



INITIAL PUBLIC OFFERING



INFORMATION MEMORANDUM

02 October 2026

AS A MATTER OF POLICY, THE CAPITAL MARKETS AUTHORITY AND THE NAIROBI SECURITIES EXCHANGE ASSUME NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS OR OPINIONS MADE OR REPORTS CONTAINED IN THIS INFORMATION MEMORANDUM. APPROVAL OF THE ISSUE OR LISTING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE ISSUER OR OF THE SECURITIES



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THIS INFORMATION MEMORANDUM IS DATED 02 OCTOBER 2026

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION. YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND ITS CONTENTS.

THIS INFORMATION MEMORANDUM IS ISSUED IN COMPLIANCE WITH THE COMPANIES ACT (CAP 486 OF THE LAWS OF KENYA) (THE “**COMPANIES ACT**”), THE CAPITAL MARKETS ACT (CAP 485A OF THE LAWS OF KENYA) (THE “**CM ACT**”) AND THE CAPITAL MARKETS (PUBLIC OFFERS, LISTINGS AND DISCLOSURES) REGULATIONS, 2023 (THE “**REGULATIONS**”).

THIS DOCUMENT DESCRIBES THE SPECIFIC TERMS OF AN OFFER FOR SALE OF 2,000,000,000 ORDINARY SHARES OF A NOMINAL VALUE OF KES 0.20 EACH BY SOKONI RETAIL KENYA LIMITED (“**SOKONI**” OR THE “**SELLING SHAREHOLDER**”) (THE “**OFFER SHARES**”) IN THE ORDINARY SHARE CAPITAL OF QUICK MART PLC (THE “**COMPANY**” OR THE “**ISSUER**” OR “**QUICKMART**”) (THE “**OFFER**”). THE OFFER SHARES WILL RANK PARI PASSU IN ALL RESPECTS WITH THE EXISTING ORDINARY SHARES OF THE COMPANY.

THE CAPITAL MARKETS AUTHORITY (“**CMA**”) HAS APPROVED THE OFFER AND THE INFORMATION MEMORANDUM AND THE NAIROBI SECURITIES EXCHANGE (THE “**NSE**”) HAS APPROVED THE LISTING OF THE OFFER SHARES AND THEIR ADMISSION TO TRADING ON THE MAIN INVESTMENT MARKET SEGMENT OF THE NSE. AS A MATTER OF POLICY, THE CMA AND THE NSE ASSUME NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS OR OPINIONS MADE OR REPORTS CONTAINED IN THIS INFORMATION MEMORANDUM. APPROVAL OF THE ISSUE OR LISTING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE ISSUER OR OF THE SECURITIES.

IF YOU ARE IN DOUBT ABOUT THIS INFORMATION MEMORANDUM, THE OFFER OR ANY INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM, PLEASE CONSULT YOUR STOCKBROKER, INVESTMENT ADVISER, BANKER, FINANCIAL CONSULTANT, LEGAL ADVISER OR OTHER PROFESSIONAL ADVISER, WHO SPECIALISES IN ADVISING ON THE ACQUISITION OF SHARES AND OTHER SECURITIES.

INVESTMENTS IN EQUITY OR EQUITY-RELATED SECURITIES INVOLVE A DEGREE OF RISK. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO THE SECTION ON “**RISK FACTORS AND MITIGANTS**” IN THIS INFORMATION MEMORANDUM.



Quick Mart PLC

(Incorporated in Kenya under the Companies Act (Cap 486 of the Laws of Kenya))

Initial Public Offering

BY WAY OF AN OFFER FOR SALE

OF

**2,000,000,000 ORDINARY SHARES AT AN OFFER PRICE OF KES 7.50
PER SHARE AND A PAR VALUE OF KES 0.20 EACH**

This Information Memorandum has been approved by the Directors of Quickmart whose names appear in the section “Board of Directors of Quick Mart PLC” in this Information Memorandum. The Directors accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Lead Transaction Advisors



SBG Securities
A Member of Standard Bank Group



Stanbic Bank
A member of Standard Bank Group

THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM IN OR INTO OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND THEREFORE PERSONS INTO WHOSE POSSESSION THIS INFORMATION MEMORANDUM COMES SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF ANY SUCH JURISDICTION. THIS INFORMATION MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL.

ALL SECURITIES SOLD ON THE TERMS OF THIS INFORMATION MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE U.S. SECURITIES ACT) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED, SOLD, TAKEN UP, EXERCISED, RESOLD, RENOUNCED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES. NOTHING IN THIS INFORMATION MEMORANDUM CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THIS INFORMATION MEMORANDUM AND ANY SECURITIES THAT MAY BE SOLD ON THE TERMS OF THIS INFORMATION MEMORANDUM HAVE NOT BEEN APPROVED OR DISAPPROVED BY (I) THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES, (II) THE FINANCIAL CONDUCT AUTHORITY IN THE UNITED KINGDOM, (III) ANY COMPETENT AUTHORITY IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OR (IV) ANY OTHER REGULATORY AUTHORITY OUTSIDE KENYA, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED COMMENT UPON OR ENDORSED THE MERITS OF ANY OFFERING OF ANY SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THIS INFORMATION MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES, THE UNITED KINGDOM AND MAY BE ELSEWHERE, SUBJECT TO APPLICABLE SECURITIES REGULATIONS IN ANY SUCH JURISDICTION.

EXCEPT AS OTHERWISE SET OUT IN THIS INFORMATION MEMORANDUM, THE OFFERING DESCRIBED IN THIS INFORMATION MEMORANDUM IS NOT BEING MADE TO INVESTORS IN CANADA, AUSTRALIA OR JAPAN, OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO UNLESS SUCH ACTION WOULD NOT RESULT IN THE CONTRAVENTION OF ANY REGISTRATION OR OTHER LEGAL REQUIREMENT IN SUCH JURISDICTION.

THE OFFER SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OF CANADA, AUSTRALIA OR JAPAN, AND SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN OR INTO CANADA, AUSTRALIA OR JAPAN, OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY NATIONAL, RESIDENT OR CITIZEN OF CANADA, AUSTRALIA OR JAPAN. THE OFFER SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES LAWS OF ANY EAST AFRICAN COMMUNITY PARTNER STATE OTHER THAN KENYA. IN ANY EUROPEAN ECONOMIC AREA MEMBER STATE, THIS INFORMATION MEMORANDUM IS DIRECTED ONLY AT QUALIFIED INVESTORS WITHIN THE MEANING OF THE PROSPECTUS REGULATION. IN THE UNITED KINGDOM, THIS INFORMATION MEMORANDUM IS DIRECTED ONLY AT PERSONS TO WHOM IT MAY LAWFULLY BE COMMUNICATED. IN SOUTH AFRICA, THE OFFER IS MADE ONLY TO PERSONS FALLING WITHIN THE EXEMPTIONS SET OUT IN SECTION 96(1) OF THE SOUTH AFRICAN COMPANIES ACT, NO. 71 OF 2008.

IMPORTANT NOTICES

This Information Memorandum contains information about Quick Mart PLC ("**Quickmart**" or "**the Company**" or the "**Issuer**") in connection with the Offer, for the purpose of giving information in respect thereof, to prospective investors. This Information Memorandum and the Offer have been approved by the CMA. The NSE has approved the listing and admission of the Offer Shares being offered by way of this Information Memorandum on the Main Investment Market Segment of the NSE.

The Offer Shares rank pari-passu in all respects with all other existing Ordinary Shares in the share capital of the Company, including the right to receive dividends or other distributions declared, made or paid by the Company after the allotment of the Offer Shares.

Consents

SBG Securities Limited (as Lead Transaction Advisor, Sponsoring Broker, and Lead Placing Agent), Stanbic Bank Kenya Limited (as Lead Transaction Advisor and Receiving Bank), Dyer and Blair Investment Bank Limited (as Co-Placing Agent), Coulson Harney LLP (trading as Bowmans in Kenya) (as Legal Advisor), Ernst & Young LLP (as Reporting Accountants), Image Registrars Limited (as Data Processing Agent and Share Registrar), Creide Limited (as Public Relations Advisor) and Adili Corporate Services Kenya LLP (as Corporate Governance Advisor) (all together the "**Advisors**"), have consented in writing to act in the stated capacities and to their names being included in this Information Memorandum and have not withdrawn their consent prior to the publication of this Information Memorandum.

None of the above advisors have been employed on a contingent basis by Quickmart and none of them owns shares in Quickmart which would be material to that person or has a material, direct or indirect economic interest in Quickmart.

Information Memorandum

No person(s) has been authorised to give any information or make any representations other than those contained in this Information Memorandum, and if given or made, such information or representations must not be relied on as having been authorised by the Company, the Selling Shareholder and/or any Advisor to the Offer.

Neither the delivery of this Information Memorandum or any documents incorporated by reference herein nor the offering, sale or delivery of any Offer Shares shall, in any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof, or that the information contained in the Information Memorandum including any documents incorporated by reference herein is correct at any time subsequent to the date hereof or that any other written information delivered in connection herewith or therewith is correct as of any time subsequent to the date indicated in such document.

Where any term is defined within the context of any particular clause or section in this Information Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Information Memorandum, the CM Act and the Regulations, unless the context otherwise requires. Expressions defined in this Information Memorandum shall bear the same meanings in supplements to this Information Memorandum, which do not themselves contain their own definitions.

The Advisors are acting exclusively for the Company and the Selling Shareholder in connection with the Offer and no one else. None of the Advisors will regard any other person (whether or not a recipient of this Information Memorandum) as a client in relation to the Offer and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients or for the giving of advice in

relation to the Offer or any transaction, matter, or arrangement referred to in this Information Memorandum. Nothing in the foregoing is intended to limit or exclude any regulatory duties that the Lead Placing Agent or Co-Placing Agent may owe to investors under applicable CMA rules and regulations, which duties (if any) arise solely by operation of such rules and regulations and not by virtue of this Information Memorandum or the engagement of such parties by the Company or the Selling Shareholder. Additional information in relation to the Offer may be obtained through the Lead Transaction Advisors on any Business Day during the Offer Period, provided the Lead Transaction Advisors possess such information or can acquire it without unreasonable effort or expense, as necessary.

SBG Securities Limited and Stanbic Bank Kenya Limited, in their capacity as Lead Transaction Advisors, have relied on information provided by the Company in preparing this Information Memorandum and have not independently verified such information. The Lead Transaction Advisors do not accept any responsibility or liability for the accuracy, completeness or sufficiency of the information contained in this Information Memorandum and assume no obligation to update any information contained herein.

Registration of the Information Memorandum

This Information Memorandum will be registered with the Registrar of Companies in accordance with the Companies Act and the Regulations.

No Investment Advice

This Information Memorandum should not be considered as a recommendation by the Company and/or the Advisors, including any document incorporated by reference herein, to purchase any Offer Shares. Each prospective investor contemplating purchasing any Offer Shares should make its own independent assessment and appraisal of the financial condition, affairs and creditworthiness, of the Company. No part of this Information Memorandum, including any documents incorporated by reference herein, constitutes an offer or invitation by or on behalf of the Company and/or the Advisors or any of them to any person to purchase any of the Offer Shares. The Offer Shares have not been recommended by the CMA or the NSE. Furthermore, the CMA or NSE has not endorsed or recommended the Offer Shares described herein or assumed responsibility for the statements made in this Information Memorandum or confirmed the accuracy or determined the adequacy of this Information Memorandum.

The Advisors expressly do not undertake to review the financial condition or affairs of the Company for as long as the Offer Shares remain issued and outstanding. Prospective investors should review, inter alia, the most recent financial statements of the Company when evaluating the Offer Shares or an investment therein. The approval of the Offer and/or listing of the Offer Shares is not to be taken as an indication of the merits of the Company or the Offer Shares.

Supplementary Information Memorandum

If, prior to the close of the Offer, a significant development occurs in relation to the information contained in this Information Memorandum or a material mistake or inaccuracy is found in the Information Memorandum that may affect the assessment of the Company, a supplement to this Information Memorandum will, subject to the approval of the Authority, be published in accordance with the requirements set out in the Regulations. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Information Memorandum or in a document that is incorporated by reference in this Information Memorandum. Any statements so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Information not contained in this Information Memorandum

No person is authorised to provide any information or make any representations other than those that are included in this Information Memorandum, and even if they are provided or made, they should not be taken to indicate that they have the authority to do so. Under no circumstances may the delivery of this Information Memorandum, any

application made under it, or any sale made under it imply that the Company's affairs have not changed since the Information Memorandum date, or that the information contained in it is accurate.

Presentation of Financial Information

Unless otherwise indicated, the financial information for Quick Mart PLC contained in this Information Memorandum is in accordance with the International Financial Reporting Standards ("IFRS"). Quick Mart PLC's financial year end is 31 December.

Auditing of Quick Mart PLC's Annual Financial Statements

The Company's annual financial statements have been audited by Ernst & Young LLP in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board. Ernst & Young LLP has served as the Company's external auditor throughout the five financial years ended 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025. During that period, no auditor has resigned, been removed from office or not been re-appointed, and no statement of circumstances requiring disclosure to members or creditors has been deposited with the Company by any outgoing auditor.

Currencies

In this Information Memorandum, unless otherwise indicated, references to "Shillings", "KES", "Kenya Shillings" or "Ksh" are to the lawful currency of the Republic of Kenya, references to "US dollars", "USD", "US\$", "\$" or "cents" are to the lawful currency of the United States and references to "euro", "EUR" or "€" are to the lawful currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time.

Unless otherwise indicated, the financial information contained in this Information Memorandum has been expressed in Kenya Shillings. The Company prepares its financial information in Kenya Shillings.

Risk Warnings relating to the Information Memorandum

Prospective investors are expressly advised that an investment in any Offer Shares that may be purchased pursuant to the Offer has certain risks and that they should therefore carefully review the entire contents of this Information Memorandum. Prospective investors should ensure that they read the whole of this Information Memorandum and not just rely on key information or information summarised within the document. Prospective investors should in particular see the section entitled "**Risk Factors and Mitigants**" in this Information Memorandum when considering an investment in the Offer Shares.

Prospective investors should consult their own professional advisers before making any investment decision with regard to any Offer Shares, to, among other things, consider such investment decision in light of such investor's personal circumstances and in order to determine whether or not such prospective investor is eligible to purchase the Offer Shares. In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Issuer and any Offer Shares that may be purchased pursuant to the Offer, including the merits and risks involved.

