



 Spinneys

Q1 2026 EARNINGS PRESENTATION

MAY 2026

No statement in this document is intended to be nor may be construed as a profit forecast.

Any statements made in this document which could be classed a "forward-looking" are based upon various assumptions, including, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant risks, uncertainties and contingencies.

Forward-looking statements are not guarantees of future performance.

Risks, uncertainties, contingencies could cause the actual results of operations, financial condition and liquidity of the Company to differ materially from those results expressed or implied in the document by such forward-looking statements.

No representation or warranty is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved.

No reliance should be placed on any forward-looking statement.



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Financial and Operational Highlights

Robust results during challenging times

Revenues grew to AED 1,014m for Q1 2026, up 11.9% YoY

Like-for-like sales growth of 7.4%, with adjusted EBITDA margin 18.2%

Ecommerce growth of 34.9% YoY, with participation at 18.8%

Profit after tax of AED 87m, up 1.9% YoY

Cash and Bank balance of AED 871m

Financial and Operational Highlights



Transactions

9.9m → 10.8m

▲ 8.5%



Fresh Sales

64.0% → 64.6%

▲ 0.6%



Private Label Penetration

44.2% → 46.1%

▲ 1.9%



Average Basket Size

AED 89.8 → AED 92.9

▲ 3.4%



Store Footprint

81 → 93

▲ 14.8%



Ecommerce Participation

15.6% → 18.8%

▲ 3.2%



Navigating Regional Challenges

Impact of the Conflict

PANIC BUYING during the initial days of the conflict

REMOTE SCHOOLING, OFFICE WORK and **EARLY HOLIDAYS** impacted Sales and Margin

MALL and **OFFICE BASED STORES** were impacted the most

AIR and **SEA SUPPLY CHAIN** disruption impacted availability and margin

FACTORY, LOGISTICS and **INTERNATIONAL SOURCING OFFICES** helped us with a quicker response to the regional challenges



Navigating Regional Challenges



Times of crisis sparks supply chain innovation

AIR FREIGHT: Air freight was heavily affected first couple of days, forcing the use of freighter planes. Within days Emirates and Etihad secured capacity for us on passenger planes, enabling us to keep high availability on fresh products

PORTS: With ports in the Arabian Gulf inaccessible, all sea freight is redirected to ports on the east coast, causing heavy congestion at ports which was not designed to handle the redirected container volumes

END OF VOYAGE: Port congestion forced shipping lines to call end-of-voyage for some shipments in India and Sri Lanka, adding significant delays and additional costs for feeder vessels and road transport

DELAYS: Only 20% of planned March shipments received during the month of March, with 21 days average delay experienced. Remainder of March shipments received during April and some still undelivered

INNOVATION: High air freight rates and uncertain sea lead times forced us to test a road freight option from UK to UAE, which was successful and will remain post-crisis time as an option for previously air-freight medium shelf-life products from Europe

COST IMPACT: Additional surcharges on containers, increases in fuel prices and freight cost have impacted landed cost significantly

