated. The adjustment is recognized in the consolidated statement of comprehensive income as income or expense.

#### Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- |                               |  |
|-------------------------------|--|
| Finished goods                | - determined using the moving average method, cost includes direct materials and labor, and a proportion of manufacturing overhead costs based on normal operating capacity but excluding borrowing costs. |
| Raw materials and merchandise | - determined using the moving average method.  |

NRV of finished goods is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. NRV of raw materials and merchandise is the current replacement cost.

#### Property and Equipment

Property and equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation, amortization and any impairment in value.



Depreciation and amortization commence once the assets are available for use. Depreciation and amortization are computed using the straight-line basis over the following estimated useful lives of the property and equipment:

<u>Category</u>	<u>Number of year(s)</u>
Building	15-20
Leasehold improvements	2-10
Furniture, fixtures and equipment	2-10
Machinery and equipment	2-3
Transportation equipment	2-7
Shop and maintenance tools	3-10
Glassware and utensils	2

The useful lives and depreciation and amortization method are reviewed at each reporting date, and adjusted prospectively, if appropriate.

Construction in progress is stated at cost. This includes cost of construction and other direct costs related to the asset being constructed. Construction in progress is transferred to the related property and equipment when the construction or installation and related activities necessary to prepare the property and equipment for their intended use have been completed, and the property and equipment are ready for use. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

#### Intangible Assets

The cost of intangible assets acquired in a business combination such as trademarks is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite lives, and any accumulated impairment losses.

Intangible assets with finite lives such as software and franchise right are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite lives is recognized in the statement of comprehensive income in the expense category that is consistent with the function of the intangible assets.

Amortization commences once the assets are available for use. Amortization is computed using the straight-line basis over the following estimated useful lives of the intangible assets with finite life:

<u>Category</u>	<u>Number of year(s)</u>
Software	10-15
Franchise	7

Intangible assets with indefinite useful lives, such as trademarks, are tested for impairment annually or more frequently if an indication of impairment exists either individually or at the CGU level. Such intangibles are not amortized. Trademarks are assessed to have indefinite useful life because it has no expiry as to usage. Intangible assets with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.



An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income.

#### Impairment of Nonfinancial Assets

The Group's property and equipment, right-of-use assets, intangible assets with definite useful lives and other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's recoverable amount is determined for the individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the relevant CGU. An impairment loss is recognized when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in use ("VIU").

In assessing VIU, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Fair value less costs of disposal is determined using observable market data where available or other appropriate valuation techniques.

Impairment losses are reversed when there has been a change in the estimates used to determine the recoverable amount. Reversals are limited to the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and whenever events or changes in circumstances indicate that they may be impaired. Impairment losses recognized for goodwill are not reversed.

#### Dealers' Deposits

Dealers' deposits are initially recognized at fair value. The discount is recognized as deferred credits and amortized over the estimated remaining term of the deposits using the effective interest method.

#### Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as a principal or as an agent. The Group has concluded that it is acting as principal in its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized:

*Restaurant Sales.* Revenue from restaurant sales is recognized at a point in time which is when the related orders are served.

*Sale of goods.* Revenue from sales of goods consists of revenue from sale of raw materials and merchandise. Transaction price of merchandise sales, which excludes discounts, returns, rebates and sales taxes, is normally received and recorded at a point in time.

*Franchise Revenue.* Initial franchise fee is recognized on a straight-line basis over the term of the franchise agreement, which ranges from 5 to 10 years. The transaction price for franchise agreement is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing



component. In instances where a significant financing component has been identified from its contracts with customers, this is recognized as interest expense in the consolidated statement of comprehensive income.

Other franchise revenues consisting of royalty fees and various reimbursements from franchisees are recognized when earned. It also consists of reimbursements of system-wide advertising and promoting costs from franchisees which are recognized upon performance of service.

*Interest Income.* Revenue is recognized at a point in time which is as interest accrues, using the EIR that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

#### Contract Balances

*Trade Receivables.* A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

*Contract Liabilities.* A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Further, the Group has a loyalty points program which allows customers to accumulate points that can be applied to customer purchases depending on the actual usage within the next financial year. The liability is recognized when the customer avails of the Group's services using the loyalty card. Loyalty points are recognized as revenue upon actual usage or expiration whichever comes first.

#### Cost and Expenses Recognition

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs of sales and general and administrative expenses are recognized in net income in the consolidated statement of comprehensive income in the period these are incurred.

#### Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Right-of-use assets.* The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, which is between 2 to 25 years.



Right-of-use assets are subject to impairment. Refer to the accounting policies section on impairment of non-financial assets.

*Lease liabilities.* At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

*Short-term leases and leases of low-value assets.* The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

*Lease Modification.* Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).

A lessee shall account for a lease modification as a separate lease if both:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification a lessee shall:

- Allocate the consideration in the modified contract;
- Determine the lease term of the modified lease; and



- Remeasure the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, of the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined. The lessee shall account for the remeasurement of the lease liability by:
  - Decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The lessee shall recognize in profit or loss any gain or loss relating to partial or full termination of the lease.
  - Making corresponding adjustment to the right-of-use asset for all other lease modifications.

### Pension

The Group has a funded, noncontributory defined benefit retirement plan covering substantially all of its qualified employees. The plan requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

*Defined benefit plan.* The Group classifies its retirement benefit as defined benefit plans. Under the defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Retirement benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit obligation) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).



Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at reporting date.

#### Foreign Currency-denominated Transactions

Foreign currency-denominated transactions are recorded in Philippine peso using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing exchange rate at reporting date. Exchange rate differences arising on the settlement and restatement of monetary items at rates different from those at which they were initially recorded are recognized in net income in the consolidated statement of comprehensive income in the year such differences arise. Nonmonetary items denominated in foreign currencies are measured on a historical cost basis and translated using the exchange rate at the date of transaction.

#### Income Tax

*Current Tax.* Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. The Group's current tax expense is calculated using 25% regular corporate income tax (RCIT) rate in 2025 and 2024 or 2% minimum corporate income tax (MCIT) rate in 2025 and 2024, respectively, whichever is higher. BMI, SSI and SPCI use Optional Standard Deduction (OSD), while the Parent Company and the remaining subsidiaries incorporated in the Philippines use itemized deductions in the computation of their respective taxable income.

#### *Deferred income tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the financial reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except: (1) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or (2) in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the reversal will not occur in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused excess of minimum corporate income tax ("MCIT") over regular corporate income tax ("RCIT") and unused net operating loss carry-over ("NOLCO") to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carryforward benefits of unused tax credits and unused tax losses can be utilized except: (1) when the deferred income tax asset relating to deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or (2) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.



The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each financial reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at financial reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Value-added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- where the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the consolidated statement of financial position.

#### Deferred Input VAT

Deferred input VAT pertains to input VAT on accumulated purchases of property, plant and equipment for each month amounting to ₱1.00 million or more. This is amortized over five (5) years or the life of the property and equipment, whichever is shorter, in accordance with the Bureau of Internal Revenue (BIR) regulation.

#### Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each representing a strategic business unit that offers different products. Financial information on business segments is presented in Note 6 to the consolidated financial statements.

#### Provisions

Provisions arising from present obligation are recognized in profit or loss when the timing and amount of settlement can be reliably measured.

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## 5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of the asset or liability affected in future periods.



### Judgments

In the process of applying the Group's accounting policies, management has made judgments which have significant effect on the amounts recognized in the consolidated financial statements and accompanying notes. The judgments are based upon management's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements.

*Right to Access - Performance Obligation Satisfied Over Time.* The Group determines whether it provides a dealer/franchisee with either:

- a right to access the Group's intellectual property through a "Trademark Licensing and Franchise Agreement" throughout the term of the franchise agreement for which revenue is recognized over the term of the franchise agreement, or
- a right to use the Group's intellectual property through a "Trademark Licensing and Franchise Agreement" as it exists at the point in time the franchise license is granted for which revenue is recognized at the point in time the franchisee can first use and benefit from the franchise license.

In assessing whether the nature of the Group's promise in granting a "Trademark Licensing and Franchise Agreement" is to provide a right to access the Group's intellectual property (i.e., franchise license), the Group considers whether all the following criteria are met:

- the franchise agreement requires, or the franchisee reasonably expects that the Group will undertake activities that will significantly affect the franchise license to which the franchisee has rights (e.g., advertisements, promotions, campaigns, etc.);
- the rights granted by the franchise license directly expose the franchisee to any positive or negative effects of the Group's activities;
- those activities do not result in the transfer of a good or service to the franchisee as those activities occur.

The Group determined that it has met all of the criteria mentioned above and concluded that it provides its franchisees with a right to access the Group's franchise license throughout the term of the franchise agreement. Accordingly, revenue from granting franchise license is recognized over the term of the franchise agreement.

*Principal versus Agent Consideration.* The Parent Company's agreement with the franchisee includes the right to charge the franchisee its share in the Parent Company's system-wide advertising and promoting efforts as well as fees for the Parent Company's administration of various advertisements, network and media placements. The Parent Company determined that it is acting as principal for the system-wide advertising because it is the Parent Company who retains the right to direct the service provider of the advertisements, network and media placements, and has the discretion on how to price the advertising and promoting fee charges. The Parent Company considers both the legal form and the substance of its agreement to determine each party's respective roles in the agreement.

*Determination of lease term of contracts with renewal and termination options - Group as a Lessee.* The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The carrying values of the Group's right-of-use assets and lease liabilities are disclosed in Note 13.



### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*Recoverability of Goodwill and Trademarks with Indefinite Useful Life.* The Group performs recoverability testing annually or more frequently when there are indications of impairment for goodwill and trademarks with indefinite lives. Goodwill acquired through business combination has been allocated to one CGU which is also the operating entity acquired through business combination and to which the goodwill relates. Recoverability testing requires an estimation of the value-in-use or fair value less cost of disposal of the CGU to which goodwill and trademarks with indefinite useful life are allocated. Estimating the recoverable amount of the CGU involves significant assumptions about the future results of the business such as revenue growth rate, gross margin, operating margin, capital expenditures, discount rate and long-term revenue growth rate, which were applied to cash flow forecasts. The cash flow forecasts were based on financial budgets approved by senior management covering a five-year period.

The impairment of goodwill and trademark is determined by comparing: (a) the carrying amount of the cash-generating unit; and (b) the fair value less cost of disposal computed through the present value of the annual projected cash flows for five years and the present value of the terminal value computed under the discounted cash flow method.

The key assumptions used in the impairment test of goodwill and trademarks with indefinite useful life are as follows:

a. Gross Revenue

On the average, gross revenue of the CGU over the next five years was projected to grow in line with the economy or with nominal Gross Domestic Product. This assumes that the market share of the subsidiaries in their respective industries will be flat on the assumption that the industries also grow at par with the economy. Historically, the business growth had a direct correlation with economic growth. A 2.0% perpetuity growth rate was assumed at the end of the five-year forecast period for Shakey's, Bakemasters, and Potato Corner while a 3% perpetuity growth rate was used for Peri-Peri.

b. Operating Expenses

On the average, operating expenses were projected to increase in relation to revenue growth.

c. Gross Margins

Increased efficiencies over the next five years are expected to result in margin improvements.

d. Discount Rate

The discount rate used to arrive at the present value of future cash flows was the Group's Weighted Average Cost of Capital (WACC). WACC was based on the appropriate weights of debt and equity, which were multiplied with the assumed costs of debt and equity. The pre-tax



discount rates applied to the cash flow projections range from 9.8% to 13.3% in 2025 and 11.4% to 13.7% in 2024.

The significant unobservable inputs used in the computation of fair value less cost to sell for goodwill and trademarks of Peri-Peri, together with a quantitative sensitivity analysis as at December 31, 2025 are shown below:

	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Range (weighted average)</b>	<b>Sensitivity to FVLCTS</b>
Fair value less cost to sell (FVLCTS) of the CGU of the Peri-Peri business	Discounted cashflow method	Discount rate	9.3% to 10.3% (9.8%)	0.5% increase (decrease) in the discount rate would result in a decrease (increase) in FVLCTS by ₱145.9 million and (₱166.5 million), respectively.
		Long-term growth rate for cash flows for subsequent years	3%	1% increase (decrease) in the long-term growth rate would result in a increase (decrease) in FVLCTS by ₱220.06 million and (₱284.70 million), respectively.
		Gross revenue	+1% 2,451m -1% 2,403m	1% increase (decrease) in gross revenue would result in an (increase) decrease in the FVLCTS of approximately (₱96.42 million) and ₱201.58 million, respectively.
		Operating expenses	+1% 1263m -1% 1238m	1% increase (decrease) in operating expenses would result in a decrease (increase) in the FVLCTS of approximately ₱55.99 million and (₱248.83 million), respectively.
		Gross margins	+1% 1,173m -1% 1,149m	1% increase (decrease) in gross margin would result in a (increase) decrease in the FVLCTS of approximately (₱650.23 million) and ₱174.52 million, respectively.

The carrying amount of goodwill and trademarks with indefinite useful life is disclosed in Note 12.

The recoverable amounts of the CGUs to which the goodwill and trademarks with indefinite useful lives are allocated are greater than their carrying amounts. No impairment loss was recognized on goodwill and trademarks with indefinite useful life for the years ended December 31, 2025, 2024 and 2023.

*Leases - Estimating the incremental borrowing rate.* The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liability. The IBR is the rate of interest that the Group would have to pay to borrow over a similar



term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

As at December 31, 2025 and 2024, the Group's lease liabilities are disclosed in Note 13.

*Impairment of Trade and Other Receivables and Rental deposits and other noncurrent assets.* The Group uses a provision matrix to calculate ECLs for its trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forward-looking information, and ECLs is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The information about the ECLs on the Group's receivables is disclosed in Note 8.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

The carrying value of trade receivables, allowance for ECL, provision for ECL and reversal of ECL in 2025 and 2024 are disclosed in Note 8.

For other receivables and rental and other deposits, the Group applies the general approach, recognizing either 12-month or lifetime ECLs depending on whether there has been a significant increase in credit risk since initial recognition. Changes in the loss allowance are recognized in profit or loss.

The carrying value of other receivables, rental deposits and other noncurrent assets as at December 31, 2025 and 2024 are disclosed in Notes 8 and 14.

*Recoverability of Deferred Tax Assets.* The Group performs an annual evaluation of the realizability of deferred tax assets in determining the portion of deferred tax assets which should be recognized. The Group's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the forecasted taxable income of the following period. This forecast is based on the Group's past results and future expectations on revenue and expenses. The Group computes for deferred tax using the 25% corporate tax rate except for its subsidiaries BMI, SPCI and SSI which compute for deferred tax using the OSD effective tax rate of 15%.

Deferred tax assets recognized as at December 31, 2025 and 2024 are disclosed in Note 28.



*Evaluation of Net Realizable Value of Inventories.* The Group writes down the cost of inventories whenever net realizable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence. The lower of cost and net realizable value of inventories is reviewed at each reporting date. Inventory items identified to be obsolete and unusable are also written off and charged as expense in net income in the consolidated statement of comprehensive income.

The carrying values of inventories as of December 31, 2025 and 2024 are disclosed in Note 9.

*Determination of Impairment of Nonfinancial Assets.* Impairment review is performed when certain impairment indicators are present.

Determining the value in use of property and equipment, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements.

Based on the assessment of management, the Group's nonfinancial assets do not have any indication of impairment as at December 31, 2025 and 2024. No impairment loss was recognized in 2025, 2024 and 2023. The carrying values of the Group's non-financial assets are disclosed in Notes 11, 12 and 13.

*Determination of Pension Costs.* The cost of defined benefit pension plans and present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Accrued pension cost as at December 31, 2025 and 2024 are disclosed in Note 25.

The discount rate is derived by discounting all expected benefit payments using interest rates of government bonds that correspond to the timing of benefit payments, after which, a single discount rate is computed considering the aggregate amount of all discounted values.

The mortality rate is based on publicly available mortality tables in the Philippines and is modified accordingly with estimates of mortality improvements. Future salary and pension increases are based on expected future inflation rates in the Philippines.

Further details about the assumptions used are provided in Note 25.

*Determination of Fair Value of Financial Instruments.* Where the fair value of financial assets and liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair values of financial assets and financial liabilities are disclosed in Note 30.



## 6. Segment Information

Segment information is prepared on the following bases:

### Business Segments

For management purposes, the Group is organized into three business activities - Restaurant sales, franchise and royalty fees and commissary sales. This segmentation is the basis upon which the Group reports its primary segment information.

- Restaurant sales comprise revenues from restaurant activities and sale of merchandise and equipment to franchisees.
- Franchise and royalty fees represent payment of sub-dealers for use of the Shakey's brand.
- Commissary sales comprise third party sales other than aforementioned activities.

### Inter-segment Transactions

Segment revenue, segment expenses and operating results include transfers among business segments. The transfers are accounted for at competitive market prices charged to unrelated customers for similar services. Such transfers are eliminated upon consolidation.

The Group's chief operating decision maker monitors operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit and loss in the consolidated financial statements.

On a consolidated basis, the Group's performance is evaluated based on consolidated net income for the year, EBITDA and EBITDA margin. EBITDA margin pertains to EBITDA divided by gross revenues.

EBITDA and EBITDA margin are non-PFRSs measures.

The following table shows the reconciliation of the consolidated EBITDA to consolidated net income:

	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Consolidated EBITDA	<b>₱2,621,406,625</b>	₱2,595,698,270	₱2,363,212,074
Depreciation and amortization (Note 24)	<b>(1,188,902,095)</b>	(923,747,392)	(757,777,196)
Provision for income tax (Note 28)	<b>(125,487,222)</b>	(69,508,449)	(164,964,152)
Interest expense (Note 26)	<b>(494,343,320)</b>	(410,963,852)	(361,489,106)
Interest income (Note 7)	<b>2,907,864</b>	1,928,966	464,950
<b>Consolidated net income</b>	<b>₱815,581,852</b>	₱1,193,407,543	₱1,079,446,570



**Business Segment Data**

The following tables present revenue and income information and certain assets and liabilities information regarding business segments for each of the three years in the period ended December 31:

	Restaurant			Franchise and Royalty Fees			Commissary and Others			Eliminations			Consolidated		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
<b>Revenue from contracts with customers</b>	<b>₱21,805,247,448</b>	₱19,361,307,849	₱18,560,242,446	<b>₱ 1,055,508,235</b>	₱1,057,813,676	₱773,256,366	<b>₱707,971,070</b>	₱670,955,537	₱646,991,634	<b>(₱7,519,080,502)</b>	(₱6,638,237,603)	(₱7,156,567,438)	<b>₱16,049,646,251</b>	₱14,451,839,459	₱12,823,923,008
Net income (loss)	<b>₱2,209,746,212</b>	₱2,414,934,682	₱1,942,165,701	<b>₱577,433,907</b>	₱756,972,874	₱570,351,859	<b>₱97,522,965</b>	₱91,095,450	₱74,658,791	<b>(₱2,069,121,232)</b>	(₱2,069,595,463)	(₱1,507,729,781)	<b>₱815,581,852</b>	₱1,193,407,543	₱1,079,446,570
Interest expense	<b>477,649,870</b>	395,770,229	352,747,060	<b>8,892,069</b>	7,141,052	540,161	<b>7,801,381</b>	8,052,571	8,201,885	–	–	–	<b>494,343,320</b>	410,963,852	361,489,106
Interest income	<b>(2,246,945)</b>	(1,895,881)	(339,693)	<b>(87,482)</b>	(3,666)	(66,378)	<b>(573,437)</b>	(29,419)	(58,879)	–	–	–	<b>(2,907,864)</b>	(1,928,966)	(464,950)
Income tax	<b>292,135,709</b>	242,138,520	(28,073,756)	<b>(181,668,675)</b>	(192,828,912)	176,293,599	<b>15,020,188</b>	20,198,841	16,744,309	–	–	–	<b>125,487,222</b>	69,508,449	164,964,152
Depreciation and amortization	<b>1,151,291,334</b>	888,251,229	725,335,718	–	–	–	<b>37,610,761</b>	35,491,164	32,441,478	–	–	–	<b>1,188,902,095</b>	923,747,392	757,777,196
<b>EBITDA</b>	<b>₱4,128,576,180</b>	₱3,939,198,779	₱2,991,835,030	<b>₱404,569,819</b>	₱571,281,348	₱747,119,241	<b>₱157,381,858</b>	₱154,808,607	₱131,987,584	<b>(₱2,069,121,232)</b>	(₱2,069,595,463)	(₱1,507,729,781)	<b>₱2,621,406,625</b>	₱2,595,698,270	₱2,363,212,074
<b>EBITDA Margin</b>													<b>16.33%</b>	17.96%	18.43%
<b>Assets and Liabilities</b>															
Operating assets	<b>₱35,534,222,172</b>	₱30,063,736,678	₱23,106,258,726	<b>₱1,782,830,380</b>	₱3,528,804,189	₱3,380,311,963	<b>₱546,876,329</b>	₱567,754,047	₱668,343,836	<b>(₱17,208,688,396)</b>	(₱13,991,164,739)	(₱8,627,361,237)	<b>₱20,655,240,485</b>	₱20,169,130,175	₱18,527,553,288
Deferred tax assets - net	<b>927,172,118</b>	213,981,277	100,111,915	–	–	–	<b>7,294,232</b>	3,565,665	3,647,797	<b>(635,713,330)</b>	(11,155,568)	(3,364,991)	<b>298,753,020</b>	206,391,374	100,394,721
<b>Total assets</b>	<b>₱36,461,394,290</b>	₱30,277,717,955	₱23,206,370,641	<b>₱1,782,830,380</b>	₱3,528,804,189	₱3,380,311,963	<b>₱554,170,561</b>	₱571,319,712	₱671,991,633	<b>(₱17,844,401,726)</b>	(₱14,002,320,307)	(₱8,630,726,228)	<b>₱20,953,993,505</b>	₱20,375,521,549	₱18,627,948,009
Operating liabilities	<b>₱20,690,558,478</b>	₱14,983,575,475	₱9,431,706,869	<b>₱493,278,681</b>	₱2,236,971,896	₱2,106,628,434	<b>211,807,922</b>	₱224,669,986	₱266,902,774	<b>(₱15,962,844,562)</b>	(₱12,512,945,565)	(₱7,706,943,403)	<b>₱5,432,800,519</b>	₱4,932,271,792	₱4,098,294,674
Interest-bearing loans and borrowings	<b>6,049,060,215</b>	6,192,570,991	5,942,570,991	–	–	–	–	–	–	–	–	–	<b>6,049,060,215</b>	6,192,570,991	5,942,570,991
Deferred tax liabilities-net	–	–	–	–	–	–	–	–	–	<b>169,852,137</b>	396,952,983	627,872,928	<b>169,852,137</b>	396,952,983	627,872,928
<b>Total liabilities</b>	<b>₱26,739,618,693</b>	₱21,176,146,466	₱15,374,277,860	<b>₱493,278,681</b>	₱2,236,971,896	₱2,106,628,434	<b>₱211,807,922</b>	₱224,669,986	₱266,902,774	<b>(₱15,792,992,425)</b>	(₱12,115,992,582)	(₱7,079,070,475)	<b>₱ 11,651,712,871</b>	₱11,521,795,766	₱10,668,738,593



Restaurant sales are attributable to revenues from the general public, which are generated through the Group's store outlets while franchise and royalty fees, and commissary and others are derived from various franchisees of the Group's trade names. Consequently, the Group has no concentration of revenues from a single customer or franchisee in 2025 and 2024.