Third-Party Information

Some statistical information reported in this Information Memorandum has been reproduced from official publications of, and information supplied by, a number of the Kenyan government agencies and ministries, and other third-party sources. Views may necessarily vary among the sources from which the information in this Information Memorandum was obtained. This third-party information is presented in different sections and where such third-party information appears in this Information Memorandum, it has been cited as such. The Company has accurately reproduced such information and, so far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Nevertheless, prospective investors are advised to consider this data with caution. The underlying information on which market studies are based is for all intents and purposes, speculative. Prospective investors should note that some of the Company's estimates are based on such third-party information. Neither the Company nor any of the Advisors have independently verified the figures, market data or other information on which third parties have based their studies.

Cautionary Note Regarding Forward-looking Statements

Certain statements in this Information Memorandum constitute "forward-looking statements". The forward-looking statements include, but are not limited to, statements regarding the Issuer's expectations, hopes, beliefs, intentions, plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. In addition, any statement that refers to projections, forecasts or other characterisations of future events or circumstances, including any underlying assumptions, is a forward-looking statement. When used in this Information Memorandum, the words "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "might", "plan", "possible", "potential", "predict", "project", "seek", "should", "would" and similar expressions, or in each case their negatives, may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

Forward-looking statements include all matters that are not historical facts. Forward-looking statements are based on the current expectations and assumptions regarding the Company, the business, the economy and other future conditions of the Company. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Forward-looking statements are not guarantees of future performance and Quickmart's actual financial condition, actual results of operations and financial performance, and the development of the industries in which the Company operates or will operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Information Memorandum.

In addition, even if Quickmart's financial condition, results of operations and the development of the industries in which it operates or will operate, are consistent with the forward-looking statements contained in this Information Memorandum, those results or developments may not be indicative of financial condition, results of operations or developments in subsequent periods. Many factors could cause actual results to differ materially from those in the forward-looking statements including regional, national or global, political, economic, social, business, technological, competitive, market and regulatory conditions. The list of factors that may affect future performance and the accuracy of forward-looking statements are discussed in more detail under the section "Risk Factors" in this Information Memorandum. Should one or more of these risks materialise, or should any underlying assumptions prove to be incorrect, Quickmart's actual financial condition and results of operations could differ materially from what is described in this Information Memorandum as anticipated, believed, estimated or expected. All forward-looking statements should be evaluated in light of their inherent uncertainty.

Any forward-looking statement contained in this Information Memorandum applies only as of the date of this Information Memorandum and is expressly qualified in its entirety by these cautionary statements. Factors or events that could cause Quickmart's actual results to differ may emerge from time to time, and it is not possible for the Issuer to predict all of them. Quickmart and the Lead Transaction Advisors and any of their respective affiliates or any person acting on their behalf, expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Information Memorandum to reflect any change in its expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in this Information Memorandum is based, unless required to do so by applicable law or the CMA.

Rounding

Certain data in this Information Memorandum, including financial, statistical, and operational information, have been subject to rounding adjustments. Consequently, the totals presented may differ slightly from the exact arithmetic sums of the individual data points. Additionally, percentages have been rounded, which may result in them not adding up to precisely 100%.

Market, Economic and Industry Data

Unless otherwise indicated, the market, economic, and industry data in this Information Memorandum are based on the Directors' estimates, utilizing underlying data from independent third parties. The Company has gathered market data and certain industry forecasts from internal surveys, reports, and studies, where applicable, as well as from market research, publicly available information, and industry publications.

Although the Directors believe the third-party information included herein to be reliable, the Company has not independently verified this information. Consequently, neither the Company nor the Lead Transaction Advisors make any representation or warranty regarding the accuracy or completeness of the third-party information presented in this Information Memorandum. The Company confirms that all third-party data contained in this Information Memorandum have been accurately reproduced and, to the best of the Company's knowledge, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third-party information has been used in this Information Memorandum, the source of such information has been identified.

Summary of Selling Restrictions

The distribution of this Information Memorandum and the offer of the Offer Shares are subject to restrictions under the laws of various jurisdictions. A summary of the principal restrictions applicable to key jurisdictions is set out below. For the full text of the Selling Restrictions, including detailed provisions applicable to each jurisdiction, see the section entitled "**Selling Restrictions**" in this Information Memorandum. Prospective investors should inform themselves about and observe any applicable restrictions.

Kenya: This Information Memorandum has been prepared in compliance with the Companies Act, the CM Act and the Regulations. The CMA has approved the Offer and the listing of the Offer Shares on the Main Investment Market Segment of the NSE.

United States: The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States (including its territories and possessions) or to U.S. persons except pursuant to an exemption from registration. The Offer is being made outside the United States in reliance on Regulation S.

United Kingdom: No Offer Shares are being offered to the public in the United Kingdom except in reliance on an exemption under the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**"). This Information Memorandum is directed only at persons in the United Kingdom to whom it may lawfully be communicated under the Financial Services and Markets Act 2000 ("**FSMA**"). All applicable provisions of the FSMA and the POATRs will be complied with in respect of anything done in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

European Economic Area ("EEA"): In any EEA member state, this Information Memorandum is directed only at "qualified investors" within the meaning of the Prospectus Regulation (EU) 2017/1129. No public offer requiring a prospectus is being made in any EEA member state.

South Africa: The Offer does not constitute an “offer to the public” under the South African Companies Act and is made only to persons falling within the exemptions in Section 96(1) of that Act.

Canada, Australia and Japan: The Offer Shares have not been registered under the securities laws of Canada, Australia or Japan and may not be offered or sold in those jurisdictions.

East African Community: Citizens of East African Community (“EAC”) Partner States are classified as “local investors” under the Capital Markets (Foreign Investors) Regulations, 2002 (as amended). “Foreign investors” (being any person who is not a local investor) may apply for Offer Shares subject to the selling restrictions set out in this Information Memorandum and should consult their own professional advisers. This Information Memorandum may not be used in any EAC Partner State (other than Kenya) where such use would be unlawful or unauthorised. The Offer Shares have not been registered under the securities laws of any EAC Partner State other than Kenya.

Other Jurisdictions: No action has been taken to permit a public offering of the Offer Shares in any jurisdiction outside Kenya where such action would be required. The distribution of this Information Memorandum may be restricted by law in certain jurisdictions.

Legal Opinion

Coulson Harney LLP (trading as Bowmans in Kenya) has given and has not withdrawn its consent to the inclusion in this Information Memorandum of its Legal Opinion, and the references to its name, in the form and context in which it appears, and it has authorised the contents of the said Legal Opinion which can be found in the section entitled “*Legal Opinion*” in this Information Memorandum.

Reporting Accountant’s Report

Ernst & Young LLP has given and has not withdrawn its consent to the inclusion in this Information Memorandum of its Reporting Accountant’s Report, and the references to its name, in the form and context in which it appears, and it has authorised the contents of the said Reporting Accountant’s Report which can be found in the section entitled “*Reporting Accountant’s Report*” in this Information Memorandum.

Signature: 
 Name: Peter Kang'iri
 Designation: Director

Signature: 
 Name: Jacques Dôme
 Designation: Director

CONTENTS

DEFINITIONS	.12
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	.17
DOCUMENTS INCORPORATED BY REFERENCE	.18
CORPORATE DIRECTORY OF QUICK MART PLC	20
ADVISORS TO THE COMPANY AND THE SELLING SHAREHOLDER IN RESPECT OF THE OFFER	.21
BOARD OF DIRECTORS OF QUICK MART PLC	23
OTHER MANAGEMENT TEAM OF QUICK MART PLC AND OTHER COMPANY ADVISORS	24
LETTER FROM THE CHAIRPERSON OF QUICK MART PLC	25
THE OFFER AND THE SECURITIES ON OFFER	28
MACROECONOMIC OVERVIEW	42
REGULATORY OVERVIEW AND OPERATING ENVIRONMENT	47
INDUSTRY OVERVIEW	53
BUSINESS OVERVIEW AND OPERATIONS	.61
1. HISTORY AND OVERVIEW OF THE COMPANY	.61
2. GEOGRAPHICAL PRESENCE AND COVERAGE	.63
3. STORE FORMATS	64
4. PRODUCT CATEGORIES	.66
5. COMPETITION	.67
6. COMPETITIVE STRENGTHS	.68
7. STRATEGY AND FUTURE PLANS	.70
8. CUSTOMERS	.71
9. SALES AND PROMOTIONAL STRATEGIES	.72
10. SUPPLY CHAIN AND INVENTORY ARRANGEMENTS	.73
11. EMPLOYEES	.75
12. ENVIRONMENTAL AND SOCIAL CONSIDERATIONS	.76
LONG TERM INCENTIVE PLAN	79
PROFILES OF THE BOARD OF DIRECTORS AND EXECUTIVE LEADERSHIP TEAM	80
OVERVIEW OF CORPORATE GOVERNANCE FRAMEWORK	95
RISK FACTORS AND MITIGANTS	101
SELECTED HISTORICAL FINANCIAL INFORMATION	117
OPERATING AND FINANCIAL REVIEW	126
INFORMATION ON TAXATION	139

STATUTORY AND GENERAL INFORMATION	142
1. AUTHORISATIONS FOR THE OFFER	142
2. INCORPORATION HISTORY	143
3. INFORMATION ON SHARE CAPITAL AND TOTAL ASSETS	143
4. PRINCIPAL OBJECTS	144
5. SHAREHOLDING STRUCTURE (PRE AND POST OFFER)	144
6. LOCK UP ARRANGEMENT	146
7. WORKING CAPITAL STATEMENT	147
8. CAPITAL ADEQUACY STATEMENT	147
9. DIRECTORS' INTERESTS	148
10. RELATED PARTY TRANSACTIONS	148
11. INDEBTEDNESS	150
12. SUBSIDIARIES AND ASSOCIATED COMPANIES	150
13. RELEVANT EXTRACTS FROM THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION	150
14. CLAIMS AND LITIGATION	153
15. UNPAID AND UNCLAIMED DIVIDENDS	154
16. MATERIAL CONTRACTS	154
17. MERGERS AND ACQUISITIONS	156
18. MAJOR CUSTOMERS AND SUPPLIERS	156
19. LAND AND LEASEHOLD INTERESTS	156
20. PRINCIPAL INVESTMENTS	157
21. RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISORS	158
22. CONSENTS	158
23. PLEDGED SHARES	158
24. PLEDGED ASSETS	159
25. CONFLICT OF INTEREST	159
26. DOCUMENTS AVAILABLE FOR INSPECTION	159
CORNERSTONE INVESTOR PARTICIPATION	161
SELLING RESTRICTIONS	164
PROCEDURE FOR APPLICATION, PAYMENT AND ALLOTMENT	168
AUTHORISED SELLING AGENTS	171
FORM OF APPLICATION FORM	175
FORM OF BANK GUARANTEE	181
REPORTING ACCOUNTANT'S REPORT	182
LEGAL OPINION	241

DEFINITIONS

In this document (including its annexures), unless otherwise stated or clearly indicated by the context, references to the singular include the plural and vice versa, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and vice versa, and the words in the first column have the meanings stated opposite them.

Adenia or Adenia Partners	Adenia Partners Limited
Adenia Capital (IV) LP	Adenia Capital (IV) LP, a limited partnership established under the laws of the Republic of Mauritius with partnership number L68, and whose registered office is at 4 th Floor, Harbour Front Building, President John Kennedy Street, Port Louis, Mauritius
Adenia Capital (IV) Parallel LP	Adenia Capital (IV) Parallel LP, a limited partnership established under the laws of the Republic of Mauritius with partnership number L81, and whose registered office is at 4 th Floor, Harbour Front Building, President John Kennedy Street, Port Louis, Mauritius
Adenia Funds	The private equity fund vehicles, Adenia Capital (IV) LP and Adenia Capital (IV) Parallel LP, each managed by Adenia
Advisors	SBG Securities Limited, Stanbic Bank Kenya Limited, Dyer and Blair Investment Bank Limited, Coulson Harney LLP (trading as Bowmans in Kenya), Ernst & Young LLP and any other advisor named as such in this Information Memorandum, and each individually an “ Advisor ”
Allotment	The transfer of the Offer Shares to successful Applicants in accordance with the terms of this Information Memorandum. “ Allot ”, “ Allottee/s ” and “ Allotted ” shall have corresponding meaning
Allotment Date	The date on which Offer Shares are allotted to successful Applicants, as specified in the section entitled “ Expected Timetable of Principal Events ” in this Information Memorandum
Alternate Performance Measures or APMs	The financial measures presented in this Information Memorandum that are not defined or specified under IFRS, as further defined and described in the section entitled “ Selected Historical Financial Information ” in this Information Memorandum
Applicable Law	All applicable laws, statutes, regulations, rules, directives, orders, judgments, decrees and circulars of any governmental, regulatory or supervisory authority in Kenya, including the Capital Markets Act, the Regulations, the Companies Act, and the rules and regulations of the NSE and the CMA, in each case as amended, supplemented or replaced from time to time
Applicant/s	A natural person or body corporate who submits a duly completed Application Form in respect of the Offer
Application	A valid application made for the purchase a specified number of Offer Shares according to the terms and conditions contained in this Information Memorandum and the Application Form
Application Form	The electronic or physical application form for the purchase of the Offer Shares in the form set out in the section entitled “ Form of Application Form ” in this Information Memorandum, or the electronic equivalent thereof, pursuant to which an Applicant applies for Offer Shares
Application Monies	The aggregate amounts payable by Applicants in respect of the Offer Shares applied for, being the product of the number of Offer Shares applied for and the Offer Price
Average Basket Size	Total sales divided by total transaction volumes
Board Committees	The standing committees established by the Board of Directors from time to time, with written terms of reference setting out its authority, duties and composition, to which the Board of Directors has delegated specific responsibilities for the purpose of enhancing the Board of Director’s effectiveness in discharging its governance functions, and shall include (without limitation): the Audit and Risk Management Committee; the Nomination, Remuneration and Governance Committee, and the Strategy and Investment Committee