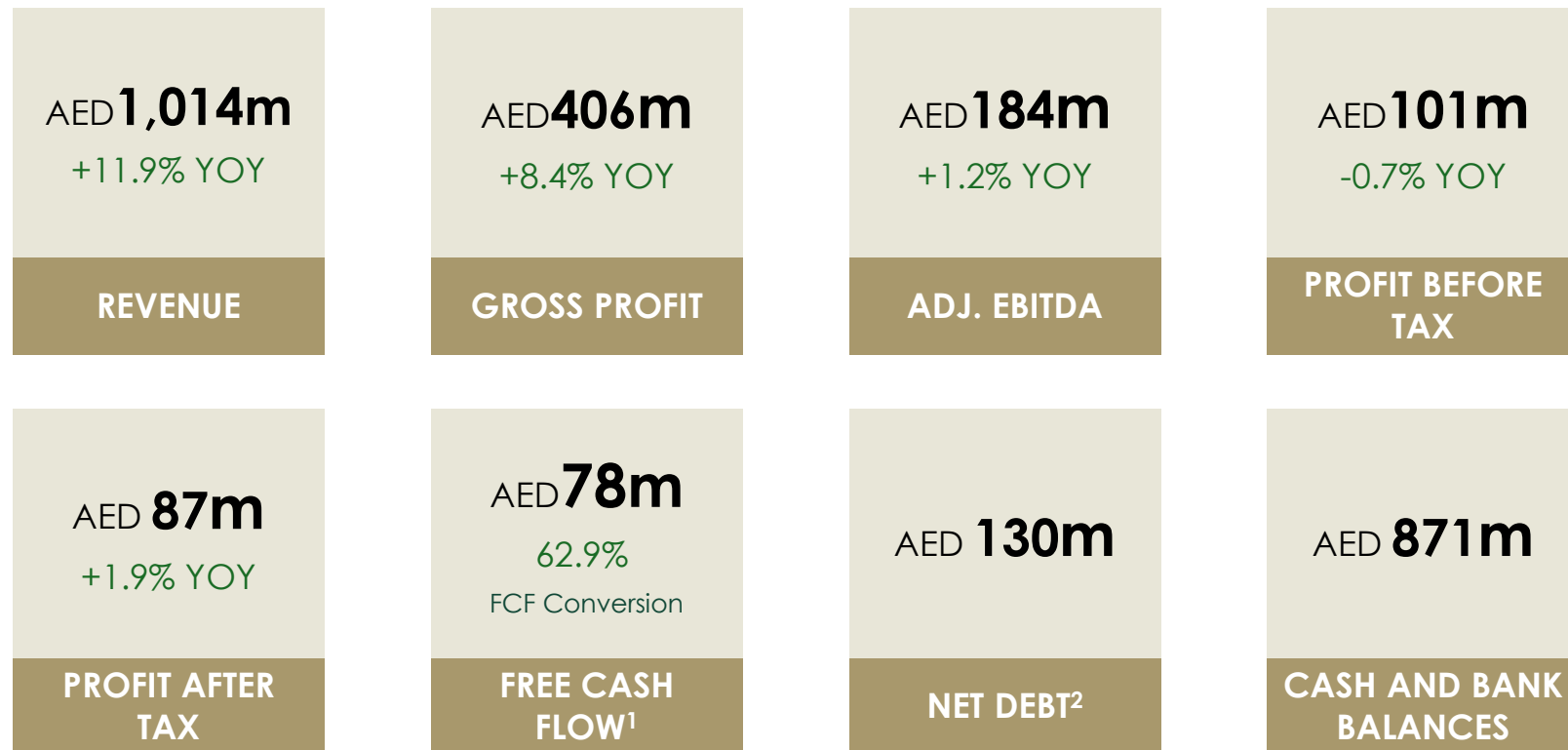
Long way round: Ground covered by Spinneys lorries to restock UAE supermarket shelves





Financial Highlights

Financial Highlights

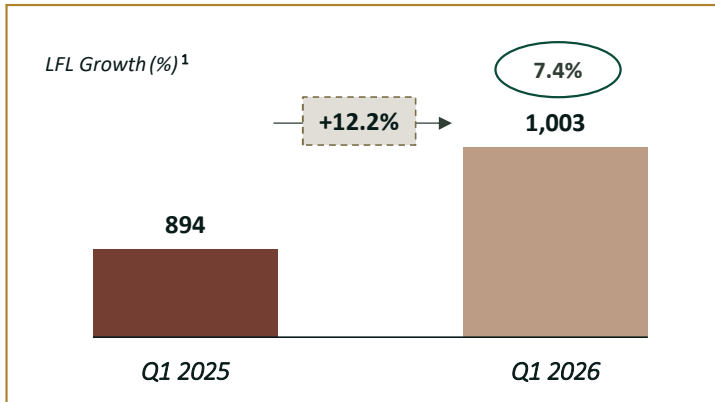


Notes: 1. FCF: Adjusted EBITDA +/- change in net working capital (NWC) +/- change in related party balances, minus purchase of property, plant and equipment, depreciation and impairment on right-of-use assets and interest on lease liabilities.
2. Total interest-bearing loans and borrowings plus lease liabilities minus cash and short-term deposits.

