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August 18, 2026

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G-Block
Bandra-Kurla Complex
Bandra (East),
Mumbai – 400 051
(Symbol: SPENCERS)

BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai – 400 001
(Scrip Code: 542337)

Dear Sir/Madam,

Sub: Transcripts of the Q1FY27 Post Results Earnings Conference Call

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Q1FY27 Post Results Earnings Conference Call held with Analysts on August 13, 2026 at 5:00 P.M. (IST).

This information is available on the website of the Company at www.spencersretail.com.

You are requested to kindly take the aforementioned information on record and oblige.

Thanking you.

Yours faithfully,
For Spencer's Retail Limited
NAVIN KUMAR RATHI
Digitally signed by NAVIN KUMAR RATHI
Date: 2026.08.18 12:26:44 +05'30'
Navin Kumar Rathi
Company Secretary & Compliance Officer

Encl: As above

“Spencer Retail Limited
Q1 FY27 Earnings Conference Call”
August 13, 2026

MANAGEMENT: **MR. ANUJ SINGH – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – SPENCER’S RETAIL LIMITED**
MR. MANJIR BASU – CHIEF FINANCIAL OFFICER – SPENCER’S RETAIL LIMITED
MR. PANKAJ KEDIA – EXECUTIVE DIRECTOR – INVESTOR RELATIONS

Moderator: Ladies and gentlemen, good day, and welcome to Spencer's Retail Limited Q1 FY '27 Earnings Conference Call hosted by Emkay Global Financial Services Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anuj Singh, CEO and MD. Thank you, and over to you.

Anuj Singh: Thank you very much, and good evening, everyone and welcome to the Q1 FY '27 earnings call. Thank you for your time to attend the call. As you know, we've concluded the Board meeting about half an hour ago. And I don't know whether most of you would have had the time to look at the earnings presentation, but I will walk you through what the quarter highlights were and what the achievements were. I'll do it at a consolidated level and then give you a little bit more color on how Spencer's did and how Natures Basket did and where we see this moving forward in the quarters for this fiscal and then open it up for questions from your side.

So if I were to kind of headline and summarize quarter 1, I would say, by all definitions, it was a very strong quarter 1 for us, strong as defined by the fact that there was a good growth, which we were able to deliver. At a consolidated level, revenues were at Rs. 469 crores for the quarter versus Rs. 416 crores in quarter 1 last year, which is a 13% year-on-year growth. And if I compare it with quarter 4, it was an 8% quarter-on-quarter growth. This is significant because it's not one-off. This is actually the second consecutive quarter where we've been able to deliver good growth versus the comparative of the previous year.

Gross margins were at the same percentage level, at an absolute level, of course, they were higher, Rs. 93 crores at a consolidated level versus Rs. 86 crores in quarter 1 last year. And this led to -- coupled with the fact that there was good control on costs. Overall, we continued keeping a very tight control on our costs. And there was a 2x improvement as far as our EBITDA was concerned. So, EBITDA at a consolidated level for the quarter was Rs. 9.4 crores, which is roughly 2% of sales versus Rs. 4.7 crores or 1% of sales in quarter 1 of last year.

A point to note is that in this EBITDA in the comparative with last year, we had Rs. 10 crores lower other income, nonoperating income. So, if one were to strip that out, that is where you would kind of get the true magnitude of the improvement in EBITDA. This overall performance of 13% sales growth was powered by strong 8% growth, which was on the Spencer's format. So, Spencer's, again, continued the trend of growth. This was not just the second quarter, but actually, if I were to look at it, it is the eighth consecutive month where we've been able to deliver growth over the previous year.

So Spencer's had a quarterly growth of 18% year-on-year and 8% versus quarter 4 of the last year. This was driven -- growth was across both offline and the online channel. Online business grew at 50%, actually 49%, with profitability at the unit order level, and I'll give you some more details on this in a few minutes. The offline business also did well, grew at 14%, strong double digit. Again, largely driven with improvement in consumer retention and repeat and frequency. And that was a good sign that the offline business was also resilient and growing.