Board of Directors or the Directors or the Board	The directors of Quickmart for the time being, whose names appear in the section entitled “ Board of Directors of Quick Mart PLC ” in this Information Memorandum, and “Director” means any one of them
Business Day	Any day other than a Saturday, Sunday or gazetted public holiday in Kenya, on which banks are generally open for business in Kenya
CAK	The Competition Authority of Kenya
CAGR	Compound Annual Growth Rate
CBK	Central Bank of Kenya
CBR	Central Bank Rate
CD Act	The Central Depositories Act, Cap 485C of the Laws of Kenya
CDS	The central depository system maintained by the CDSC for the central handling, clearing, delivery and settlement of securities
CDS Account	The electronic securities account opened and maintained by an Applicant or a holder of Offer Shares with the CDSC in accordance with the CD Act and the rules and regulations issued thereunder
CDSC	The Central Depository and Settlement Corporation Limited, a limited liability company approved by the CMA to provide automated clearing, delivery and settlement facilities in respect of transactions carried out at the NSE
CMA or the Authority	The Capital Markets Authority
CMA Code of Corporate Governance	The Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015
Companies Act	The Companies Act, Cap 486 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Competition Act	The Competition Act, Cap 504 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Co-Placing Agent	Dyer and Blair Investment Bank Limited, in its capacity as co-placing agent in respect of the Offer
CPI	Consumer Price Index
Consumer Protection Act	The Consumer Protection Act, Cap 501 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Cornerstone Investor	International Finance Corporation
Data Processing Agent and Share Registrar	Image Registrars Limited, in its capacity as data processing agent and share registrar in respect of the Offer
Data Protection Act	The Data Protection Act, Cap 411C of the Laws of Kenya, together with the subsidiary legislation made thereunder
Direct Staff	Permanent and fixed-term employees of the Issuer who are directly employed and remunerated by the Issuer, excluding outsourced personnel and consignment staff
Dividend Payout Ratio	Means dividends paid or declared during a period expressed as a percentage of net profit attributable to equity holders
Dividend Cover Ratio	Means profit for the year divided by dividends paid. It indicates the number of times earnings cover the dividend distributed to shareholders
East African Community Partner States or EAC Partner States	Includes the following member states: the Republic of Kenya, the Republic of Uganda, the United Republic of Tanzania, the Republic of Rwanda, the Republic of Burundi, the Democratic Republic of Congo, the Federal Republic of Somalia and the Republic of South Sudan
EAT	East Africa Time
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EIU	The Economist Intelligence Unit
EEA	European Economic Area

EFT	Electronic Funds Transfer
Employment Act	The Employment Act, Cap 226 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Employment and Labour Relations Court Act	The Employment and Labour Relations Court Act, Cap 8E of the Laws of Kenya, together with the subsidiary legislation made thereunder
Environmental Management and Coordination Act or EMCA	The Environmental Management and Coordination Act, Cap 387 of the Laws of Kenya, together with the subsidiary legislation made thereunder
EU	European Union
FCF	Free Cash Flow
FPO	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended)
Foreign Investor	Any person who is not a “Local Investor”
Foreign Investor Regulations	The Capital Markets (Foreign Investors) Regulations, 2002 (as amended)
FY	Financial Year
GDP	Gross Domestic Product
Health Act	The Health Act, Cap 241 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Historical Period	The fiscal years ended 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025
IFC or International Finance Corporation	International Finance Corporation, the largest global development institution focused on the private sector in developing countries and a part of the World Bank Group
IFRS	International Financial Reporting Standards
Income Tax Act	The Income Tax Act, Cap 470 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Information Memorandum	This Information Memorandum issued in accordance with the CM Act
Interim Period	The six-month period ended 30 June 2026
IPO or the Offer or the Offering	The Offer for Sale of 2,000,000,000 Ordinary Shares at an Offer Price of KES 7.50 and a par value of KES 0.20 each and which is the subject of this document. There has been, and will be, no public offering of the Offer Shares in any jurisdiction outside Kenya
KEBS	Kenya Bureau of Standards
KES or Ksh or ksh or Kshs	Kenya Shillings, the lawful currency of the Republic of Kenya
KNBS	Kenya National Bureau of Statistics
KRA	The Kenya Revenue Authority
Labour Institutions Act	The Labour Institutions Act, Cap 234 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Labour Relations Act	The Labour Relations Act, Cap 233 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Lead Placing Agent	SBG Securities Limited, in its capacity as lead placing agent in respect of the Offer
Lead Transaction Advisors	SBG Securities Limited and Stanbic Bank Kenya Limited, in their capacity as transaction advisors to the Company and Selling Shareholder in respect of the Offer
Legal Advisor	Coulson Harney LLP (trading as Bowmans in Kenya), in its capacity as legal advisor to the Company and the Selling Shareholder in respect of the Offer
LFL	Like-for-Like
Listing and Admission	The listing of the Ordinary Shares (including the Offer Shares) on the Official List of the NSE and their admission to trading on the Main Investment Market Segment of the NSE

Local investor	In relation to an individual, means a natural person who is a citizen of an East African Partner State; and in relation to a body corporate, means a company incorporated under the Companies Act of Kenya or such similar statute of an East African Partner State in which citizens of an East African Partner State or the Government of an East African Partner State have beneficial interest in one hundred per centum of its ordinary shares for the time being or any other body corporate established or incorporated in an East African Partner State under the provisions of any applicable law
LTM	Last twelve months
Lock-Up Period	The lock-up period commencing on the Listing Date and ending on the date falling 24 (twenty-four) months after the Listing Date
Lock-Up Shares	60% of the Selling Shareholder's total remaining Ordinary Shares envisaged to be held by it immediately after the Listing Date (assuming the Offer is successful)
Lock-Up Undertaking	The lock-up undertaking given by the Selling Shareholder to the Lead Placing Agent, the Co-Placing Agent and the Issuer, as described in paragraph 6 (<i>Lock-Up Arrangement</i>) of the section entitled " Statutory and General Information " in this Information Memorandum
LPG	Liquefied Petroleum Gas
LTIP	The long-term incentive plan established by the Issuer for the benefit of eligible participants, comprising share options, restricted share awards, phantom awards and/or other equity-linked incentives, as more particularly described in the section entitled " Long Term Incentive Plan " in this Information Memorandum
LTIP Rules	The rules governing the operation of the LTIP, including eligibility, award types, performance conditions, vesting schedules, forfeiture provisions and good/bad leaver treatment applicable to LTIP awards, to be adopted in connection with the establishment of the LTIP
MIMS	Main Investment Market Segment of the Nairobi Securities Exchange
NOPAT	Net Operating Profit After Tax
NSE or the Exchange	Nairobi Securities Exchange
NSE Listing Rules	The Nairobi Securities Exchange Listing Rules
Occupational Safety and Health Act	The Occupational Safety and Health Act, Cap 236A of the Laws of Kenya, together with the subsidiary legislation made thereunder
Offer Closing Date	The date on which the Offer Period ends, being 5:00 pm (EAT) on 30 October 2026, as specified in the section entitled " Expected Timetable of Principal Events " in this Information Memorandum
Offer Opening Date	The date on which the Offer Period commences, being 09:00 am (EAT) on 05 October 2026, as specified in the section entitled " Expected Timetable of Principal Events " in this Information Memorandum
Offer Period	Period commencing from 09:00 am (EAT) on the Offer Opening Date on 05 October 2026 and ending at 5:00 pm (EAT) on the Offer Closing Date on 30 October 2026.
Offer Price	The price at which each Offer Share is to be sold pursuant to the Offer
Offer Shares	2,000,000,000 Ordinary Shares of Quickmart being offered for sale by the Selling Shareholder
Ordinary Shares	The ordinary shares of the Company
Placing Agents	The Lead Placing Agent, the Co-Placing Agent and any other institution authorised to place Offer Shares, as listed in the section entitled " Authorised Selling Agents " in this Information Memorandum
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended)
QM Founders	The founders and directors of the Company through whom certain of the enterprises referred to in this Information Memorandum are controlled
Q-Points	The Issuer's proprietary customer loyalty programme, launched in 2021, under which customers earn points on qualifying purchases which may be redeemed against selected in-store purchases

QSOKO	The Issuer's branded online ordering and delivery platform
Qualified Institutional Investors	Institutional investors incorporated, established or licensed in Kenya or any other East African Community Partner State, including collective investment schemes, pension funds, insurance companies, banks, investment banks, fund managers, development finance institutions and such other institutional investors as may be approved by the Capital Markets Authority
Qualified Investors	Persons who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation
QuickChoice	Quickmart's private label product brand
Quickmart or the Issuer or the Company	Quick Mart PLC, a public company incorporated in the Republic of Kenya with registration number PLC-6DPTZPBBA and whose registered address is at Quick Mart Building, Ruaka, Old Limuru Road, P.O. Box 2361-00621, Nairobi, Kenya
Receiving Bank	Stanbic Bank Kenya Limited, in its capacity as receiving bank in respect of the Offer
Regulation S	Regulation S under the Securities Act
Reporting Accountant	Ernst & Young LLP, in its capacity as reporting accountant in respect of the Offer
Retail Investors	Comprises (i) Kenyan Retail Investors, being natural persons who are citizens or residents of Kenya and are eligible to subscribe for Offer Shares in accordance with the terms of this Information Memorandum and applicable laws and regulations; and (ii) EAC Retail Investors, being natural persons who are citizens or residents of an East African Community Partner State other than Kenya and are eligible to subscribe for Offer Shares in accordance with the terms of this Information Memorandum and applicable laws and regulations
ROIC	Means Return on Invested Capital, an Alternative Performance Measure described in the section entitled " Selected Historical Financial Information " in this Information Memorandum
RTCP	Retail Trade Code of Practice
RTGS	Real Time Gross Settlement
Securities Act	The United States Securities Act of 1933, as amended
Selling Agents or Authorised Selling Agents	Any of the institutions listed in this Information Memorandum and any other institutions duly registered under the CM Act to carry out the function of a Selling Agent
SKU	Stock Keeping Unit
Sokoni or the Selling Shareholder	Sokoni Retail Kenya Limited, a private company incorporated in the Republic of Mauritius under registration number 158508
South African Companies Act	The South African Companies Act, No. 71 of 2008, as amended
Sponsoring Broker	SBG Securities Limited, in its capacity as sponsoring stockbroker in respect of the Offer
UK Prospectus Regulation	Regulation (EU) No. 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018
The CM Act	The Capital Markets Act, Cap 485A of the Laws of Kenya
The Regulations	The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023
Tumaini	Tumaini Self Service Limited
Value Added Tax Act or VAT Act	The Value Added Tax Act, Cap 476 of the Laws of Kenya, together with the subsidiary legislation made thereunder
Work Injury Benefits Act	The Work Injury Benefits Act, Cap 236 of the Laws of Kenya, together with the subsidiary legislation made thereunder
YoY	Year on year
YTD	Year to date

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates below, which reflect the Issuer and Lead Transaction Advisors' expectation of principal events for the Offer, are subject to change without notice or the prior approval of the CMA. Any such amendments will be published in the press. The Offer Period may be extended or shortened subject to approval by the CMA and any such amendment will be announced to the public by way of advertisement in two national newspapers and on the Issuer's website.

Where any date falls on a gazetted public holiday, the applicable date shall be the next working day.

DATE	ACTIVITY
05 October 2026	Offer Opening Date
30 October 2026	Offer Closing Date and last day of payment by Retail Investors
06 November 2026	Announcement of Offer results and notification of allocation
10 November 2026	Payment date for Qualified Institutional Investors only
11 November 2026	Crediting CDS Accounts with Offer Shares and commence processing of refunds (if applicable) (the " Allotment Date ")
12 November 2026	Listing and commencement of trading (the " Listing Date ")

DOCUMENTS INCORPORATED BY REFERENCE

This Information Memorandum should be read and construed in conjunction with the Financial Statements comprising: (i) the audited financial statements of the Issuer for the financial years ended 31 December 2025, 31 December 2024, 31 December 2023, 31 December 2022, and 31 December 2021 (the “**Historical Period**”), including the accompanying notes thereto prepared in compliance with the IFRS Accounting Standards; and (ii) the reviewed interim financial statements of the Issuer for the six-month period ended 30 June 2026 (the “**Interim Period**”), including the accompanying notes thereto.

Any statement contained in a document that is incorporated by reference herein shall be construed to be modified or deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained herein modifies such earlier statement (whether expressly, by implication or otherwise); any statement so modified shall not be deemed, except as so modified, to constitute a part of this Information Memorandum.

Copies of the documents containing the information incorporated by reference in this Information Memorandum can be obtained from the website of the Issuer details of which are provided in the section entitled “**Corporate Directory of Quick Mart PLC**” in this Information Memorandum, and from the dedicated offer portal operated by the Data Processing Agent and Share Registrar.

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Protection
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with you

CORPORATE DIRECTORY OF QUICK MART PLC

Registered Address and Principal Place of Business

Quick Mart PLC's registered address is as follows:

Quick Mart Building
Ruaka – Old Limuru Road
P.O. Box 2361-00621
Nairobi, Kenya



Website: <https://ipo.quickmart.co.ke/>



Telephone: +254 104 068 112



Contact E-mail: ipo@quickmart.co.ke



Social Media Channels:

Facebook: *quickmartkenya01*

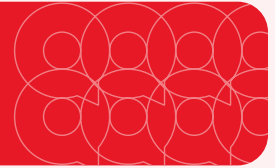
Instagram: *@quickmartkenya*

X: *@QuickmartKenya*

LinkedIn: *quickmart-kenya-official*

The information on the website of the Issuer or any of its other digital platforms does not form part of this Information Memorandum unless said information is incorporated by reference into this Information Memorandum.