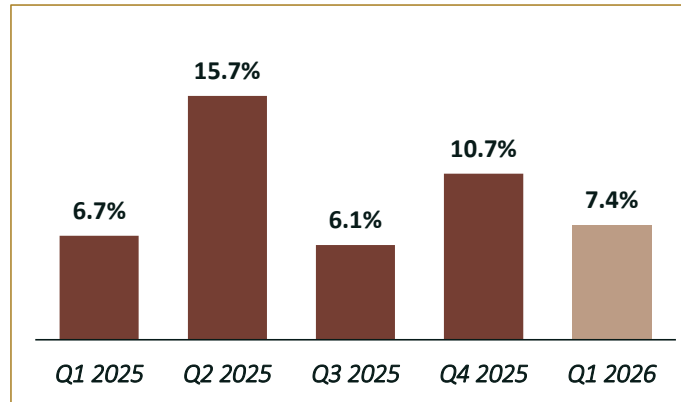
Financial Highlights – Retail Revenue



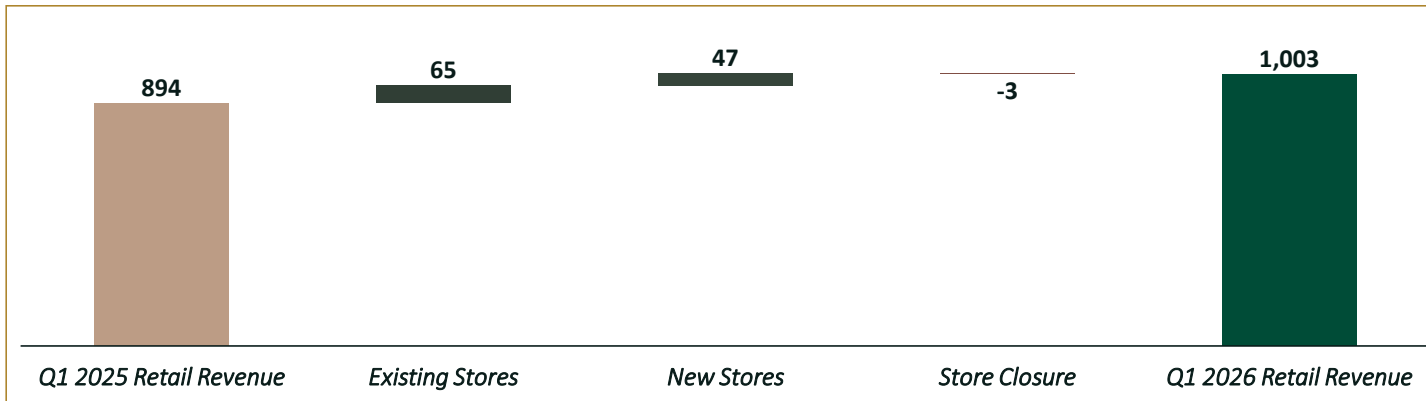
Retail Revenue (AED m)



