

Q4 F26 Earnings

June 18, 2026

Disclaimers

Forward-Looking Information

This presentation contains forward-looking statements which are presented for the purpose of assisting the reader to contextualize the Company's financial position and understand management's expectations regarding the Company's strategic priorities, objectives and plans. These forward-looking statements may not be appropriate for other purposes. Forward-looking statements are identified by words or phrases such as "anticipates", "expects", "believes", "estimates", "intends", "could", "may", "plans", "predicts", "projects", "will", "would", "foresees" and other similar expressions or the negative of these terms.

These forward-looking statements include, but are not limited to, the following items:

- The Company's aim to increase total adjusted earnings per share ("EPS") through net earnings growth and share repurchases, as well as its intention to continue growing sales, gross margin (excluding fuel) and generating operating leverage, all of which could be impacted by several factors including a prolonged unfavourable macroeconomic environment and unforeseen business challenges, as well as the factors identified in the "Risk Management" section of this MD&A;
- The Company's plan to invest \$850 million capital in its network in fiscal 2027, including new store expansions and renovations and renovate approximately 20% to 25% of the network, between fiscal 2027 and fiscal 2029 which may be impacted by cost of materials, availability of contractors, operating results, and other macro-economic impacts;
- The Company's expectation that it will successfully implement the national SAP S/4HANA Enterprise Resource Planning ("ERP") platform and the timing and consequences of implementation with full deployment expected to be substantially completed by the end of fiscal 2027, which may be impacted by risks relating to implementation resources and timelines, complexity of integration and data conversion, and evolving technology requirements;
- The Company's expectation that it will meet targeted store growth of FreshCo, which may be impacted by customer response, availability of contractors, operating results, and other macro-economic impacts;
- The Company's expectation of the timing and completion of the Mayrand Food Group Inc. acquisition, which may be impacted by final closing conditions;
- The Company's expectation that it will improve overall e-commerce financial performance through actions it is pursuing to reduce costs and gain access to a larger segment of the grocery e-commerce market, including the amount and timing of improvements in annualized operating income of approximately \$95 million, which may be impacted by future operating costs, customer response and timing and effectiveness of Management's strategic decisions;
- The Company's expectation to reinvest approximately one-third of the \$95 million annualized e-commerce benefits into accelerating growth engines, which may be impacted by cost of materials, availability of contractors, operating results, and other macro-economic impacts;
- The Company's expectation that it will continue to focus on driving efficiency and cost effectiveness initiatives including the ability to successfully pursue other e-commerce cost saving initiatives which could be impacted by supplier relationships, labour relations, successfully implementing operational efficiencies and other macro-economic impacts;
- The Company's expectation that the Scene+ program will accelerate engagement by focusing on scaling personalization, which may be impacted by customer response, Scene+ app usage and the pace at which personalized offers are rolled out;
- The Company's expectation that Other income plus Share of earnings from investments, at equity will in aggregate, be in a range of \$90 million to \$110 million in fiscal 2027, which assumes completion of pending real estate transactions by the Company and Share of earnings from investments, at equity being consistent with historical values adjusted for significant transactions and may be impacted by the timing and terms of completion of real estate related transactions and actual results from Crombie Real Estate Investment Trust ("Crombie REIT") and Real estate partners;
- The Company's expectation regarding its ability to ensure competitive pricing for customers and pursue long-term growth, which may be impacted by supplier relationships and negotiations and the macro-economic environment;
- The Company's expectation regarding the Company's medium term growth expectations of 10 to 20 basis points for gross margin excluding fuel which may be impacted by factors including business mix, execution of the Company's initiatives and inflationary impacts; and
- The Company's plans to repurchase for cancellation Non-Voting Class A shares under the normal course issuer bid, which may be impacted by market and macro-economic conditions, availability of sellers, changes in laws and regulations, and operating results.

Non-GAAP Financial Measures & Financial Metrics

There are measures and metrics included in this investor presentation that do not have a standardized meaning under generally accepted accounting principles ("GAAP") and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures and metrics because it believes certain investors use these measures and metrics as a means of assessing financial performance.

In addition, management adjusts measures and metrics, including operating income, EBITDA and net earnings in an effort to provide investors and analysts with a more comparable year-over-year performance metric than the basic measure by excluding certain items. These items may impact the analysis of trends in performance and affect the comparability of the Company's core financial results. By excluding these items, management is not implying they are non-recurring.