ADVISORS TO THE COMPANY AND THE SELLING SHAREHOLDER IN RESPECT OF THE OFFER



Lead Transaction Advisors



SBG Securities Limited
2nd Floor, Stanbic Bank Centre
58 Westlands Road
P.O. Box 47198-00100
Nairobi, Kenya
Telephone: +254 20 363 8900/+254 20 363 8080



Stanbic Bank Kenya Limited
Stanbic Bank Centre
58 Westlands Road
P.O. Box 72833-00200
Nairobi, Kenya
Telephone: +254 20 322 68888

Legal Advisor



Coulson Harney LLP (trading as Bowmans)
5th Floor, West Wing, ICEA Lion Centre
Riverside Park, Chiromo Road, Nairobi
P.O. Box 10643-00100
Nairobi, Kenya
Telephone: +254 20 503 1600

Sponsoring Broker and Lead Placing Agent



SBG Securities Limited
2nd Floor, Stanbic Bank Centre
58 Westlands Road
P.O. Box 47198-00100
Nairobi, Kenya
Telephone: +254 20 363 8900/+254 20 363 8080

Receiving Bank



Stanbic Bank Kenya Limited
Stanbic Bank Centre
58 Westlands Road
P.O. Box 72833-00200
Nairobi, Kenya
Telephone: +254 20 322 68888

Reporting Accountant



Ernst & Young LLP
Kenya Re Towers, Upper Hill
Off Ragati Road
P.O. Box 44286-00100
Nairobi, Kenya
Telephone: +254 20 2886000

Co-Placing Agent



Dyer and Blair Investment Bank Limited
 7th Floor, Goodman Tower, off Waiyaki Way
 P.O. Box 45396 – 00100
 Nairobi, Kenya
 Telephone: +254 709 930 000

Data Processing Agent and Share Registrar



Image Registrars Limited
 5th Floor, Absa Towers, Loita Street
 P.O. Box 9287- 00100 GPO, Nairobi, Kenya
 Telephone: +254 709 170003 /
 +254 709 170 000/+254 735 565 666

Public Relations Agency



Creide Limited
 Vienna Court
 Ground Floor, West Wing Building
 State House Crescent Road
 Nairobi, Kenya
 Tel: +254 751 111 888
 Email: Info@creide.com

Corporate Governance Advisor



Adili Corporate Services Kenya LLP
 ALN House, Eldama Ravine Close
 Off Eldama Ravine Road, Westlands,
 P.O. Box 764 – 00606
 Nairobi, Kenya
 Telephone: +254 709 676 000

BOARD OF DIRECTORS OF QUICK MART PLC

For additional information on the Company's Board of Directors please see the section entitled "**Profiles of the Board of Directors and Executive Leadership Team**" in this Information Memorandum



Jérôme Loubère
Chairperson
Appointed September 2019
French



Peter Kang'iri
Group Chief Executive Officer
Appointed October 2019
Kenyan



Jacques Dôme
Managing Director - Kenya
Appointed August 2020
Belgian



Alexis Caude
Non-Executive Director
Appointed September 2019
French



Duncan Kinuthia
Non-Executive Director
Appointed September 2019
Kenyan



Martha Osier
Non-Executive Director
Appointed September 2019
Kenyan



Disha Copreaux
Independent Non-Executive
Director, Appointed with
effect from 01 October 2026
Kenyan



Jennifer Kinyoe
Independent Non-Executive
Director, Appointed with effect
from 01 October 2026
Kenyan

Company Secretary:

Adili Corporate Services Kenya LLP
ALN House, Eldama Ravine Close
Off Eldama Ravine Road
Westlands
P.O. Box 764 – 00606
Nairobi, Kenya

OTHER MANAGEMENT TEAM OF QUICK MART PLC AND OTHER COMPANY ADVISORS

For additional information on the Company's Board of Directors please see the section entitled "**Profiles of the Board of Directors and Executive Leadership Team**" in this Information Memorandum

Name	Position Occupied	Nationality	Joining Date
Peter Kang'iri	Group Chief Executive Officer	Kenyan	October 2019
Jacques Dôme	Managing Director, Kenya	Belgian	August 2020
Simon Macharia	Chief Financial Officer	Kenyan	December 2018
Joseph Thuku	Chief Commercial Officer	Kenyan	February 2024
Steve Boro	Chief Retail Operations Officer	Kenyan	June 2020
Priscah Muasya	Head of Human Resources	Kenyan	July 2022
Lilian Kerubo	Head of Environment, Health and Safety	Kenyan	March 2022
Michael Mwangi	Head of Internal Audit	Kenyan	July 2026

The information on Quick Mart PLC's other advisers in the ordinary course of business is below:

Auditors



Ernst & Young LLP
Kenya Re Towers, Upper Hill
Off Ragati Road
P.O. Box 44286-00100
Nairobi, Kenya
Telephone: +254 20 2886000

Legal Advisors



Capital Law Group
Swiss Cottages Riverside
Drive
P.O. Box 10997-00100
Nairobi, Kenya

Principal Bankers



Equity Bank Kenya Limited
Ruaka Branch
P.O. Box 75104-00100
Nairobi, Kenya



NCBA Bank Kenya Plc
Village Market Nairobi
P.O. Box 44599-00100
Nairobi, Kenya



Family Bank Limited
Nakuru Market Branch
P.O. Box 74145-00200
Nairobi, Kenya



SBM Bank (Kenya) Limited
Riverside Mews, Chiromo Road,
P.O. Box 34886-00100
Nairobi Kenya



KCB Bank Kenya Limited
Gigiri Square, United Nations
Avenue
P.O. Box 39036-00623
Nairobi, Kenya



The Co-operative Bank of Kenya
Co-operative House, Haile Selassie
Avenue
P.O. Box 48231-00100
Nairobi, Kenya

LETTER FROM THE CHAIRPERSON OF QUICK MART PLC



Dear Prospective Investor

On behalf of the Board of Directors (the “**Board**”) of Quick Mart PLC (“**Quickmart**” or the “**Company**”), I am pleased to provide you with the following information in connection with our proposed initial public offering of 2,000,000,000 Ordinary Shares of a par value of KES 0.20 each by way of an Offer for Sale (the “**Offer**”).

This Offer marks a defining milestone in Quickmart's evolution and reflects the Board's conviction in the Company's long-term prospects, strategic direction and ability to create sustainable value for all stakeholders. It also provides investors with an opportunity to participate in the continued growth of one of Kenya's leading modern grocery retailers.

Quickmart's journey has been characterised by resilience, adaptability and an unwavering commitment to serving Kenyan consumers. From its early beginnings, the Company has grown into a nationally recognised retail brand with a broad store network spanning 16 counties and serving millions of customers across diverse demographic and economic segments. Throughout this journey, Quickmart has successfully navigated changing consumer preferences, evolving market dynamics and broader economic cycles while remaining focused on delivering value, convenience and quality to its customers.

The Board believes that the Company's success has been underpinned by a disciplined approach to growth, a deep understanding of the Kenyan consumer and a commitment to operational excellence. These foundations, together with our continued investments in our stores, supply chain capabilities, technology platforms and customer engagement initiatives, position us to capitalise on the attractive long-term opportunities within Kenya's modern retail sector.

As the Company enters its next phase of growth, the Board remains committed to maintaining the highest standards of corporate governance. We recognise that sound governance is a critical pillar of long-term value creation and a key consideration for investors. Accordingly, we are committed to ensuring that Quickmart continues to operate with integrity, accountability and transparency in all aspects of its business. The Board will continue to provide effective oversight of management, uphold strong risk management practices and ensure that the interests of all shareholders are appropriately safeguarded.

Transparency, accountability and investor protection are central to our governance philosophy. As a publicly listed company, Quickmart will be expected to meet the disclosure, reporting and governance standards applicable to companies listed on the Main Investment Market Segment of the Nairobi Securities Exchange. The Board welcomes these obligations and views them as an opportunity to further strengthen stakeholder confidence, enhance accountability and reinforce the Company's reputation as a trusted corporate institution.

We are also mindful that Quickmart's success has been made possible by the loyalty and support of its customers, the dedication of its employees, the commitment of its suppliers and business partners, and the confidence placed in the Company by its shareholders. On behalf of the Board, I extend our sincere appreciation to each of these stakeholders for their contribution to the Company's development.

The Board believes that Quickmart is well positioned to continue delivering on its strategic objectives and creating value over the long term. We remain confident in the Company's future and excited about the opportunities that lie ahead.

Prospective investors should carefully review the contents of the Information Memorandum and consult their professional advisers before making any investment decision.

On behalf of the Board, I thank you for your interest in Quickmart and invite you to consider participating in this important milestone in the Company's journey.

Yours faithfully

A handwritten signature in black ink, appearing to be 'JL', written over a horizontal line.

Jérôme Loubère

Chairperson

Quick Mart PLC



THE OFFER AND THE SECURITIES ON OFFER

This summary highlights information in this Information Memorandum but does not contain all the information you should consider in making your investment decision. Prospective investors should therefore read this summary together with the more detailed information, including the financial summary elsewhere in this Information Memorandum:

1 Issuer

Quick Mart PLC, a public company incorporated in the Republic of Kenya with registration number PLC-6DPTZPBBA and whose registered address is at Quick Mart Building, Ruaka, Old Limuru Road, P.O. Box 2361-00621, Nairobi, Kenya.

2 Selling Shareholder

Sokoni Retail Kenya Limited, a private company incorporated in the Republic of Mauritius under registration number 158508 and whose address is c/o Rogers Capital Corporate Services Limited, No. 5 President John Kennedy Street, 3rd Floor, Rogers House, Port Louis, Mauritius.

3 Legal Status of the Issuer

The Issuer was incorporated in the Republic of Kenya under the Companies Act as a private company on 28 April 2006 under the name “Kids Supermarkets Limited”, and subsequently, pursuant to a special resolution of the shareholders, changed its name to “Quick Mart Limited” on 13 January 2008 (being the date of the Certificate of Change of Name as issued by the Companies Registry in Kenya).

Pursuant to a resolution of the sole member of the Issuer passed on 25 August 2026, the Issuer subsequently converted into a public company and with effect from 22 September 2026, (being the date of the Certificate of Change of Name as issued by the Companies Registry in Kenya), the Issuer changed its name from “Quick Mart Limited” to “Quick Mart PLC”.

Upon completion of the Offer and admission of the Issuer’s shares to the Main Investment Market Segment of the NSE, the Issuer will become a publicly listed company.

4 Principal Objectives of the Issuer

The Issuer’s principal objective is to operate a scalable and efficient grocery retail platform in Kenya, offering accessible, convenient and competitively priced everyday consumer goods, including food, fresh produce and essential household items. This objective is supported by a nationwide network of modern grocery stores across urban, suburban and selected regional locations.

5 Background of the Offer

The Offer comprises an offer for sale of the Offer Shares by the Selling Shareholder. The Offer Shares form part of the entire issued share capital of the Company proposed to be admitted to the MIMS of the NSE.

The Company has reached a stage of development where the Board and the Selling Shareholder consider that admission to the NSE represents an appropriate next step in its evolution. The listing is intended to broaden the

Company's shareholder base, enhance its visibility and profile within the Kenyan capital markets and provide investors with an opportunity to participate in the continued growth of the Company.

The Offer also provides the Selling Shareholder with an opportunity to partially realise its investment in the Issuer, following a period of ownership during which the Issuer materially expanded its store network, strengthened its management capabilities, enhanced its operating platform and delivered significant growth in revenue across a wider geographic footprint. The Offer is consistent with the Selling Shareholder's investment strategy and is intended to facilitate an orderly transition to a broader, publicly held shareholder base. The Selling Shareholder is expected to retain up to 50% of the Company's issued share capital following completion of the Offer, demonstrating its continued commitment to the Company.

The Offer is not being undertaken as a result of any change in the Issuer's strategy, operations or outlook. The Issuer intends to continue executing its growth plan, including further expansion of its store network, continued investment in technology and omnichannel capabilities, and the enhancement of its customer engagement and operational platforms.

The Board considers that admission to the NSE will further strengthen the Issuer's corporate profile and governance framework while supporting its long-term development as a leading modern grocery retailer in Kenya. Following completion of the Offer, the Company expects to continue to benefit from the experience and institutional knowledge of the Selling Shareholder, the Board and the management team, while welcoming new shareholders who will participate in the Company's future growth and value creation.

The Selling Shareholder has confirmed that its partial divestiture of its shareholding in the Issuer will not result in any changes to the Executive Leadership Team of the Issuer, or to the terms of their engagement. Each member of the Executive Leadership Team is party to a service agreement with the Issuer that is not conditional on, and will not be affected by, the level of the Selling Shareholder's post-Offer shareholding. Save as disclosed in this Information Memorandum, neither the Selling Shareholder nor the Issuer is aware of any other arrangement or understanding that would lead to a change in the Executive Leadership Team as a result of, or following, the Offer.

6 Share Capital Information

Authorised: Kenya Shillings eight hundred million (KES 800,000,000), comprising of four billion (4,000,000,000) Ordinary Shares of Kenya Shillings twenty cents (KES 0.20) each.

Issued and fully paid: Kenya Shillings eight hundred million (KES 800,000,000), comprising of four billion (4,000,000,000) Ordinary Shares of Kenya Shillings twenty cents (KES 0.20) each.

7 Securities Offered

The Offer comprises an offer for sale of the Offer Shares by the Selling Shareholder, being a total of two billion (2,000,000,000) Ordinary Shares of a par value of Kenya Shillings twenty cents (KES 0.20) each in the share capital of the Issuer representing fifty percent (50%) of the total issued share capital of the Issuer.

No new shares are being issued by the Company pursuant to the Offer and the Company will not receive any proceeds from the sale of the Offer Shares under the Offer.

Following completion of the Offer, fifty percent (50%) of the Issuer's total issued share capital will be held by public shareholders, satisfying the minimum free float requirement of 15% prescribed for listing on the Main Investment Market Segment of the NSE.

8 Offer Opening Date

Monday, 05 October 2026

9 Offer Closing date

Friday, 30 October 2026

10 Purpose of the Offer

The Offer is being undertaken to enable the Selling Shareholder to sell the Offer Shares representing fifty percent (50%) of the entire issued and fully paid-up ordinary shares of Quickmart.

11 Mode of the Offer

Offer for Sale

12 Method of Pricing the Offer

Fixed Price

13 Price of the Offer Shares

KES 7.50 per share

14 Market Capitalisation at Offer Price

KES 30 billion

15 Implied Offer Valuation Statistics

Offer Price	KES 7.50
Equity Value	KES 30,000,000,000
Projected FY 2026 EBITDA	KES 6,278,996,000
Projected Adjusted FY 2026 EBITDA	KES 6,585,239,000
Implied Enterprise Value based on adjusted FY 2026 EBITDA	KES 37,272,728,000
Net Debt (including lease liabilities) as at 30 June 2026	KES 7,272,728,000
Implied FY 2026 EV/Adjusted EBITDA	5.7x
Projected FY 2026 Net Income	KES 2,102,803,000
Projected FY 2026 Adjusted Net Income	KES 2,317,173,000
Implied FY 2026 Price/Adjusted Earnings	12.9x
Number of issued ordinary shares	4,000,000,000

Projected FY 2026 Dividend	KES 2,000,000,000
Projected FY 2026 Dividend per share	KES 0.5
Implied FY 2026 Dividend yield	6.7%

16 Basis for Setting the Price of the Offer Shares

The Offer Price has been determined by the Issuer and Selling Shareholder, in consultation with the Lead Transaction Advisors, using valuation parameters referenced under paragraph 15 above and methodologies with reference to the following principal factors:

- the Issuer's historical and projected financial performance as contained in the Reporting Accountant's ;
- the Issuer's market position, competitive strengths and growth prospects within Kenya's modern grocery retail sector;
- the trading multiples of comparable listed companies in selected international markets extracted from Refinitiv;
- the trading multiples and dividend yields of selected Kenyan listed companies extracted from Refinitiv;
- prevailing macroeconomic and capital market conditions in Kenya; and
- feedback from investor engagement conducted prior to the commencement of the Offer.