As of December 31, 2025 and 2024, the Group's international operations are considered to be not material in relation to the consolidated financial statements.

The following are the percentage of total assets and revenues in 2025, 2024 and 2023, of the consolidated assets and revenues, respectively, of the Group:

	Years Ended December 31		Years Ended December 31		
	Total Assets		Revenue		
	2025	2024	2025	2024	2023
Shakey's International Limited (SIL)	0.03%	0.00%	0.02%	0.02%	0.00%
Shakey's Pizza Regional Foods Limited (SPRFL)	0.00%	0.00%	0.02%	0.02%	0.31%
PC International Limited (PCIL)	1.24%	0.99%	2.65%	1.67%	0.00%
Shanghai Miaomiao Shu Catering Co. LTD (SMSCCL)	1.75%	1.91%	3.86%	2.01%	0.00%
SPAVI International USA Inc. (SIUI)	0.17%	-	0.01%	-	-

## 7. Cash

	2025	2024
Cash on hand	₱78,797,183	₱125,488,014
Cash in banks	1,088,337,100	1,194,311,478
	<b>₱1,167,134,283</b>	<b>₱1,319,799,492</b>

Cash in banks earn interest at the respective bank deposit rates. Interest income on cash amounted to ₱2.9 million, ₱1.9 million and ₱0.5 million for the years ended December 31, 2025, 2024 and 2023 respectively.

## 8. Trade and Other Receivables

Below are the terms and conditions of the financial assets:

	2025	2024
Trade:		
Third parties	₱895,301,533	₱801,087,651
Franchisees	594,126,366	523,765,854
Royalty receivable	84,532,635	79,199,179
Related parties (see Note 18)	15,147,486	21,214,586
Nontrade:		
Franchisees	119,539,022	115,031,725
Employees	39,763,906	33,674,196
	<b>1,748,410,948</b>	<b>1,573,973,191</b>
Less allowance for ECL	<b>(18,994,108)</b>	<b>(13,718,140)</b>
	<b>₱1,729,416,840</b>	<b>₱1,560,255,051</b>



- Trade receivables are non-interest bearing and are normally collectible within 10 to 30 days.
- Receivables from third parties comprise amounts due from customers arising from store sales, credit card and online payment merchants, and food aggregator partners, as well as receivables from cooperatives and amounts due for freight charges and other trade-related transactions. These receivables are non-interest bearing and are generally collectible within 30 to 45 days from transaction date.
- Receivable from franchisees pertains to receivables for transactions other than sale of goods such as management fees, freight and gas expenses and are non-interest bearing and generally have 30 to 45 days' term.
- Royalty receivable is being collected from dealers on the 20th day of the following month.
- Receivables from employees, which represent mainly salary loans, are interest-free and are being collected through salary deduction for a period ranging from 6 months to 1 year.
- For terms and conditions of related party receivables, refer to Note 18.

The movements of allowance for ECL are as follows:

	2025			2024		
	Trade and Others	Receivables from Employees	Total	Trade and Others	Receivables from Employees	Total
Balance at beginning of year	₱11,703,862	₱2,014,278	₱13,718,140	₱7,825,160	₱2,014,278	₱9,839,438
Provision (see Note 22)	6,558,710	—	6,558,710	3,878,702	—	3,878,702
Write-offs	(1,282,742)	—	(1,282,742)	—	—	—
Balance at year-end	₱16,979,830	₱2,014,278	₱18,994,108	₱11,703,862	₱2,014,278	₱13,718,140

## 9. Inventories

	2025	2024
At NRV-		
Merchandise	₱1,405,140,334	₱1,678,774,619
At cost:		
Raw materials - food	37,137,824	35,443,589
Finished goods	23,254,358	18,698,220
Raw materials - packaging	24,906,143	26,994,424
	₱1,490,438,659	₱1,759,910,852

The cost of the merchandise inventories carried at NRV amounted to ₱1,409.9 million and ₱1,683.6 million as at December 31, 2025 and 2024, respectively.

The cost of merchandise and materials charged to cost of sales in the consolidated statements of comprehensive income amounted to ₱6,829.8 million, ₱6,074.9 million and ₱5,647.9 million in 2025, 2024 and 2023 respectively (see Note 21).

Allowance for inventory obsolescence amounted to ₱4.8 million as at December 31, 2025 and 2024.

There is no provision for inventory obsolescence in 2025, 2024 and 2023.

No inventories as at December 31, 2025 and 2024 have been pledged as security or collateral for the Group's outstanding liabilities.



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**10. Prepaid Expenses and Other Current Assets**

	<b>2025</b>	2024
Prepaid expenses	<b>₱186,222,874</b>	₱131,622,574
Advances to suppliers	<b>175,389,207</b>	353,073,156
Prepaid taxes	<b>130,344,347</b>	99,021,443
Input VAT	<b>43,013,613</b>	46,592,363
	<b>₱534,970,041</b>	₱630,309,536

Prepaid expenses pertain to advance payments for insurance, dues, rent and subscription and are amortized monthly over a period of one year.

Advances to suppliers pertain to advance payments for the purchase of raw materials inventories which are generally applied against future billings within the next year.

Prepaid taxes include creditable withholding taxes withheld by the Group's customers.



## 11. Property and Equipment

	Building	Leasehold Improvements	Furniture, Fixtures and Equipment	Machinery and Equipment	Transportation Equipment	Cost of Shops and Maintenance Tools	Glassware and Utensils	Construction in-progress	Total
<b>Cost</b>									
Balance at December 31, 2023	₱249,296,583	₱1,957,148,485	₱1,654,160,305	₱337,552,037	₱47,596,913	₱55,670,495	₱45,040,675	₱42,347,592	₱4,388,813,085
Additions	–	492,931,430	326,097,374	61,040,325	18,430,678	67,175,187	9,751,500	1,594,895	977,021,389
Disposals	(2,616,785)	(59,722,600)	(41,296,573)	33,561	–	(4,157,082)	(886,654)	–	(108,646,133)
Reclassification	–	(4,201,358)	4,201,358	–	–	–	–	–	–
<b>Balance at December 31, 2024</b>	<b>246,679,798</b>	<b>2,386,155,957</b>	<b>1,943,162,464</b>	<b>398,625,923</b>	<b>66,027,591</b>	<b>118,688,600</b>	<b>53,905,521</b>	<b>43,942,487</b>	<b>5,257,188,341</b>
Additions	1,450,303	466,302,865	332,545,629	11,999,075	14,710,825	36,709,772	19,987,439	–	883,705,908
Disposals	(15,901,485)	(31,799,514)	(25,802,653)	(4,160,081)	(4,736,733)	(1,182,023)	(919,099)	–	(84,501,588)
Reclassification	–	22,899,978	13,648,561	–	–	–	60,148	(36,608,687)	–
<b>Balance at December 31, 2025</b>	<b>232,228,616</b>	<b>2,843,559,286</b>	<b>2,263,554,001</b>	<b>406,464,917</b>	<b>76,001,683</b>	<b>154,216,349</b>	<b>73,034,009</b>	<b>7,333,800</b>	<b>6,056,392,661</b>
<b>Accumulated Depreciation</b>									
Balance at December 31, 2023	90,553,514	1,065,303,771	1,074,139,883	278,613,829	27,328,402	44,118,620	40,290,189	–	2,620,348,208
Depreciation (see Notes 21, 22 and 24)	22,831,814	209,575,705	173,378,823	19,941,758	5,177,836	25,683,442	8,627,222	–	465,216,600
Disposals	(4,233,050)	(63,538,831)	(42,238,169)	(29,784,197)	–	(3,517,491)	(726,651)	–	(144,038,389)
Reclassification	–	(2,294,303)	–	–	–	–	–	–	(2,294,303)
<b>Balance at December 31, 2024</b>	<b>109,152,278</b>	<b>1,209,046,342</b>	<b>1,205,280,537</b>	<b>268,771,390</b>	<b>32,506,238</b>	<b>66,284,571</b>	<b>48,190,760</b>	<b>–</b>	<b>2,939,232,116</b>
Depreciation (see Notes 21, 22 and 24)	14,216,793	232,208,545	211,229,419	21,189,514	9,534,164	34,046,722	13,424,588	–	535,849,745
Disposals	(8,955,382)	(15,751,312)	(22,581,065)	(1,176,301)	(3,843,760)	(1,160,102)	(858,934)	–	(54,326,856)
Reclassification	–	–	–	–	–	–	–	–	–
<b>Balance at December 31, 2025</b>	<b>114,413,689</b>	<b>1,425,503,575</b>	<b>1,393,928,891</b>	<b>288,784,603</b>	<b>38,196,642</b>	<b>99,171,191</b>	<b>60,756,414</b>	<b>–</b>	<b>3,420,755,005</b>
<b>Net Book Value</b>									
Balance at December 31, 2024	₱137,527,520	₱1,177,109,615	₱737,881,927	₱129,854,533	₱33,521,353	₱52,404,029	₱5,714,761	₱43,942,487	₱2,317,956,225
<b>Balance at December 31, 2025</b>	<b>₱117,814,927</b>	<b>₱1,418,055,711</b>	<b>₱869,625,110</b>	<b>₱117,680,314</b>	<b>₱37,805,041</b>	<b>₱55,045,158</b>	<b>₱12,277,595</b>	<b>₱7,333,800</b>	<b>₱2,635,637,656</b>

There are no idle assets as at December 31, 2025 and 2024. The Group has no property and equipment that is used as collateral for existing loans payable.



## 12. Intangible Assets

The Group's intangible assets consist of:

	2025	2024
Goodwill	₱1,324,852,131	₱1,324,852,131
Trademarks	8,759,352,242	8,759,352,242
Software	331,331,312	247,026,181
Franchise	36,381,824	23,757,386
	<b>₱10,451,917,509</b>	<b>₱10,354,987,940</b>

The breakdown of the Group's goodwill and trademarks consists of the following as at December 31, 2025 and 2024:

	Goodwill
Bakemasters	₱1,078,606,020
Peri-Peri	185,476,929
Potato Corner	60,769,182
	<b>₱1,324,852,131</b>

	Trademarks
Shakey's	₱4,987,109,602
Potato Corner	3,208,801,902
Peri-Peri	563,440,738
	<b>₱8,759,352,242</b>

### Goodwill

Goodwill is associated with the excess of the investment cost over the fair value of the net assets of Bakemasters, Peri-Peri and Potato Corner business at the time of acquisitions.

### Trademarks

The Group's trademarks include Shakey's, Potato Corner and Peri-Peri, which were acquired through purchases and business combinations in prior years.

Shakey's and Peri-Peri business is a casual full-service restaurant brand in the Philippines. The business offers a variety of food and sauces, including peri-peri chicken, pizza, and pasta.

Potato Corner business is a food franchise known for its flavored French fries.

Bakemasters business manufactures pizza dough and pastries.

The details of the Group's intangible assets with finite life are as follows:

	Software	Franchise
<b>Cost</b>		
Balance at December 31, 2023	₱352,677,918	₱19,698,070
Additions	15,404,868	7,726,152
Balance at December 31, 2024	368,082,786	27,424,222
Additions	121,295,697	13,743,787
<b>Balance at December 31, 2025</b>	<b>₱489,378,483</b>	<b>₱41,168,009</b>

(Forward)



	Software	Franchise
<b>Accumulated Amortization</b>		
Balance at December 31, 2023	₱95,145,028	₱2,545,520
Amortization (see Note 24)	25,911,577	1,121,316
Balance at December 31, 2024	121,056,605	3,666,836
Amortization (see Note 24)	36,990,566	1,119,349
<b>Balance at December 31, 2025</b>	<b>158,047,171</b>	<b>4,786,185</b>
<b>Net Book Value</b>		
<b>Balance at December 31, 2025</b>	<b>₱331,331,312</b>	<b>₱36,381,824</b>
Balance at December 31, 2024	₱247,026,181	₱23,757,386

On August 24, 2020, the Group entered into a master franchise agreement with the exclusive right and license to develop and operate the business, provide the services and sell the products, from the R&B Tea Outlets.

The average remaining useful lives of software and franchise is 8 years and 2 years, respectively, as of December 31, 2025.

### 13. Right-of-Use Assets and Lease Liabilities

#### *Group as a lessee*

The Group has lease contracts for land and building for the use of its office spaces and stores. Lease contracts of office spaces usually have terms of 20 to 25 years while leases of stores usually have terms of 3 to 25 years.

The Group also has certain leases of stores with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The rollforward analysis of right-of-use assets is as follows:

	2025	2024
<b>Cost</b>		
Balance at beginning of year	₱3,184,689,460	₱2,767,508,242
Additions	968,584,103	735,358,017
Pre-terminations	(352,682,486)	(318,176,799)
Balance at end of year	<b>3,800,591,077</b>	3,184,689,460
<b>Accumulated Amortization</b>		
Balance at beginning of year	1,381,053,720	1,226,877,353
Amortization (see Notes 21 and 24)	614,942,435	431,497,900
Pre-terminations	(301,776,767)	(277,321,533)
Balance at end of year	<b>1,694,219,388</b>	1,381,053,720
<b>Net Book Value</b>	<b>₱2,106,371,689</b>	₱1,803,635,740



The rollforward analysis of lease liabilities follows:

	2025	2024
Balance at beginning of year	<b>₱2,121,756,084</b>	₱1,830,838,499
Additions	<b>950,750,062</b>	689,806,537
Interest expense (see Note 26)	<b>172,129,570</b>	123,841,072
Payments	<b>(713,427,815)</b>	(473,742,119)
Pre-terminations	<b>(76,454,524)</b>	(48,987,905)
Balance at end of year	<b>2,454,753,377</b>	2,121,756,084
Current portion of lease liabilities	<b>354,296,695</b>	293,913,746
Lease liabilities – non-current portion	<b>₱2,100,456,682</b>	₱1,827,842,338

The Group has lease contracts for stores that contain variable payments based on the gross sales. The following provides information on the Group's variable lease payments, including the magnitude in relation to fixed payments:

	As at December 31, 2025		
	Fixed Payments	Variable Payments	Total
Fixed	<b>₱466,044,714</b>	<b>₱–</b>	<b>₱466,044,714</b>
Variable rent with minimum payment	<b>267,711,940</b>	<b>79,819,952</b>	<b>347,531,892</b>
Variable rent only	<b>–</b>	<b>54,667,494</b>	<b>54,667,494</b>
	<b>₱733,756,654</b>	<b>₱134,487,446</b>	<b>₱868,244,100</b>

	As at December 31, 2024		
	Fixed Payments	Variable Payments	Total
Fixed	₱204,569,551	₱–	₱204,569,551
Variable rent with minimum payment	175,489,577	87,544,898	263,034,475
Variable rent only	–	7,333,957	7,333,957
	₱380,059,128	₱94,878,855	₱474,937,983

Shown below is the maturity analysis of the undiscounted future lease payments:

	2025	2024
1 year	<b>₱619,305,220</b>	₱589,572,083
more than 1 year to 2 years	<b>503,185,591</b>	475,490,034
more than 2 years to 3 years	<b>367,648,249</b>	371,721,783
more than 3 years to 4 years	<b>305,475,389</b>	312,473,685
more than 5 years	<b>1,669,747,227</b>	1,335,882,032
	<b>₱3,465,361,676</b>	₱3,085,139,617

Rent expense on variable rents, short-term leases and leases of low-value assets amounted to ₱426.0 million, ₱440.8 million and ₱379.9 million for the years ended December 31, 2025, 2024 and 2023, respectively (see Note 21).



#### 14. Rental Deposits and Other Noncurrent Assets

	2025	2024
Rental and other deposits	₱455,712,000	₱382,879,505
Advances	63,378,067	15,356,830
Financial assets at FVOCI	23,600,000	26,000,000
	<b>542,690,067</b>	424,236,335
Less: Allowance for unrecoverable rental deposits and other noncurrent assets	<b>(3,297,293)</b>	(3,297,293)
	<b>₱539,392,774</b>	₱420,939,042

The Group's rental and other deposits are refundable at the end of the lease term which range from 3 years to 15 years. The excess of the principal amount of the deposit over its fair value is accounted for as right-of-use asset and amortized over the lease term on a straight-line basis while interest on the deposit is accounted for using the effective interest rate method.

No provision was recognized in 2025, 2024 and 2023.

The accretion income from rental deposits amounted to ₱6.3 million, nil and ₱1.7 million in 2025, 2024 and 2023, respectively (see Note 27).

Advances represent costs incurred by the Group that will form part of the acquisition cost for purchase of a noncurrent asset.

As at December 31, 2025, the Group's financial assets at FVOCI pertain to investments in golf club shares. The movement of financial assets at FVOCI in 2025 and 2024 follows:

	2025	2024
Balance at beginning of year	₱26,000,000	₱6,158,439
Increase (decrease) in fair value	(2,400,000)	19,841,561
Balance at end of year	<b>₱23,600,000</b>	₱26,000,000

The changes in the fair value of these investments are recognized under "Unrealized gain on fair value changes of financial assets at FVOCI" in the consolidated statements of comprehensive income and shown as part of "Other components of equity" in the consolidated statements of financial position.

#### 15. Short-term Loans Payable

	2025	2024
Balance at beginning of year	₱1,000,000,000	₱700,000,000
Additions	—	300,000,000
Reclassifications	320,000,000	—
Payments	(100,000,000)	—
Balance at end of year	<b>₱1,220,000,000</b>	₱1,000,000,000



In 2024, the outstanding loan of ₱700 million was rolled over with Bank of the Philippine Islands (BPI), extending its maturity date in two tranches - ₱500.0 million in February 2025 and ₱200.0 million in June 2025. Additionally, the Group availed another short-term loan of ₱300 million from BPI with an annual interest rate of 5.7% maturing in May 2025. Subsequent to these rollovers, ₱900 million was further rolled over extending at various maturity dates - ₱300.0 million in May 2026 ₱200.0 million in June 2026 and ₱400.0 million in December 2026 with interest ranging from 4.50% to 5.25%.

In 2025, the Group made principal payments totaling ₱100 million on its short-term loan payable.

On March 2, 2025, the BPI long term loans payable was repriced at a new effective interest rate of 5.3% per annum, payable monthly. Concurrent with the repricing, BPI converted the principal installment of ₱320.0 million originally due on February 24, 2025 or at the end of the third year from borrowing date into a separate short-term facility maturing on February 26, 2026. Accordingly, such amount has been reclassified from long term loans payable to short term loans payable as of December 31, 2025.

Interest expense pertaining to short-term loans amounting to ₱68.3 million, ₱44.3 million and ₱25.5 million were recognized for the years ended December 31, 2025, 2024 and 2023, respectively (see Note 26).

## 16. Accounts Payable and Other Current Liabilities

	2025	2024
Trade:		
Suppliers	₱1,160,253,616	₱1,113,279,905
Related parties (see Note 18)	121,760,035	150,535,928
Nontrade-		
Suppliers	387,217,267	248,303,761
Accrued expenses:		
Suppliers	368,362,984	378,641,401
Salaries and wages	86,788,639	76,928,151
Customer loyalty	61,899,707	43,636,958
Utilities	38,918,078	39,460,850
Others	122,118,104	161,759,762
	<b>₱2,347,318,430</b>	<b>₱2,212,546,716</b>

Below are the terms and conditions of the financial liabilities:

- Trade payables are non-interest bearing and are normally settled in 30 to 90 days' term.
- Nontrade payables consist mainly of payable to contractors, lessors and employment agencies which are normally settled in 30 to 90 days' term.
- Accrued expenses, which consist mainly of accrual of rent expense of stores, utilities, employee benefits and incentives, freight, commissions and storage costs are normally settled in 30 to 90 days' term.
- Customers loyalty pertains to accumulated points which are generally applied to customer purchases within the next financial year. Revenue is recognized upon actual usage expiration whichever comes first.
- Other payables are normally settled in 15 to 45 days' term.
- For terms and conditions related party payables, refer to Note 18.



