To:

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

CURRENT REPORT 40/2026

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	**31.08.2026**
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: H1 2026 Financial Results

Sphera Franchise Group generated restaurant sales of RON 376.6 million in Q2 2026, representing a 1.6% YoY decrease, reflecting a more cautious consumer environment across the Group's markets, particularly in Romania, where consumer sentiment remained subdued amid the political uncertainty surrounding the interim government and the evolving fiscal environment. Nevertheless, the Group maintained a resilient performance, with H1 2026 restaurant sales increasing by 1.2% YoY, supported by the contribution of restaurants opened over the last twelve months, particularly under the Taco Bell brand, as well as the continued expansion of the full restaurant network.

Romania remained the Group's largest market, generating RON 322.1 million in restaurant sales during Q2 2026, representing a 1.6% YoY decrease, while delivering a 1.5% growth in H1 2026. Italy contributed RON 44.7 million in Q2 2026, down 7.6% YoY, reflecting softer market conditions and the impact of the closings (Verona Piazza delle Erbe and Bari Central Station). The Republic of Moldova recorded the strongest growth within the Group, with restaurant sales increasing by 43.9% YoY to RON 9.8 million for Q2 2026, supported by the contribution of newly opened restaurants and the reopening of the relocated Chisinau MallDova restaurant, early in Q2 2026. Consequently, Romania accounted for 85.5% of total restaurant sales in Q2 2026, Italy for 11.9%, and the Republic of Moldova for 2.6%.

By brand, KFC generated RON 323.1 million in restaurant sales during Q2 2026, representing a 2.2% YoY decrease, reflecting softer consumer demand across the Group's key markets while continuing to represent the Group's core business. Pizza Hut contributed RON 23.7 million, down 9.5% YoY, as the brand continued to operate in a challenging casual dining environment while advancing the optimization of its restaurant network. Taco Bell remained the fastest-growing established brand within the Group's portfolio, increasing sales by 10.4% YoY to RON 28.7 million, supported by the contribution of restaurants opened over the last twelve months. Cioccolatitaliani generated RON 1.1 million in restaurant sales during the quarter, reflecting the continued ramp-up of the concept following the opening of its second location in Italy.

In Q2 2026, restaurant expenses decreased by 3.2% YoY, to RON 344.6 million, outpacing the decline in restaurant sales. As a result, restaurant expenses represented 91.5% of restaurant sales, improving by 1.5 percentage points compared to Q2 2025. The improvement reflected disciplined cost management across most operating expense categories, despite continued investments in marketing and brand visibility.

As a result of the disciplined cost management, restaurant operating profit increased by 20.0% YoY, reaching RON 32.5 million, while the corresponding margin improved by 1.6 percentage points, to 8.6%. G&A expenses increased by 4.8% YoY, to RON 17.8 million, with operating profit increasing by 45.3% YoY, to RON 14.7 million, with the operating margin improving to 3.9%, compared to 2.6% in Q2 2025.

At the level of the first six months of 2026, Sphera Franchise Group generated restaurant sales of RON 754.5 million, representing a 1.2% YoY increase, while other restaurant income amounted to RON 1.4 million. Sales growth was supported by the contribution of newly opened restaurants, particularly under the Taco Bell brand, as well as the resilient performance of the Romanian market during the first half of the year, despite a softer consumer environment experienced in the second quarter.

By brand, KFC generated RON 647.4 million, representing 85.8% of total restaurant sales and an increase of 0.9% YoY. Pizza Hut contributed RON 50.0 million, reflecting a 6.3% YoY decrease, as the brand continued the optimization of its restaurant network. Taco Bell remained the fastest-growing established brand within the Group's portfolio, generating RON 55.7 million, up 11.3% YoY, supported by the contribution of restaurants opened over the last twelve months. Cioccolatitaliani contributed RON 1.4 million, reflecting the continued development of the concept following the opening of the second location in Italy.

Restaurant expenses increased by 0.9% YoY, to RON 698.1 million, below the pace of restaurant sales growth. Consequently, restaurant expenses represented 92.5% of restaurant sales, improving by 0.3 percentage points compared to H1 2025, reflecting continued operational discipline and effective cost management across the business.

G&A expenses decreased by 1.6% YoY in H1 2026, to RON 32.5 million, reflecting the Group’s sustained focus with HQ overhead cost optimization. As a percentage of sales, G&A expenses improved by 0.1 percentage points YoY, reaching 4.4% in H1 2026. Operating profit increased 12.2% YoY, reaching RON 25.4 million.

EBITDA at the level of the Group stood at RON 52.4 million in H1 2026, reflecting a 2.3% YoY increase, while normalized EBITDA, excluding one-off items, amounted to RON 52.5 million, down 0.6% YoY.

Net finance costs increased by 36.6% YoY, from RON 4.0 million in H1 2025 to RON 5.5 million in H1 2026, primarily mainly due to FX losses generated by unfavorable evolution of the exchange rates. Nonetheless, due to improved operating results, the profit before tax increased by 6.9% YoY, to RON 20.0 million. Income tax expense increased by 5.3% YoY due to improved results, to RON 6.4 million. As a result, the net profit increased by 7.8% YoY, to RON 13.6 million in H1 2026. Excluding one-off items, normalized profit for the period amounted to RON 13.7 million, representing a 22.6% YoY decrease, while normalized EBITDA reached RON 52.5 million, remaining broadly stable compared to the first six months of 2025, with a normalized EBITDA margin of 7.0%.

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

Investor Call

The conference call for presenting the financial results as of June 30th, 2026, will take place on August 31st, 2026. The call will be held in English and is open to all the stakeholders. The conference call will take place on Microsoft Teams, and the call log-in details are provided below:

SFG H1 2026 Results Call in English

31.08.2026, 12:00 local time | Click here to join the meeting

Meeting ID: 392 046 626 394 992| Passcode: Mg2Md2VP

Add to Outlook (Live) | Add to Outlook (Office365) | Add to Gmail Calendar | Add to Yahoo Calendar

Report Availability

The Group's interim condensed consolidated financial statements for the six-month period ended June 30th, 2026 (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.

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