For a more complete description of Empire's non-GAAP measures and metrics, please see Empire's Management's Discussion and Analysis for the fourth quarter ended May 2, 2026.

Highlights: Q4-F26

Q4 F2026 Highlights

- **Sales of \$7,807 million, an increase of 2.2%**; primarily driven by positive growth across the business, particularly in the Full-Service and Discount banners and the Company's national wholesale distribution network.
- **Food sales increased by 2.1% y/y.**
- **Same-store sales – food increased by 1.5%.**
- **EPS and adjusted EPS of \$0.94, higher by 27.0% y/y.**
 - There were no adjusting items in Q4 F26.
 - When excluding real estate related income in both years, EPS grew by approximately 14.8% year over year.
 - Prior year EPS and adjusted EPS of \$0.74; no adjustments in Q4 F25.
- **Total company gross margin was flat y/y.** Gross margin, excluding fuel, increased by 1 bp y/y. Stronger performance across our banners were offset by the mix impact from higher wholesale contribution and by higher supply chain costs including higher fuel prices.
 - YTD gross margin, excluding fuel, increased by 14 bps y/y, consistent with the Company's medium term growth expectations of 10-20 basis points.
- **SG&A (excl. D&A) as a % of Sales decreased by 31 bps y/y.** Reflects a combination of factors, with the most impactful being good topline growth, benefits from the e-commerce update, and lower y/y incentive costs.
- **Adjusted EBITDA margin increased by 40 bps y/y,** mainly reflecting operating leverage.
- The Company's e-commerce platforms - Voilà (including curbside pickup), IGA.net, ThriftyFoods.com and partnerships with Instacart, Uber Eats and DoorDash generated a combined sales increase of 6.0% compared to the same quarter in the prior year.
 - The increase is primarily driven by growth in third-party partnership sales and continued sales growth for Voilà.

Outlook / Business Updates

- **Delivered adjusted EPS growth of 8.7% in fiscal 2026; within the financial framework:** When excluding real estate related income in both years, EPS grew by approximately 11.9% y/y.
- Empire recently launched its new three-year corporate strategy which is anchored to four core priority focus areas: Customers, Stores, Growth, and Cost Efficiency. Through these focus areas, which will be enabled by Empire's people, data and technology, the Company aims to grow total adjusted EPS over the long-term through sustained net earnings growth and share repurchases.
- In the quarter ended May 2, 2026, the Company, and its wholly-owned subsidiary Sobeys, announced it has entered into an agreement to acquire Mayrand Food Group Inc., a long-established Québec food retailer operating four large-format locations across the Greater Montréal Area. Subsequent to the year ended May 2, 2026, the Company received the required court approval and regulatory approval for the transaction. The transaction is expected to close during the first quarter of fiscal 2027.
- As at June 17, 2026, FreshCo has a total of 161 stores (53 stores operating in Western Canada and 108 stores operating in Ontario).
 - Expects to have opened 65 FreshCo stores in W. Canada over the next couple of years.
 - Expects to open approximately 15 new FreshCo stores across Western Canada, Ontario and Atlantic Canada in fiscal 2027.
- For fiscal 2027, capital spend is expected to be approximately \$850 million, with approximately half of this investment allocated to renovations and new store expansion (including approximately 1.5% growth in store footprint expansion driven by new stores), approximately 25% allocated to IT and business development projects and the remainder allocated largely to logistics and sustainability.
- Annual dividend increased by 10.2%; 31st consecutive year increase.
- Intention to renew NCIB on or before June 25, 2026 for ~9.6% of the public float, consistent with prior years.
- During fiscal 2027, the Company expects aggregate pre-tax earnings from Other income plus Share of earnings from investments, at equity to be in the range of \$90 million to \$110 million.