Other payables consist of the following:

	2025	2024
Withholding tax payable	<b>₱32,195,569</b>	₱35,159,660
Retention payable	<b>30,719,810</b>	18,491,714
Customers' deposits	<b>22,922,765</b>	23,412,766
Output VAT	<b>22,507,745</b>	71,306,989
Fun certificates payable	<b>6,556,765</b>	6,333,130
SSS, PhilHealth and Pag-IBIG payables	<b>2,892,511</b>	2,275,363
Others	<b>4,322,939</b>	4,780,140
	<b>₱122,118,104</b>	₱161,759,762

## 17. Long-term Loans Payable

The breakdown of the loans follows:

	2025	2024
BDO loan - principal	<b>₱3,550,115,128</b>	₱3,597,934,622
Less unamortized debt issue costs	<b>1,054,913</b>	5,363,631
BDO loan - net of unamortized debt issue costs	<b>3,549,060,215</b>	3,592,570,991
BPI loan	<b>1,280,000,000</b>	1,600,000,000
	<b>4,829,060,215</b>	5,192,570,991
Less current portion of loan payable	<b>3,549,060,215</b>	47,819,494
Noncurrent portion	<b>₱1,280,000,000</b>	₱5,144,751,497

### BDO Unibank, Inc. (BDO) Loan

On June 8, 2016, the Group entered into an Omnibus Loan and Security Agreement (OLSA) with BDO (the Lender) and SAFHI. The lender provided a term loan facility in the principal amount of ₱5,000.0 million. The loan is payable within 10 years to commence on the 12<sup>th</sup> month following the availment date. Payments shall be made in 18 consecutive semi-annual installments of ₱25.0 million and a final payment of ₱4,550.0 million.

The loan's interest is to be fixed at the higher of 5-year PDST-R2 plus a spread of 0.75% or 4.5% floor rate for the first 5 years, to be repriced at the last 5 years. Management has assessed that the interest rate floor on the loan is an embedded derivative which is not for bifurcation since the market rate approximates the floor rate at the transaction date.

The loan facility also contains a prepayment provision which allows the Group to make optional prepayment in the amount calculated by the lender comprising (i) the outstanding principal amount of the Loan to be prepaid, and (ii) any accrued interest on the principal amount of the Loan being prepaid computed as of the date of prepayment. The prepayment option was assessed as closely related to the loan and thus, was not bifurcated.

On December 22, 2016, the Group notified BDO of its intention to prepay the loan amounting to ₱1,000.0 million. The exercise of the prepayment option resulted in the revision of estimated future payments and change in the carrying amount of the financial liability. On January 3, 2017, the Group prepaid portion of the loan amounting to ₱1,000.0 million and the corresponding break funding fee and prepayment penalty amounting to ₱21.4 million.



As of December 31, 2025 and 2024, the outstanding balance of the loan amounts to ₱3,549.1 million and ₱3,592.6 million, respectively.

As of December 31, 2025, the outstanding balance of the loan has been reclassified and presented as "Current portion of long-term loans payable" as the remaining installment falls due on June 16, 2026, which is within twelve (12) months from the end of the reporting period.

Following the reclassification, the Group's working capital position as of December 31, 2025 resulted to a negative position. The Group is actively negotiating with BDO for the refinancing of the outstanding loan. Management anticipates the favorable resolution of these negotiations in 2026, upon which the reclassification of the outstanding balance to noncurrent liabilities is expected to correspondingly address the negative working capital position of the Group. As of the report date, the Group received a term loan proposal from the bank to refinance the loan and extend the term to another 5 years after its initial maturity in June 2026.

So long as any portion of the loan is outstanding and until payment in full of all amounts payable by the Group under the loan documents, the Group agrees that, unless the Lender shall otherwise consent in writing, it shall among others comply with the following affirmative covenants:

- a. Ensure that at all times its obligations will constitute its secured, direct, unconditional and unsubordinated obligations, and any of its residual obligation not satisfied out of the proceeds of the collateral shall rank and will rank at all times at least *pari passu* in priority of payment and in all other respects with all its unsecured obligations, save for such obligations in respect of which a statutory preference is established solely by operation of law.
- b. The net proceeds from the loan shall be used for the purpose of refinancing the bridge loan.
- c. Financial covenant during the term of the Term Loan:
  - i. its Debt date of determination, the ratio of EBITDA less regular dividends and advances to Service Coverage Ratio is at least 1.2x. Debt Service Coverage Ratio is as of the shareholders over Debt Service. For purposes hereof, "EBITDA" means operating profit before interest, taxes, depreciation and amortization, each item determined in accordance with PFRS, and the term "Debt Service" means the aggregate amount of the succeeding year's principal amortization for the Loan, interest, fees and other financial charges made or due in respect thereof payable by the Borrower, provided that one (1) year prior to the maturity of the Loan, "Debt Service Coverage Ratio" shall mean the ratio of sum of the beginning cash balance and EBITDA less regular dividends and advances to shareholders over Debt Service;
  - ii. its Debt-to-Equity Ratio does not exceed 5.0x within the first two years from the Borrowing under the Term Loan and 4.0x thereafter.

The foregoing financial covenant shall be tested every six months based on annual audited or unaudited semi-annual parent company financial statements. On January 27, 2017, the OLSA was amended to include June 30, 2017 as the commencement date for the testing for the financial covenant ratios.

- d. Within the period required, open and establish the Debt Service Reserve Account; and ensure that the funds deposited in the Debt Service Reserve Account are at all times maintained in accordance with the agreement. As at December 31, 2025 and 2024, the balances of DSRA have been applied to the loan balance.



- e. Prior to the assignment or transfer of any trade names, copyrights, trademarks, patents and other intellectual property rights or licenses currently held by the Parent Company or any wholly-owned subsidiary of the Parent Company, the Parent Company shall pledge in favor of the Lender, under the terms and conditions of the Pledge under the Omnibus loan and security Agreement, all the outstanding shares of the Parent Company in such wholly-owned subsidiary.

As at December 31, 2025 and 2024 the Parent Company is in compliance with the aforementioned covenants.

#### Bank of the Philippines Islands (BPI) Loan

On February 24, 2022, the Group entered into a loan agreement with Bank of the Philippines Islands (the Lender). The Lender provided a principal amount of ₱1,600.0 million, payable in ten (10) years from March 2, 2022 (the value date). The loan has an effective interest rate of 4.3% payable monthly until paid in full.

On March 2, 2025, the loan was repriced at a new effective interest rate of 6.3% per annum, payable monthly. Concurrent with the repricing, BPI converted the principal installment of ₱320.0 million originally due on February 24, 2025 or at the end of the third year from borrowing date into a separate short-term facility maturing on February 26, 2026. Accordingly, such amount has been reclassified from long term loans payable to short term loans payable as of December 31, 2025.

The Group is not subject to any loan covenants from BPI loan.

Interest expense for long-term loans amounted to ₱230.0 million, ₱231.6 million and ₱212.9 million in 2025, 2024 and 2023, respectively (see Note 26).

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## 18. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual.

#### *Approval requirements and limits on the amount and extent of related party transactions*

Material related party transactions (MRPT) refer to any related party transactions, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited consolidated financial statements.

All individual MRPT shall be approved by at least two-thirds (2/3) vote of the BOD, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock.

Aggregate RPT transactions within a 12-month period that meet or breaches the materiality threshold shall require the same BOD approval mentioned above.



Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables. For the years ended December 31, 2025 and 2024, the Group has not recorded any impairment of receivables on amounts owed by the related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



In the normal course of business, the Group has significant transactions with the following companies which have common members of BOD and stockholders as the Group:

Category	Nature	Year	Amount/ Volume of transaction	Outstanding Balance		Terms	Conditions
				Receivable (see Note 8)	Payable (see Note 17)		
<b>Century Pacific Group Inc. (CPGI, Ultimate Parent Company)</b>							
Sales	Sale of goods at prices (normally on cost plus basis) mutually agreed upon by both parties	<b>2025</b>	<b>₱7,766,842</b>	<b>₱3,082,080</b>	<b>₱692,543</b>	30-day; non-interest bearing	Unsecured; not impaired
		2024	₱7,766,842	₱3,082,080	₱1,385,087		
		2023	₱7,766,842	₱3,082,080	₱-		
<i>Companies with common members of BOD and stockholders as the Group</i>							
<b>The Pacific Meat Company Inc. (PMCI)</b>							
Sales	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	<b>2025</b>	<b>9,528,691</b>	<b>1,903,763</b>	-	30-day; non-interest bearing	Unsecured; not impaired
		2024	14,772,502	12,394,892	-		
		2023	8,587,176	5,400,644	-		
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	<b>2025</b>	<b>119,245,157</b>	-	<b>106,963,778</b>	30-day; non-interest bearing	Unsecured
		2024	177,074,571	-	122,114,155		
		2023	241,786,131	-	142,402,642		
<b>DBE Project Inc. (DBE)</b>							
Trade sales and service income	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	<b>2025</b>	-	<b>1,962,435</b>	<b>298,043</b>	30-day; non-interest bearing	Unsecured; not impaired
		2024	-	1,962,435	298,043		
		2023	-	-	-		

(Forward)



Category	Nature	Year	Amount/ Volume of transaction	Outstanding Balance		Terms	Conditions
				Receivable (see Note 8)	Payable (see Note 17)		
<b>Century Pacific Food, Inc. (CPF)</b>							
Sales	Sale of goods at prices (normally on cost-plus basis) mutually agreed upon by both parties	<b>2025</b>	<b>₱32,997,550</b>	<b>₱8,199,208</b>		₱- 30-day; non-interest bearing	Unsecured; not impaired
		2024	25,436,328	3,775,179	—		
		2023	26,857,813	9,975,859			
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	<b>2025</b>	<b>40,967,254</b>	—	<b>13,805,671</b>	30-day; non-interest bearing	Unsecured
		2024	44,105,908	—	26,738,643		
		2023	15,232,070	—	9,297,624		
		<b>2025</b>		<b>₱15,147,486</b>	<b>₱121,760,035</b>		
		2024		₱21,214,586	₱150,535,928		



Compensation of Key Management Personnel

The salaries and pension costs of key management personnel in 2025, 2024 and 2023 are as follows:

	2025	2024	2023
Salaries	₱50,179,868	₱47,924,103	₱47,814,228
Pension costs	40,525,690	37,664,788	33,624,605
	<b>₱90,705,558</b>	<b>₱85,588,891</b>	<b>₱81,438,833</b>

There are no other short-term and long-term benefits given to the key management personnel.

**19. Equity**

Capital Stock

*Authorized capital stock*

The authorized capital stock of the Parent Company is 2,000,000,000 shares at ₱1 par value in 2025 and 2024.

*Issued and outstanding*

As at December 31, 2025 and 2024:

	No. of shares	Amount
Balance at beginning and end of year	1,683,760,178	₱1,683,760,178

Below is the Parent Company's track record of the registration of securities:

Date of SEC Order Rendered Effective or Permit to Sell	Event	Authorized Capital Stock	Issued Shares	Issue Price
	Registered and Listed Shares (Original Shares)	2,000,000,000	1,179,321,053	₱1.00
December 1, 2016	Initial Public Offering (IPO)			
	Primary	2,000,000,000	104,000,000	11.26
	Secondary	2,000,000,000	202,000,000	11.26
	Over-allotment Option	2,000,000,000	46,000,000	11.26
August 6, 2021	Issuance	2,000,000,000	152,439,025	7.93
August 9, 2021	Issuance	2,000,000,000	100	8.20

The issued and outstanding shares as at December 31, 2025 and 2024 are held by 40 and 43 equity holders, respectively.

Retained Earnings

Details of cash dividends declared in 2025 and 2024 are as follows:

Date of Declaration	Dividend		Record Date
	Rate (per share)	Amount	
June 20, 2023	₱0.10	₱168,376,017	July 31, 2023
April 15, 2024	0.20	336,752,036	May 15, 2024
<b>July 3, 2025</b>	<b>0.20</b>	<b>336,752,036</b>	<b>August 4, 2025</b>



There are no outstanding dividends payable as at December 31, 2025 and 2024. Cash dividend declared and paid amounted to ₱336.7 million in 2025 and 2024.

Undistributed earnings of the subsidiaries included in the Group's retained earnings amounting to ₱183.2 million and ₱186.1 million as at December 31, 2025 and 2024, respectively, are not available for dividend declaration by the Parent Company until these are declared by the investee companies.

APIC

Amount received in excess of the par values of the shares issued amounting to ₱2,451.1 million were recognized as "APIC" as at December 31, 2025 and 2024, respectively.

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**20. Revenue from Contracts with Customers**

Set out below is the disaggregation of the Group's revenue from contracts with customers for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
Revenue source:			
Restaurant sales	<b>₱10,290,414,735</b>	₱9,290,515,561	₱8,362,853,329
Sale of goods	<b>4,884,680,269</b>	4,356,640,655	3,973,643,491
Royalty and franchise fees (see Note 31)	<b>874,551,247</b>	804,683,243	487,426,188
	<b>₱16,049,646,251</b>	₱14,451,839,459	₱12,823,923,008
Timing of recognition:			
Goods transferred at a point in time and usage-based royalty fees	<b>₱15,996,487,843</b>	₱14,374,934,029	₱12,787,539,880
Services rendered over time	<b>53,158,408</b>	76,905,430	36,383,128
	<b>₱16,049,646,251</b>	₱14,451,839,459	₱12,823,923,008

Contract liabilities

Below are the details of contract liabilities arising from initial franchise as at December 31, 2025 and 2024:

	2025	2024
Initial franchise fee	<b>₱215,343,638</b>	₱197,506,244
Less current portion	<b>86,605,378</b>	76,461,051
Noncurrent portion	<b>₱128,738,260</b>	₱121,045,193

In 2025 and 2024, the Group received advances from customers amounting ₱21.1 million and ₱24.6 million, respectively. This was included as part of the current portion of contract liabilities in the consolidated statements of financial position as at December 31, 2025 and 2024.



Movements of contract liabilities arising from initial franchise fees as at and for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Balance as at January 1	<b>₱197,506,244</b>	₱147,941,962
Amortization of initial franchise fees	<b>(53,158,408)</b>	(76,905,430)
Initial franchise fees received	<b>64,778,847</b>	122,643,815
Accretion of interest expense (see Note 26)	<b>6,216,955</b>	3,825,897
<b>Balance as at December 31</b>	<b>₱215,343,638</b>	₱197,506,244

As at December 31, 2025, the amounts of initial franchise fees allocated to remaining performance obligations, its accretion of interest expense in the succeeding years, and contract liabilities arising from initial franchise fees are as follows:

	Unamortized initial franchise fees	Accretion of interest expense	Contract liabilities from initial franchise fees
Within one year	₱78,479,712	₱9,723,885	₱86,605,378
More than one year	99,733,302	27,406,738	128,738,260
	<b>₱178,213,014</b>	<b>₱37,130,623</b>	<b>₱215,343,638</b>

## 21. Cost of Sales

	2025	2024	2023
Inventory costs (see Note 9)	<b>₱6,829,802,688</b>	₱6,074,877,536	₱5,647,952,421
Salaries, wages and benefits	<b>1,470,826,557</b>	1,199,356,019	1,091,063,729
Depreciation and amortization (see Note 24)	<b>1,095,201,537</b>	833,025,086	704,774,502
Utilities	<b>705,629,107</b>	605,327,830	551,291,472
Outside services	<b>479,165,404</b>	436,853,060	364,587,498
Rent (see Note 13)	<b>425,985,721</b>	440,770,260	379,926,612
Delivery call fees	<b>273,067,356</b>	194,754,839	165,473,535
Supplies	<b>248,842,773</b>	225,430,539	214,355,299
Gas expenses	<b>169,326,539</b>	161,966,247	157,882,861
Repairs and maintenance	<b>132,653,011</b>	120,423,034	97,201,129
Card charges	<b>66,669,395</b>	53,779,708	45,121,742
Pension costs (see Note 25)	<b>22,434,482</b>	14,546,479	16,310,101
Dues and subscription	<b>13,749,885</b>	13,094,939	10,341,176
Commissary costs	<b>6,386,576</b>	5,146,686	7,752,978
Others	<b>440,440,190</b>	434,115,945	229,363,482
	<b>₱12,380,181,221</b>	<b>₱10,813,468,207</b>	<b>₱9,683,398,537</b>



## 22. General and Administrative Expenses

	2025	2024	2023
Salaries, wages and benefits	<b>₱698,897,393</b>	₱631,810,038	₱488,318,840
Advertising and promotions	<b>546,554,991</b>	381,872,376	359,299,037
Outside services	<b>318,149,282</b>	329,619,254	222,699,014
Taxes and licenses	<b>242,700,413</b>	222,740,758	135,915,603
Transportation and travel	<b>102,352,240</b>	95,892,365	72,280,741
Dues and subscriptions	<b>95,012,977</b>	71,257,853	71,645,058
Depreciation and amortization (see Note 24)	<b>93,700,558</b>	90,722,306	53,002,694
Supplies	<b>53,923,167</b>	45,943,177	40,215,246
Pension costs (see Note 25)	<b>40,721,392</b>	29,879,029	21,041,870
Utilities	<b>23,073,552</b>	21,372,483	21,453,133
Repairs and maintenance	<b>22,598,785</b>	21,095,924	14,073,143
Insurance	<b>15,288,382</b>	11,281,449	10,708,590
Provision for ECL - net (see Note 8)	<b>6,558,710</b>	3,878,702	-
Gas expenses	<b>6,281,420</b>	15,401,372	13,587,718
Directors' fees	<b>1,649,252</b>	1,088,109	1,652,632
Royalty	<b>651,957</b>	2,311,114	7,829,969
Others	<b>67,597,454</b>	19,911,294	19,680,687
	<b>₱2,335,711,925</b>	₱1,996,077,603	₱1,553,403,975

## 23. Personnel Expenses

	2025	2024	2023
Salaries, wages, bonuses, and allowances:			
Cost of sales (see Note 21)	<b>₱1,432,741,418</b>	₱1,169,195,810	₱1,058,983,492
General and administrative expenses (see Note 22)	<b>646,731,921</b>	611,702,841	449,192,968
SSS, Pag-ibig, Medicare and other contributions:			
Cost of sales (see Note 21)	<b>38,085,139</b>	30,160,209	32,080,237
General and administrative expenses (see Note 22)	<b>52,165,472</b>	20,107,197	39,125,872
Pension costs:			
Cost of sales (see Notes 21 and 25)	<b>22,434,482</b>	14,546,479	16,310,101
General and administrative expenses (see Notes 22 and 25)	<b>40,721,392</b>	29,879,029	21,041,870
	<b>₱2,232,879,824</b>	₱1,875,591,565	₱1,616,734,540



## 24. Depreciation and Amortization

	2025	2024	2023
Property and equipment:			
Cost of sales (see Note 21)	<b>₱478,740,364</b>	₱401,527,186	₱323,010,907
General and administrative expenses (see Note 22)	<b>57,109,381</b>	63,689,414	29,738,323
Right-of-use assets:			
Cost of sales (see Note 21)	<b>614,942,435</b>	431,497,900	369,293,924
Software -			
Cost of sales (see Note 21)	<b>1,518,738</b>	-	12,469,671
General and administrative expenses (see Note 22)	<b>35,471,828</b>	25,911,577	22,314,736
Franchise -			
General and administrative expenses (see Note 22)	<b>1,119,349</b>	1,121,315	949,635
	<b>₱1,188,902,095</b>	₱923,747,392	₱757,777,196

## 25. Pension Costs

The Group has a funded, noncontributory defined benefit pension plan covering substantially all of its qualified employees. The benefits are based on years of service and percentage of compensation during the last year of employment. Based on the Group's retirement plan, employees who completed at least five (5) years of service qualify in the early retirement plan of the Group. Current service cost and interest cost were computed using the financial assumptions at the beginning of the year reflecting the benefits offered under the plan amendment. Any changes in that effect, excluding amount in net interest, are recognized in OCI.

The following tables summarize the components of net pension costs in the consolidated statements of comprehensive income in 2025 and 2024 and accrued pension costs in the consolidated statements of financial position as at December 31, 2025 and 2024. The latest actuarial valuation is as at December 31, 2025.

	2025	2024	2023
Pension costs:			
Current service cost	<b>₱54,320,375</b>	₱37,263,665	₱31,186,128
Past service cost	<b>(460,200)</b>	-	-
Net interest cost	<b>9,295,699</b>	7,161,843	6,165,843
	<b>₱63,155,874</b>	₱44,425,508	₱37,351,971
		2025	2024
Accrued pension costs:			
Present value of benefit obligation (PVBO)	<b>₱326,193,223</b>	₱316,595,772	
Fair value of plan assets (FVPA)	<b>(123,381,833)</b>	(164,381,692)	
	<b>₱202,811,390</b>	₱152,214,080	



Movements in the PVBO are as follows:

	2025	2024
Balance at beginning of year	₱316,595,772	₱276,109,297
Current service cost	54,320,375	37,263,665
Past service cost	(460,200)	-
Interest cost	19,339,421	16,807,952
Net actuarial gain	(11,091,236)	(9,494,318)
Benefits paid from plan assets	(52,510,909)	(4,090,824)
<b>Balance at end of year</b>	<b>₱326,193,223</b>	<b>₱316,595,772</b>

Movements in the FVPA are as follows:

	2025	2024
Balance at beginning of year	₱164,381,692	₱158,508,419
Interest income	10,043,722	9,646,109
Contributions	2,053,732	1,882,243
Net actuarial loss	(586,404)	(272,661)
Remeasurement - plan asset	-	(1,291,594)
Benefits paid from plan assets	(52,510,909)	(4,090,824)
<b>Balance at end of year</b>	<b>₱123,381,833</b>	<b>₱164,381,692</b>

Movements in the accrued pension costs are as follows:

	2025	2024
Balance at beginning of year	₱152,214,080	₱117,600,878
Pension costs	63,155,874	44,425,508
Contributions	(2,053,732)	(1,882,243)
Actuarial gain	(10,504,832)	(7,930,063)
<b>Balance at end of year</b>	<b>₱202,811,390</b>	<b>₱152,214,080</b>

Amounts recognized in OCI are as follows:

	2025	2024	2023
Actuarial gain (loss) - PVBO	₱11,091,236	₱9,494,318	₱7,189,103
Actuarial gain (loss) - FVPA	(586,404)	(1,564,255)	(3,955,299)
Deferred income tax	(2,596,016)	(1,927,760)	(872,047)
	<b>₱7,908,816</b>	<b>₱6,002,303</b>	<b>₱2,361,757</b>

The details of the market value of the Group's plan assets are shown below:

	2025	2024
Investments:		
Government securities	₱69,369,889	₱107,207,951
Stocks	26,294,090	33,654,076
Deposit in banks	5,636	151,935
Other securities	26,765,080	22,128,621
<b>Total investments</b>	<b>122,434,695</b>	<b>163,142,583</b>

(Forward)



	2025	2024
Other assets:		
Interest receivable	<b>₱1,026,390</b>	₱1,316,075
Total assets	<b>123,461,085</b>	164,458,658
Fees payable	<b>(79,252)</b>	(76,966)
Net asset value	<b>₱123,381,833</b>	₱164,381,692

The plan assets were invested in fixed income securities and equity investments. All equity and debt instruments held have quoted prices in active market. Investment activities entered by the plan asset/liability matching strategy during the year consist of, but is not limited to, buying and selling of securities. All investments are considered as high grade based on its performance in the market.