Like-for-Like Growth



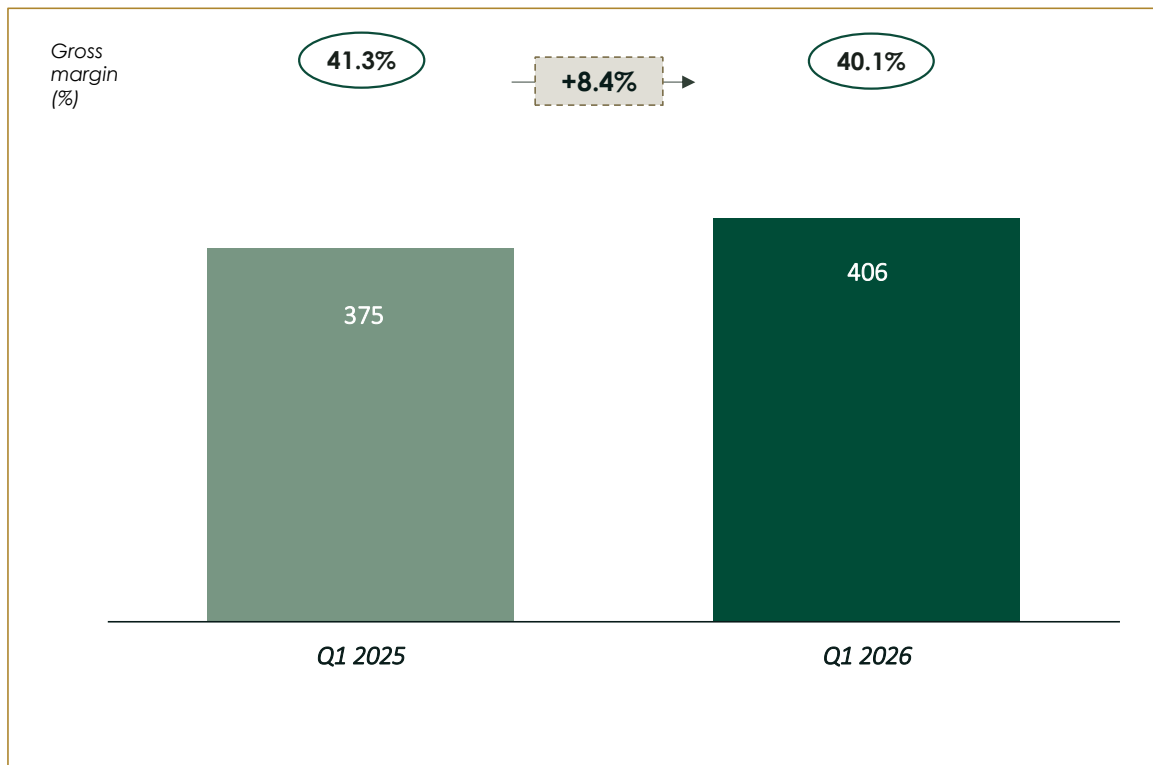
Q1 2025 - Q1 2026 Retail Revenue Bridge (AED m)



Notes: 1 LFL: % change in revenues for stores generating monthly revenues over the 12 months in a given financial year, excluding stores closed during the period.

- Revenue was strong during first two months but slowed during March due to the regional conflict
- **13** stores opened and **1** closed
 - Al Barsha Souk replaced by larger Al Barsha Store
- Increase in Fresh Sales and Private Label penetration by **0.6%** and **1.9%**, respectively
- LFL growth of **7.4%** from existing stores
- Online sales penetration increased to **18.8%**