The Issuer and the Selling Shareholder have determined an Offer Price of KES 7.50 per share, implying an equity valuation of approximately KES 30.0 billion based on the current issued share capital of 4,000,000,0000 shares Shares. The Offer Price represents an implied FY2026 P/E multiple of 12.9x, an implied FY2026 EV/EBITDA multiple of 5.7x and an implied FY2026 dividend yield of 6.7%. The implied trading multiples are based on the adjusted net income and adjusted EBITDA as contained in the Reporting Accountant's Report.

The Issuer and the Selling Shareholder believe that the Offer Price reflects a fair valuation of the Issuer, balancing the Issuer's established market position and demonstrated track record with the growth opportunities available to it and is intended to provide investors with an attractive basis on which to participate in the Offer. Interested investors are advised to consult their stockbroker, investment adviser, banker, financial consultant, legal adviser and other qualified advisers, who specialise in the acquisition of shares and other securities.

17 Target Investor Categories and Eligibility

The Offer will target three principal investor categories: (i) Retail Investors (ii) Qualified Institutional Investors and (iii) Foreign Investors. For allocation purposes, these principal investor categories will be further segmented into following Investor Categories:

Kenyan Retail Investors

A natural person who is a citizen or resident of Kenya and is eligible to subscribe for Offer Shares in accordance with the terms of this Information Memorandum and applicable laws and regulations.

Kenyan Institutional Investors

Bodies corporate and institutional investors incorporated, established or licenced in Kenya, including collective investment schemes and investment banks licensed by the CMA, retirement benefits schemes regulated under the Retirement Benefits Act (Cap. 197 of the Laws of Kenya), insurance companies licensed

under the Insurance Act (Cap. 487 of the Laws of Kenya), banks and other financial institutions licensed by the CBK, and such other institutional investors as may be approved by the CMA.

EAC Investors

A natural person who is a citizen or resident of another EAC Partner State (excluding Kenya) and any company or other body corporate incorporated or established under the laws of another EAC Partner State as defined in this Information Memorandum.

For the avoidance of doubt, natural persons who are citizens of an East African Community Partner State (other than Kenya) qualify as 'local investors' for the purposes of the Capital Markets (Foreign Investors) Regulations, 2002. Bodies corporate incorporated in an East African Community Partner State in which citizens of an East African Community Partner State or the Government of an East African Community Partner State hold one hundred per cent of the ordinary shares also qualify as local investors.

Foreign Investors

Individuals and institutional investors located or resident outside Kenya and the East African Community, provided that participation in the Offer is lawful under the laws of their jurisdiction and complies with the selling restrictions set out in this Information Memorandum.

Cornerstone Investor

International Finance Corporation, acting as an Cornerstone Investor.

The Offer Shares shall be allotted among the Investor Categories described above in accordance with the allocation formula in this Information Memorandum, determined by the Company and the Selling Shareholder in consultation with the Lead Transaction Advisors and subject to applicable regulatory approvals.

The Company and the Selling Shareholder reserve the right to reallocate Offer Shares between Investor Categories depending on the level of demand received during the Offer Period, subject to applicable laws and regulatory requirements.

Each Applicant may apply through only one investor category and must satisfy the eligibility requirements applicable to that category.

18 Summary of Cornerstone Investor Participation

International Finance Corporation has conditionally agreed to participate as a cornerstone investor in the Offer. In this regard, IFC has committed to purchase approximately KES 1.94 billion of Offer Shares, representing approximately 13% of the Offer and approximately 6.45% of the Issuer's outstanding share capital following the Listing and Admission. In the event of an oversubscription, IFC's commitment to participate in the Offer will remain approximately 6.45% of the Issuer's outstanding share capital following the Listing and Admission. This commitment is subject to certain conditions, including IFC obtaining all required internal approvals, including approval from its board of directors to purchase up to KES 1.94 billion of Offer Shares at the Offer Price, and to the final terms and conditions of the Offer.

Save as set out above, any IFC purchase of Offer Shares would be made on the same terms and conditions as all other investors in the Offer.

IFC's investment remains subject to its board approval and the final terms and conditions of the Offer. IFC doesn't bear any liability towards other potential investors and other potential investors should place no reliance on IFC

or IFC's involvement in the Offer when making their investment decisions. Notwithstanding IFC's interest in the proposed investment, IFC may sell its shareholding at any time in the future.

For further details about IFC's participation as a cornerstone investor in the Offer, please see the section entitled "**Cornerstone Investor Participation**" in this Information Memorandum.

19 Minimum Subscription Amount

The minimum Application size is 500 Offer Shares and in multiples of 100 Offer Shares thereafter. There is no maximum Application size.

20 Minimum Subscription Condition

The Offer is conditional upon valid Applications being received and accepted in respect of not less than 75% of the Offer Shares (being 1,500,000,000 Offer Shares) by the Offer Closing Date (the "**Minimum Subscription Condition**").

Consequences of Non-Satisfaction of the Minimum Subscription Condition

If the Minimum Subscription Condition is not satisfied by the Offer Closing Date (or such later date as may be approved by the CMA), the Offer shall not proceed and shall be deemed to have lapsed. In such event:

- a. the Selling Shareholder shall have no obligation to transfer any Offer Shares to any Applicant;
- b. the Company shall have no obligation in connection with the transfer of any Offer Shares to any Applicant;
- c. Application Monies received shall be refunded in full to Applicants, within fourteen (14) Business Days of the announcement of the lapse of the Offer, by electronic funds transfer to the bank account or mobile money account specified in the relevant Application Form; and
- d. neither the Selling Shareholder, the Company nor any of the Advisors shall have any liability to any Applicant arising from the non-satisfaction of the Minimum Subscription Condition or the lapse of the Offer, save for the obligation to refund Application Monies as set out above.

Waiver or Reduction of the Minimum Subscription Condition

The Selling Shareholder, in consultation with the Company and the Lead Transaction Advisors, reserves the right to waive or reduce the Minimum Subscription Condition, subject to obtaining the prior written approval of the CMA and compliance with Applicable Laws. Any such waiver or reduction shall be announced in at least two newspapers with nationwide circulation in Kenya and on the Issuer's website prior to the Allotment Date.

21 Allocation between Investor Categories

The allocation policy has been developed in accordance with the requirements of the Regulations and is intended to promote broad-based share ownership, facilitate meaningful participation by Kenyan investors and ensure a balanced distribution of the Offer Shares among retail, institutional, regional and international investors.

The Issuer and the Selling Shareholder wish to achieve an appropriate balance between domestic and international participation in the Offer. The Offer Shares will therefore be allocated among the Investor Categories as follows:

	Investor Category	Indicative Allocation (Offer Shares)	Value of Offer Shares (KES)	Indicative Allocation (% of Offer Shares)
A	Kenyan Retail Investors	400,000,000	3,000,000,000	20%
B	Kenyan Institutional Investors	700,000,000	5,250,000,000	35%
C	EAC Investors	240,000,000	1,800,000,000	12%
D	Foreign Investors	400,000,000	3,000,000,000	20%
E	Cornerstone Investor	260,000,000	1,950,000,000	13%
	Total	2,000,000,000	15,000,000,000	100%

The indicative allocations set out above are not binding and may be adjusted by the Issuer and the Selling Shareholder, in consultation with the Lead Transaction Advisors, depending on the level and composition of demand received during the Offer Period and subject to applicable regulatory requirements.

Oversubscription and Reallocation

In the event that any Investor Category is undersubscribed, valid Applications within that pool shall be allotted in full and any unallocated Offer Shares shall be reallocated to satisfy demand in oversubscribed pools in the following order of priority:

(a) Kenyan Retail Investors with Direct Staff receiving allocation priority within this Investor Category; (b) Kenyan Institutional Investors; (c) East African Community Investors; (d) Foreign Investors; and (e) Cornerstone Investor.

Where Applications received in any Investor Category exceed the number of Offer Shares reserved for that pool, Applicants may receive fewer Offer Shares than the number applied for. Allocations within an oversubscribed pool may be scaled back on a pro rata basis (rounded down to the nearest whole number) or on such other equitable basis as the Issuer, the Selling Shareholder and the Lead Transaction Advisors may determine, subject to the approval of the CMA.

Multiple CDS Accounts registered in the name of the same applicant will be aggregated and treated as a single application for allotment purposes.

Amendment of the Allocation Policy

If the level or composition of Applications make the above allocation policy impractical or incapable of achieving a fair and equitable allocation of Offer Shares, the Issuer and the Selling Shareholder may amend the allocation policy with the prior approval of the CMA. Any such amendment will be announced in at least two newspapers with nationwide circulation and on the Issuer's website or in such other manner as may be prescribed by the CMA and the NSE.

Determination of Eligibility

In the event of any doubt regarding the eligibility of an Applicant within a particular investor category, the determination of the Issuer, in consultation with the Selling Shareholder and the Lead Transaction Advisors, shall be final and binding.

Announcement of Allocation Results

The Issuer will announce the final allocation of the Offer Shares among the investor categories described above on the date specified in the section entitled "**Expected Timetable of Principal Events**" in this Information Memorandum. In accordance with the Regulations, the Issuer will notify the CMA and the NSE of the allocation results at least twenty-four hours before their publication. The allocation results will be published in at least two newspapers with nationwide circulation, on the Issuer's website and in such other manner as may be prescribed by the CMA and the NSE.

22 Status of Applicant

Each Applicant is required to declare their investor category on the Application Form by selecting one of the following classifications:

- a. Kenyan Retail Investor;
- b. Kenyan Institutional Investor;
- c. East African Community Investor;
- d. Foreign Investor; or
- e. Cornerstone Investor.

each as defined in the segment titled "**Target Investor Categories and Eligibility**" above.

Each Applicant may apply through one investor category only and must satisfy the eligibility requirements applicable to that category. Applicants are required to provide such supporting documentation as may reasonably be required by the Placing Agents or the Issuer to evidence their declared status, including (without limitation) a copy of the Applicant's national identity card, passport, certificate of incorporation, or such other documentation as may be specified in the Application Form or requested by the Placing Agents.

CDS Account Requirement

In accordance with Section 30 of the CD Act, every Applicant must hold a valid CDS Account before Offer Shares can be credited to the Applicant. Applicants who do not hold a CDS Account should open one through a central depository agent prior to submitting their Application. For the avoidance of doubt, multiple applications under a CDS Account (including nominee accounts) will be treated as one aggregate application comprising of the sum of all valid application for that CDS Account.

Classification of Investors and Shareholder Register

The classification of each Applicant as a Kenyan Retail Investor, Kenyan Institutional Investor, East African Community Investor, Foreign Investor or Cornerstone Investor will be determined by reference to the CM Act, the Regulations, the Capital Markets (Foreign Investors) Regulations, 2002 (as amended), and the definitions set out in this Information Memorandum. For the purposes of the Capital Markets (Foreign Investors) Regulations, 2002 (as amended):

- a. a "local investor", in relation to an individual, means a natural person who is a citizen of an East African Community Partner State; and
- b. a "local investor", in relation to a body corporate, means a company incorporated under the Companies Act (or the equivalent statute of an EAC Partner State) in which citizens of an EAC Partner State or the Government of an EAC Partner State have a beneficial interest in one hundred per cent of its ordinary shares.

Any person who does not fall within either of the above categories is a "foreign investor" for the purposes of the Foreign Investor Regulations.

Following admission of the Issuer's Ordinary Shares to listing on the MIMS of the NSE, the Issuer will maintain a register of shareholders in accordance with the Capital Markets (Foreign Investors) Regulations, 2002 (as amended), with an indication of whether each shareholder is a foreign investor, an individual local investor or an institutional local investor.

Invalid Applications and Misclassification

The Issuer reserves the right to treat as invalid any Application which appears to have been submitted, dispatched or completed in a manner that may involve a breach of any applicable law or regulatory requirement in any jurisdiction, including (without limitation) any misclassification of the Applicant's investor category. In such circumstances, the Issuer may reject the Application in whole or in part without incurring any liability to the Applicant.

Applicants are responsible for ensuring that their declared investor category is accurate and that their participation in the Offer is lawful under the laws of their jurisdiction of residence, citizenship, incorporation or establishment.

Data Protection

Personal data provided by Applicants in connection with the Offer will be processed by the Company, the Placing Agents, the Data Processing Agent and Share Registrar and the CDSC for the purposes of administering the Offer, maintaining the shareholder register and complying with applicable legal and regulatory requirements. Such data will be processed in accordance with the Data Protection Act (Cap. 411C of the Laws of Kenya).

23 Gross Offer Proceeds

KES 15 billion

24 Cost and Expenses of the Offer

The Issuer estimates that the total costs and expenses associated with the Offer will amount to approximately KES 575.6 million and will be borne by the Selling Shareholder.

A summary of the estimated Offer expenses is set out below¹:

Fees	Amount (KES)	Percentage of Total Offer Expenses (%)
Regulatory Fees (CMA Approval Fees and NSE listing fees)	24,000,000.00	4.2%
Transaction Advisory fees, placing commissions ²	476,230,780.00	82.7%
Marketing and advertising costs	70,000,000.00	12.2%
Miscellaneous	5,364,711.00	0.9%
Total	575,595,491.00	100.0%

The estimated expenses of the Offer are equivalent to approximately 3.8 % of the gross proceeds of the Offer, or KES 0.29 per Offer Share.

¹ Offer expenses presented are exclusive of VAT

² Transaction Advisory fees include Transaction Advisor Fees, Placing Commissions, Receiving Bank Fees, Legal Fees, PR Advisor Fees, Data Processing Agent and Share Registrar Fees and Reporting Accountant Fees

25 Net Offer Proceeds

The net Offer proceeds, after deduction of estimated Offer costs of KES 575.6 million (representing 3.8% of the gross Offer proceeds), are estimated at KES 14.4 billion.

26 Use of Offer Proceeds

The Issuer will not receive any proceeds from the Offer. The entire net Offer proceeds estimated at KES 14.4 billion shall be remitted to the Selling Shareholder.