The management performs an Asset-Liability Matching Study (ALM) annually. The overall investment policy and strategy of the Group's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risks of the plans.

The principal assumptions used in determining retirement benefit costs as at January 1 were as follows:

	2025	2024	2023
Discount rates at beginning of year	<b>6.31%</b>	6.11%	7.12%
Rate of compensation increase	<b>4.00%</b>	4.00%	5.00%

The discount rates and salary increase rates used in determining the retirement benefit obligation as of December 31, 2025 are 6.31% and 4.00%, respectively.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation assuming all other assumptions were held constant:

	2025		2024	
	Increase (decrease)	Amount	Increase (decrease)	Amount
Discount rates	<b>0.50%</b> <b>(0.50%)</b>	<b>(₱10,089,176)</b> <b>11,957,567</b>	0.50% (0.50%)	(₱7,832,216) 9,586,039
Salary increase rate	<b>1.00%</b> <b>(1.00%)</b>	<b>26,033,942</b> <b>(18,750,025)</b>	1.00% (1.00%)	21,256,137 (14,511,315)

Shown below is the maturity profile of the undiscounted benefit payments as of December 31, 2025 and 2024:

	2025	2024
1 year and less	<b>₱96,879</b>	₱27,283,187
more than 1 year to 5 years	<b>22,795,250</b>	18,583,829
more than 5 years to 10 years	<b>162,425,238</b>	119,689,076
more than 10 years to 15 years	<b>165,831,724</b>	162,462,112
more than 15 years to 20 years	<b>602,747,700</b>	480,912,513
more than 20 years	<b>9,348,724,917</b>	7,003,770,596



The Group expects to contribute ₱64.1 million to the fund in 2026.

The plan contributions are based on the actuarial present value of accumulated plan benefits and fair value of plan assets are determined using an independent actuarial valuation. The net defined benefit cost and the contributions to the plan are specifically identifiable, such that, the Group's PVBO pertains only to the benefit of the Group's employees and the FVPA, pertains only to the contributions made by the Group. The Group shall contribute to the Fund such amounts as shall be required, under actuarial principles, to provide the benefits and the expenses incident to the operation and administration of the Fund.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out by an independent actuary for the year ended December 31, 2025.

## 26. Interest Expense

	2025	2024	2023
Long-term loans payables (see Note 17)	<b>₱230,047,586</b>	₱231,603,423	₱212,864,549
Lease liabilities (see Note 13)	<b>172,129,570</b>	123,841,072	111,567,612
Short-term loans payable (see Note 15)	<b>68,348,472</b>	44,250,278	25,510,044
Contract liabilities (see Note 20)	<b>6,216,955</b>	3,825,897	6,185,379
Debt issue cost	<b>7,544,137</b>	7,443,182	5,361,522
Others	<b>10,056,600</b>	–	–
	<b>₱494,343,320</b>	₱410,963,852	₱361,489,106

## 27. Other Income (Charges)

	2025	2024	2023
Service fee and expired loyalty fund points - net	<b>₱62,229,761</b>	₱1,798,511	₱23,871,145
Other income from franchisees	<b>10,928,041</b>	4,655,385	5,432,399
Accretion income from rental deposits (see Note 14)	<b>6,256,971</b>	–	1,692,305
Unrealized foreign exchange gain (loss)	<b>4,686,589</b>	(1,336,680)	(3,021,396)
Gain (loss) on:			
Disposal of inventories	–	(1,340)	(8,471,354)
Disposal of property and equipment	<b>(7,051,865)</b>	(7,865,551)	1,228,757
Pre-termination of leases (see Note 13)	<b>25,548,805</b>	8,132,638	(1,226,148)
Provision for (reversal of) Legal and other contingencies– net	<b>(12,361,296)</b>	12,361,296	–
Others - net	<b>8,514,419</b>	11,912,970	(1,191,326)
	<b>₱98,751,425</b>	₱29,657,229	₱18,314,382



Other income from franchisees pertains mostly to cash overages, fees charged by the Group to its franchisees for the new module of the point-of-sale machines, rental income and incentives given by a supplier for high volume purchases.

## 28. Income Taxes

The details of the Parent Company's subsidiaries with net deferred tax assets are as follows:

	2025	2024
Deferred tax assets:		
Lease liabilities	<b>₱183,070,582</b>	₱135,438,855
NOLCO	<b>262,542,850</b>	183,865,329
MCIT	<b>10,419,421</b>	6,245,300
Accrued pension costs	<b>4,911,293</b>	1,864,761
Loyalty points	<b>2,912,106</b>	1,734,389
Allowance for expected credit losses	<b>652,646</b>	652,646
Unamortized past service cost	<b>492,749</b>	518,130
Accrued bonus and other expense	-	273,826
	<b>₱465,001,646</b>	₱330,593,236
Deferred tax liabilities -		
Right-of-use-asset	<b>(166,287,592)</b>	(124,201,862)
	<b>₱298,714,054</b>	₱206,391,374

The details of the Parent Company's net deferred tax liabilities are as follows:

	2025	2024
Deferred tax assets:		
Lease liabilities	<b>₱376,472,349</b>	₱330,227,942
NOLCO	<b>389,978,322</b>	198,783,083
MCIT	<b>61,621,061</b>	42,406,225
Accrued pension costs	<b>45,921,431</b>	36,797,514
Contract liabilities	<b>40,841,276</b>	34,593,940
Difference in depreciation due to adoption of lease standard	<b>13,339,987</b>	20,315,454
Accrued bonus and other expenses	<b>9,480,587</b>	8,439,261
Loyalty points	<b>6,623,651</b>	2,613,860
Unamortized past service cost	<b>336,111</b>	575,726
Provision for tax assessment	-	928,315
Allowance for:		
Inventory obsolescence	<b>1,190,628</b>	1,190,628
Expected credit losses	<b>3,142,685</b>	2,341,792
Unrecoverable deposits	<b>824,323</b>	824,323
Unrealized foreign exchange loss	<b>102,674</b>	364,227
	<b>949,875,085</b>	680,402,290

(Forward)



	2025	2024
Deferred tax liabilities:		
Trademarks acquired in a business combination	₱805,565,467	₱805,565,467
Right-of-use assets	311,437,718	267,473,191
Financial Assets at FVOCI	2,223,799	2,976,234
Debt issuance cost	263,728	1,340,381
Unrealized foreign exchange gain	236,510	
	<b>1,119,727,222</b>	1,077,355,273
	<b>(₱169,852,137)</b>	<b>(₱396,952,983)</b>

Deferred taxes were not provided for undistributed earnings of subsidiaries in retained earnings position that are not taxable upon distribution or when the Parent Company has control over the distribution of such earnings in the foreseeable future, as these may be earmarked for reinvestment in foreign projects or for other reasons.

The deferred tax assets were measured using the appropriate corporate income tax rate on the year these are expected to be reversed. The Group computes for deferred tax using the 25% tax rate except for its subsidiaries, namely BMI, SPCI and SSI, which compute for deferred tax using the OSD effective tax rate of 15% and foreign subsidiaries using the applicable foreign tax rates in the respective jurisdictions where the subsidiaries operate.

NOLCO that can be applied against future taxable income is as follows:

Year Incurred	Availment Period	Amount	Applied in Previous Year/s	Expired	Applied in Current Year	Unapplied
2023	2024-2026	313,526,691	-	-	-	313,526,691
2024	2025-2027	1,132,776,469	-	-	-	1,132,776,469
2025	2026-2028	1,112,244,358	-	-	-	1,112,244,358
		<b>₱2,656,909,367</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱2,558,547,518</b>

The MCIT that can be applied against future RCIT is as follows:

Year Incurred	Availment Period	Amount	MCIT			
			Applied in Previous Year/s	Expired	Applied in Current Year	Unapplied
2023	2024-2026	₱24,488,771	₱-	₱-	₱-	₱24,488,771
2024	2025-2027	24,162,754	-	-	-	24,162,754
2025	2026-2028	27,817,513	-	-	-	27,817,513
		<b>₱76,469,038</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱76,469,038</b>

Included in the deferred tax assets recognized by the Group are deferred tax assets on net operating loss carryover (NOLCO) of foreign subsidiaries amounting to ₱200.6 million as of December 31, 2025. These were computed using the applicable foreign tax rates in the respective jurisdictions where the subsidiaries operate.

The Group's deferred tax on NOLCO amounting to ₱159.4 million and MCIT ₱4.4 million were not recognized since management believes that it is not probable that taxable profit will be available against which the deferred tax asset on NOLCO can be utilized.



The details of provision for (benefit from) income tax are as follows:

	2025	2024	2023
Current:			
RCIT	<b>₱385,887,307</b>	₱385,846,477	₱266,526,100
Deficiency income tax settlement	<b>33,906,157</b>	-	-
MCIT	<b>27,817,513</b>	24,162,754	22,142,778
Final withholding taxes	-	1,138,000	3,302,588
Deferred	<b>(322,123,755)</b>	(341,638,782)	(127,007,314)
	<b>₱125,487,222</b>	₱69,508,449	₱164,964,152

The reconciliation between the provision for income tax computed at statutory income tax rate and the provision for (benefit from) income tax as shown in the consolidated statements of comprehensive income is as follows:

	2025	2024	2023
Tax on pretax income at statutory tax rate	<b>₱235,267,269</b>	₱315,728,998	₱311,102,681
Tax effects of:			
Application of OSD	<b>(257,449,071)</b>	(257,978,502)	(178,348,879)
Nondeductible expenses	<b>56,399,210</b>	33,848,615	50,482,452
Nontaxable income	<b>(4,589,984)</b>	(21,070,525)	(15,997,589)
Interest income subject to final tax	<b>(802,210)</b>	(1,020,137)	(2,274,513)
Unrecognized DTA	<b>41,683,229</b>	-	-
Expired NOLCO	<b>21,072,622</b>	-	-
Deficiency income tax settlement	<b>33,906,157</b>	-	-
Provision for income tax	<b>₱125,487,222</b>	₱69,508,449	₱164,964,152

The Organization for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalization of the global economy. The Global Anti-Base Erosion Model Rules (Pillar Two model rules) apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million per their consolidated financial statements.

The Pillar Two model rules introduce four new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)
- The Under Taxed Payments/Profits Rule (UTPR)

The Subject to Tax Rule is a tax treaty-based rule that generally proposes a Minimum Tax on certain cross-border intercompany transactions that otherwise are not subject to a minimum level of tax. The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.



On 23 May 2023, the International Accounting Standards Board issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements a QDMTT. The Group has adopted these amendments, which introduce:

- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; And,
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity’s exposure to Pillar Two income taxes arising from that legislation

The Pillar Two model rules were adopted by the Group at the end of 2024 and are applicable starting from 1 January 2025. According to these rules, the Group is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2025.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes based on the 2025 financial information for the constituent entities in the Group. Based on the assessment, transitional safe harbour relief applies to the material jurisdictions in which the Group operates. The Group does not expect a material exposure to Pillar Two income taxes.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning.

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## 29. Financial Risks Management Objectives and Policies

The Group’s principal financial instruments comprise cash, trade and other receivables and short-term and long-term loans payable. The main purpose of these financial instruments is to finance the Group’s operations. The Group has various other financial assets and liabilities such as rental deposit, accounts payable and other current liabilities, and dealers’ deposits arising directly from operations.

The main risks arising from the Group’s financial instruments are interest rate risk, credit risk and liquidity risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below:

### Market risk

Market risk happens when the changes in market prices, such as foreign exchange rates and interest rates will affect the Group’s profit or the value of its holdings of financial instruments. The objective and management of this risk are discussed below.



*Foreign currency exchange risk*

Foreign currency exchange risk arises when an investment's value changes due to movements in currency exchange rate. Foreign exchange risk also arises from future commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Group's functional currency.

The Group undertakes certain transactions denominated in Chinese Yuan (CNY), Singapore Dollars (SGD) and US Dollars (USD), hence, exposures to exchange rate fluctuations arise with respect to transactions denominated in such currency. Significant fluctuation in the exchange rates could significantly affect the Group's financial position.

The following table presents the financial assets and financial liabilities of the Group denominated in Chinese Yuan, Singapore Dollars, US Dollars, and Hongkong dollars:

	2025					2024				
	Original Currency Chinese Yuan	Original Currency Singapore Dollars	Original Currency US Dollars	Original Currency HKD Dollars	Philippine Peso Equivalent	Original Currency Chinese Yuan	Original Currency Singapore Dollars	Original Currency US Dollars	Original Currency HKD Dollars	Philippine Peso Equivalent
<b>Financial Assets</b>										
Cash	CNY2,455,817	SGD600,146	USD967,395	HKD98,324	PHP105,721,096	CNY6,951,220	SGD495,343	USD527,904	HKD71,102	PHP107,565,061
Trade and other receivables	2,794,436	162,259	1,829,116	17,523,737	271,609,234	2,857,131	142,958	912,302	16,027,358	201,937,219
Rental and other deposits	6,816,355	359,261	31,575	–	75,499,960	5,290,001	486,055	–	–	62,810,054
	<b>12,066,608</b>	<b>1,121,666</b>	<b>2,828,086</b>	<b>17,622,061</b>	<b>452,830,290</b>	<b>15,098,352</b>	<b>1,124,356</b>	<b>1,440,206</b>	<b>16,098,460</b>	<b>372,312,334</b>
<b>Financial Liabilities</b>										
Accounts payable and other current liabilities:	13,181,078	1,069,805	2,860,338	23,083,337	503,207,508	5,696,915	777,879	3,387,700	19,831,856	423,731,449
Lease liabilities	4,771,685	1,723,339	–	–	118,963,370	9,031,909	1,121,726	–	–	119,701,381
	<b>17,952,763</b>	<b>2,793,144</b>	<b>2,860,338</b>	<b>23,083,337</b>	<b>622,170,878</b>	<b>14,728,824</b>	<b>1,899,605</b>	<b>3,387,700</b>	<b>19,831,856</b>	<b>543,432,830</b>
<b>Net Foreign Currency- Denominated Financial Assets (Liabilities)</b>	<b>(CNY5,886,155)</b>	<b>(SGD1,671,478)</b>	<b>(USD32,252)</b>	<b>(HKD5,461,276)</b>	<b>(PHP169,340,588)</b>	<b>CNY369,528</b>	<b>(SGD775,249)</b>	<b>(USD1,947,494)</b>	<b>(HKD3,733,396)</b>	<b>(PHP171,120,496)</b>



In translating the foreign currency-denominated monetary assets and liabilities into Philippine Peso amounts, the Group used the following exchange rates as of December 31 2025 and 2024:

Currency	2025	2024
CNY	8.39	7.95
SGD	45.8	42.7
USD	58.8	58.0
HKD	7.6	7.5

The following table demonstrates the sensitivity to a reasonably possible change in the Philippine Peso exchange rate, with all variables held constant, of the Group's income or loss before income tax at December 31, 2025 and 2024.

	2025		2024	
	Increase (Decrease)	Income before income tax	Increase (Decrease)	Income before income tax
Chinese Yuan	+4.4%	<b>(P1,975,394)</b>	+4.4%	P117,510
	-4.4%	<b>1,975,394</b>	-4.4%	(117,510)
Singapore Dollars	+4.4%	<b>(3,062,147)</b>	+4.4%	(1,324,125)
	-4.4%	<b>3,062,147</b>	-4.4%	1,324,125
US Dollars	+4.4%	<b>(75,854)</b>	+4.4%	(4,518,185)
	-4.4%	<b>75,854</b>	-4.4%	4,518,185
HKD Dollars	+4.4%	<b>(1,660,228)</b>	+4.4%	(1,120,019)
	-4.4%	<b>1,660,228</b>	-4.4%	1,120,019

Further, management assessed that the sensitivity analysis is not a representative of the currency exchange risk

*Interest Rate Risk.* Interest

rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to its short-term and long-term loans with floating interest rates.

The following table demonstrates the sensitivity of the Group's income before income tax through the impact on floating rate borrowings in 2025 and 2024 to a reasonably possible change in interest rates, with all other variables held constant.

There is no impact on the Group's equity other than those already affecting the net income.

	2025	2024
Increased by 1%	<b>P11,381,688</b>	P51,267,871
Decreased by 1 %	<b>(11,381,688)</b>	(51,267,871)

*Credit Risk.* Credit risk is the risk that the Group will incur a loss because its customers or counterparties failed to discharge their contractual obligations. The Group manages and controls credit risk by trading only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.



The table below shows the maximum exposure to credit risk for the Group's financial assets, without taking account of any collateral and other credit enhancements:

	2025	2024
Cash*	<b>₱1,088,337,100</b>	₱1,194,311,478
Trade and other receivables	<b>1,729,416,840</b>	1,560,255,051
Rental and other deposits**	<b>452,414,707</b>	379,582,212
Financial assets at FVOCI**	<b>23,600,000</b>	26,000,000
<b>Total credit risk exposure</b>	<b>₱3,293,768,647</b>	<b>₱3,160,148,741</b>

\*Excluding cash on hand.

\*\*Included under Rental deposits and other noncurrent assets in the consolidated statements of financial position

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

2025	Days past due						Total
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	
ECL rate	0.41%	0.73%	1.31%	2.35%	4.21%	7.54%	
Estimated total gross carrying at default	<b>₱1,262,167,010</b>	<b>₱207,207,260</b>	<b>₱46,049,895</b>	<b>₱27,247,777</b>	<b>₱43,370,319</b>	<b>₱122,604,781</b>	<b>₱1,708,647,042</b>
ECL	<b>₱5,163,268</b>	<b>₱1,518,128</b>	<b>₱604,265</b>	<b>₱640,362</b>	<b>₱1,825,504</b>	<b>₱9,242,581</b>	<b>₱18,994,108</b>

2024	Days past due						Total
	Current	<30 days	30-60 days	61-90 days	90-120 days	>121 days	
ECL rate	0.30%	0.59%	1.19%	2.38%	4.76%	9.52%	
Estimated total gross carrying at default	<b>₱1,177,200,460</b>	<b>₱204,185,514</b>	<b>₱46,339,788</b>	<b>₱16,639,682</b>	<b>₱22,614,656</b>	<b>₱73,318,895</b>	<b>₱1,540,298,995</b>
ECL	<b>₱3,501,452</b>	<b>₱1,214,654</b>	<b>₱551,330</b>	<b>₱395,943</b>	<b>₱1,076,236</b>	<b>₱6,978,525</b>	<b>₱13,718,140</b>

The tables below detail the credit quality of the Group's financial assets and other items, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

	Internal credit rating	12m or lifetime ECL	Gross carrying amount (i)	Loss allowance	Net carrying amount
<b>2025</b>					
Cash*	(i)	12m ECL	<b>₱1,088,337,100</b>	<b>₱-</b>	<b>₱1,088,337,100</b>
Trade receivables	(i)	Lifetime ECL	<b>1,708,647,042</b>	<b>18,994,108</b>	<b>1,689,652,934</b>
Other receivables	Performing	12m ECL	<b>39,763,906</b>	<b>-</b>	<b>39,763,906</b>
Rental and other deposits**	Performing	12m ECL	<b>455,712,000</b>	<b>3,297,293</b>	<b>452,414,707</b>
			<b>₱3,292,460,048</b>	<b>₱22,291,401</b>	<b>₱3,270,168,647</b>

<b>2024</b>					
Cash*	(i)	12m ECL	₱1,194,311,478	₱-	₱1,194,311,478
Trade receivables	(i)	Lifetime ECL	1,540,298,995	13,718,140	1,526,580,855
Other receivables	Performing	12m ECL	33,674,196	-	33,674,196
Rental and other deposits**	Performing	12m ECL	382,879,505	3,297,293	379,582,212
			<b>₱3,151,164,174</b>	<b>₱17,015,433</b>	<b>₱3,134,148,741</b>

\*Excluding cash on hand.

\*\*Included under Rental deposits and other noncurrent assets in the consolidated statements of financial position

(i) For trade receivables, the Group has applied the simplified approach in PFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix.



*Liquidity Risk.* Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet or settle its obligations at a reasonable price.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of advances to related parties. The Group maintains sufficient cash to finance its operations.

The Group manages its liquidity risk by maintaining strength and quality on financial position where debt-to-equity ratio is at a manageable level. The Group also maintains a financial strategy that the scheduled debts are within the Group's ability to generate cash from its business operations.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments. The table also analyses the maturity profile of the Group's financial assets in order to provide a complete view of the Group's contractual commitments and liquidity.

	2025					Total
	Due and Demandable	< 90 Days	91–180 Days	181–365 Days	Over 365 Days	
Cash	₱1,167,134,283	₱–	₱–	₱–	₱–	₱1,167,134,283
Trade and other receivables	1,277,509,531	283,914,666	81,939,901	34,173,909	51,878,833	1,729,416,840
Rental and other deposits	347,311,507	–	–	–	105,103,201	452,414,708
Financial assets at FVOCI	23,600,000	–	–	–	–	23,600,000
	2,815,555,321	283,914,666	81,939,901	34,173,909	156,982,034	3,371,565,831
Short-term loans**	–	–	–	1,252,612,500	–	1,252,612,500
Accounts payable and other current liabilities:						
Trade payables	–	1,282,013,651	–	–	–	1,282,013,651
Nontrade payables	–	387,217,267	–	–	–	387,217,267
Accrued expenses	–	494,069,701	–	–	–	494,069,701
Other payables*	–	64,729,303	–	–	–	64,729,303
Dealers' deposit and other noncurrent payables	–	–	–	–	105,559,382	105,559,382
Long-term loans payable**	–	–	–	–	4,989,443,349	4,989,443,349
Lease liabilities	–	–	–	619,305,220	2,846,056,456	3,465,361,676
	–	2,228,029,922	–	1,871,917,720	7,941,059,187	12,041,006,829
<b>Liquidity gap</b>	<b>₱2,815,555,321</b>	<b>(₱1,944,115,256)</b>	<b>₱81,939,901</b>	<b>(₱1,837,743,811)</b>	<b>(₱7,784,077,153)</b>	<b>(₱8,669,440,998)</b>

\*Excluding statutory payables.