Gross Profit (AED m) and GM %



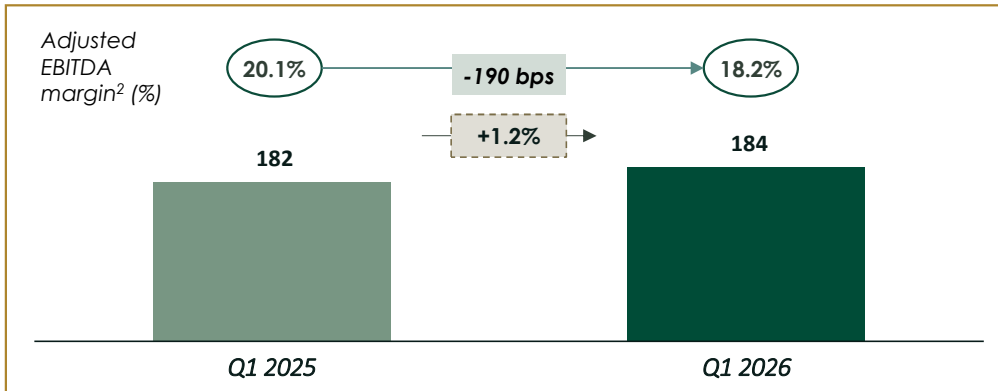
Overall gross margin was healthy due to the increase in Private Label and Fresh participation. March was affected by extended transit times and ongoing logistical disruptions linked to the geopolitical situation in the Middle East

- **Higher freight costs**
- **Inflationary pressures**
- **Higher wastage and inventory related provisions**

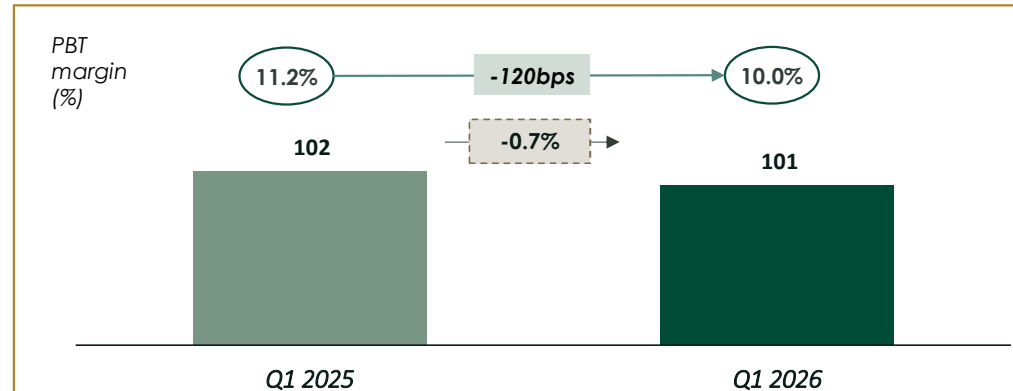
Financial Highlights – Adjusted EBITDA and Profit



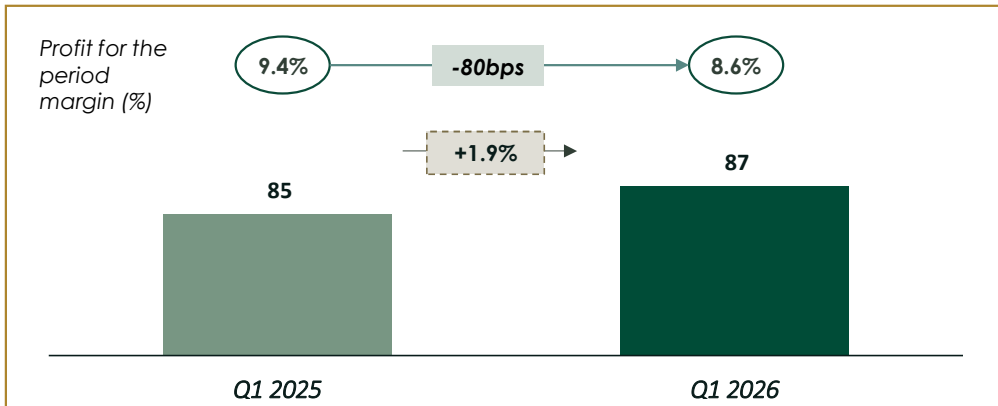
Adjusted EBITDA¹ (AED m)



Profit Before Tax (AED m)



Profit for the Period (AED m)