27 Minimum Aggregate Applications

The Offer shall not proceed unless valid Applications are received from, and Offer Shares are allotted to, not less than 250 persons in aggregate, as required by the eligibility requirements for listing on the Main Investment Market Segment.

28 Stabilisation

No stabilising agent has been appointed in connection with the Offer, and no price stabilisation activities will be undertaken.

29 Status of the Offer Shares

The Offer Shares are existing fully paid Ordinary Shares in the share capital of the Issuer. Upon transfer to successful Applicants, the Offer Shares will rank *pari passu* in all respects with all other issued Ordinary Shares of the Issuer. The Issuer has a single class of Ordinary Shares in issue. No shares carry special or enhanced rights.

The principal rights attaching to the Ordinary Shares under the Issuer's Articles of Association are summarised below:

- a. *Voting*: On a poll, each Ordinary Share carries one vote. On a show of hands, each member present in person (or, in the case of a body corporate, by a duly authorised representative) has one vote. Members may appoint proxies to attend and vote on their behalf. (Refer to Articles 27.1 and 28 of the Company's Articles of Association).
- b. *Dividends*: Holders of Ordinary Shares are entitled to receive dividends declared by the Issuer in general meeting, provided that no dividend shall exceed the amount recommended by the Board. The Board may also declare and pay interim dividends. Dividends are paid proportionately to the amounts paid up on the shares held by each member. (Refer to Articles 40.1, 40.2 and 40.3 of the Company's Articles of Association).
- c. *Winding-up*: In the event of a winding-up of the Issuer, the provisions of the Insolvency Act, 2015 (No. 18 of 2015) and the regulations made thereunder shall apply. (Refer to Article 46 of the Company's Articles of Association).
- d. *Pre-emption*: Unless otherwise determined by ordinary resolution, whenever the Board proposes to issue new shares, it shall offer them to existing members in proportion to their existing holdings, subject to such exclusions as the Board considers necessary in relation to fractional entitlements or legal and regulatory requirements. (Refer to Articles 5.9 and 5.10 of the Company's Articles of Association).

- e. *Transferability*: The Ordinary Shares are freely transferable, subject to the Companies Act, the Listing Rules, the CD Act and applicable regulations. Following listing, transfers will be effected by book-entry through the CDSC. The Offer Shares are not subject to any lien, the Company's lien being limited to shares which are not fully paid. (Refer to Articles 3.1.1, 12.1 and 9.1 of the Company's Articles of Association).
- f. *Form*: The Offer Shares will be held in immobilised form and credited to each successful Applicant's CDS Account. Title will be evidenced by book-entry in accordance with the CD Act. A member whose name appears in the CDSC record of depositors is entitled to all rights and is subject to all obligations as if registered in the Company's register of members. (Refer to Article 8.8 of the Company's Articles of Association).

For further details, see "**Relevant Extracts from the Memorandum of Association and the Articles of Association**" in this Information Memorandum.

30 Summary of Lock Up Provisions

The Selling Shareholder has agreed that, for a period of twenty-four (24) months from the Listing Date (the "**Lock-up Period**"), it will not, without the prior written consent of the Lead Placing Agent, Co-Placing Agent and the Issuer and the approval of the CMA, directly or indirectly sell or transfer Ordinary Shares representing 60% of the Selling Shareholder's total remaining Ordinary Shares envisaged to be held by it immediately after Listing Date, subject to certain exceptions, including transfers to Affiliates and related Adenia funds, disposals required by law, acceptances of a general offer, permitted encumbrances, and transactions approved by the Lead Placing Agent and the Co-Placing Agent, the CMA or the NSE. Further details of the lock-up arrangements are set out in paragraph 6 (*Lock-Up Arrangement*) of the section entitled "**Statutory and General Information**" in this Information Memorandum. The Authority has approved the Lock-up Period of twenty-four (24) months.

31 Underwriting

The Offer is not underwritten at the instance of the Issuer and the Selling Shareholder.

32 Pro Forma Financial information

No pro forma statement of financial position has been prepared in connection with the proceeds of the Offer as the Offer does not involve the issuance of new Shares by the Issuer, and it will not result in any change to the Issuer's assets, liabilities, shareholders' equity, financial position, results of operations or cash flows.

33 Quotation

Approval for the Offer and the listing have been obtained from the CMA and approval for the admission of listing of the 4,000,000,000 shares being the Issuer's entire issued and paid-up share capital on the Main Investment Market Segment of the NSE has been granted by the NSE. Trading in the Issuer's shares including the Offer Shares is expected to commence on or about 12 November 2026.

34 Material Changes

The Issuer confirms that, save as disclosed in this Information Memorandum, there has been no material adverse change in the financial or trading position of the Issuer since 30 June 2026, being the date of its latest reviewed interim financial statements incorporated herein by reference, nor has there been any material change in the prospects of the Issuer which is material in the context of the Offer.

35 Dividend Information

The Issuer has historically returned value to shareholders through dividend distributions funded from distributable profits and available reserves, taking into account its operating cash flows, capital requirements and growth plans.

The table below sets out the Company's historical profitability and dividend distributions for the periods indicated:

Period ended	30 June 2026	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
Net Income (KES '000)	872,793.00	1,508,574.00	1,134,807.00	449,611.00	274,958.00	182,637.00
Total Dividends (KES '000)	-	1,647,055.00	1,176,465.00	782,353.00	105,882.00	-
Dividends per Share (DPS) before share split (KES'000)	-	1,266.97	904.97	601.81	81.45	-
Earnings per Share (EPS) before share split (KES'000)	671.38	1,160.44	872.93	345.85	211.51	140.49
Dividend Cover Ratio	-	0.92x	0.96x	0.57x	2.60x	-

Further details of the Company's dividend declarations and per share metrics are set out below:

Period	Six months ended 30 June 2026	Twelve months ended 31 December 2025
Net Income (KES '000)	872,793.00	1,508,574.00
Dividend declared and paid (KES '000)	-	1,647,055.00
DPS after share split (KES)	-	0.41
EPS after share split (KES)	0.22	0.38

Refer to "**Selected Historical Financial Information**" and the "**Reporting Accountant's Report**" for further information on the H1 2026 distribution to the Selling Shareholder in the form of a shareholder's advance.

Investors are referred to the section entitled "**Statutory and General Information**" in this Information Memorandum for additional information regarding the subdivision of the Issuer's share capital.

Following admission to the MIMS segment of the NSE, the Issuer intends to adopt a dividend policy targeting a pay-out ratio of at least approximately 80% of annual profit after tax as dividends, declared and paid semi-annually, subject to the availability of distributable reserves, the capital requirements of the Company including its growth and investment plans, and other relevant considerations.

The Board of Directors expects dividends to remain an important component of shareholder returns and therefore intends to maintain a dividend policy that balances attractive cash distributions with the funding

requirements of the Company. The declaration and payment of dividends will remain at the discretion of the Board and will consider the Issuer's profitability, cash generation, working capital and capital expenditure requirements, growth opportunities, financial position and applicable legal and regulatory requirements.

The Board of Directors believe that the Issuer's strong cash flow generation profile and disciplined cost management provide a sound foundation for the proposed dividend policy while preserving sufficient flexibility to fund growth initiatives and strategic investment opportunities for the foreseeable future.

36 Taxation

See section entitled “*Information on Taxation*” in this Information Memorandum

37 Governing Law

This Information Memorandum and any contract resulting from the acceptance of an application to purchase the Offer Shares shall be governed and construed in accordance with the Laws of Kenya and it shall be a term of each such contract that the parties thereto and all other interested parties submit to the exclusive jurisdiction of the Courts of Kenya.



MACROECONOMIC OVERVIEW

1 Introduction

The Issuer's business is influenced by the macroeconomic conditions prevailing in its principal markets, including levels of economic growth, inflation, exchange rate movements, interest rates, employment and household disposable income. During the period under review, these factors affected consumer demand, pricing dynamics, input costs, logistics and utility expenses and, more generally, the operating environment for the grocery retail sector. In particular, inflationary pressures, changes in consumer purchasing power and movements in currencies and energy costs formed an important part of the backdrop against which the Issuer operated. The discussion below summarises the principal macroeconomic trends in the Issuer's key markets during the Historical Period.

2 Population and employment

Kenya has a large, growing and youthful population, estimated by the Kenya National Bureau of Statistics ("KNBS") at approximately 54.2 million as at mid-2026 compared with 47.6 million recorded in the 2019 Kenya Population and Housing Census. The 2019 census also recorded approximately 12.1 million households, with an average household size of 3.9 persons. The population is also increasingly urban, with approximately 18.5 million people (32% of the population) living in urban areas in 2025. The urban population is projected to grow at 3.4% CAGR, whilst the total population is projected to grow at 1.8%, up to 2030.³

Kenya's demographic profile is characterised by a relatively young population. KNBS data indicates that the country has a median age of 20.3 years, with approximately 72% of the population aged 34 years and below. This youthful population profile is expected to support continued household formation and expansion of the labour force over the medium to long term.

Employment in Kenya remains concentrated in the informal sector. In 2025, the total recorded employed population (excluding those employed in small-scale agriculture) was 21.6 million, with 18.1 million employed in the informal sector. Kenya created approximately 822,100 new jobs in 2025, of which approximately 716,800, or about 90%, were in the informal sector⁴. Overall employment levels grew at a CAGR of 4.2% between 2021 and 2025.

Kenya's population is distributed across 47 counties, with significant differences in population density, urbanisation, infrastructure and household purchasing power. The principal urban and higher-density counties provide concentrated consumer markets, while smaller cities and emerging peri-urban centres may present longer term growth opportunities.

3 GDP Growth and Economic Activity

Kenya is the largest economy by nominal GDP in East Africa and a member of the East African Community, a regional bloc of eight partner states. With an estimated population of approximately 54.2 million, Kenya represents a large and important consumer market within the region. Kenya's nominal GDP was KES 17.6 trillion (USD 135.9 billion) in 2025⁵.

Kenya's economy is broad-based and the KNBS Economic Survey 2026 indicated that in 2025 the largest contributors to GDP included agriculture (approximately 23.2%), transportation and storage (11.8%), financial and insurance activities (8.3%), real estate (8.2%), wholesale and retail trade (7.8%); manufacturing (7.1%) and construction (6.5%). This sector mix highlights the importance of both household consumption and services activity within the Kenyan economy, alongside the continued significance of agriculture and infrastructure-related activity.

³ Source: World Bank data, <https://data.worldbank.org/indicator/SP.POP.TOTL>

⁴ Source: 2026 Economic Survey, KNBS

⁵ Source: 2026 Economic Survey, KNBS, <https://www.knbs.or.ke/wp-content/uploads/2026/04/2026-Economic-Survey-Popular-version.pdf>

Kenya has maintained a trajectory of stable economic growth in recent years, underpinned by structural resilience and sectoral diversification. Real GDP grew by 7.5% in 2021, reflecting a strong post-pandemic recovery, before moderating to 4.9% in 2022. Growth then strengthened to a revised 5.7% in 2023, before easing to 4.7% in 2024 and 4.6% in 2025⁶.

The economy recorded stronger momentum in early 2026, with real GDP expanding by 5.3%⁷ in the first quarter of 2026, compared with 4.9% in the first quarter of 2025. The first-quarter 2026 expansion was broad-based, with all sectors recording positive growth, including accommodation and food services, construction, financial and insurance activities, information and communication, manufacturing, and agriculture.

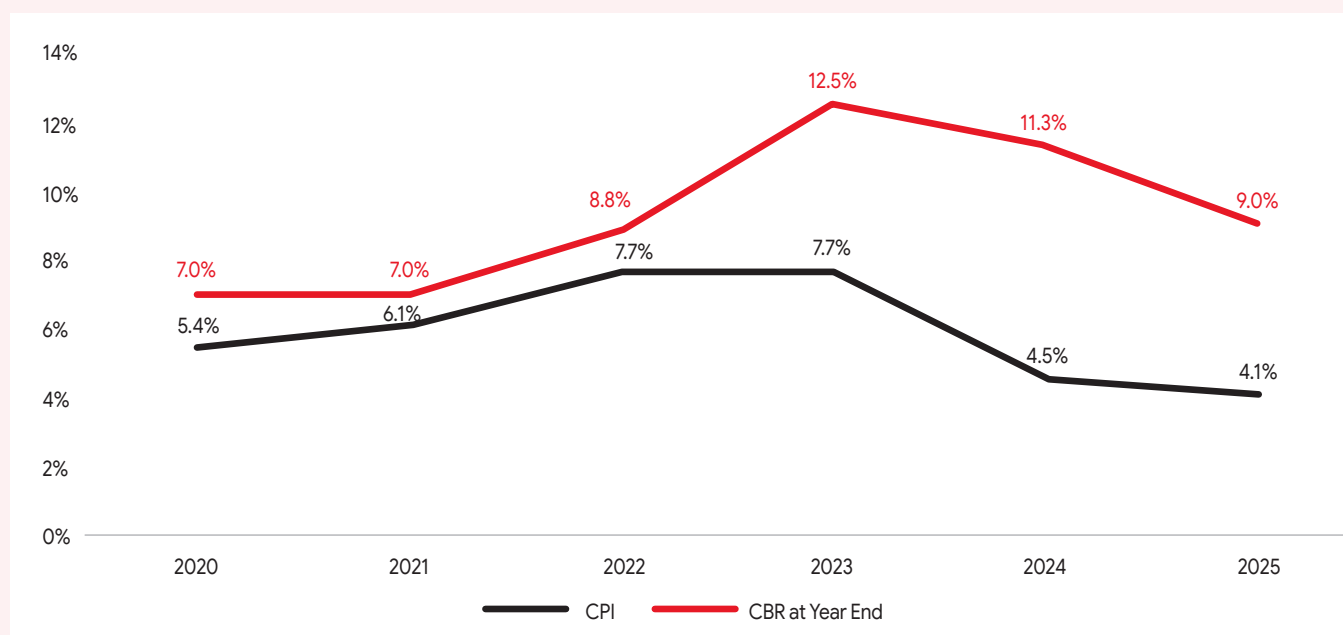
Looking ahead, Kenya's economy is expected to expand through 2026 and 2027, with real GDP growth forecast at 5% and 5.4% respectively⁸, although the outlook remains subject to fiscal, climate-related and external risks.

4 Monetary Policy and inflation

Since the beginning of 2025, the Central Bank of Kenya has pursued a broadly accommodative monetary policy stance, reducing the Central Bank Rate ("CBR") from 11.25% in December 2024 to 8.75% by February 2026, before pausing in April and June 2026 as inflationary pressures linked to higher energy and transport costs increased due to the US-Iran war.