Margins were steady. If you see, it will probably be 18.2% versus 19.1%, but this difference is attributable to an accounting treatment of our membership. If I look for like-for-like, margins are steady at 19%. EBITDA for Spencer's was Rs. 18 crores, which is 4.4% of sales, versus the previous year quarter 1 where it was Rs. 15 crores, but that Rs. 15 crores had a non-operating income of about Rs. 7 crores. So really, I mean, the improvement happened in Spencer's, where it was largely top line RGM, coupled with the fact that our operational expenses were 5% lower versus quarter 1.

So I think Spencer's is making good progress. We are like we have been mentioning, we've been moving from an efficiency-led EBITDA improvement to now going towards a sales growth-led EBITDA improvement. I think from here on, we will see continuous growth and growth with continued control on our operating costs will be the expansion lever as far as EBITDA is concerned.

On Nature Basket, we had a slightly muted performance, 8% quarter-on-quarter growth versus Q4 and a 13% degrowth. Sales were at Rs. 59 crores for the quarter versus Rs. 55 crores in Q4 and Rs. 69 crores versus Q1 FY26. Margins were flat. Expenses were marginally lower. And therefore, the financial EBITDA was -- negative Rs. 2.5 crores versus negative Rs. 4.5 crores in quarter 4, but slight positive in quarter 1 FY26. So overall, at a consolidated level, quarter 1 EBITDA was Rs. 9.4 crores versus Rs. 4.7 crores in quarter 1. PBT Rs. 60 crores negative versus Rs. 66 crores in quarter 4 last year.

So I think this is a broad, I would say, headline summary. If I talk about Spencer's, I think Spencer's was -- like I said, it was the eighth consecutive month of growth. I think here we've been able to prove that we still have headroom for growth with an existing footprint. So, we've not added any store, but we are driving higher productivity per store, both in the offline and the online business.

Therefore, this translates into, if I look at a key operating KPI like sales per square foot, our sales per square foot is Rs. 1,850 a square foot, which is typically what we get in a festive quarter. We don't get that in quarter 1. So, I think that's a very encouraging sign. I would set the target as reaching to Rs. 2,000 SPSF in the festive quarter, and that is the internal target. Margins, I mentioned, were at 19%. Operating expenses were lower. So, EBITDA for Spencer's was Rs. 18 crores versus Rs. 15 crores. This is, again, the non-operating income being stripped off.

We've also done a fair bit of work as far as costs are concerned at the support level. So, support costs are also at a lower level. Our store EBITDA, which is the true barometer of efficiency has actually reached, we don't disclose that, but it's actually 2x of what it was in quarter 1 of last year. So I think that's the strongest thing. We are making good progress towards what we have publicly stated our short-term aspiration of reaching to about 7.5% to 8% store EBITDA. We were quite far off. We were more in the range of 2.5%, and we've kind of moved that significantly higher, but still some journey to do to make it to 8%. So, store EBITDAs are improving, obviously, on the increased sales, increased RGM and controlled costs.

On the online business -- sorry, before I get to online, offline business, like I mentioned, was also had good growth. This growth is being driven by a higher level of customer retention, and which is accomplished through our membership program. Our membership program, which we launched in July of last year, has now -- we've got more than 125,000 members, which is roughly 25% of our active monthly customer base. So, one in four customers are reward members, and they contribute 1/3 of our monthly sales. So, I think that's becoming an important driver of getting people to come back to the stores.

These members have a much higher retention rate. And when I say retention is what percentage of people come back and shop in the next month. That's about 2x of what is there for non-members. The average monthly spend by members is also roughly 3x what a non-member would spend. So overall -- and the frequency is almost touching 5, which is, again, 2x of what non-members have.

So overall, I think this is a program which has gained significant traction, and we'll continue to drive it. This is contributing to offline growth. We have also introduced, from a simple 1-tier membership structure to a 3-tier membership structure, where we have higher levels of membership, where you have higher benefits like more online free deliveries, etc., and higher percentage payback. So that's on the offline business.