\*\*Including future interest payments.

	2024					Total
	Due and Demandable	< 90 Days	91–180 Days	181–365 Days	Over 365 Days	
Cash	₱1,319,799,492	₱–	₱–	₱–	₱–	₱1,319,799,492
Trade and other receivables	1,192,452,225	270,626,363	66,946,969	5,601,706	24,627,788	1,560,255,051
Rental deposits and other noncurrent assets	314,139,484	–	–	–	80,799,558	394,939,042
Financial assets at FVOCI	26,000,000	–	–	–	–	26,000,000
	2,852,391,201	270,626,363	66,946,969	5,601,706	105,427,346	3,300,993,585
Short-term loans**	–	–	–	1,015,328,142	–	1,015,328,142
Accounts payable and other current liabilities:						
Trade payables	–	1,263,815,833	–	–	–	1,263,815,833
Nontrade payables	–	248,303,761	–	–	–	248,303,761
Accrued expenses	–	495,030,402	–	–	–	495,030,402
Other payables*	–	53,017,751	–	–	–	53,017,751
Dealers' deposit and other noncurrent payables	–	–	–	–	82,188,507	82,188,507
Long-term loans payable**	–	–	–	–	5,897,225,843	5,897,225,843
Lease liabilities	–	–	–	589,572,083	2,495,567,534	3,085,139,617
	–	2,060,167,747	–	1,604,900,225	8,474,981,884	12,140,049,856
<b>Liquidity gap</b>	<b>₱2,852,391,201</b>	<b>(₱1,789,541,384)</b>	<b>₱66,946,969</b>	<b>(₱1,599,298,519)</b>	<b>(₱8,369,554,538)</b>	<b>(₱8,839,056,271)</b>

\*Excluding statutory payables.

\*\*Including future interest payments.

### Capital Management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, so that it can to provide returns to stockholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group adjusts the dividend payment to stockholders, return capital to stockholders or issue new shares.



The Group's debt-to-equity ratio is as follows:

	2025	2024
Total liabilities	₱11,651,712,872	₱11,521,795,766
Total equity	9,302,280,633	8,853,725,783
	<b>1.25:1</b>	<b>1.30:1</b>

### 30. Fair Value Information

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale.

*Financial Instruments Whose Carrying Amounts Approximate Fair Value.* Management has determined that the carrying amounts of cash, financial assets at FVPL, trade and other receivables and accounts payable and other current liabilities, based on their notional amounts, reasonably approximates their fair values because these are mostly short-term in nature or are repriced frequently.

*Other Financial Instruments.* Set out below is a comparison by category of carrying amounts and estimated fair values of the Group's financial instruments other than those described above:

As at December 31, 2025				
	Date of Valuation	Carrying Value	Fair Value	
			Level 1 Quoted	Level 2 Significant Observable Input
<b>Assets for which fair values are disclosed -</b>				
Rental deposits and other noncurrent assets	December 31, 2025	₱539,392,774	₱-	₱476,432,837
		₱539,392,774	₱-	₱476,432,837
<b>Liabilities for which fair values are disclosed:</b>				
Long-term loans payable	December 31, 2025	₱4,829,060,215	₱-	₱3,358,178,175
Dealers' deposits and other noncurrent liabilities	December 31, 2025	105,559,382	-	105,495,692
		₱4,934,619,597	₱-	₱3,463,673,867

As at December 31, 2024				
	Date of Valuation	Carrying Value	Fair Value	
			Level 1 Quoted	Level 2 Significant Observable Input
<b>Assets for which fair values are disclosed -</b>				
Rental deposits and other noncurrent assets	December 31, 2024	₱420,939,042	₱-	₱313,094,209
		₱420,939,042	₱-	₱313,094,209
<b>Liabilities for which fair values are disclosed:</b>				
Long-term loans payable	December 31, 2024	₱5,192,570,991	₱-	₱4,437,875,060
Dealers' deposits and other noncurrent liabilities	December 31, 2024	82,188,507	-	61,131,763
		₱5,274,759,498	₱-	₱4,499,006,823



The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

*Rental Deposits.* The fair values were obtained by discounting the instruments' expected cash flows using interest rates of 4.69% to 6.41% as at December 31, 2025 and of 5.71% to 6.18% as at December 31, 2024.

*Long-term loans Payable.* The fair value of loan payable which was discounted using prevailing market rate of 5.56% and 5.99% as at December 31, 2025 and 2024, respectively, approximates the carrying value since these bear interest at current market rates. Fair value category is Level 2, significant observable inputs.

*Dealers' Deposits.* The fair values were obtained by discounting the instruments' expected cash flows using interest rates of 5.93% and 6.10% as at December 31, 2025 and 2024, respectively.

As at December 31, 2025 and 2024, there were no transfers between Level 1 and 2 fair value measurements.

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### 31. Commitments

#### Trademark Licensing and Franchise Agreements

The Group has existing Trademark Licensing and Franchise Agreements with independent franchisees to operate restaurant outlets under the "Shakey's", "Peri-Peri" and "Potato Corner" brand name, method, concept and trade name. In consideration thereof, the franchisees agree to pay continuing franchise fees equivalent to a certain percentage of the franchisees' net sales.

The franchisees also pay management fees for various services, including maintenance services, rendered by the Group.

The Group recognized royalty and franchise fees amounting to ₱874.5 million in 2025, ₱804.7 million in 2024 and ₱487.4 million in 2023 (see Note 20). Royalty receivables as at December 31, 2025 and 2024 amounted ₱84.5 million and ₱79.2 million, respectively (see Note 8).

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### 32. Earnings per Share (EPS)

Basic earnings (loss) per share (EPS) is computed based on the weighted average number of issued and outstanding common shares during each year. Diluted EPS is computed as if the potential common share or instrument that may entitle the holder to common share were exercised as of the beginning of the year. When there are no potential common shares or other instruments that may entitle the holder to common shares, diluted EPS, is the same as the basic EPS.

There are no dilutive financial instruments as of December 31, 2025 and 2024, hence, diluted EPS is the same as the basic EPS.



The Group's EPS were computed as follows:

	2025	2024	2023
(a) Net income	<b>₱815,581,852</b>	₱1,193,407,543	₱1,079,446,570
(b) Weighted average number of shares outstanding	<b>1,683,760,178</b>	1,683,760,178	1,683,760,178
Basic/diluted EPS (a/b)	<b>₱0.48</b>	₱0.71	₱0.64

### 33. Notes to Consolidated Statements of Cash Flows

The following are the noncash activities for the years ended December 31, 2025 and 2024.

	2025			
	January 1	Net cash flows	Noncash changes	December 31
Rental and other deposits and advances (a)	<b>₱394,939,042</b>	<b>₱114,596,761</b>	<b>₱6,256,971</b>	<b>₱515,792,774</b>
Loans payable (b)	<b>6,192,570,991</b>	<b>(151,054,913)</b>	<b>7,544,137</b>	<b>6,049,060,215</b>
Contract liabilities (c)	<b>222,059,576</b>	<b>8,125,827</b>	<b>6,216,955</b>	<b>236,402,358</b>
	2024			
	January 1	Net cash flows	Noncash changes	December 31
Rental and other deposits and advances (a)	₱283,113,712	₱111,825,330	₱-	₱394,939,042
Loans payable (b)	5,942,570,991	242,556,818	7,443,182	6,192,570,991
Contract liabilities (c)	147,941,962	70,291,818	3,825,897	222,059,677

Details of the noncash changes are as follows:

- Pertains to accretion of interest expense and interest income on long-term rental deposits included in "Rental deposits and other noncurrent assets" and long-term dealer's deposits included in "Dealer's deposits and other noncurrent liabilities", respectively.
- Pertains to amortization of debt issuance cost during the year amounting to ₱7.5 million and ₱7.4 million in 2025 and 2024, respectively. Additional noncash changes refer to the reclassification of ₱320.0 million loan from long-term to short-term loan payable.
- Pertains to the accretion of the significant financing component of contract liabilities during the year amounting to ₱6.2 million and ₱3.8 million in 2025 and 2024, respectively.

The changes in the Group's liabilities arising from financing activities are as follows:

	2025						
	January 1	Additions	Proceeds	Payments	Interest expense	Other movements	December 31
Lease liabilities*	₱2,121,756,084	₱950,750,062	₱-	(₱713,427,815)	₱172,129,570	(₱76,454,524)	₱2,454,753,377
Loans payable**	6,192,570,991	-	-	(151,054,913)	-	7,544,137	6,049,060,215
Dividends	-	336,752,036	-	(336,752,036)	-	-	-
Accrued interest***	-	-	-	(308,452,657)	494,343,320	(185,890,663)	-
<b>Total liabilities from financing activities</b>	<b>₱8,314,327,075</b>	<b>₱1,287,502,098</b>	<b>₱-</b>	<b>(₱1,509,687,421)</b>	<b>₱666,472,890</b>	<b>(₱254,801,050)</b>	<b>₱8,503,813,592</b>

\*Other movements pertain to the gain on lease concession and derecognition of lease liability

\*\*Other movements pertain to amortization of debt service costs

\*\*\*Other movements pertain to interest accretion for PFRS 15

	2024						
	January 1	Additions	Proceeds	Payments	Interest expense	Other movements	December 31
Lease liabilities*	₱1,830,838,499	₱689,806,537	₱-	(₱473,742,119)	₱123,841,072	(₱48,987,905)	₱2,121,756,084
Loans payable**	5,942,570,991	-	300,000,000	(50,000,000)	-	-	6,192,570,991
Dividends	-	336,752,036	-	(336,752,036)	-	-	-
Accrued interest***	-	-	-	(283,296,884)	410,963,852	(127,666,968)	-
<b>Total liabilities from financing activities</b>	<b>₱7,773,409,490</b>	<b>₱1,026,558,573</b>	<b>₱300,000,000</b>	<b>(₱1,143,791,039)</b>	<b>₱534,804,924</b>	<b>(₱176,654,873)</b>	<b>₱8,314,327,075</b>

\*Other movements pertain to the gain on lease concession and derecognition of lease liability

\*\*Other movements pertain to amortization of debt service costs

\*\*\*Other movements pertain to interest accretion for PFRS 15



## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors  
Shakey's Pizza Asia Ventures Inc.  
15Km East Service Road corner Marian Road 2  
Barangay San Martin de Porres, Parañaque City 1700

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Shakey's Pizza Asia Ventures Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, included in this Form 17-A, and have issued our report thereon dated April 14, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

*Christine G. Vallejo*

Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

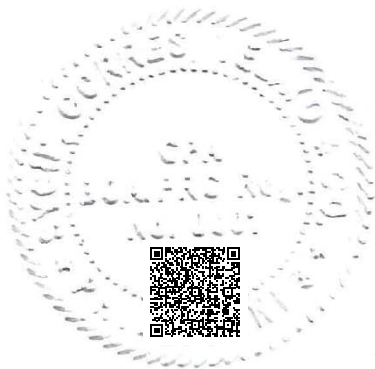
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 14, 2026



**INDEPENDENT AUDITOR'S REPORT ON  
SUPPLEMENTARY SCHEDULE ON  
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors  
Shakey's Pizza Asia Ventures Inc.  
15Km East Service Road corner Marian Road 2  
Barangay San Martin de Porres, Parañaque City 1700

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Shakey's Pizza Asia Ventures Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 14, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Christine G. Vallejo

Partner

CPA Certificate No. 99857

Tax Identification No. 206-384-906

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 99857-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-105-2025, October 20, 2025, valid until October 19, 2028

PTR No. 10765144, January 2, 2026, Makati City

April 14, 2026



**SHAKEY'S PIZZA ASIA VENTURES, INC.**  
**INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES**  
**FORM 17-A, Item 7**  
**AS OF DECEMBER 31, 2025**

Page No.

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**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**

**Schedule A. Financial Assets**

**As of December 31, 2025**

<b>Name of Issuing Entity and Association of each Issue</b>	<b>Number of Shares or Principal Amount of Bonds and Notes</b>	<b>Amount Shown in the Balance Sheet</b>	<b>Value Based on Market Quotations at Balance Sheet Date</b>	<b>Income Received and Accrued</b>
<b>Alabang Country Club</b>	<b>1</b>	<b>₱ 23,600,000</b>	<b>₱ 23,600,000</b>	<b>₱ -</b>

SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

As of December 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions			Current	Non Current	Balance at End of Period
			Amount Collected	Amount Reclassified	Amount Written-Off			
Employees	₱ 33,674,196	₱ 29,857,629	₱ 23,767,919	₱ -	₱ -	₱ 39,763,906	₱ -	₱ 39,763,906

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**

**Schedule C. Accounts Receivable from Related Parties which are eliminated during the consolidation of financial statements**

As of December 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions		Current	Non Current	Balance at End of Period
			Amount Collected	Amount Written-Off			
Shakey's Seacrest Inc. (SSI)	₱ 184,569,468	₱ 205,250,705	₱ 72,334,861	₱ -	₱ 317,485,312	₱ -	₱ 317,485,312
Shakey's International Ltd. (SIL)	64,326,486	15,729,090	513,832	-	79,541,744	-	79,541,744
Shakeys Pizza Commerce Inc (SPCI)	4,822,962,882	3,296,010,744	676,729,212	-	7,442,244,415	-	7,442,244,415
Bakemasters, Inc. (BMI)	991,501	1,333,227	-	-	2,324,728	-	2,324,728
Wow Brand Holdings, Inc. (WBHI)	1,580,299,750	1,118,468,867	149,964,056	-	2,548,804,560	-	2,548,804,560
	₱ 6,653,150,086	₱ 4,636,792,632	₱ 899,541,960	₱ -	₱ 10,390,400,759	₱ -	₱ 10,390,400,759

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**

**Schedule D. Intangible Assets**

**As of December 31, 2025**

Description	Beginning Balance	Additions At Cost	Deductions		Other Changes- Additions (Deductions)	Ending Balance
			Charged to Costs and Expenses	Charged to Other Accounts		
Goodwill	₱ 1,324,852,131	₱ -	₱ -	₱ -	₱ -	₱ 1,324,852,131
Trademarks	8,759,352,242	-	-	-	-	8,759,352,242
Softwares- net	247,026,181	121,295,697	36,990,566	-	-	331,331,312
Franchise Rights- net	23,757,385	13,743,787	1,119,349	-	-	36,381,824
	<b>₱ 10,354,987,939</b>	<b>₱ 135,039,484</b>	<b>₱ 38,109,914</b>	<b>₱ -</b>	<b>₱ -</b>	<b>₱ 10,451,917,509</b>

SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES  
 Schedule E. Long-Term Debt  
 As of December 31, 2025

Bank	Beginning Balance	Availment	Payment	Ending Balance	Current	Noncurrent
BDO	₱ 3,597,932,514	₱ -	₱ (47,817,386)	₱ 3,550,115,128	₱ 3,550,115,128	₱ -
BPI	1,600,000,000	-	(320,000,000)	1,280,000,000	-	1,280,000,000
Unamortized debt issue costs	(5,361,523)	-	-	(1,054,913)	(1,054,913)	-
	₱ 5,192,570,991	₱ -	₱ (367,817,386)	₱ 4,829,060,215	₱ 3,549,060,215	₱ 1,280,000,000

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**

**Schedule F.**

**Indebtedness to Related Parties (Long-Term Loans from Related Companies)**

**As of December 31, 2025**

<b>Name of Related Party</b>	<b>Balance at Beginning of Period</b>	<b>Balance at End of Period</b>
<b>Not applicable: The Company has no indebtedness to related parties as at December 31, 2025.</b>		
<b>₱ - ₱ -</b>		

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**  
**Schedule G. Guarantees of Securities of Other Issuers**  
**As of December 31, 2025**

<b>Name of Issuing Entity of Securities Guaranteed by the Company for which Statement is Filed</b>	<b>Title of Issue of Each Class of Securities Guaranteed</b>	<b>Total Amount Guaranteed and Outstanding</b>	<b>Amount Owned by the Company for which Statement is Filed</b>	<b>Nature of Guarantee</b>
<b>Not applicable: The Company has no guarantees of securities of other issuers as at December 31, 2025.</b>				
		<b>₱</b>	<b>-</b>	<b>₱</b>
			<b>-</b>	

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**

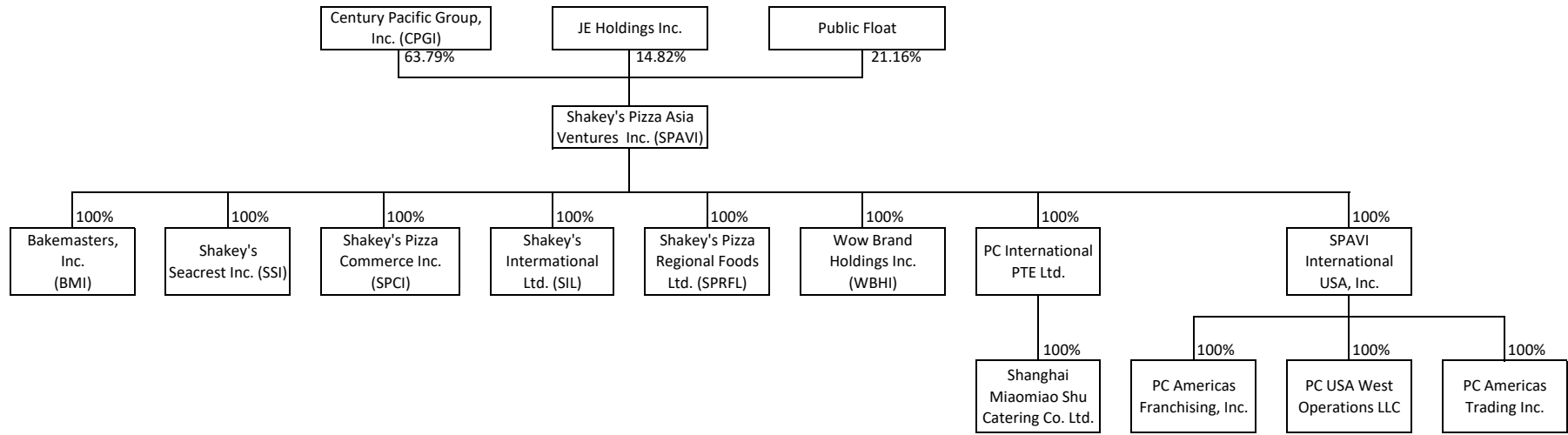
**Schedule H. Capital Stock**

**As of December 31, 2025**

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions, and Other Rights	Number of Shares Held By		
				Affiliates	Directors, Officers and Employees	Others
<b>Common Shares</b>	<b>2,000,000,000</b>	<b>1,683,760,178</b>	<b>-</b>	<b>1,323,583,725</b>	<b>3,917,783</b>	<b>356,258,670</b>

-

**SHAKEY'S PIZZA ASIA VENTURES, INC. AND SUBSIDIARIES**  
**CONGLOMERATE MAP**  
**AS OF DECEMBER 31, 2025**



**Reconciliation of Retained Earnings  
Available for Declaration  
As at December 31, 2025**

<b>Unappropriated Retained earnings, beginning</b>	<b>4,326,867,116</b>
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>	
Reversal of Retained Earnings Appropriation/s	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
<b>Less: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>	
Dividend declaration during the reporting period	<b>336,752,037</b>
Retained Earnings appropriated	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
<hr/>	
<b>Unappropriated Retained Earnings, as adjusted</b>	<b>3,990,115,079</b>
<b>Add/Less: Net income (loss) for the current year</b>	<b>1,336,568,798</b>
<hr/>	
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>	
Equity in net income of associate/joint venture, net of dividends declared	-
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	<b>535,344</b>
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Unrealized fair value gains on Investment Property	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
<hr/>	
Sub-total	<b>535,344</b>
<b>Less: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	<b>5,404,703</b>
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Realized fair value gain of Investment Property	-
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
<hr/>	
Sub-total	<b>5,404,703</b>
<b>Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Reversal of previously recorded fair value gain of Investment Property	-
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-
<hr/>	
Sub-total	-
Adjusted Net Income/Loss	<b>5,320,743,829</b>

<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>	
Depreciation on revaluation increment (after tax)	-
Sub-total	-
<b>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP</b>	
Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others (describe nature)	-
Sub-total	-
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>	
Net movement of treasury shares (except for reacquisition of redeemable shares)	-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(360,000)
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set- up of service concession asset and concession payable	(228,537,387)
Adjustment due to deviation from PFRS/GAAP - gain (loss)	5,389,625
Others – Remeasurement of retirement benefit obligation, net of tax	(223,507,762)
Sub-total	(223,507,762)
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	<b>5,097,236,068</b>