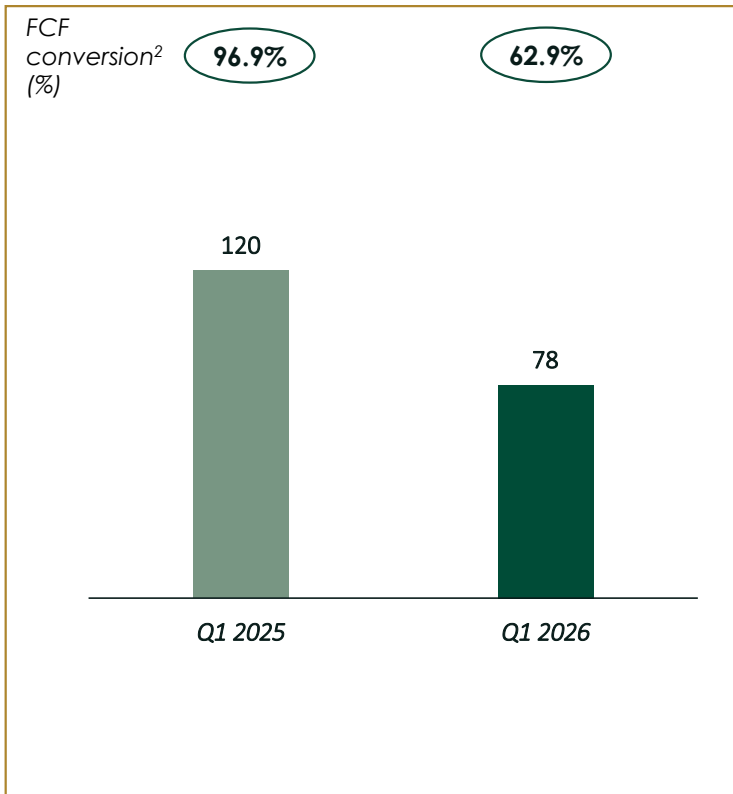
- Profitability remained stable because of disciplined cost management while impacted by gross margin compression and fixed cost elements such as depreciation and rental payout

Notes: 1. Adjusted EBITDA is profit before tax plus depreciation and impairment of property, plant and equipment, depreciation and impairment of right-of-use assets, impairment of goodwill, finance costs minus finance income.
2. Adjusted EBITDA divided by revenue.

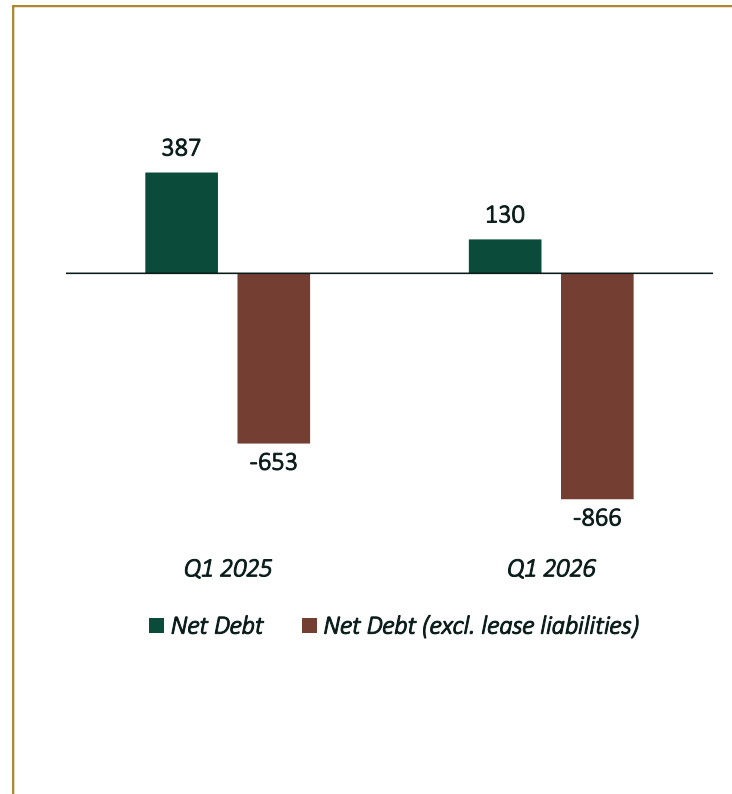
Financial Highlights – Free Cash Flow and Net Debt