On the online business, I think it was one of the strong quarters. We had close to, like I said, 49% growth versus quarter 1 of last year. The encouraging point is that we are doing this by really improving and looking at the unit order economics. Our contribution per order which is if you take the RGM which you make on the order and reduce the fulfillment cost is now in positive territory.

Last year, quarter 1, we were making approximately, we were losing Rs. 18 on every order. And now we have actually turned the tide where in quarter 4, we were around Rs.12, now we're making Rs. 18 per order. And that's largely driven by the fact that our number of orders has increased. Our ABVs are high, and we've been able to, therefore, get a higher level of productivity.

Our ABVs continue to be 780 plus, which is pretty good. And our margins are almost the same as what they have been. But like I said, higher level of efficiencies driving positive unit order economics. So I think that's an encouraging sign. We expect this to continue, to be sustained. We are being very calibrated in our customer acquisition. Most of our customer acquisition is coming from our existing offline customers who choose this platform and, therefore, tend to have higher stickiness.

Our repeat rates are also very high. We are at about 67%, which has been one of the highest in the quarters. And our NPS scores are 85 plus. Our on-time delivery is -- we're doing it in shade under 30 minutes. We were never a 10-minute delivery proposition. So, we are sticking to that. But the more important part in the whole fulfillment is that our in-full is above 90%. So that's what we are constantly trying to improve and take it to the next level.

So overall, I would say for Spencer's, the outlook for FY '27 is to continue and sustain this growth momentum. We are looking at continued discipline when it comes to our working capital allocation and inventory optimization, focusing on availability of the right SKUs, continuing to build on our membership program and drive the online in a calibrated, but in a, I would say, aggressive manner in terms of growth. So that's the outlook as far as Spencer's is concerned.

On Natures Basket, we've had a bit of a setback, but we've kind of fixed those issues. Those issues were largely internal around having the right level of inventory at stores and really kind of pushing -- building a higher amount of online sales growth. We've had a change in management at Natures Basket about 45 days ago, and we've kind of drawn up a complete reset plan, where fundamentally we're changing nothing. It's -- the proposition remains the same. It is just about disciplined, sharper focused execution and really kind of being best-in-class as far as the execution is concerned.

And this best-in-class execution centers around having the right assortment at the right time, at the right price and really focusing on a couple of categories, which are our core strength, which is around fresh, fresh vegetables and fruits, both Indian as well as exotics, looking at our fresh meat section, looking at sections like cheese and looking at imported packaged goods. So, I think it's driving that with a renewed sense of discipline and focused execution.

Our gross margins are -- stand at the same level. And really there, it's not about improving percentage margins, but it's really about increasing your throughput and looking at driving a much higher level of gross margins at an absolute level, not at a percentage level. So that's the commentary on Natures Basket. But like I said, at a consol level, I would term this as a strong sales growth-led performance. 13% year-on-year growth is pretty creditable. And I think we will be able to sustain this through the year. And with steady margins, controlled operating expenses, we will see the full flow-through of it as far as the EBITDA is concerned.

Yes. So, I'll pause over here. This is the commentary, but I'll open it up for questions from participants. Thank you.

Moderator: Thank you. The first question is from the line of Anita Bajaj, an individual investor.

Anita Bajaj: Congratulations, on good set of numbers. A couple of questions from my side. Firstly, I would like to ask that we can see across the Spencer’s, Jiffy & Nature Basket we're seeing very different growth trajectory. How should investors think about the portfolio over the next 2, 3 years?

Anuj Singh: Yes. So look, obviously, there will be different levels of percentage growth given the size of the business. Jiffy, which is our online platform is at a much lower base. I mean, last year, we did Rs. 200 crores in that. So obviously, don't get misled by the percentage growth. It will -- the way we see it is all three will need to -- and will, not just need to, but will deliver growth, which are commensurate to their size, scale of operation. Natures Basket has 31 stores. Spencer's has 89 stores. And Jiffy has a scale of business, which is Rs. 200 crores.