**SHAKEY'S PIZZA ASIA VENTURES INC.**  
**FINANCIAL SOUNDNESS INDICATORS-FINANCIAL INDICATOR**  
As of December 31, 2025

Ratio	Formula	Current Year	Prior Year
Current ratio	<div style="text-align: right;"> <b>Total Current Assets</b> 4,921,959,823  <b>Divide by: Total Current Liabilities</b> 7,664,295,021  <b>Current Ratio</b> 0.64 </div>	0.64x*	1.39x
Quick/Acid test ratio	<div style="text-align: right;"> <b>Total Current Assets</b> 4,921,959,823  <b>Less: Inventories</b> (1,490,438,659)  <b>Prepayments and other Current Assets</b> (534,970,041)  <b>Quick assets</b> 2,896,551,123  <b>Divide by: Total Current Liabilities</b> 7,664,295,021  <b>Quick/Acid test ratio</b> 0.38 </div>	0.38x*	0.76x
Debt-to-equity ratio	<div style="text-align: right;"> <b>Total Liabilities</b> 11,651,712,872  <b>Divide by: Total Equity</b> 9,302,280,633  <b>Debt-to-equity ratio</b> 1.25 </div>	1.25x	1.35x
Gearing ratio	<div style="text-align: right;"> <b>Interest bearing liabilities</b> 6,049,060,215  <b>Divided by: Total Equity</b> 9,302,280,633  <b>Gearing ratio</b> 0.65 </div>	0.65x	0.7x
Net Gearing ratio	<div style="text-align: right;"> <b>Interest bearing liabilities</b> 6,049,060,215  <b>Minus: Cash</b> 1,167,134,283  <b>Net</b> 4,881,925,932  <b>Divide by: Total Equity</b> 9,302,280,633  <b>Net Gearing Ratio</b> 0.52 </div>	0.52x	0.55x
Asset-to-equity ratio	<div style="text-align: right;"> <b>Total Assets</b> 20,953,993,505  <b>Divide by: Total Equity</b> 9,302,280,633  <b>Asset-to-equity ratio</b> 2.25 </div>	2.25x	2.35x
Interest rate coverage ratio	<div style="text-align: right;"> <b>EBIT</b> 941,069,074  <b>Divide by: Interest Expenses</b> 494,343,320  <b>Interest rate coverage ratio</b> 1.90 </div>	1.9x	4.07x
Working capital turnover	<div style="text-align: right;"> <b>Net Sales</b> 16,049,646,251  <b>Divide by: Working capital</b>  <div style="text-align: right; margin-left: 20px;"> <b>Current Assets</b> 4,921,959,823  <b>Less: Current L</b> (7,664,295,021)  <b>Working Capit:</b> (2,742,335,198)  <b>Working Capital Turnover</b> -5.85 </div> </div>	-5.85x*	9.81x
Solvency ratio	<div style="text-align: right;"> <b>Profit for the Year adjusted for Noncash Expenses divided by Average</b>  <b>Profit for the Year</b> 4,999,168,825  <b>Adjustments:</b>  <b>Tax Benefit from DTA</b>  <b>Depreciation</b> 1,504,542,830  <b>Provision for inventory obsolete</b> 234,508,833  <b>Amortization of intangible ass</b> 21,515,840  <b>Impairment loss on investment in subsidiaries</b> -  <b>Unrealized foreign exchange loss</b>  <b>(gain) - net</b> (21,902,922)  <b>Doubtful accounts expense</b> 7,691,090  <b>Reversal of accruals</b> 121,704,066  <b>Reversal of allowance for inventory obsolescence</b> -  <b>Adjusted Profit for the Year</b> 6,867,228,562  <b>Divide by: Average Total Liabilities</b>  <b>Current Year Total Liabilities</b> 19,554,798,369  <b>Prior Year Total Liabilities</b> 15,991,714,955  <b>Total</b> 35,546,513,324  <b>Divide by: 2 Years</b> 2  <b>Average Total Liabilities</b> 17,773,256,662  <b>Solvency ratio</b> 38.64% </div>	39.18%	39.18%
Return on equity	<div style="text-align: right;"> <b>Net Income</b> 815,581,852  <b>Divide by: Total Equity</b> 9,302,280,633  <b>Return on equity</b> 8.77% </div>	8.77% Core ROE: 10.23%**	13.48%
Return on assets	<div style="text-align: right;"> <b>Net Income</b> 815,581,852  <b>Divide by: Total Assets</b> 20,953,993,505  <b>Return on assets</b> 3.89% </div>	3.89% Core ROA: 4.54%**	5.74%
Earnings per share	<div style="text-align: right;"> <b>Net Income</b> 815,581,852  <b>Average No. of shares</b> 1,683,760,178  <b>Earnings per share</b> 0.48 </div>	0.48 Core EPS: 0.57**	0.71

\*Driven by the reclassification on a long-term loan as "current portion of long-term loans payable"; the Group is actively negotiating with the bank for the extension of the loan's repayment term beyond its current maturity date. Management anticipates the favorable resolution of these negotiations in 2026, which should result to the reclassification of the outstanding balance back to noncurrent liabilities.

\*\*Based on core net income as computed by Management

**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR****FEE-RELATED INFORMATION****December 31, 2025 and 2024**

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Total Audit Fees (Section 2.1a)</b>	<b>₱4,850,000</b>	<b>₱4,350,000</b>
Non-audit services fees:		
Tax services	–	300,000
All other services	–	–
<b>Total Non-audit fees (Section 2.1b)</b>	<b>–</b>	<b>300,000</b>
<b>Total Audit and Non-audit fees</b>	<b>₱4,850,000</b>	<b>₱4,650,000</b>

**Audit and Non-audit fees of other related entities (Section 2.1c)**

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Audit fees	<b>₱5,236,000</b>	<b>₱2,560,000</b>
Non-audit services fees	–	–
<b>Total Audit and Non-audit fees</b>	<b>₱5,236,000</b>	<b>₱2,560,000</b>

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**[EXT] Your BIR AFS eSubmission uploads were received**

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**From** eafs@bir.gov.ph <eafs@bir.gov.ph>  
**Date** Wed 4/15/2026 8:34 PM  
**To** Tax Section <taxsection@shakeys.biz>  
**Cc** MPPINON@SHAKEY.BIZ <MPPINON@SHAKEY.BIZ>

Hi SHAKEY'S PIZZA ASIA VENTURES INC,

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- <None>

Transaction Code: **AFS-0-RP3WXXS09969GCEP3MSV1MP0QX2NWyTR**  
Submission Date/Time: **Apr 15, 2026 08:34 PM**  
Company TIN: **000-163-396**

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**APPENDIX “12”**

Interim Financial Statements as of March 31, 2026 of  
**Shakey’s Pizza Asia Ventures Inc.**

(Please refer to next page)

SECURITIES AND EXCHANGE COMMISSION

**SEC FORM 17-Q**  
**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES**  
**REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended **March 31, 2026**
2. Commission identification number **54666**
3. BIR Tax Identification No. **000-163-396**
4. **SHAKEY'S PIZZA ASIA VENTURES INC.**  
Exact name of issuer as specified in its charter
5. **MANILA, PHILIPPINES**  
Province, country or other jurisdiction of incorporation or organization , pl
6. Industry Classification Code:  (SEC Use Only)
7. **15KM EAST SERVICE ROAD CORNER MARIAN ROAD 2,**  
**BARANGAY SAN MARTIN DE PORRES, PARANAQUE CITY** **1700**  
Address of issuer's principal office Postal Code
8. **(632) 867-7602**  
Issuer's telephone number, including area code
9. **N/A**  
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	<b><u>COMMON SHARES</u></b>
Number of shares of common stock outstanding	<b><u>1,683,760,178</u></b>
11. Are any or all of the securities listed on a Stock Exchange?  
Yes [  ] No [  ]  
If yes, state the name of such Stock Exchange and the class/es of securities listed therein:  
**PHILIPPINE STOCK EXCHANGE; COMMON SHARES**
12. Indicate by check mark whether the registrant:
  - (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)  
Yes [  ] No [  ]
  - (b) has been subject to such filing requirements for the past ninety (90) days.  
Yes [  ] No [  ]

## PART I – FINANCIAL INFORMATION

### Item 1. Financial Statements

The unaudited interim consolidated financial statements of Shakey's Pizza Asia Ventures Inc., and its wholly owned subsidiaries Bakemasters, Inc., Shakey's International Limited, Shakey's Seacrest Incorporated, Shakey's Pizza Regional Foods Limited, PC International Pte. Ltd, SPAVI International USA Inc, Shakey's Pizza Commerce, Inc., and Wow Brand Holdings Inc. (collectively, the 'Company' or 'PIZZA') as of and for the period ended March 31, 2026 and the comparative period in 2025 is attached to this 17-Q report, comprising of the following:

- 1.1 Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025
- 1.2 Consolidated Statement of Income for the period ended March 31, 2026 and March 31, 2025
- 1.3 Consolidated Statement of Cash Flows for the period ended March 31, 2026 and March 31, 2025
- 1.4 Consolidated Statement of Changes in Shareholder's Equity for the period ended March 31, 2026 and March 31, 2025.
- 1.5 Notes to Consolidated Financial Statements for the period ended March 31, 2026

### Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations (Based on the unaudited consolidated financial statements for the period ended March 31, 2026)

#### *Business Overview*

Shakey's Pizza Asia Ventures Inc. (PSE: PIZZA or the Company) is one of the leading food service groups in the Philippines. Its portfolio is comprised of casual dining concepts and kiosks. As of March 31, 2026, it operated a total of 3,039 stores and kiosks - a mix of company-owned and franchise outlets in the Philippines and abroad.

In 2016, Century Pacific Group Inc. (CPGI) and the sovereign wealth fund of Singapore acquired majority ownership of PIZZA. CPGI is the parent company of Century Pacific Food Inc. (CNPF), the largest manufacturer of canned food in the Philippines.

Subsequently, on December 15, 2016, PIZZA successfully listed on the Main Board of the Philippine Stock Exchange (PSE) with a total of 1,531,321,053 common shares at ₱11.26 per share.

The first among PIZZA's brands is Shakey's, the market leader in chained pizza full service restaurant and chained full service restaurant with 68.6% and 22.3% market shares, respectively, based on 2025 data from Euromonitor.

Shakey's has 50 years of brand legacy in the Philippines. Originally an American brand established in 1954, Shakey's expanded into the Philippines in 1975 and has since become a household name to generations of Filipinos. Shakey's strength comes from its unique products paired with excellent guest service. It is best known for its original thin crust pizza and iconic Chicken N' Mojos.

PIZZA owns the trademarks and licenses to operate the Shakey's brand in the Philippines. It has full control over the management and execution of Shakey's Philippine operations. As the brand owner, PIZZA generates additional revenue from franchising while not having to pay royalty fees for the use of the Shakey's name. PIZZA also owns the rights and trademarks of the Shakey's brand in Asia (except Malaysia and Japan), China, Middle East, Australia and Oceania. This gives the

company international expansion opportunities in the long-term. As of today, PIZZA operates Shakey's stores in the Philippines and Singapore.

Peri-Peri Charcoal Chicken was acquired in June 2019. It is an emerging fast casual and full service restaurant brand in the Philippines. The acquisition includes assets and intellectual property relating to the Peri business, including its brand, trade name, and the various proprietary recipes used by the chain to make its trademark Peri-Peri chicken. PIZZA owns the rights and trademarks of the Peri-Peri brand globally.

Potato Corner was acquired in March 2022. The deal included the purchase of assets and intellectual property relating to Potato Corner. Potato Corner is one of the leading and most established food kiosk chains in the Philippines with an estimated 18.9% market share based on data from Euromonitor. Since its inception in 1992, the brand has built a vast network of over 2,000 outlets domestically and has a growing international footprint in Asia and beyond. PIZZA owns the rights and trademarks of the Potato Corner brand globally.

Other brands include R&B milk tea and Project Pie. In August 2020, the Company entered into a master franchise agreement with Singapore-based Koufu Group Ltd to bring the brand to the Philippines. R&B is one of the leading milk tea and bubble tea players in Singapore. It currently has more than 1,000 outlets worldwide, spanning across China, U.S., Singapore, Cambodia, Vietnam, Malaysia and Indonesia. Under the agreement, PIZZA was awarded the territorial rights to sell R&B milk tea, bubble tea, and other specialty tea drinks in the Philippines through stand-alone store formats and co-branding in select Shakey's outlets.

With this portfolio, PIZZA is able to serve the A, B, and upper C income classes through its various sales channels, from dine-in to off-premise, which includes carry out and delivery. PIZZA's dine-in segment caters mostly to families and friends who want an affordable upgrade from the usual fast-food dining. At the same time, PIZZA also reaches its guests through its delivery segment as Shakey's has an in-house delivery platform. The Group also reaches delivery guests via aggregators.

PIZZA's brands are accessible nationwide through various store formats. For restaurant brands, stores differ in size ranging from 120 sq.m. to 400 sq.m., while kiosk brands have store sizes at 50 sq.m. and below. Smaller stores tend to require lower capital investment. This allows PIZZA flexibility to serve the demand of a specific market, while still achieving the desired profitability.

PIZZA has an in-house commissary that supplies proprietary raw materials and other baked products to its stores. With this vertical integration strategy, product quality is preserved and controlled while also enabling for higher sales margins.

Finally, PIZZA operates a simple business model that is cash generative and requires low upfront costs due to the simplicity of its products. This model enables high financial liquidity and an average payback period of 3 to 5 years for its restaurant brands and 1 to 3 years for its kiosk brands.

### ***Results of Operations***

The following table summarizes the reported key financial information for PIZZA for the three months ending March 31, 2026 and 2025, respectively:

<b>In ₱ Mill</b>	<b>Three months ending March 31, 2026</b>	<b>Three months ending March 31, 2025</b>	<b>Change YoY</b>
Systemwide sales	6,383	5,578	14%
Net Revenue	4,000	3,549	13%

Cost of Sales	(3,196)	(2,794)	14%
Gross Profit	804	756	6%
Operating Expense	(550)	(471)	17%
Operating Income	254	285	-11%
Net income before tax	140	192	-27%
Net income after tax	134	182	-27%
Core Net income after tax	152	182	-17%
Core EBITDA	558	523	7%
<b>Margins</b>			
Gross profit margin	20.1%	21.3%	-120 bps
Operating margin	6.3%	8.0%	-170 bps
Net income margin	3.3%	5.1%	-180 bps
Core Net income margin	3.8%	5.1%	-130 bps

### **Results of Operation**

- Shakey's Pizza Asia Ventures Inc, one of the Philippines' leading fast casual restaurant chain and food service groups, posted a 14% YoY growth rate in systemwide sales (SWS) amidst a muted discretionary spending environment, buoyed by the company's strategic investments in global network expansion.
- SWS for the first quarter of 2026 reached ₱6.4 billion, while revenues amounted to ₱4.0 billion, up 13% versus the same period last year. New stores drove the company's topline performance.
- In terms of profitability, 1Q26 gross margins stood at 20.1%, softening by 120 basis points (bps) versus the same period last year. While the group saw improving input costs, continued investments in network expansion including renovations and pre-operating expenses of new stores influenced gross profit.
- Meanwhile, operating expenses as a percentage of sales stood at 13.8% for the quarter. OPEX-to-sales posted a 50bps contraction versus the comparable period due to investments in brand-building and demand-generating activities to support topline growth.
- As a result, headline NIAT amounted to ₱134 million, while net profit margin (NPM) stood at 3.3%. Removing the impact of one-offs, core NIAT registered at ₱152 million, while core NPM clocked in at 3.8%.

### **Financial Condition**

The Company's financial stability and financial position as of March 31, 2026, is as follows:

- Cash and cash equivalents stood at ₱995 million. Cash provided by operating activities amounted to ₱391 million, with net cash used in investing activities totaling ₱346 million and net cash used in financing activities amounting to ₱217 million.
- Current ratio was broadly steady at 0.6x as of March 31, 2026 relative to 2025's 0.6x. The cash conversion cycle was broadly similar at 15 days from 14 days as of end-2025. Receivable and inventory days stood at 33 and 38 respectively, while accounts payable came in at 56 days.

- Net property, plant and equipment, amounted to ₱2.8 billion as of March 31, 2026. Capital expenditures for the first nine months of the year totaled ₱346 million.
- As of March 31, 2026, the Company had ₱6.0 billion in interest-bearing debt, unchanged from the year-end level.
- Net debt-to-equity ratio is measured at 1.1x as of March 31, 2026, unchanged compared to the 1.1x figure as of year-end 2025. Considering only interest-bearing liabilities, the Company's net gearing ratio and net interest-bearing debt-to-core EBITDA stood at 0.5x and 1.9x, respectively, as of March 31, 2026.

### Key Performance Indicators ( KPIs )

	Unaudited 1 <sup>st</sup> Three Months 2026	Unaudited 1 <sup>st</sup> Three Months 2025
Gross Profit Margin	20%	21%
Before Tax Return on Sales	3%	5%
Return on Sales	3%	5%
Core Return on Sales	4%	5%
Interest-Bearing Debt-to-Equity	0.6x	0.7x
Current Ratio	0.6x	1.4x

#### Notes:

1 *Gross Profit margin = Gross Profit / Net Revenue*

2 *Before Tax Return on Sales = Net Profit Before Tax / Net Revenue*

3 *Return on Sales = Net Profit After Tax / Net Revenue*

4 *Core Return on Sales = Core Net Profit After Tax / Net Revenue*

5 *Interest-Bearing Debt-to-Equity = Loans Payable / Total Stockholders' Equity*

6 *Current Ratio = Total Current Assets / Total Current Liabilities*

## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### SHAKEY'S PIZZA ASIA VENTURES INC.



**VICENTE L. GREGORIO**  
President and Chief Executive Officer  
Date: May 14, 2026



**MYROSE APRIL C. VICTOR**  
Chief Financial Officer  
Date: May 14, 2026

**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF**  
**FINANCIAL POSITION**

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Notes 5 and 18)	₱994,840,756	₱1,167,134,283
Trade and other receivables (Notes 6, 13 and 18)	1,516,065,330	1,729,416,840
Inventories (Note 7)	1,366,640,296	1,490,438,659
Prepaid expenses and other current assets (Note 8)	635,842,164	534,970,041
Total Current Assets	4,513,388,546	4,921,959,823
<b>Noncurrent Assets</b>		
Property and equipment (Note 9)	2,815,705,562	2,635,637,656
Intangible assets (Note 10)	10,444,637,504	10,451,917,509
Right-of-use assets (Note 11)	2,258,887,080	2,106,371,689
Deferred tax assets- net	324,329,203	298,714,054
Other noncurrent assets	579,929,295	539,392,774
Total Noncurrent Assets	16,423,488,644	16,032,033,682
<b>TOTAL ASSETS</b>	<b>₱20,936,877,190</b>	<b>₱20,953,993,505</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Short-term loans payable (Notes 14 and 18)	₱1,220,000,000	₱1,220,000,000
Income tax payable	116,956,132	85,955,583
Accounts payable and other current liabilities (Notes 12, 13 and 18)	1,979,063,329	2,347,318,430
Current portion of:		
Long-term loans payable (Notes 15 and 18)	3,549,060,215	3,549,060,215
Lease liabilities (Note 11)	354,305,817	354,296,695
Contract liabilities	101,972,002	107,664,098
Total Current Liabilities	7,321,357,495	7,664,295,021
<b>Noncurrent Liabilities</b>		
Noncurrent current portion of:		
Long-term loans payable (Notes 15 and 18)	1,272,000,000	1,280,000,000
Lease liabilities (Note 11)	2,270,632,208	2,100,456,682
Contract liabilities	151,812,403	128,738,260
Accrued pension costs	216,076,463	202,811,390
Dealers' deposits and other noncurrent liabilities	107,046,040	105,559,382
Deferred tax liabilities – net	169,852,137	169,852,137
Total Noncurrent Liabilities	4,187,419,251	3,987,417,851
Total Liabilities	11,508,776,746	11,651,712,872
<b>Equity</b>		
Capital stock (Note 16)	1,683,760,178	1,683,760,178
Additional paid-in capital (Note 16)	2,451,116,470	2,451,116,470
Retained earnings (Note 16)	5,257,722,311	5,123,918,370
Other components of equity	35,501,485	43,485,615
Total Equity	9,428,100,444	9,302,280,633
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱20,936,877,190</b>	<b>₱20,953,993,505</b>

*See accompanying Notes to the Unaudited Interim Condensed Consolidated Financial Statements.*

**SHAKEY'S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF  
COMPREHENSIVE INCOME**
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	2026 (Unaudited)	2025 (Unaudited)
<b>REVENUES</b>		
Net sales	₱3,802,754,123	₱3,369,180,979
Royalty and franchise fees	197,550,158	180,049,023
	<b>4,000,304,281</b>	3,549,230,002
<b>COSTS OF SALES</b>	<b>(3,196,436,577)</b>	(2,793,714,085)
<b>GROSS INCOME</b>	<b>803,867,704</b>	755,515,916
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(550,073,990)</b>	(470,742,860)
<b>INTEREST EXPENSE</b>	<b>(117,531,913)</b>	(106,054,230)
<b>OTHER INCOME- net</b>	<b>3,305,654</b>	13,427,093
<b>INCOME BEFORE INCOME TAX</b>	<b>139,567,455</b>	192,145,920
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	31,000,550	83,076,360
Deferred	(25,237,036)	(72,990,705)
	<b>5,763,514</b>	10,085,655
<b>NET INCOME</b>	<b>133,803,941</b>	182,060,265
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Translation gain from foreign subsidiaries	(7,984,130)	(14,832,908)
	<b>(7,984,130)</b>	(14,832,908)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱125,819,811</b>	₱167,227,357
<b>Basic/Diluted Earnings Per Share</b>	<b>₱0.08</b>	₱0.11

**SHAKEY'S PIZZA ASIA VENTURES INC.  
AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	Capital Stock	Additional Paid-in Capital	Retained Earnings	Other Components of Equity	Total
<b>Balances at January 1, 2026</b>	<b>₱1,683,760,178</b>	<b>₱2,451,116,470</b>	<b>₱5,123,918,370</b>	<b>₱43,485,615</b>	<b>₱9,302,280,633</b>
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>133,803,941</b>	<b>(7,984,130)</b>	<b>125,819,811</b>
<b>Balances at March 31, 2026</b>	<b>₱1,683,760,178</b>	<b>₱2,451,116,470</b>	<b>₱5,257,722,311</b>	<b>₱35,501,485</b>	<b>₱9,428,100,444</b>
Balances at January 1, 2025	₱1,683,760,178	₱2,451,116,470	₱4,645,088,555	₱73,760,580	₱8,853,725,783
Total comprehensive income	–	–	569,743,349	(33,101,744)	536,641,605
Balances at March 31, 2025	₱1,683,760,178	₱2,451,116,470	₱4,878,079,867	₱40,658,836	₱9,053,615,351

**SHAKEY'S PIZZA ASIA VENTURES INC.  
AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED MARCH 31, 2026 AND 2025**

	2026 (Unaudited)	2025 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	P139,567,455	P192,145,920
Adjustments for:		
Depreciation and amortization	282,379,430	224,312,809
Interest expense	117,531,913	106,054,230
Increase in accrued pension costs	10,188,174	11,124,198
Provision for doubtful accounts		
Disposal of property and equipment	11,813,633	–
Pre-terminations of leases	(467,282)	–
Interest income	(282,254)	(212,252)
Unrealized foreign exchange loss (gain)	(849,373)	(266,183)
Income before working capital changes	559,881,696	533,158,722
Decrease (increase) in:		
Trade and other receivables	213,351,510	169,465,057
Inventories	123,798,363	(89,560,593)
Prepaid expenses and other current assets	(100,872,123)	(65,969,772)
Deferred input value added tax	–	446,592
Increase (decrease) in:		
Accounts payable and other current liabilities	(368,255,101)	(441,771,347)
Dealer's deposits and other noncurrent liabilities	(39,049,863)	70,436,160
Contract liabilities	1,648,849	(117,269,980)
Net cash generated from operations	390,503,331	58,934,839
Interest received	282,254	212,252
Net cash provided by operating activities	390,785,585	59,147,091
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of:		
Property and equipment	(345,410,007)	(292,633,943)
Software	(772,533)	–
Net cash used in investing activities	(346,182,540)	(292,633,943)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of long-term loan	(8,000,000)	–
Payment of interest	(62,109,354)	(69,116,666)
Payment of lease liability	(147,636,591)	(28,902,387)
Net cash provided by financing activities	(217,745,945)	(98,019,053)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>849,373</b>	<b>266,183</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(173,142,900)</b>	<b>(331,772,088)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,167,134,283</b>	<b>1,319,799,492</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>P994,840,756</b>	<b>P988,293,587</b>

**SHAKEY’S PIZZA ASIA VENTURES INC. AND SUBSIDIARIES**

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**NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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**1. General Information**

Corporate Information

Shakey’s Pizza Asia Ventures Inc. Doing business under the name and style of Shakey’s (SPAVI or the Parent Company), was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 14, 1974. The Parent Company and its subsidiaries (collectively referred to as “the Group”) are involved primarily in the development, operations and franchising of fast casual restaurants under the trade names “Shakey’s” and “Peri-Peri”.