Free Cash Flow¹ Evolution (AED m)



Net Debt Evolution³ (AED m)



- > 99% of gross debt relates to **lease liabilities**
- **Self-funded growth** with minimal financial debt on balance sheet
- Cash and bank balances of **AED 871m**

Notes: 1. FCF: Adjusted EBITDA +/- change in net working capital (NWC) +/- change in related party balances, minus purchase of property, plant and equipment, depreciation and impairment on right-of-use assets and interest on lease liabilities. 2. FCF conversion: FCF divided by Adjusted EBITDA (post lease related expenses). 3. Total interest-bearing loans and borrowings plus lease liabilities minus cash and short-term deposits.



Outlook and Strategic Focus

2026 Outlook and Strategic Focus



SUPPLY CHAIN OPTIMIZATION

Ensure the landed cost is optimized considering new freight options

Improve availability to pre conflict levels

STORE OPENINGS

Store openings are progressing as planned

SPINNEYS ECOMMERCE

Increasing our reach to customers by adding more aggregators



Supply chain optimization

Building our store portfolio



Expanding eCommerce reach



Regional and International Expansion



PHILIPPINES

First and Second store planned for Q4 2026

Fine Fare Food Corporation incorporated and funded and in process of obtaining import licenses

Logistics and product range being refined

KUWAIT

First store opening estimated for Q1 2027

Logistics and product range work ongoing





2026 Guidance

2026 Guidance



Guidance remains unchanged currently due to the uncertainty in the region, as soon as the situation stabilizes, we will review the outlook for the remainder of 2026

	FY2025 (A)	FY2026 Guidance
Store openings	13	6 – 10 ¹
Store closures	3	1
Revenue Growth %	13.1%	9 – 11%
LFL Revenue Growth %	10.7%	6 - 8%
Adj. EBITDA Margin %	20.0%	18 – 20.0%
Capex as % of Revenue	3.4%	3.5% - 4.0%

Notes: 1. Store Openings excludes Philippines and Kuwait.



Q&A



Appendix

Our Purpose



Strong link to food
Holistic - nourish body, mind & soul

Healthier, happier, more meaningful,
tastier, more sustainable

It's personal for us, we treat our
customers with personalized service

To nourish and inspire our communities to live better lives, day by day

Inspirations from our colleagues'
journeys & focus on health,
wellbeing, as well as indulgence

We strive to be a pillar throughout
our communities – the Spinneys
family, our suppliers & our
communities of customers

Ongoing, consistency
& resilience



Mr. Ali Saeed Juma Albwardy
Chairman

**“We don't want to be the
biggest retailer, we want to
be the best retailer”**



Interim Condensed Consolidated Statement of Profit and Loss



AED '000	Q1 2026	Q1 2025
Revenue from contracts with customers	1,002,612	893,647
Rental income	11,579	12,812
Revenue	1,014,191	906,459
Cost of sales	(607,943)	(531,743)
Gross profit	406,248	374,716
Other income	1,675	5,842
Selling, general and administrative expenses	(223,841)	(198,571)
Depreciation and impairment of right-of-use assets	(46,596)	(44,326)
Depreciation and impairment of property, plant and equipment	(30,171)	(27,140)
Finance income	7,220	5,307
Finance costs	(13,358)	(13,948)
Profit before tax	101,177	101,880
Income tax expense	(14,343)	(16,692)
Profit for the period	86,834	85,188
Earnings per Share* (AED per share)	0.025	0.025