The way I kind of -- I don't give individual kind of growth targets, but it's safe to assume that when it comes to the online business, we are looking at going from -- we're not burning a lot of money in terms of customer acquisition, and we don't want to kind of alter our unit order economics. So I think we'll see growth rates -- full year cumulative growth rates on that business, which will steady at around 25% as far as the online business is concerned.

I think on the offline business, it will probably be mid to high single digits on the Spencer's offline business. And Natures Basket because, clearly, last year was not really a very strong year. I would say from quarter 3, quarter 4, we will start seeing early double-digit growth as far as Natures Basket is concerned once we finish the whole reset and the optimization. So yes, different growth trajectory, but all of them will be in growth, yes.

Anita Bajaj: Yes. But Natures Basket has seen 8% sequential recovery. So, can you tell us what are the 2-3 KPIs that you are tracking internally to determine whether the turnaround is on track?

Anuj Singh: So, I think, look, I would not get too carried away by the 8% QoQ growth quarter 4 versus Q1. I would be more focused on what was the year-on-year growth, which was negative. I think we are in the process, like I said, in terms of just resetting a few fundamental basics and those few fundamental basics are more around our own execution. So really in terms of availability, looking at kind of trimming the long tail of SKUs we have and focusing on the best seller, looking at certain must-win categories from a consumer perspective.

A consumer walks into Natures Basket for its quality and its timely availability of fresh products, fresh defined as fresh fruits, vegetables, cheese, dairy, fish and meat. So, we've always got to be -- we want to be winning in those categories and winning starts with first having the right assortment always. It's not just -- success is not by chance; it is by design. So, I think that -- those are the basics that we do.

From an operating KPI point of view, for me, there are largely 3 operating KPIs. Number 1 is your sales per square foot, which is a reflection of your turnover, which you're generating. The sales per square foot needs to go up and will go up as we kind of drive throughput with the right categories. Number 2 would be not just percentage margin, but looking at, therefore, rupee gross margin.

There is no point in having a 30% margin on a Rs. 250 crores business versus having a 28% margin on the Rs. 350 crores business. We all know what works better for the business. So, the second KPI will be the rupee gross margin. And the third one linked to that would be also ensuring that our costs are in control.

Now having said that, let me be absolutely forthright, in a format like Natures Basket, you can't do a big level of cost optimization simply because it is a premium experiential-led grocery format. So premium experiential formats require that you have stores which are in good condition, you have a lot more equipment, your staff needs to be of a certain quality.

So I'm not -- unlike Spencer's where we've been able to do a lot of our optimization on expenses, we will not be able to do a lot of that on Natures Basket. On Natures Basket it is top line led, driving sales per square foot, driving your rupee gross margins. And of course, doing on support costs, on overhead costs, we will do. We've done one round of optimization when it comes to support infrastructure in Natures Basket.

So I think those will be the three key KPIs, which we'll be tracking, the lead KPIs, which, again, will help us realize our stated goal of driving a higher level of top line in Natures Basket. Will we see -- I'm preempting a few questions, will we see new store openings? No, we will not see new store openings because we believe we have a decent concentration and a presence of stores.

In fact, we will be putting in a little bit of money in terms of refurbishing some of our stores of Natures Basket because some of them, as stores age, especially given that it's a premium experiential format, you need to kind of renovate these stores.

So we will spend our limited capex on renovating stores, driving a higher level of throughput. We will not see too many additional stores. We will also use and drive a lot more of the online part of the business as far as Natures Basket is concerned. It is still not as significant in the mix as it is for Spencer's Jiffy format, and we intend to do that. We will share more progress of that in the next quarter. But really, I mean, it is -- that's the direction as far as NB is concerned. I hope I've answered your question, Anita.