Financial Summary: Q4-F26 and Full Year F26

Quarterly and YTD Financial Summary

(\$ million, unless otherwise noted)	Q4 F26 13 weeks	Q4 F25 13 weeks	Fiscal 2026 52 weeks	Fiscal 2025 52 weeks
Sales	\$7,807	\$7,637	\$31,950	\$31,277
Same-store sales growth - food ⁽¹⁾	1.5%	3.8%	1.9%	2.3%
Gross Profit	\$2,152	\$2,109	\$8,664	\$8,382
Gross margin % ⁽²⁾	27.6%	27.6%	27.1%	26.8%
Other income plus Share of earnings from investments, at equity	\$49	\$37	\$129	\$158
Selling and Administrative Costs⁽³⁾	\$1,854	\$1,833	\$7,461	\$7,251
Selling and administrative %	23.7%	24.0%	23.4%	23.2%
Adjusted EBITDA⁽⁴⁾	\$644	\$599	\$2,500	\$2,423
Adjusted EBITDA margin % ⁽⁴⁾	8.2%	7.8%	7.8%	7.7%
Adjusted Earnings per Share – diluted⁽⁴⁾	\$0.94	\$0.74	\$3.24	\$2.98
Free Cash Flow⁽⁵⁾	\$121	\$318	\$477	\$728
Capital Expenditures	\$260	\$233	\$842	\$721

(1) Previously named – same-store sales, excluding fuel.

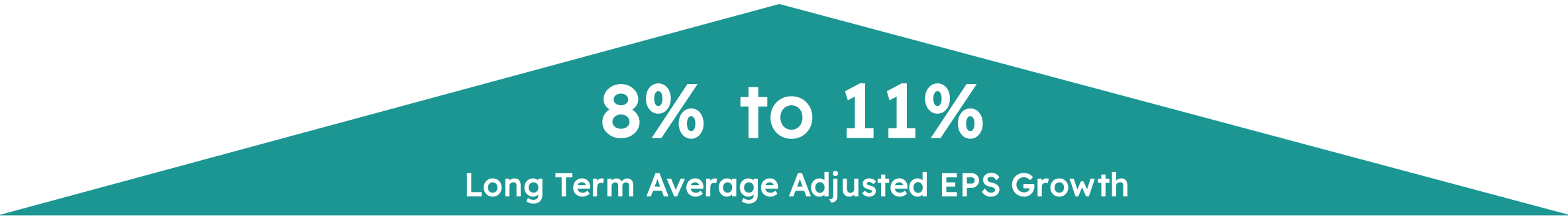
(2) Gross margin rate, excluding fuel in Q4 F26 was 1bp higher versus Q4 F25 and 14bps higher in F26 versus F25.

(3) Selling and Administrative Costs for Q4 F26 and F26 includes Depreciation and Amortization of \$297 million (Q4 F25: \$286 million) and \$1,168 million (F25: \$1,120 million).

(4) There were no adjusting items in Q4 F26 and Q4 F25. In Q3 F26, adjusted metrics excluded impairment losses and related costs of \$549 million incurred as a result of actions taken following the Company's e-commerce review.

(5) Free cash flow is calculated as cash flows from operating activities, plus proceeds on disposal of property, equipment and investment property and lease modifications and terminations, less acquisitions of property, equipment, investment property and intangibles, interest paid and payments of lease liabilities, net of payments received from finance subleases.

Long-Term Financial Framework



Intention to continue growing sales, expanding gross margin (excl. fuel), and generating operating leverage.

Customers

Empire's primary focus is to serve its customers by delivering greater value across all formats and channels. The Company is enhancing its customer value proposition through optimized assortments, differentiated and localized offerings, expanded fresh and prepared foods, and deeper customer engagement through Scene+.

Stores

Empire is focused on improving retail performance by elevating the in-store experience, simplifying operations, and optimizing store economics, to focus on serving customers. The Company also prioritizes continuing to invest in the strategic expansion, renovation, and maintenance of its store network.

Growth

With strong foundational capabilities in place, Empire's focus is now on accelerating growth, including enhancing performance across its existing platforms (Pharmacy, E-commerce, and Retail Media) and pursuing strategic acquisitions and partnerships.

Cost Efficiency

The Company will continue to maintain a strong focus on cost discipline to improve bottom-line performance. By simplifying processes, driving efficiencies, and reducing complexity, Empire is well positioned to invest in high-value opportunities that will deliver the greatest impact for customers and shareholders.