On December 15, 2016, the common shares of the Parent Company were listed and traded in the Philippine Stock Exchange (PSE) under the trading name “PIZZA”.

The registered office address of the Parent Company is 15Km East Service Road corner Marian Road 2, Barangay San Martin de Porres, Parañaque City 1700.

Approval and Authorization for the Issuance of the Unaudited Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements were approved and authorized for issuance by the Parent Company’s Board of Directors (BOD) on May 14, 2026.

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**2. Basis of Preparation and Consolidation and Statement of Compliance**

Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and which are carried at fair value. The consolidated financial statements are presented in Philippine peso, which is the Group’s functional currency.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its wholly owned subsidiaries as at March 31. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events with similar circumstances.

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries:

	Principal Activities	Place of Incorporation	Percentage of Ownership (%)
Bakemasters, Inc. (BMI)	Manufacturer of pizza dough and pastries	Philippines	100%
PC International Limited (PCIL)	Restaurant business	Singapore	100%

	Principal Activities	Place of Incorporation	Percentage of Ownership (%)
Shakey's International Limited (SIL)	Trademark	Hong Kong	100%
Shakey's Seacrest Incorporated (SSI)	Trademark	Philippines	100%
Shakey's Pizza Regional Foods Limited (SPRFL)	Trademark	Hong Kong	100%
Shakey's Pizza Commerce Inc. (SPCI)	Trading of goods	Philippines	100%
Wow Brand Holdings, Inc. (WBHI)	Restaurant business	Philippines	100%
Shanghai Miaomiao Shu Catering Co. LTD (SMSCCL)	Restaurant business	China	100%
SPAVI International USA Inc. (SIUI)	Trademark	USA	100%
PC Americas Franchising Inc. (PAFI)	Franchising	USA	100%
PC USA West Operations LLC (PUWOL)	Restaurant business	USA	100%

### 3. Changes in Accounting Policies and Disclosures

The Group's accounting policies are consistent with those of the previous financial year, except for the adoption of new standards. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of this new standard did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 21, *Lack of exchangeability*

#### Standards Issued but Not Yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its parent company financial statements. The Group intends to adopt the following pronouncements when they become effective.

#### *Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards -Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

#### *Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Group is currently assessing the impact of the new standard.

- PFRS 19, *Subsidiaries without Public Accountability*

*Deferred effectivity*

Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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**4. Segment Information**

Segment information is prepared on the following bases:

Business Segments

For management purposes, the Group is organized into three business activities - Restaurant sales, franchise and royalty fees and commissary sales. This segmentation is the basis upon which the Group reports its primary segment information.

- Restaurant sales comprise revenues from restaurant activities and sale of merchandise and equipment to franchisees.
- Franchise and royalty fees represents payment of subdealers for use of the Shakey's brand.
- Commissary sales comprise third party sales other than aforementioned activities.

Inter-segment Transactions

Segment revenue, segment expenses and operating results include transfers among business segments. The transfers are accounted for at competitive market prices charged to unrelated customers for similar services. Such transfers are eliminated upon consolidation.

The Group's chief operating decision maker monitors operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit and loss in the consolidated financial statements.

On a consolidated basis, the Group's performance is evaluated based on consolidated net income for the year, EBITDA and EBITDA margin. EBITDA margin pertains to EBITDA divided by gross revenues.

EBITDA and EBITDA margin are non-PFRS measures.

The following table shows the reconciliation of the consolidated EBITDA to consolidated net income:

	<b>March 31, 2026</b>	March 31, 2025
Consolidated EBITDA	<b>₱539,196,545</b>	₱522,300,707
Depreciation and amortization	<b>(282,379,431)</b>	(224,312,809)
Provision for income tax	<b>(5,763,514)</b>	(10,085,655)
Interest expense	<b>(117,531,913)</b>	(106,054,230)
Interest income	<b>282,254</b>	212,252
<b>Consolidated net income</b>	<b>₱133,803,941</b>	₱182,060,265

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**5. Cash**

	<b>March 31, 2026</b>	December 31, 2025
Cash on hand	<b>₱84,183,528</b>	₱78,797,183
Cash in banks	<b>910,657,228</b>	1,088,337,100
	<b>₱994,840,756</b>	₱1,167,134,283

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Cash in banks earn interest at the respective bank deposit rates. Interest income on cash amounted to ₱0.28 million and ₱0.21 million for the three months ended March 31, 2026 and 2025, respectively.

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**6. Trade and Other Receivables**

	<b>March 31, 2026</b>	December 31, 2025
Trade:		
Franchisees	<b>₱682,151,198</b>	₱594,126,366
Third parties	<b>597,730,522</b>	895,301,533
Related Parties (see Note 14)	<b>14,031,287</b>	15,147,486
Royalty receivable	<b>83,474,377</b>	84,532,635
Nontrade:		
Franchisees	<b>111,747,910</b>	119,539,022
Employees	<b>43,854,983</b>	39,763,906
	<b>1,532,990,277</b>	1,748,410,948
Less allowance ECL	<b>(16,924,947)</b>	(18,994,108)
	<b>₱1,516,065,330</b>	₱1,729,416,840

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Below are the terms and conditions of the financial assets:

- Trade receivables are non-interest bearing and are normally collectible within 10 to 30 days.
- Receivables from third parties comprise amounts due from customers arising from store sales, credit card and online payment merchants, and food aggregator partners, as well as receivables from cooperatives and amounts due for freight charges and other trade-related transactions. These receivables are non-interest bearing and are generally collectible within 30 to 45 days from transaction date.
- Receivable from franchisees pertains to receivables for transactions other than sale of goods such as management fees, freight and gas expenses and are non-interest bearing and generally have 30 to 45 days' term.
- Royalty receivable is being collected from dealers on the 20th day of the following month.
- Receivables from employees, which represent mainly salary loans, are interest-free and are being collected through salary deduction for a period ranging from 6 months to 1 year.
- For terms and conditions of related party receivables, refer to Note 13.

The movements of allowance for doubtful accounts are as follows:

	<b>March 31, 2026</b>			December 31, 2025		
	<b>Trade and Others</b>	<b>Receivables from Employees</b>	<b>Total</b>	Trade and Others	Receivables from Employees	Total
Balance at beginning of year	₱16,979,830	₱2,014,278	₱18,944,108	₱11,703,862	₱2,014,278	₱13,718,140
Provision	70,427	–	70,427	6,558,710	–	6,558,710
Write-offs	(2,139,588)	–	(2,139,588)	(1,282,742)	–	(1,282,742)
Balance at reporting date	₱14,910,669	₱2,014,278	₱16,924,947	₱16,979,830	₱2,014,278	₱18,994,108

## 7. Inventories

	<b>March 31, 2026</b>	December 31, 2025
At NRV:		
Merchandise	₱1,264,710,830	₱1,405,140,334
At cost:		
Raw materials - food	53,402,319	37,137,824
Raw materials - packaging	24,575,458	24,906,143
Finished goods	23,951,689	23,254,358
	<b>₱1,366,640,296</b>	<b>₱1,490,438,659</b>

Allowance for inventory obsolescence amounted to ₱4.8 million as at March 31, 2026 and December 31, 2025.

## 8. Prepaid Expenses and Other Current Assets

	<b>March 31, 2026</b>	December 31, 2025
Prepaid expenses	₱248,564,988	₱186,222,874
Prepaid taxes	208,645,133	130,344,347
Advances to suppliers	117,465,497	175,389,207
Input VAT	61,166,546	43,013,613
	<b>₱635,842,164</b>	<b>₱534,970,041</b>

Prepaid expenses pertain to advance payments for insurance, dues, rent and subscription and are amortized monthly over a period of one year.

Advances to suppliers pertain to advance payments for the purchase of raw materials inventories which are generally applied against future billings within the next year.

Prepaid taxes include creditable withholding taxes withheld by the Group's customers.

## 9. Property and Equipment

	Building	Leasehold Improvements	Furniture, Fixtures and Equipment	Machinery and Equipment	Transportation Equipment	Cost of Shops and Maintenance Tools	Glassware and Utensils	Construction in-progress	Total
<b>Cost</b>									
<b>Balance at December 31, 2024</b>	₱246,679,798	₱2,386,155,957	₱1,943,162,464	₱398,625,923	₱66,027,591	₱118,688,600	₱53,905,521	₱43,942,487	₱5,257,188,341
<b>Additions</b>	1,450,303	466,302,865	332,545,629	11,999,075	14,710,825	36,709,772	19,987,439	–	883,705,908
<b>Disposals</b>	(15,901,485)	(31,799,514)	(25,802,653)	(4,160,081)	(4,736,733)	(1,182,023)	(919,099)	–	(84,501,588)
<b>Reclassification</b>	–	22,899,978	13,648,561	–	–	–	60,148	(36,608,687)	–
<b>Balance at December 31, 2025</b>	<b>232,228,616</b>	<b>2,843,559,286</b>	<b>2,263,554,001</b>	<b>406,464,917</b>	<b>76,001,683</b>	<b>154,216,349</b>	<b>73,034,009</b>	<b>7,333,800</b>	<b>6,056,392,661</b>
Additions	–	196,969,466	117,574,031	6,067,622	–	7,326,431	7,970,907	9,501,550	345,410,007
Disposals	–	(17,831,866)	(3,979,973)	–	–	–	(214,152)	–	(22,025,991)
<b>Balance at March 31, 2026</b>	<b>232,228,616</b>	<b>3,022,696,886</b>	<b>2,377,148,059</b>	<b>412,532,539</b>	<b>76,001,683</b>	<b>161,542,780</b>	<b>80,790,764</b>	<b>16,835,350</b>	<b>6,379,776,677</b>
<b>Accumulated Depreciation</b>									
<b>Balance at December 31, 2024</b>	109,152,278	1,209,046,342	1,205,280,537	268,771,390	32,506,238	66,284,571	48,190,760	–	2,939,232,116
<b>Depreciation</b>	14,216,793	232,208,545	211,229,419	21,189,514	9,534,164	34,046,722	13,424,588	–	535,849,745
<b>Disposals</b>	(8,955,382)	(15,751,312)	(22,581,065)	(1,176,301)	(3,843,760)	(1,160,102)	(858,934)	–	(54,326,856)
<b>Reclassification</b>	–	–	–	–	–	–	–	–	–
<b>Balance at December 31, 2025</b>	<b>114,413,689</b>	<b>1,425,503,575</b>	<b>1,393,928,891</b>	<b>288,784,603</b>	<b>38,196,642</b>	<b>99,171,191</b>	<b>60,756,414</b>	<b>–</b>	<b>3,420,755,005</b>
Depreciation	3,435,515	67,026,556	62,015,925	4,981,199	2,481,245	8,176,079	5,411,948	–	153,528,467
Disposals	–	(7,073,620)	(2,924,590)	–	–	–	(214,147)	–	(10,212,357)
<b>Balance at March 31, 2026</b>	<b>117,849,204</b>	<b>1,485,456,511</b>	<b>1,453,020,226</b>	<b>293,765,802</b>	<b>40,677,887</b>	<b>107,347,270</b>	<b>65,954,215</b>	<b>–</b>	<b>3,564,071,115</b>
<b>Net Book Value</b>									
Balance at December 31, 2025	₱117,814,927	₱1,418,055,711	₱869,625,110	₱117,680,314	₱37,805,041	₱55,045,158	₱12,277,595	₱7,333,800	₱2,635,637,656
<b>Balance at March 31, 2026</b>	<b>₱114,379,412</b>	<b>₱1,537,240,375</b>	<b>₱924,127,833</b>	<b>₱118,766,737</b>	<b>₱35,323,796</b>	<b>₱54,195,510</b>	<b>₱14,836,549</b>	<b>₱16,835,350</b>	<b>₱2,815,705,562</b>

There are no idle assets as at March 31, 2026 and December 31, 2025. The Group has no property and equipment that are used as collateral for existing loans payable.

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## 10. Intangible Assets

The Group's intangible assets consist of:

	<b>March 31, 2026</b>	December 31, 2025
Goodwill	<b>₱1,324,852,131</b>	₱1,324,852,131
Trademarks	<b>8,759,352,242</b>	8,759,352,242
Software	<b>323,278,774</b>	331,331,312
Franchise right	<b>37,154,357</b>	36,381,824
	<b>₱10,444,637,504</b>	₱10,451,917,509

### Goodwill

Goodwill is associated with the excess of the investment cost over the fair value of the net assets of Bakemasters, Peri-Peri and Potato Corner business at the time of acquisitions.

### Trademarks

The Group's trademarks include Shakey's, Potato Corner and Peri-Peri, which were acquired through purchases and business combinations in prior years.

Shakey's and Peri-Peri business is a casual full-service restaurant brand in the Philippines. The business offers a variety of food and sauces, including peri-peri chicken, pizza, and pasta.

Potato Corner business is a food franchise known for its flavored French fries.

Bakemasters business manufactures pizza dough and pastries.

On August 24, 2020, the Group entered into a master franchise agreement with the exclusive right and license to develop and operate the business, provide the services and sell the products, from the R&B Tea Outlets.

The average remaining useful lives of software and franchise is 8 years and 2 years, respectively, as of March 31, 2026.

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## 11. Right-of-Use Assets and Lease Liabilities

### *Group as a lessee*

The Group has lease contracts for its office spaces and stores. Lease contracts office spaces usually has terms of 20 to 25 years while leases of stores usually has terms of 3 to 25 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of stores with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The rollforward analysis of this account follows:

	March 31, 2026	December 31, 2025
<b>Cost</b>		
Balance at beginning of year	₱3,800,591,077	₱3,184,689,460
Additions	281,456,985	968,584,103
Pre-terminations	(63,357,014)	(352,682,486)
Balance at end of year	4,018,691,048	3,800,591,077
<b>Accumulated Amortization</b>		
Balance at beginning of year	1,694,219,388	1,381,053,720
Amortization	123,185,569	614,942,435
Pre-terminations	(57,600,988)	(301,776,767)
Balance at end of year	1,759,803,968	1,694,219,388
<b>Net Book Value</b>	<b>₱2,258,887,080</b>	<b>₱2,106,371,689</b>

The rollforward analysis of lease liabilities follows:

	March 31, 2026	December 31, 2025
Balance at beginning of year	₱2,454,753,377	₱2,121,756,084
Additions	281,456,985	950,750,062
Interest expense	39,717,236	172,129,570
Payments	(147,636,587)	(713,427,815)
Pre-terminations	(3,352,986)	(76,454,524)
Balance at end of year	2,624,938,025	2,454,753,377
Current portion of lease liabilities	354,305,817	354,296,695
<b>Lease liabilities -net of current portion</b>	<b>₱2,270,632,208</b>	<b>₱2,100,456,682</b>

The Group has lease contracts for stores that contain variable payments based on the gross sales. The following provides information on the Group's variable lease payments, including the magnitude in relation to fixed payments:

	Fixed Payments	Variable Payments	Total
Fixed	₱88,018,246	₱-	₱88,018,246
Variable rent with minimum payment	66,527,249	32,260,839	98,788,087
Variable rent only	-	5,170,620	5,170,620
As at March 31, 2026	₱154,545,495	₱37,431,459	₱191,976,953
	Fixed Payments	Variable Payments	Total
Fixed	₱466,044,714	₱-	₱466,044,714
Variable rent with minimum payment	267,711,940	79,819,952	347,531,892
Variable rent only	-	54,667,494	54,667,494
As of December 31, 2025	₱733,756,654	₱134,487,446	₱868,244,100

## 12. Accounts Payable and Other Current Liabilities

	March 31, 2026	December 31, 2025
Trade:		
Suppliers	<b>₱977,517,108</b>	₱1,160,253,616
Related parties	<b>119,203,158</b>	121,760,035
Nontrade:		
Suppliers	<b>323,172,261</b>	387,217,267
Accrued expenses:		
Suppliers	<b>234,194,485</b>	368,362,984
Salaries and wages	<b>102,289,605</b>	86,788,639
Customers loyalty	<b>47,511,734</b>	61,899,707
Utilities	<b>41,966,646</b>	38,918,078
Other payables	<b>133,208,332</b>	122,118,104
	<b>₱1,979,063,329</b>	₱2,347,318,430

Below are the terms and conditions of the financial liabilities:

- Trade payables are non-interest bearing and are normally settled in 30 to 90 days' term.
- Nontrade payables consist mainly of payable to contractors, lessors and employment agencies which are normally settled in 30 to 90 days' term.
- Accrued expenses, which consist mainly of accrual of rent expense of stores, utilities, employee benefits and incentives, freight, commissions and storage costs are normally settled in 30 to 90 days' term.
- Customers loyalty pertains to accumulated points which are generally applied to customer purchases within the next financial year. Revenue is recognized upon actual usage expiration whichever comes first.
- Other payables are normally settled in 15 to 45 days' term.
- For terms and conditions related party payables, refer to Note 13.

Other payables consist of the following:

	March 31, 2026	December 31, 2025
Withholding tax payable	<b>₱32,554,208</b>	<b>₱32,195,569</b>
Retention payable	<b>36,800,906</b>	<b>30,719,810</b>
Output VAT	<b>27,059,202</b>	<b>22,507,745</b>
Customers' deposits	<b>25,542,900</b>	<b>22,922,765</b>
Fun certificates payable	<b>3,560,214</b>	<b>6,556,765</b>
SSS, PhilHealth and Pag-IBIG payables	<b>2,776,460</b>	<b>2,892,511</b>
Others	<b>4,914,442</b>	<b>4,322,939</b>
	<b>₱133,208,332</b>	<b>₱122,118,104</b>

### 13. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual.

Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables. For the three months ended March 31, 2026 and 2025, the Group has not recorded any impairment of receivables on amounts owed by the related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Group, in the normal course of business, has significant transactions with the following companies which have common members of BOD and stockholders as the Group:

Category	Nature	Year	Amount/ Volume of transaction	Outstanding Balance		Terms	Conditions
				Receivable	Payable		
<b>Century Pacific Group Inc. (CPGI, Ultimate Parent Company)</b>							
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	2026 2025	₱1,941,710 7,766,842	₱3,082,080 3,082,080	₱ 1,385,087 692,543	30-day; non-interest bearing	Unsecured
<b>Companies with common members of BOD and stockholders as the Group</b>							
<b>The Pacific Meat Company Inc. (PMCI)</b>							
Sales	Sale of goods at prices (normally on cost plus basis) mutually agreed upon by both parties	2026 2025	2,160,788 9,528,691	1,631,183 1,903,763	– –	30-day; non-interest bearing	Unsecured; not impaired
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost plus basis	2026 2025	30,909,406 119,245,157	– –	105,981,216 106,963,778	30-day; non-interest bearing	Unsecured
<b>DBE Project Inc. (DBE)</b>							
Trade sales and service income	Sale of goods at prices (normally on cost plus basis) mutually agreed upon by both parties	2026 2025	– –	1,962,435 1,962,435	– –	30-day; non-interest bearing	Unsecured; not impaired
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost-plus basis	2026 2025	– –	– –	298,043 298,043	30-day; non-interest bearing	Unsecured; not impaired
<b>Century Pacific Food Inc. (CPFI)</b>							
Sales	Sale of goods at prices (normally on cost plus basis) mutually agreed upon by both parties	2026 2025	8,359,729 32,997,550	7,355,589 8,199,208	– –	30-day; non-interest bearing	Unsecured; not impaired
Purchases	Purchase of raw materials and goods at agreed prices usually on a cost plus basis	2026 2025	4,282,211 40,967,254	– –	11,538,812 13,805,671	30-day; non-interest bearing	Unsecured
		2026	₱47,653,844	₱14,031,287	₱119,203,158		
		2025	210,505,494	15,147,486	121,760,035		

Compensation of Key Management Personnel

The salaries and pension costs of key management personnel in 2026 and 2025 are as follows:

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Salaries	<b>₱9,954,446</b>	₱9,263,958
Pension costs	<b>36,251,300</b>	37,991,166
	<b>₱46,205,746</b>	₱47,255,124

There are no other short-term and long-term benefits given to the key management personnel.