Anita Bajaj: Yes. So regarding the store expansion, you don't have any plans for Natures Basket, but are there any plans for Spencer's?

Anuj Singh: No, not in this fiscal, we are not adding. I mean it's not a large plan. I mean we are opening -- so what we are doing is we are opening stores where we have to kind of relocate a few stores, plus we are trying a couple of stores within existing clusters. So, we just -- 2 days ago, we launched a small store in the suburban areas in Kolkata. So, we will look at it in a very calibrated manner, but I'm not giving a number saying we'd add 10 stores.

I still believe that we have our task cut out, and we're making good progress in terms of driving a higher level of sales with the existing footprint. And that's the evidence is the SPSF going up. Yes. So not this year, but once we reach to our level where we want to be, then we will have a more calibrated expansion plan in FY '28 on store openings.

Anita Bajaj: Sure, sure. Just one more question. As you mentioned in your opening speech that membership is driving the growth in Spencer's. So, what is the potential? Can 50% of the business come from membership?

Anuj Singh: Yes, it could. I mean I think it is -- it's -- we still have only -- the way I look at it, we only have 125,000 members, right? I think I'm not looking at the percentage contribution coming from these members. I'm looking at an absolute number. So, I think, just to give a ballpark number, I would love to have 200,000 members who shop with us at least 5 times a month. That's the number. If they contribute to 39% or 42%, that's okay. That's a derivative.

Anita Bajaj: Okay! Thank you.

Moderator: The next question is from the line of Parikshit Gupta from Fair Value Capital.

Parikshit Gupta: Hello, I hope I'm audible. Thank you for the opportunity. Just letting you know that I'm at the airport and the reception is bad. So I apologize in case I drop out. First of all, congratulations on a consistent growth quarter for Spencer's. I just wanted to check what was the major contributor for this growth? Was it volumes? Or was it more increase in average bill value?

Anuj Singh: No. So for us, the growth, like I said, came across both offline business and online business. And our -- the driver for this was both a higher level of NOBs and slightly I would say it was 70% was driven by higher number of NOBs and 30% was a higher level of ABV. So it is a combination of 2, but largely driven by higher number of NOBs, number of bills, which to me is -- if you were to look at it in FMCG part, it's underlying volume growth as opposed to pricing growth.

Parikshit Gupta: This is helpful. Thank you. In terms of these categories, would you -- would it be correct to assume that more-fresh or fruits and vegetables would have been the growth factor in this quarter? Our channel check suggests that those have been the highest contributors for departmental stores in the recent quarter.

Anuj Singh: Actually, I mean, if I look at my category mix, it does not -- so for me, I mean, for our format, and I'm talking about Spencer's, FMCG continues to be at the same level of -- so I think it's category mix hasn't really changed dramatically. It's across the board, it has gone. I think where we've seen a slight increase is in staples. Staples has gone up by 100 basis points. Fresh has been the same level. So, it's neither gone up or down. Our contribution, we sell liquor. Liquor has gone up by 100 basis points. And our non-food portfolio which is apparel, E&E and GM has kind of gone down by 100 basis points.

So, I think if I look at it, it's not -- there's nothing that -- it's the food part of the business, which is driving, both in FMCG as well as staples, which is driving. And fresh is at the same level. It's just that higher level of NOBs has gone up. And we've seen that in the category bill penetration numbers are almost the same. So, it's not that we suddenly added a lot more of fresh consumer. I think it's just because now we have sharp availability, our membership program, actually, I forgot to mention in our membership program, it's not just as a percentage off which you get on your monthly purchase. You also started having member special pricing.

So, for example, you might have an SKU, which has an MRP of 100. If you're a regular nonmember, you'll probably get it at 90. I'm just giving a hypothetical example. But if you're a member, you could be getting at 85. So, a member gets a dual benefit. Not only do they get a percentage cash back at the end of the month, depending on which slab they have spent, but they also get member special prices on select categories.