According to data released by the Central Bank of Kenya, inflation has largely remained within the medium-term target band of $5 \pm 2.5\%$ over the past five years. Average annual consumer price inflation as measured by the Consumer Price Index ("CPI") was 6.1% in 2021, 7.7% in 2022, 7.7% in 2023, 4.5% in 2024 and 4.1% in 2025. This indicates that inflation rose materially above the midpoint of the CBK's target range in 2022 and remained elevated in 2023, before moderating sharply in 2024 and remaining below the midpoint in 2025⁹.

Historical Inflation and Central Bank Rates



⁶ Source: 2026 Economic Survey, KNBS, <https://www.knbs.or.ke/wp-content/uploads/2026/04/2026-Economic-Survey-Popular-version.pdf>

⁷ Source: Statistical Release GDP/1/2026, KNBS, <https://www.knbs.or.ke/wp-content/uploads/2026/07/Kenya-Quarterly-Gross-Domestic-Product-First-Quarter-2026.pdf>

⁸ Source: Economist Intelligence Unit

⁹ Source: Central Bank of Kenya

5 Household Spending and Income

Household spending is a central component of Kenya's economy. Private consumption accounted for approximately 76.9% and 77.0% of nominal GDP in 2025 and 2024 respectively, underscoring the importance of household expenditure as a driver of economic activity. Household and non-profit institutions serving households final consumption expenditure was reported at approximately KES 13.5 trillion in 2025, up from approximately KES 12.6 trillion in 2024, indicating continued nominal growth in spending¹⁰.

Since 2020, Kenya's GDP per capita has grown steadily in nominal terms, increasing from approximately US\$1,927 in 2020 to approximately US\$2,363 in 2025, representing cumulative growth of approximately 22.5% and an implied CAGR of approximately 4.2% over the period¹¹. Kenya's GDP per capita is significantly higher than that of its East African neighbours (approximately 1.8 times Tanzania's, 2.0 times Uganda, and 2.5 times Ethiopia's) and this relative position supports Kenya's role as one of East Africa's more developed consumer markets, with a comparatively larger average income base and stronger potential for formal household consumption.

6 Foreign Exchange and Currency Movements

The foreign exchange market remained broadly stable through 2025 and into the first half of 2026. The Kenya shilling closed 2025 at approximately KES 129.05 per U.S. dollar as at 31 December 2025 and stood at approximately KES 129.49 per U.S. dollar as at 30 June 2026, indicating limited movement over the period. This stability was supported by adequate foreign exchange reserves, resilient export receipts and continued diaspora remittance inflows.

The usable foreign exchange reserves stood at USD 13.2 billion (5.6 months of import cover) as at 30 June 2026, improving from USD 9.2 billion (4.7 months) as at 31 December 2025, offering a sufficient buffer against short-term external shocks and supporting market confidence. This meets CBK's statutory requirement to endeavour to maintain at least 4 months of import cover, save for a temporary shortfall to 3.9 months in 2023. Previously, these reserves stood at USD 7.3 billion (3.9 months) in 2023; USD 8.0 billion (4.5 months) in 2022 and USD 9.5 billion (5.7 months) in 2021¹².

Kenya's improving economic and fiscal management has resulted in improved sovereign credit ratings. For instance, S&P Global Ratings' latest publicly surfaced action indicated a B sovereign rating with a stable outlook in August 2025¹³, whilst Moody's rated Kenya at B3 with a stable outlook following its January 2026 upgrade and reaffirmed this rating in July 2026¹⁴.

These positive assessments have enabled Kenya to access international capital markets on more favourable terms, supporting infrastructure financing and development goals.

7 Fiscal Performance and Outlook

Kenya's fiscal position remains characterised by ongoing consolidation efforts, elevated debt-servicing costs and revenue-mobilisation challenges. Fiscal performance in FY2024/25 was weaker than initially budgeted, with the fiscal deficit widening to approximately 5.9% of GDP, above the original target of 4.3% of GDP, largely due to revenue shortfalls and rigid expenditure commitments. The National Treasury attributed the revenue underperformance partly to the withdrawal of the Finance Bill 2024 and the related public protests, which disrupted economic activity and delayed planned revenue-enhancing measures.

10 Source: World Bank Development Indicators

11 Source: Economist Intelligence Unit

12 Source: Central Bank of Kenya, Monetary Policy Committee Statements, Monthly Economic Indicators

13 Source: S&P Global, <https://www.spglobal.com/ratings/en/regulatory/article/-/view/sourceld/101641844>

14 Source: Moodys, <https://www.moodys.com/researchandratings/region/africa/kenya/042085>

Public debt remains a key constraint. Kenya's public debt was estimated at approximately 68.8% of GDP by the World Bank, while the National Treasury reported public debt of approximately KES 11.81 trillion, equivalent to 67.8% of GDP, as at June 2025. Debt-service costs remain elevated, with interest payments absorbing about one-third of tax revenue, limiting fiscal space for development and priority social spending.

For FY2025/26, the Government of Kenya targets a narrower deficit of approximately 4.8% of GDP, supported by projected expenditure of KES 4.29 trillion and revenue, including appropriations-in-aid, of approximately KES 3.32 trillion. The resulting deficit of approximately KES 923.2 billion is expected to be financed through both domestic and external borrowing.

The fiscal outlook is supported by continued economic growth, with the National Treasury projecting real GDP growth of approximately 5.3% in 2025 and 2026, and the World Bank projecting average growth of approximately 4.9% between 2025 and 2027. However, downside risks remain, including weaker-than-expected revenue collection, elevated refinancing needs, high domestic borrowing, exchange-rate pressures and potential external or climate-related shocks.



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REGULATORY OVERVIEW AND OPERATING ENVIRONMENT

1 Introduction

The regulatory environment applicable to the Company's business spans consumer protection and competition law, food safety and standards, employment and labour law, environmental compliance, data protection and county-level licensing requirements. The Company will also be subject to capital markets regulation (in connection with the Offer and the Company's ongoing obligations as a listed entity).

The Company has established internal policies and procedures designed to ensure compliance with all material applicable regulatory requirements and maintains active engagement with relevant regulatory authorities.

2 Capital Markets Regulation

The Company's Offer and admission of its Ordinary Shares to trading on the Main Investment Market Segment of the NSE are subject to the regulatory oversight of the CMA and the NSE. The principal legislation governing these matters includes the CM Act, the Regulations, the NSE Listing Rules and the CD Act.

The CMA is the statutory body responsible for regulating and supervising Kenya's capital markets. In connection with the Offer, the CMA has approved this Information Memorandum and the listing of the Offer Shares on the NSE. Following admission of the Offer Shares on the MIMS of the NSE, the Company will be subject to ongoing disclosure and compliance obligations under the CM Act, the Regulations and the NSE Listing Rules, including requirements relating to periodic financial reporting, disclosure of material information, corporate governance standards and conduct of directors and officers.

The NSE is the securities exchange on which the Offer Shares will be listed and traded. The NSE operates under the regulatory oversight of the CMA and maintains its own rules and requirements applicable to listed companies, including the NSE Listing Rules. The Company will be required to comply with the NSE Listing Rules and any other applicable rules of the NSE.

3 Competition and Consumer Protection

The Company's operations are subject to the Competition Act, which is administered by the CAK. Kenya explicitly prohibits abuse of buyer power under Section 24A of the Competition Act, which is particularly relevant to large retailers' dealings with suppliers. The Competition Act also prohibits anti-competitive agreements, abuse of dominance and other restrictive trade practices. As a participant in the Kenyan grocery retail market, the Company is required to conduct its business in compliance with these provisions, including in relation to its dealings with suppliers, competitors and customers.

The RTCP gazetted on 11 June 2021, applies to retailers operating supermarkets, hypermarkets, or self-selection stores in Kenya and is designed to encourage self-regulation and harmonise retailer-supplier engagement. The RTCP contains provisions relating to recorded supply agreements, regulated payment terms, prohibitions on cost-shifting to suppliers, restrictions on charges for store openings, hospitality, listing and shelf space, and dispute resolution through the Prompt Payment Committee and Retail Disputes Committee.

The Company's supplier relationships are materially conducted in accordance with the requirements of the RTCP.

The Consumer Protection Act, which gives effect to Article 46 of the Constitution of Kenya, is administered by the Kenya Consumers Protection Advisory Committee. The Consumer Protection Act provides protections for consumers against unfair trade practices, false advertising, defective products and other consumer-related matters, including the right to quality goods and services, right to accurate pre-contractual information, and remedies for defective goods. The Company's retail operations are subject to these consumer protection requirements, including in relation to product quality, pricing transparency, returns policies and customer service.

As at the date of this Information Memorandum, the Company is in material compliance with its obligations under the Competition Act and the Consumer Protection Act and has implemented policies and procedures designed to ensure ongoing compliance with applicable competition and consumer protection requirements.

4 Food Safety and Standards

The Company's retail operations, particularly in relation to the sale of food and fresh produce, are subject to food safety and standards regulation. The principal regulatory bodies in this area include the KEBS and the Kenya Food and Drugs Authority.

KEBS is the statutory body responsible for developing and enforcing standards for goods and services in Kenya, including food products. The Standards Act (Cap 496 of the Laws of Kenya) requires that products sold in Kenya meet applicable Kenyan standards. Products must bear the KEBS Standardisation Mark (Diamond Mark of Quality) where applicable. Imported goods must undergo pre-export verification of conformity ("PVoC") or destination inspection. The Company is required to ensure that products stocked and sold in its stores comply with these standards, including requirements relating to product labelling, packaging, quality and safety.

Depending on the categories of goods sold, additional product-specific inspections and permits are required from the Kenya Dairy Board (for dairy products), the Pharmacy and Poisons Board (for pharmaceutical products), the Pest Control Products Board (for pest control products), and the relevant fisheries authorities (for fish and fish products). The Company maintains the necessary permits and conducts regular inspections in accordance with these requirements.

The Food, Drugs and Chemical Substances Act (Cap 254 of the Laws of Kenya) regulates the sale and distribution of food and drugs in Kenya, including requirements relating to food hygiene, adulteration and fitness for human consumption. The Public Health Act (Cap 242 of the Laws of Kenya) also imposes requirements relating to food safety, sanitation and hygiene standards for premises where food is prepared, stored or sold. The Company maintains food safety and hygiene protocols across its store network to ensure compliance with these requirements.

The Weights and Measures Act (Cap 513 of the Laws of Kenya) governs the use of weighing and measuring equipment and ensures accuracy and fairness in trade. The Company's use of weighing scales and other measuring equipment for the sale of products by weight or measure is subject to calibration and certification requirements under this legislation. Certificates of Verification must be obtained confirming that all weighing and measuring instruments used in trade have been verified and stamped.

As at the date of this Information Memorandum, the Company is in material compliance with applicable food safety and standards legislation and maintains quality assurance and food safety management systems across its operations to support ongoing compliance.

5 Employment and Labour Law

The Company maintains a substantial workforce across its store network to support its operations. The principal pieces of legislation governing employment relationships include the Employment Act, the Employment and Labour Relations Court Act, the Labour Relations Act, the Labour Institutions Act, the Occupational Safety and Health Act, and the Work Injury Benefits Act.

The Employment Act establishes minimum standards for employment contracts, working hours, leave entitlements, termination procedures and employee protections.

The Occupational Safety and Health Act (“**OSHA**”) is enforced by the Directorate of Occupational Safety and Health Services (“**DOSH**”). The Company is required to register each workplace with DOSH and obtain an OSHA Certificate of Registration of a Workplace, which must be renewed annually. Periodic safety audits must be conducted by a registered safety and health advisor, and comprehensive safety and health risk assessments must be completed identifying workplace hazards and mitigation measures. The Company maintains occupational health and safety programmes across its store network to ensure compliance with these requirements.

As at the date of this Information Memorandum, the Company is in material compliance with its obligations under applicable employment and labour legislation, including the Employment Act and the Occupational Safety and Health Act, and maintains human resources and workplace safety policies designed to ensure ongoing compliance.

6 County Government Licensing and Permits

Under Kenya’s devolved system of government, county governments have jurisdiction over certain regulatory matters relevant to the Company’s retail operations. The Company operates stores across 16 counties in Kenya and is required to obtain and maintain various permits and licences from the respective county governments in which it operates.

The principal county-level requirements include Single Business Permits, which authorise the conduct of trade and business activities within the respective county and which must be renewed annually before 31 January; Food Hygiene Licences for premises handling food products; Food Handler Permits and Health Certificates for employees involved in food handling; Fire Clearance Certificates and periodic Fire Safety Audit Reports confirming compliance with fire safety standards; Public Health Compliance Certificates confirming adherence to sanitary and hygiene standards; Outdoor Advertising Licences for signage and branding; and Building Occupancy Permits. These permits are generally renewable on an annual basis and are subject to periodic inspections by county officials.

The Company maintains a licensing and permits compliance programme to ensure that all required permits are obtained and renewed in a timely manner. The regulatory requirements and fee structures vary across counties, reflecting the decentralised nature of county government administration.

The County Licensing (Uniform Procedures) Regulations, 2025 aim to standardise licensing procedures across all 47 counties, reducing fragmentation and improving the ease of doing business for retailers operating across multiple jurisdictions. The Company continues to monitor the implementation of these reforms.

As at the date of this Information Memorandum, the Company holds all material permits and licences required from the relevant regulatory authorities, national government and county governments (as applicable) in respect of its current operations and maintains a compliance programme to monitor the renewal of such permits on a timely basis.

7 Alcohol Licensing

Stores of the Issuer that sell alcoholic beverages are required to hold an Alcohol or Liquor Licence issued under the Alcoholic Drinks Control Act (Cap 121 of the Laws of Kenya). The Issuer holds the necessary alcohol licences for those stores in its network that retail alcoholic beverages.

8 Music Copyright

The playing of music in commercial premises requires licensing from collective management organisations licensed by the Kenya Copyright Board (“KECOBO”), including the Performing and Audio-Visual Rights Society of Kenya (“PAVRISK”). The Company maintains the necessary music copyright licences across its store network.

9 LPG Regulation

Stores that sell LPG cylinders are required to hold a retail Licence for the sale of LPG (the “Sale of LPG Licence”) under the Petroleum (Liquefied Petroleum Gas) Regulations, which is overseen by the Energy and Petroleum Regulatory Authority (“EPRA”). The Company currently conducts its LPG retail operations under authorisations granted by various Oil Marketing Companies. In addition, the Company has submitted an application to EPRA for the Sale of LPGs Licence required for its LPG retail operations.