**14. Short-term Loans Payable**

	<b>March 31, 2026</b>	December 31, 2025
Balance at beginning of year	<b>₱1,220,000,000</b>	₱1,000,000,000
Reclassifications	–	320,000,000
Payments	–	(100,000,000)
Balance at end of year	<b>₱1,220,000,000</b>	₱1,220,000,000

In 2025, the Group made principal payments totaling ₱100 million on its short-term loan payable.

On March 2, 2025, the BPI long term loans payable was repriced at a new effective interest rate of 5.3% per annum, payable monthly. Concurrent with the repricing, BPI converted the principal installment of ₱320.0 million originally due on February 24, 2025 or at the end of the third year from borrowing date into a separate short-term facility maturing on February 26, 2026.

Accordingly, such amount has been reclassified from long term loans payable to short term loans payable as of December 31, 2025.

Interest expense pertaining to short-term loans amounting to ₱11.5 million and ₱4.9 million were recognized for the years ended March 31, 2026 and 2025, respectively.

**15. Long-term Loan Payable**

The breakdown of the loan is as follows:

	<b>March 31, 2026</b>	December 31, 2025
BDO loan - principal	<b>₱3,550,115,128</b>	₱3,550,115,128
Less unamortized debt issue costs	<b>1,054,913</b>	1,054,913
BDO loan - net of unamortized debt issue costs	<b>3,549,060,215</b>	3,549,060,215
BPI loan	<b>1,272,000,000</b>	1,280,000,000
	<b>4,821,060,215</b>	4,829,060,215
Less current portion of loan payable	<b>3,549,060,215</b>	3,549,060,215
Noncurrent portion	<b>₱1,272,000,000</b>	₱1,280,000,000

BDO Unibank, Inc. (BDO) Loan

On June 8, 2016, the Group entered into an Omnibus Loan and Security Agreement (OLSA) with BDO (the Lender) and SAFHI. The lender provided a term loan facility in the principal amount of ₱5,000.0 million. The loan is payable within 10 years to commence on the 12<sup>th</sup> month following the availment date. Payments shall be made in 18 consecutive semi-annual installments of ₱25.0 million and a final payment of ₱4,550.0 million.

The loan's interest is to be fixed at the higher of 5-year PDST-R2 plus a spread of 0.75% or 4.5% floor rate for the first 5 years, to be repriced at the last 5 years. Management has assessed that the interest rate floor on the loan is an embedded derivative which is not for bifurcation since the market rate approximates the floor rate at the transaction date.

The loan facility also contains a prepayment provision which allows the Group to make optional prepayment in the amount calculated by the lender comprising (i) the outstanding principal amount of the Loan to be prepaid, and (ii) any accrued interest on the principal amount of the Loan being prepaid computed as of the date of prepayment. The prepayment option was assessed as closely related to the loan and thus, was not bifurcated.

On December 22, 2016, the Group notified BDO of its intention to prepay the loan amounting to ₱1,000.0 million. The exercise of the prepayment option resulted in the revision of estimated future payments and change in the carrying amount of the financial liability. On January 3, 2017, the Group prepaid portion of the loan amounting to ₱1,000.0 million and the corresponding break funding fee and prepayment penalty amounting to ₱21.4 million.

As of March 31, 2026 and December 31, 2025, the outstanding balance of the loan amounts to ₱3,549.1 million and ₱3,592.6 million, respectively.

As of December 31, 2025, the outstanding balance of the loan has been reclassified and presented as "Current portion of long-term loans payable" as the remaining installment falls due on June 16, 2026, which is within twelve (12) months from the end of the reporting period.

Following the reclassification, the Group's working capital position as of March 31, 2026 and December 31, 2025 resulted to a negative position. The Group is actively negotiating with BDO for the refinancing of the outstanding loan. Management anticipates the favorable resolution of these negotiations in 2026, upon which the reclassification of the outstanding balance to noncurrent liabilities is expected to correspondingly address the negative working capital position of the Group. As of December 31, 2025, the Group received a term loan proposal from the bank to refinance the loan and extend the term to another 5 years after its initial maturity in June 2026.

So long as any portion of the loan is outstanding and until payment in full of all amounts payable by the Group under the loan documents, the Group agrees that, unless the Lender shall otherwise consent in writing, it shall among others comply with the following affirmative covenants:

- a. Ensure that at all times its obligations will constitute its secured, direct, unconditional and unsubordinated obligations, and any of its residual obligation not satisfied out of the proceeds of the collateral shall rank and will rank at all times at least pari passu in priority of payment and in all other respects with all its unsecured obligations, save for such obligations in respect of which a statutory preference is established solely by operation of law.
- b. The net proceeds from the loan shall be used for the purpose of refinancing the bridge loan.
- c. Financial covenant during the term of the Term Loan:

- i. its Debt date of determination, the ratio of EBITDA less regular dividends and advances to Service Coverage Ratio is at least 1.2x. Debt Service Coverage Ratio is as of the shareholders over Debt Service. For purposes hereof, "EBITDA" means operating profit before interest, taxes, depreciation and amortization, each item determined in accordance with PFRS, and the term "Debt Service" means the aggregate amount of the succeeding year's principal amortization for the Loan, interest, fees and other financial charges made or due in respect thereof payable by the Borrower, provided that one (1) year prior to the maturity of the Loan, "Debt Service Coverage Ratio" shall mean the ratio of sum of the beginning cash balance and EBITDA less regular dividends and advances to shareholders over Debt Service;
- ii. its Debt-to-Equity Ratio does not exceed 5.0x within the first two years from the Borrowing under the Term Loan and 4.0x thereafter.

The foregoing financial covenant shall be tested every six months based on annual audited or unaudited semi-annual parent company financial statements. On January 27, 2017, the OLSA was amended to include June 30, 2017 as the commencement date for the testing for the financial covenant ratios.

- d. Within the period required, open and establish the Debt Service Reserve Account; and ensure that the funds deposited in the Debt Service Reserve Account are at all times maintained in accordance with the agreement. As at March 31, 2026 and 2025, the balances of DSRA have been applied to the loan balance.
- e. Prior to the assignment or transfer of any trade names, copyrights, trademarks, patents and other intellectual property rights or licenses currently held by the Parent Company or any wholly-owned subsidiary of the Parent Company, the Parent Company shall pledge in favor of the Lender, under the terms and conditions of the Pledge under the Omnibus loan and security Agreement, all the outstanding shares of the Parent Company in such wholly-owned subsidiary.

As at March 31, 2026 and December 31, 2025 the Parent Company is in compliance with the aforementioned covenants.

#### Bank of the Philippines Islands (BPI) Loan

On February 24, 2022, the Group entered into a loan agreement with Bank of the Philippines Islands (the Lender). The Lender provided a principal amount of ₱1,600.0 million, payable in ten (10) years from March 2, 2022 (the value date). The loan has an effective interest rate of 4.3% payable monthly until paid in full.

On March 2, 2025, the loan was repriced at a new effective interest rate of 6.3% per annum, payable monthly. Concurrent with the repricing, BPI converted the principal installment of ₱320.0 million originally due on February 24, 2025 or at the end of the third year from borrowing date into a separate short-term facility maturing on February 26, 2026. Accordingly, such amount has been reclassified from long term loans payable to short term loans payable as of December 31, 2025.

The Group is not subject to any loan covenants from BPI loan.

Interest expense for long-term loans amounted to ₱58.0 million and ₱69.1 million in 2026 and 2025, respectively.

## 16. Equity

### Capital Stock

#### *Authorized capital stock*

The authorized capital stock of the Parent Company is 2,000,000,000 shares at ₱1 par value in March 31, 2026 and December 31, 2025.

#### *Issued and outstanding*

As at March 31, 2026 and December 31, 2025:

	No. of shares	Amount
<u>Balance at beginning and end of year</u>	<u>1,683,760,178</u>	<u>₱1,683,760,178</u>

Below is the Parent Company's track record of the registration of securities:

Date of SEC Order Rendered Effective or Permit to Sell	Event	Authorized Capital Stock	Issued Shares	Issue Price
	Registered and Listed Shares (Original Shares)	2,000,000,000	1,179,321,053	₱1.00
December 1, 2016	Initial Public Offering (IPO)			
	Primary	2,000,000,000	104,000,000	11.26
	Secondary	2,000,000,000	202,000,000	11.26
	Over-allotment Option	2,000,000,000	46,000,000	11.26
August 6, 2021	Issuance	2,000,000,000	152,439,025	7.93
August 9, 2021	Issuance	2,000,000,000	100	8.20

The issued and outstanding shares are held by 40 equity holders as at March 31, 2026 and December 31, 2025.

### Retained Earnings

Details of cash dividends declared in 2025 and 2024 are as follows:

<u>Date of Declaration</u>	<u>Dividend</u>		<u>Record Date</u>
	Rate (per share)	Amount	
June 20, 2023	0.10	168,376,017	July 31, 2023
April 15, 2024	0.20	336,752,036	May 15, 2024
July 3, 2025	0.20	336,752,036	August 4, 2025

There is no outstanding dividends payable as at March 31, 2026 and December 31, 2025.

Undistributed earnings of the subsidiaries included in the Group's retained earnings amounting to ₱287.3 million as at March 31, 2026 and ₱183.2 million as at December 31, 2025 are not currently available for dividend distribution.

### APIC

Amount received in excess of the par values of the shares issued amounting to ₱2,451.1 million were recognized as "APIC" as at March 31, 2026 and December 31, 2025, respectively.

## 17. Earnings per Share (EPS)

Basic EPS is computed based on the weighted average number of issued and outstanding common shares during each year. Diluted EPS is computed as if the potential common share or instrument that may entitle the holder to common share were exercised as of the beginning of the year. When there are no potential common shares or other instruments that may entitle the holder to common shares, diluted EPS, is the same as the basic EPS.

There are no dilutive financial instruments as of March 31, 2026 and December 31, 2025, hence, diluted EPS is the same as the basic EPS.

The Group's EPS were computed as follows:

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
(a) Net income (loss)	<b>₱133,803,941</b>	₱182,060,265
(b) Weighted average number of shares outstanding	<b>1,683,760,178</b>	1,683,760,178
Basic/ diluted EPS (a/b)	<b>₱0.08</b>	₱0.11

## 18. Financial Risks Management Objectives and Policies

The Group's principal financial instruments comprise cash, trade and other receivables and short-term and long-term loans payable. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as rental deposit, accounts payable and other current liabilities, and dealers' deposits arising directly from operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below:

*Credit Risk.* Credit risk is the risk that the Group will incur a loss because its customers or counterparties failed to discharge their contractual obligations. The Group manages and controls credit risk by trading only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The table below shows the maximum exposure to credit risk for the Group's financial assets, without taking account of any collateral and other credit enhancements:

	<b>March 31, 2026</b>	December 31, 2025
Cash*	<b>₱910,657,227</b>	₱1,088,337,100
Trade and other receivables	<b>1,516,065,330</b>	1,729,416,840
Rental and other deposits	<b>456,356,890</b>	452,414,707
Financial assets at FVOCI	<b>23,600,000</b>	23,600,000
Total credit risk exposure	<b>₱2,906,679,447</b>	₱3,293,768,647

\*Excluding cash on hand.

\*\*Included under Rental deposits and other noncurrent assets in the consolidated statements of financial position

An aging analysis of financial assets per class are as follows:

March 31, 2026						
	Neither Past Due	Past Due but not Impaired			Expected Credit Loss	Total
	nor Impaired	1–180 Days	Over 181 days	Subtotal		
Cash*	910,657,227	P-	P-	P-	P-	910,657,227
Trade and other receivables	1,140,713,806	346,839,269	44,980,839	391,820,108	16,468,584	1,516,065,330
Rental and other deposits	364,269,730	-	95,390,449	95,390,449	3,303,289	456,356,890
Financial assets at FVOCI	23,600,000	-	-	-	-	23,600,000
	<b>2,439,240,763</b>	<b>346,839,269</b>	<b>140,371,288</b>	<b>487,210,557</b>	<b>19,771,873</b>	<b>2,906,679,447</b>

\*Excluding cash on hand

December 31, 2025						
	Neither Past Due	Past Due but not Impaired			Expected Credit Loss	Total
	nor Impaired	1–180 Days	Over 181 days	Subtotal		
Cash*	₱1,088,337,100	P-	P-	P-	P-	₱1,088,337,100
Trade and other receivables	1,277,509,531	365,854,567	101,125,669	466,980,236	15,072,927	1,729,416,840
Rental and other deposits	347,311,507	-	109,046,271	109,046,271	3,943,071	452,414,707
Financial assets at FVOCI	23,600,000	-	-	-	-	23,600,000
	<b>₱2,736,758,138</b>	<b>₱365,854,567</b>	<b>₱210,171,940</b>	<b>₱576,026,507</b>	<b>₱19,015,998</b>	<b>₱3,293,768,647</b>

\*Excluding cash on hand.

A financial asset is considered past due when a counterparty has failed to make a payment when contractually due. “Past due but not impaired” financial assets are items with history of frequent default. Nevertheless, the amounts due are still collectible. Lastly, “Impaired” items are those that are long outstanding and have been specifically identified as impaired.

The tables below show the credit quality of the Group’s neither past due nor impaired financial assets based on their historical experience with the corresponding debtors:

March 31, 2026				
	High grade	Medium grade	Standard grade	Total
Cash*	₱910,657,227	P-	P-	₱910,657,227
Trade and other receivables	303,213,066	439,658,946	773,193,318	1,516,065,330
Rental and other deposits	18,254,276	-	438,102,614	456,356,890
Financial assets at FVOCI	23,600,000	-	-	23,600,000
	<b>₱1,255,725,569</b>	<b>₱439,658,946</b>	<b>₱1,211,295,933</b>	<b>₱2,906,679,447</b>

\*Excluding cash on hand.

December 31, 2025				
	High grade	Medium grade	Standard grade	Total
Cash*	₱1,088,337,100	P-	P-	₱1,088,337,100
Trade and other receivables	345,883,368	501,530,884	882,002,588	1,729,416,840
Rental and other noncurrent assets	18,096,588	-	434,318,119	452,414,707
Financial assets at FVOCI	23,600,000	-	-	23,600,000
	<b>₱1,475,917,056</b>	<b>₱501,530,884</b>	<b>₱1,316,320,707</b>	<b>₱3,293,768,647</b>

\*Excluding cash on hand.

Financial assets classified as “high grade” are those cash and cash equivalents transacted with reputable local banks and financial assets with no history of default on the agreed contract terms while “medium grade” includes those financial assets being collected on due dates with an effort of collection. Financial instruments classified as “standard grade” are those financial assets with little history of default on the agreed terms of the contract.

*Liquidity Risk.* Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet or settle its obligations at a reasonable price.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of advances to related parties. The Group maintains sufficient cash to finance its operations.

The Group manages its liquidity risk by maintaining strength and quality on financial position where debt-to-equity ratio is at a manageable level. The Group also maintains a financial strategy that the scheduled debts are within the Group's ability to generate cash from its business operations.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments. The tables also analyze the maturity profile of the Group's financial assets in order to provide a complete view of the Group's contractual commitments and liquidity.

March 31, 2026						
	Due and Demandable	< 90 Days	91–180 Days	181–365 Days	Over 365 Days	Total
Cash	994,840,756	–	–	–	–	994,840,756
Trade and other receivables	1,140,713,806	241,398,873	88,971,812	16,468,584	44,980,839	1,532,533,914
Rental and other deposits	364,269,730	–	–	–	95,390,449	459,660,179
Financial assets at FVOCI	23,600,000	–	–	–	–	23,600,000
	<b>2,523,424,291</b>	<b>241,398,873</b>	<b>88,971,812</b>	<b>16,468,584</b>	<b>140,371,288</b>	<b>3,010,634,849</b>
Accounts payable and other current liabilities:						
Trade payables	–	1,117,720,266	–	–	–	1,117,720,266
Nontrade payables	–	323,172,261	–	–	–	323,172,261
Accrued expenses	–	425,962,470	–	–	–	425,962,470
Other payables*	–	61,522,388	–	–	–	61,522,388
Dealers' deposit and other noncurrent payables	–	–	–	–	107,046,040	107,046,040
Long-term loans payable**	–	–	–	–	5,226,214,605	5,226,214,605
Lease Liability	–	–	–	619,305,220	2,846,056,456	3,465,361,675
	–	<b>1,928,377,385</b>	–	<b>619,305,220</b>	<b>8,179,317,101</b>	<b>10,726,999,705</b>
Liquidity gap	<b>2,523,424,291</b>	<b>(1,686,978,512)</b>	<b>88,971,812</b>	<b>(602,836,636)</b>	<b>(8,038,945,813)</b>	<b>(7,716,364,856)</b>

\*Excluding statutory payables.

\*\*Including future interest payments.

December 31, 2025						
	Due and Demandable	< 90 Days	91–180 Days	181–365 Days	Over 365 Days	Total
Cash	₱1,167,134,283	₱–	₱–	₱–	₱–	₱1,167,134,283
Trade and other receivables	1,277,509,531	283,914,666	81,939,901	34,173,909	51,878,833	1,729,416,840
Rental and other deposits	347,311,507	–	–	–	105,103,201	452,414,708
Financial assets at FVOCI	23,600,000	–	–	–	–	23,600,000
	<b>2,852,391,201</b>	<b>270,626,363</b>	<b>66,946,969</b>	<b>5,601,706</b>	<b>105,427,346</b>	<b>3,300,993,585</b>
Short-term loans**	–	–	–	1,252,612,500	–	1,252,612,500
Accounts payable and other current liabilities:						
Trade payables	–	1,282,013,651	–	–	–	1,282,013,651
Nontrade payables	–	387,217,267	–	–	–	387,217,267
Accrued expenses	–	494,069,701	–	–	–	494,069,701
Other payables*	–	64,729,303	–	–	–	64,729,303
Dealers' deposit and other noncurrent payables	–	–	–	–	105,559,382	105,559,382
Long-term loans payable**	–	–	–	–	4,989,443,349	4,989,443,349
Lease Liability	–	–	–	619,305,220	2,846,056,456	3,465,361,676
	–	<b>₱2,228,029,922</b>	–	<b>₱1,871,917,720</b>	<b>₱7,941,059,187</b>	<b>₱12,041,006,829</b>
Liquidity gap	<b>₱2,815,555,321</b>	<b>(₱1,944,115,256)</b>	<b>₱81,939,901</b>	<b>(₱1,837,743,811)</b>	<b>(₱7,784,077,153)</b>	<b>(₱8,669,440,998)</b>

\*Excluding statutory payables.

\*\*Including future interest payments.

### Capital Management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, so that it can provide returns to stockholders and benefits to others stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group adjust the dividend payment to stockholders, return capital to stockholders or issue new shares.

The Group's debt-to-equity ratios is as follows:

	<b>March 31, 2026</b>	December 31, 2025
Total liabilities	<b>11,508,776,746</b>	11,651,712,872
Total equity	<b>9,428,100,444</b>	9,302,280,633
	<b>1.24:1</b>	1.30 :1

## 19. Fair Value Information

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale.

*Financial Instruments Whose Carrying Amounts Approximate Fair Value.* Management has determined that the carrying amounts of cash, trade and other receivables, accounts payable and other current liabilities and dividends payable, based on their notional amounts, reasonably approximates their fair values because these are mostly short-term in nature or are repriced frequently.

*Other Financial Instruments.* Set out below is a comparison by category of carrying amounts and estimated fair values of the Group's financial instruments other than those described above:

As at March 31, 2026				
	Date of Valuation	Carrying Value	Fair Value	
			Level 1 Quoted	Level 2 Significant Observable Input
<b>Assets for which fair values are disclosed -</b>				
Rental deposits	March 31, 2026	P579,929,295	P-	P512,237,784
		<b>P579,929,295</b>	<b>P-</b>	<b>P512,237,784</b>
<b>Liabilities for which fair values are disclosed:</b>				
Long-term loans payable	March 31, 2026	5,226,214,605	-	3,634,363,425
Dealers' deposits	March 31, 2026	107,046,040	-	106,981,453
		<b>P5,333,260,645</b>	<b>P-</b>	<b>P3,741,344,878</b>
As at December 31, 2025				
	Date of Valuation	Carrying Value	Fair Value	
			Level 1 Quoted	Level 2 Significant Observable Input
<b>Assets for which fair values are disclosed -</b>				
Rental deposits and other noncurrent assets	December 31, 2025	P539,392,774	P-	P476,432,837
		<b>P539,392,774</b>	<b>P-</b>	<b>P476,432,837</b>
<b>Liabilities for which fair values are disclosed:</b>				
Long-term loans payable	December 31, 2025	P4,829,060,215	P-	P3,358,178,175
Dealers' deposits and other noncurrent liabilities	December 31, 2025	105,559,382	-	105,495,692

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

*Rental Deposits.* The fair values were obtained by discounting the instruments' expected cash flows using interest rates of to 6.41% as at March 31, 2026 and December 31, 2025.

*Long-term loans Payable.* The fair value of loan payable which was discounted using prevailing market rate of 5.56% as at March 31, 2026 and December 31, 2025 approximates the carrying value since these bear interest at current market rates. Fair value category is Level 2, significant observable inputs.

*Dealers' Deposits.* The fair values were obtained by discounting the instruments' expected cash flows using interest rates of 5.93% as at March 31, 2026 and December 31, 2025.

As at March 31, 2026 and December 31, 2025, there were no transfers between Level 1 and 2 fair value measurements.