So, I think that is driving across the board buying. So once the consumer comes in and you're a member, you are interested in buying the whole basket, your monthly purchase basket, and that could straddle FMCG food, that could straddle staples, fresh, etc. I think we're seeing the category mix hasn't really changed dramatically. It's across the board increase in NOB. Parikshit, I hope I've answered your question.

Parikshit Gupta: Yes. That was helpful. My next question in terms of Natures Basket, I know that the category optimization would take some time. However, you've mentioned the quick commerce part on the Natures Basket, the pilot program that you were considering. Is there any update on that? Did you try it out? Did it work well or any comments that you have on that, please?

Anuj Singh: Yes. So, it wasn't really quick commerce. I think what we were mentioning was we said that we will start building the online segment for Natures Basket as well. So, the progress so far has been on -- good progress will happen on the tech part, on the tech stack so in terms of the app, etc. But I mean, given all the other challenges which we had around availability, range optimization, we were not able to dial up the consumer acquisition piece of it.

I think that's something which will be in play as we do that because that's a prerequisite. You don't want to spend money in either awareness or consumer acquisition if you don't have the right inventory and the right availability to drive that because that's very, very sensitive on the online channel.

So, I think that's something which will -- which is going to follow as soon as we fix this part of the inventory. But from a tech development point of view, I think it's ready. It's riding on the same tech backbone as the Jiffy platform, which is now very, very stable. It's quite -- the consumer interface is very friendly, very modern, very contemporary and best-in-class. So I think that part -- the tech part has been solved. We will do the consumer acquisition and the scale out. We'll do it selectively in 2 cities where we have a concentration of stores, but that will follow.

Parikshit Gupta: I understand. But I was actually referring to the idea of maybe letting an Instamart or a Blinkit be -- have the Natures Basket store products on those platforms because we have some...

Anuj Singh: Yes. you're right. So, I think, look, on that part, as you know, these players have their own plans and in fact not just their plans, but they all -- most of them have a gourmet section. So, I think we did explore that. But the fact that there will be a substantial margin sharing does not commercially make the case for us to do it. And similarly, for them, they were -- they would probably -- not probably, they are -- they're looking at doing it on their own.

So Blinkit today has a gourmet store. You would have read that Flipkart wants to launch a gourmet kind of a platform called Pykd, P-y-k-d. So, I think all of these guys will do it. So for us, it's not about -- we don't want to take shortcut quick wins, which are not sustainable. One can list it on Amazon and give a 15% - 20% margin and scale of the business, but that doesn't really help because you'll get a good top line, but you will sacrifice margins and tomorrow that might not be sustainable because they will learn and develop their own versions of the gourmet online store. So I think we are not aggressively looking at these fronts.

Parikshit Gupta: In terms of the balance sheet, what is our current level of debt, if you can help me with that, please?

Anuj Singh: Yes sure.

Manjir Basu: So, at a consol level, we have a total debt of Rs. 1,266 crores, SRL is Rs. 1,019 and NBL is Rs. 237.

Parikshit Gupta: And I just wanted to check this -- a large part of the debt was supposed to get refinanced in this current year. So has that process already...

Manjir Basu: The process has started and it will kind of in the next -- in this month itself, we will get some.

Parikshit Gupta: Financially secure?

Anuj Singh: Yes. Parikshit, any more questions?

Moderator: His line has dropped actually. Thank you. Ladies and gentlemen, since there are no questions from the participants, I would now like to hand the conference over to the management for closing comments.

Anuj Singh: So, thank you very much for your time. And like I said, we are making good progress against our ambition of getting to an EBITDA breakeven. It started with Phase 1, which was around, like I said, a cost optimization, efficiency-led EBITDA improvement. I think the journey has started since the last 2 quarters, now to pivot to a sales growth-led EBITDA improvement. It's happened for 2 quarters, and we are quite confident that will sustain.

So, stay tuned, stay patient, and we'll come back to you in quarter 2 to apprise you on how the quarter 2 went. Thank you very much and have a good day.

Moderator: On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.