*Basic and diluted, profit for the period attributable to equity holders of the Company

Interim Condensed Consolidated Statement of Financial Position



AED '000	31 March 2026	31 December 2025
ASSETS		
Non-current assets		
Property, plant and equipment	429,319	434,981
Intangible assets	34,000	34,000
Right of use assets	836,571	871,834
Investment in an associate	642	-
Other non-current assets	53,191	53,232
Deferred tax assets	1,120	1,200
Current assets		
Inventories	136,020	170,476
Trade receivable, prepayments and other receivables	60,812	89,048
Amounts due from related parties	3,973	4,619
Bank balances and cash	871,271	776,459
TOTAL ASSETS	2,426,919	2,435,849
EQUITY AND LIABILITIES		
Share capital	36,000	36,000
Restricted reserve	4,778	4,778
Retained earnings	350,986	388,997
Own Shares	(29)	(14)
Own Shares Reserve	(4,654)	(2,551)
Actuarial reserve	3,134	3,134
Foreign currency translation reserve	1,282	1,468
Equity Attributable to equity holders of the company	391,497	431,812
Non-controlling interest	(30,750)	(26,013)
Total Equity	360,747	405,799
LIABILITIES		
Non-current liabilities		
Interest-bearing loans and borrowings	4,816	5,118
Other non-current liabilities	20,340	18,794
Lease liabilities	812,319	845,206
Employees EOS benefits	89,022	87,230
Deferred tax liability	1,147	1,147
Current liabilities		
Trade payable, accruals and other payables	864,808	807,581
Lease liabilities	183,611	184,478
Interest bearing loans and borrowings	792	808
Amounts due to related parties	14,128	18,790
Income tax payable	75,189	60,898
TOTAL LIABILITIES	2,066,172	2,030,050
TOTAL EQUITY AND LIABILITIES	2,426,919	2,435,849

Interim Condensed Consolidated Statement of Cash Flows



AED '000	31 March 2026	31 March 2025
OPERATING ACTIVITIES		
Profit before tax	101,177	101,880
Adjustments to reconcile profit before tax to net cash flows:		
Net gain on disposal of property, plant and equipment	(220)	(223)
Finance income	(7,220)	(5,307)
Finance costs	13,358	13,948
Depreciation and impairment of PPE	30,171	27,140
Depreciation and impairment of ROU	46,596	44,326
(Loss)/ gain on change in fair value of forward exchange contracts	3,281	(6,255)
Provision for old and obsolete inventories	6,838	1,978
Gain on termination of leases	-	(217)
Provision for employees' end of service benefits	3,469	2,816
	197,450	180,086
Working capital Adjustments:		
Inventories	27,618	(3,124)
Trade receivable, prepayments and other receivables	24,405	2,255
Related parties' balances	(4,022)	(5,220)
Trade payable, accruals and other payables	(72,597)	18,520
	172,854	192,517
Employees' end of service benefits paid	(1,676)	(2,167)
Interest paid	(13,358)	(13,948)
Income tax paid	-	(778)
Net cash flows from operating activities	157,820	175,624
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(25,514)	(21,695)
Proceeds from disposal of property, plant and equipment and intangible assets	737	223
Proceeds from/ (investment in) short-term deposits	(79,000)	59,000
Interest received	7,463	5,460
Investment in an associate	(642)	-
Net cash flows (used in)/ from investing activities	(96,956)	42,988
FINANCING ACTIVITIES		
Repayment of principle portion of lease liabilities	(45,083)	(35,673)
Repayment of loans and borrowings	(203)	(194)
Net cash flows used in financing activities	(45,286)	(35,867)
NET INCREASE IN CASH AND CASH EQUIVALENTS	15,578	182,745
Cash and cash equivalents at 1 January	109,459	60,168
Net foreign exchange difference	234	(352)
CASH AND CASH EQUIVALENTS AT 31 March	125,271	242,561



Thank you