Enabled By: People, Data, and Technology



Share Repurchases

Executive Leadership Team



Luc L'Archevêque
Chief Customer Officer



Julia Knox
Chief Retail Officer and
Interim Chief Technology &
Transformation Officer



Jean-Louis Bellemare⁽¹⁾
Interim Executive Advisor



Doug Nathanson
General Counsel and
Chief Pharmacy &
Development Officer



Costa Pefanis
Chief Financial Officer



Sandra Pasquini
Chief Human
Resources Officer

Appendices

Appendix 1: Scene+



A differentiated national loyalty platform - driving incremental sales and earnings



Co-owner



Personalization at Scale



Drive Incrementality



Data Ownership to Drive Insights



Differentiated Experience



Connected Banners to Drive Omni-Channel Strategy



New Customer Acquisitions



Enhanced Customer Loyalty



>15M
Members

Scene+ now has over 15 million members

+1,400
Shell Canada Locations

Starting May 26, 2026, Scene+ Members will be able to earn and redeem points at over 1,400 Shell locations nationwide.

55%+
Higher Spend

Scene+ members spend 55%+ more than non-members.

>2,000
Card Swipes

There are over 2,000 Scene+ card swipes every minute

Appendix 2: e-Commerce

voilà

Key Areas of Focus



Superior In-Stock Position
Extremely low substitution rate,
Differentiated Freshness



Best-in-Class Delivery Experience
White glove delivery



Substantial Assortment
39K SKUs at mature CFCs



Ongoing Innovation
[Ocado Re:Imagined](#)



Loyalty & Personalization
Increased engagement



Omni-Channel Focus
Voilà AOV is ~3.8x in-store AOV
Omni AOV⁽¹⁾⁽²⁾ > Voilà AOV



DOORDASH

January 28, 2026:

- Announced third-party delivery partnership with DoorDash
- Roll out completed in Q4 F26.

instacart Uber Eats

Announced partnerships in Q2 F24:

- **October 24, 2024** - Launched in Ontario
- **December 5, 2024** - Expanded to Western Canada
- **March 11, 2025** - Expanded to Quebec and Atlantic Canada
 - National grocery rollout completed

Target:

95%

Weekly on-time delivery score

ABOVE TARGET



Target:

98%

Fulfillment rate

ABOVE TARGET



Target:

70 NPS

Net Promoter Score (NPS) – industry best-in-class

ABOVE TARGET



Banners covered for Third-Party Delivery⁽³⁾:



(1) AOV is average order value.

(2) Omni AOV refers to customers who shop both through Voilà and in-store.

(3) Banners listed for Empire's partnerships are not exhaustive.

Appendix 3: ESG¹ Goals: Steady and tangible progress

Planet



We're reducing our impacts and taking action on climate change to do OurPart™ to protect our planet for future generations.

FOOD WASTE

~30M lbs of surplus food donated, gaining recognition from Second Harvest as Canada's Top Food Rescue Partner for the third consecutive year



CLIMATE ACTION

30.1%

reduction in Scope 1 and 2 targets compared to 2019 baseline

CLIMATE ACTION

Our goal is that 64% of suppliers (by spend) set science-based targets on their Scope 1 and 2 emissions by the end of calendar year 2027. We are over half-way to our target



PLASTICS & PACKAGING

13%

Achieved a 13% average conversion from single-use plastic to reusable containers through our pilot with Friendlier in Farm Boy's Southwestern Ontario stores

Products



We're doing OurPart™ by delivering sustainable and ethical product choices for our customers.

ETHICAL & SUSTAINABLE SOURCING

99%

of Own Brands seafood (by weight) is certified sustainable or recommended



ETHICAL & SUSTAINABLE SOURCING

90%

of palm oil in Own Brands products is certified sustainable by physical trace and credits (RSPO-certified).



SUPPLIER COLLABORATION

430+

women entrepreneurs supported in fiscal 2024 (across Canada, excluding Quebec).



Over **11,000**

products from local suppliers and producers.

People



We're focused on growing and empowering a diverse, equitable and inclusive workforce to enable our customers and communities to thrive.

DIVERSITY, EQUITY & INCLUSION

92%

of Directors and above set DE&I performance and accountability goals



DIVERSITY, EQUITY & INCLUSION

Completed verification for the Partnership Accreditation for Indigenous Relations.

DIVERSITY, EQUITY & INCLUSION

38% representation of women at the senior leadership level.

COMMUNITY INVESTMENT

~\$25M

donated to support healthy bodies and minds in our communities (~\$7M in corporate donations and ~\$18M raised)



We are proud to share our progress and some of our stories in our Sustainability Business Report at: www.SobeysSBReport.ca.

Our next Sustainability Business Report will be released in July 2026.

(1) ESG is Environmental, Social and Governance