

To:

BURSA DE VALORI BUCUREȘTI S.A.
AUTORITATEA DE SUPRAVEGHERE FINANCIARĂ

CURRENT REPORT 10/2026

According to Law no. 24/2017 regarding issuers of financial instruments and market operations, ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations and/or Rulebook of the Bucharest Stock Exchange Market Operator.

Date of report	27.02.2026
Name of the Company	Sphera Franchise Group SA
Registered Office	Bucharest, Romania
Address	Calea Dorobanților nr. 239, 2nd floor, Bucharest, District 1
Phone / Fax	+40 21 201 17 57 / +40 21 201 17 59
Email	investor.relations@spheragroup.com
Registration nr. with Trade Registry	J2017007126404
Fiscal Code	RO 37586457
Subscribed and paid share capital	580,101,930 RON
Total number of shares	38,673,462
Symbol	SFG
Market where securities are traded	Bucharest Stock Exchange, Main Segment, Premium Category

Important events to be reported: 2025 Preliminary financial results

In 2025, sales of Sphera Franchise Group S.A. (hereinafter referred to as the "Group") increased 1.5%, reaching RON 1,570.9 million in 2025, with other restaurant income amounting to RON 6.1 million, compared to RON 2.3 million in 2024. Most of the revenues were generated in Romania – RON 1,346.2 million (85.7% of total sales; +1.0% YoY), followed by Italy – RON 196.4 million (12.5% of total sales; +2.4% YoY) and the Republic of Moldova – RON 28.3 million (1.8% of total sales; +19.7% YoY). Analyzing performance per brand, sales of KFC amounted to RON 1,356.6 million (86.4% of total sales; +0.6% YoY), Pizza Hut generated RON 106.8 million (6.8% of total sales; -1.5% YoY), while Taco Bell recorded sales of RON 106.7 million (6.8% of total sales; +16.2% YoY). Additionally, Cioccolatitaliani, the Group's 2025 portfolio addition, contributed RON 0.8 million in sales during the year.

Restaurant expenses amounted to RON 1,425.3 million in 2025, representing a 5.1% increase year-on-year, outpacing the growth in restaurant sales. Consequently, the weight of restaurant expenses in total sales increased by 3.2pp, from 87.6% in 2024 to 90.7% in 2025. It is important to note that the majority of the cost pressure was recorded in the first half of the year, while the second half, particularly Q4 2025, showed signs of stabilization and rebound.

Restaurant operating profit at KFC Romania ("USFN Romania") reached RON 131.4 million in 2025 (-18.6% YoY), followed by KFC Italy ("USFN Italy"), which contributed RON 9.4 million (-48.0% YoY), Taco Bell ("CFF"), which generated RON 9.3 million (-2.5% YoY) and KFC Moldova ("USFN Moldova"), with RON 4.4 million (+1.1% YoY). Pizza Hut ("ARS") generated a restaurant operating loss of RON 2.1 million. Excluding normalized items of RON 2.7m, restaurant operating profit was RON 0.6 million, compared to a profit of RON 1 million registered in the prior year, which supported management's decision to further streamline the network with the objective of restoring profitability. Cioccolatitaliani ("CHOCO"), which inaugurated its first and only location during 2025, recorded a restaurant operating loss of RON 1.5 million for the full year.

G&A expenses increased by 5.1% YoY in 2025 and remained stable as a percentage of sales at 4.3%, a 0.1pp increase. As a result, normalized EBITDA at the level of the Group stood at RON 147.8 million, reflecting a 16.4% YoY decrease, primarily due to higher restaurant operating costs especially in the first half of 2025, and the inelasticity of the G&A expenses.

Net finance costs decreased by 20% YoY, from RON 9.8 million in 2024 to RON 7.9 million in 2025, primarily reflecting improved financing conditions and lower interest expenses. Profit before tax amounted to RON 76.3 million, representing a 36.7% YoY decrease, while income tax expense declined by 38.4% YoY to RON 14.4 million.

The 36.3% YoY decline in net profit for 2025, to RON 61.9 million, was mainly driven by elevated operating expenses and weak consumption trends in Romania during the first half of the year, particularly payroll and other operating costs, which led to margin compression at restaurant level. While the second half of the year showed gradual improvement and Q4 delivered a notably stronger performance, this recovery was not sufficient to offset the weaker results recorded in H1 2025.

Net profit and EBITDA for 2025 were also influenced by one-off normalization items recorded throughout the year, amounting to RON 10.8 million at profit level and RON 3.5 million at EBITDA level, mainly related to restructuring measures and store closures in Italy and the planned closing of the unprofitable stores from the Pizza Hut network, as well as asset write-offs associated with relocations. Consequently, excluding the impact of these one-off measures, the normalized EBITDA decreased by 16.4% YoY to RON 147.8 million, while normalized net profit declined by 25.2% YoY to RON 72.7 million.

Data presented above is excluding the impact of IRFS 16 adoption.

Investor Call

The conference call for presenting the financial results as of December 31st, 2025, will take place on February 27th, 2026, at 12:00 PM. The call will be held in English and is open to all the stakeholders. The call log-in details are provided below:

SFG 2025 Preliminary Results Call

27.02.2026, 12:00 PM EET | [Click here to join the meeting](#)

Meeting ID: 310 669 385 814 96 | Passcode: E8zw9uW3

[Add to Outlook \(Live\)](#) | [Add to Outlook \(Office365\)](#) | [Add to Google Calendar](#) | [Add to Yahoo Calendar](#)

Report Availability

The Group's preliminary condensed consolidated financial statements for the twelve-month period ended December 31st, 2025 (unaudited), accompanied by the Director's Report, are available on the company's website, www.spheragroup.com, in the Investor Relations section, on the website of the Bucharest Stock Exchange, www.bvb.ro, as well as are attached to this Report.

CHIEF EXECUTIVE OFFICER

Călin Ionescu

CHIEF FINANCIAL OFFICER

Valentin Budeş