10 Environmental Regulation

The Company’s operations are subject to the Environmental Management and Coordination Act (“EMCA”), which is administered by the National Environment Management Authority (“NEMA”). EMCA establishes the framework for environmental management in Kenya, including requirements relating to environmental impact assessments, pollution control, waste management and sustainable resource use.

The Company is required to manage waste generated by its operations in compliance with applicable environmental regulations. This includes obligations relating to the segregation, storage, transportation and disposal of solid waste, organic waste and recyclable materials. Premises that discharge effluent require an Effluent Discharge Licence from NEMA. The Company is also subject to regulations governing the use of single-use plastics under the Environmental Management and Coordination (Plastic Bags Control and Management) Regulations, 2018, and must obtain a NEMA Plastic Bag Usage Clearance Permit. Environmental Impact Assessment audit reports may be required for compliance monitoring in respect of certain operations or developments.

As at the date of this Information Memorandum, the Company is in material compliance with its obligations under applicable environmental legislation, including the Environmental Management and Coordination Act, and maintains environmental management practices designed to support ongoing compliance.

11 Data Protection

The Company collects and processes personal data in connection with its operations, including customer data through its Q-Points loyalty programme, employee data and supplier information. The Company’s data processing activities are subject to the Data Protection Act, which establishes a comprehensive framework for the protection of personal data in Kenya.

The Data Protection Act, administered by the Office of the Data Protection Commissioner, imposes obligations on data controllers and processors, including requirements for lawful processing, data minimisation, data security, data subject rights and cross-border data transfers. The Company is required to register as a data controller with the

Office of the Data Protection Commissioner and implement appropriate technical and organisational measures to protect personal data.

As at the date of this Information Memorandum, the Company is registered as a data controller with the Office of the Data Protection Commissioner and it is in material compliance with its obligations under the Data Protection Act and has implemented appropriate data protection policies and procedures.

12 Taxation

The Company is subject to Kenya's tax framework, which is administered by the KRA.

KRA Personal Identification Number ("PIN") registration is required for all businesses. The principal taxes applicable to the Company's operations include corporate income tax at the standard rate prescribed under the Income Tax Act, value-added tax ("VAT") at the standard rate prescribed under the Value Added Tax Act, withholding taxes on various payments, pay-as-you-earn ("PAYE") in respect of employee remuneration, and excise duty on certain categories of goods under the Excise Duty Act (Cap 472 of the Laws of Kenya).

The Company is registered for VAT and files periodic tax returns and maintains records in compliance with applicable tax legislation.

13 Compliance

As at the date of this Information Memorandum, the Company holds all material licences, permits and approvals required for the conduct of its business and that it is in material compliance with all Applicable Laws and regulations. The Company has implemented internal policies, procedures and compliance programmes to ensure ongoing regulatory compliance across its operations, including policies designed to ensure the timely renewal of licences and permits.

For further information on regulatory and other risks applicable to the Company's business, please see the section entitled "**Risk Factors and Mitigants**" in this Information Memorandum.



INDUSTRY OVERVIEW

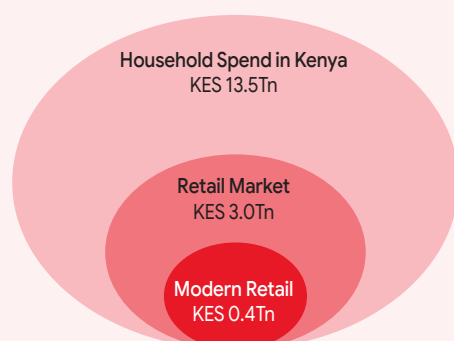
1 Overview of the Kenyan Retail Sector

Kenya has one of the more developed and dynamic retail ecosystems in Sub-Saharan Africa outside South Africa. Its relative maturity is reflected in the presence of scaled domestic and international retail chains, meaningful modern-trade participation, increasingly diversified store formats, growing e-commerce adoption and relatively developed regional logistics and payments infrastructure. The sector is supported by a population of approximately 54.2 million, an urban consumer base of more than 18 million and long-term growth in incomes and consumption. The retail sector forms part of Kenya's wider services economy and is closely linked to household consumption, food distribution, employment, logistics and domestic supply chains. In 2025, the wholesale and retail trade industry¹⁵ contributed to 7.8% of Kenya's KES 17.6 trillion GDP and was a significant driver of employment, representing 13.9% of the national workforce¹⁶.

Kenya's total household consumption expenditure in 2025 was USD 104.6 billion (Kes 13.5 trillion) and total retail expenditure, estimated at USD 22.9 billion (Kes 3.0 trillion), accounted for approximately 22% of this¹⁷. Kenya's grocery retail market remains characterised by a dual-channel structure, with modern formal retail co-existing alongside a large informal and traditional retail base. Modern trade channels include supermarkets, hypermarkets, express convenience stores and online-enabled retail formats while traditional informal retail channels, include kiosks ("dukas"), open-air markets, independent neighbourhood stores and informal traders. Informal trade continues to dominate grocery distribution, particularly outside major urban centres, and accounted for approximately 87% of total estimated grocery retail spend, or USD 19.9 billion (KES 2.6 trillion), in 2025¹⁸. Traditional retail channels remain important in Kenya because they offer proximity, small-basket purchases, informal credit relationships in some communities, flexible packaging and price points, and access to fresh foods through open-air markets and neighbourhood outlets. Modern trade accounted for approximately 12% of total retail sales at USD 2.8 billion (KES 0.4 trillion)¹⁹.

Furthermore, Kenya's modern trade penetration in the grocery retail market specifically is estimated to be 24% which is materially below penetration levels observed in more developed markets such as Saudi Arabia (44%), South Africa (64%), Mexico (64%), Turkey (64%) and Brazil (71%)²⁰. This structural gap underpins a long-term opportunity for the expansion of organised retailers with scalable operating models in response to increased urbanisation, consumer demand for convenience, and the demand for a broader range of products.

Estimated Kenyan Household Expenditure and Key Expenditure Categories



Expenditure Category	CPI Basket Weight
Food and non-alcoholic beverages	33%
Alcoholic beverages, tobacco	3%
Personal care, Miscellaneous	4%
Clothing and footwear	3%
Housing, water, electricity, gas, fuel	15%
Furnishing, household equipment	4%
Health	3%
Transport	10%
Other	25%
Total	100%

Source: Sagaci Research, KNBS

15 Wholesale and Retail trade classification in KNBS also includes the repair of motor vehicles and motorcycles

16 Source: 2026 Economic Survey, KNBS

17 Source: Kenya Retail Market Update, Sagaci Research

18 Source: Kenya Retail Market Update, Sagaci Research

19 Source: Kenya Retail Market Update, Sagaci Research

20 Source: Euromonitor

Food and non-alcoholic beverages represent the largest component of household consumption in Kenya, accounting for approximately 32.9% of the CPI basket²¹. As an essential and largely non-discretionary category, grocery demand is relatively resilient to changes in consumer spending patterns, supporting the defensive characteristics of the sector.

History of the Grocery Retail Sector in Kenya

Kenya's grocery retail sector has undergone meaningful structural evolution over the past decade. The exit or retrenchment of certain legacy supermarket operators has accelerated sector consolidation and improved overall industry discipline. The market has seen the exit or significant decline of former national champions, alongside the emergence of scaled local champions supported by institutional capital. This has created opportunities for stronger operators to acquire sites, attract suppliers and expand store networks on more sustainable terms.

Supplier ecosystems have also matured, with increased participation by local manufacturers, distributors and multinational Fast Moving Consumer Goods (FMCG) companies. Improved supplier capabilities, combined with greater use of data and category management by retailers, have enhanced assortment planning, pricing transparency and promotional effectiveness across the sector.

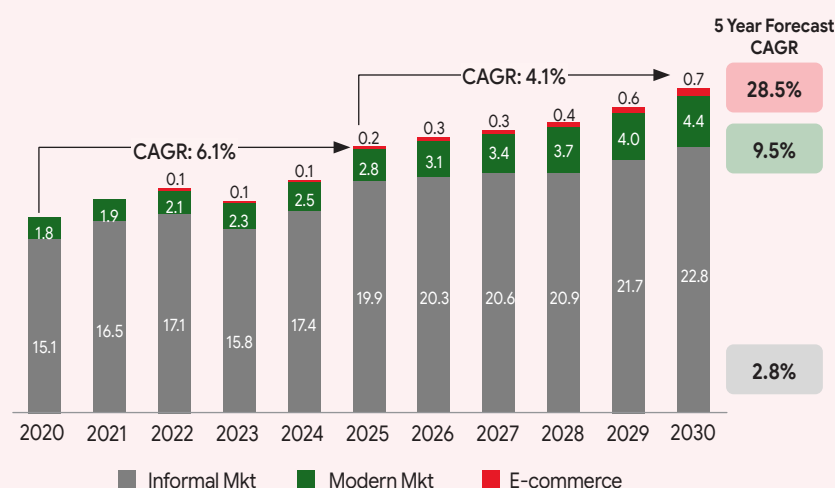
Evolution of Kenya's Retail Market

The grocery retail sector remains both fragmented, particularly in the informal trade segment, and highly competitive. Whilst the distinction between informal and formal retail channels has remained a defining characteristic of the market, consumer spending has gradually shifted towards modern trade, creating a significant opportunity for organised retailers. The competitive landscape within modern trade has also evolved considerably in the past 10 years. Modern trade is comprised of three tiers of operators, ranging from large chains with more than 20 stores to smaller neighbourhood supermarkets. Most indigenous retailers have operated similar store formats and relied predominantly on locally sourced brands, with limited penetration of private label products.

2 Retail Market Size and Growth

Total retail expenditure in Kenya was estimated at approximately USD 22.9 billion (KES 3.0 trillion) in 2025 and is forecast to grow at a 6.1% CAGR to approximately USD 27.9 billion (KES 3.6 trillion) by 2030. Modern retail is forecast to grow at a CAGR of 9.5% from USD 2.8 billion (KES 0.4 trillion) to USD 4.4 billion (KES 0.6 trillion) over the same period, at a faster pace than informal retail at a CAGR 2.8%, steadily increasing its contribution to total retail expenditure to 16%. E-commerce, as a nascent channel, is forecast to grow at a CAGR of 28.5% over the same period in constant USD currency²².

Total retail market expenditure 2020 - 2030, USD Bn



Source: Sagaci Research

²¹ Source: Kenya Consumer Price Index and Inflation Report, 30 June 2026, KNBS

²² Kenya Retail Market Update, 2026 Sagaci Research

The historical growth in modern retail between 2000 and 2025 was supported by the growth in the number of modern retail outlets, with an average of 40 new stores opened per year over the period. As at end of 2025, approximately 40% of all modern outlets were located in Nairobi.

3 Structural Drivers of growth

Demographics and Urbanisation

Kenya's large and growing population, 54.2 million in 2026, supports a sizeable addressable consumer market for grocery retail. Additionally, a growing middle-income consumer segment is increasingly prioritising modern retail attributes such as transparent pricing, consistent product availability, food safety standards and broader product assortment. Younger consumers, in particular, demonstrate higher adoption of organised retail formats and digital engagement, including loyalty programmes, mobile payments and online shopping. These shifts support sustained demand for well-located, professionally managed supermarket chains.

The country continues to urbanise at a pace exceeding overall population growth, with 2026 – 2030 projected urbanisation rates estimated at approximately 3.4% per annum, versus the average population growth rate 1.9% per annum for the same period. At this pace, Kenya's urban population, currently at 18.5 million, is expected to reach 21.9 million by 2030, and 47 million by 2050²³.

Urbanisation drives changes in consumer behaviour by concentrating households in areas with greater access to formal retail infrastructure, transport networks and delivery platforms. As consumers move into urban and peri-urban areas, shopping preferences tend to shift towards greater convenience (this includes proximity-based retail, extended hours and "one stop" outlets), broader product assortment, packaged goods, ready-to-use and ready-to-eat products, consistent availability and trusted retail formats. KNBS data indicates that urban households purchase 98% of their food, and in rural areas the share of food purchased, rather than produced, increased from 30% (2009) to 78% (2022), indicating the shift towards convenience. These preferences translate to long-term structural changes in the retail market. Urban consumers are also exposed to a greater array of modern retail formats, which may support increased adoption of modern grocery retail.

From a retailer perspective, in addition to driving higher footfall at outlets, urbanisation improves the economics of store networks, distribution and last-mile fulfilment.

Urbanisation has been accompanied by the expansion of residential developments across Nairobi and its surrounding suburbs, creating new and increasingly dense consumer catchments. This has supported demand for neighbourhood retail formats that provide convenient access to groceries and everyday essentials close to residential areas, particularly for time-constrained working households seeking convenient and more frequent shopping options without travelling to larger destination retail centres.

The combination of urbanisation, consumer demand for convenience and an increasing number of high-density neighbourhoods have driven the industry towards localisation – neighbourhood-led formats such as supermarkets and express stores rather than large, destination malls. Kenyan consumers generally have low vehicle ownership, are sensitive to transportation costs, face time constraints, limited storage space and prize day to day affordability. This has driven a preference towards weekly convenience-driven trips over monthly or occasional bulk purchases.

For retailers, neighbourhood formats offer steadier footfall, faster stock turnover and closer competition with informal and discount retail, helping protect volumes in a tougher consumer environment.

²³ Source: World Bank Development Indicators

Consumer Behaviour and Category Trends

Consumer behaviour in grocery retail is influenced by price sensitivity, proximity, product availability, freshness, assortment and trust.

Kenyan grocery consumers are increasingly value-conscious, with inflationary pressures encouraging shoppers to prioritise affordability and value for money, including lower-priced products, promotions and smaller pack sizes. Consumers also make more frequent trips with smaller baskets, supporting demand for convenient neighbourhood retail formats.

Changing work patterns and limited time for meal preparation are encouraging demand for convenience. Consumers increasingly purchase ready-to-eat and packaged foods and value retailers that provide a variety of brands, refrigeration and varied pack sizes²⁴.

Private label products are also becoming an increasingly important component of modern grocery retail strategies. As consumers place greater emphasis on value, retailers are expanding own-brand ranges to offer quality products at more competitive price points than comparable branded alternatives. Beyond enhancing affordability for consumers, private label products provide retailers with greater pricing flexibility, stronger category margins and increased control over product assortment. They also support customer loyalty by creating differentiated and exclusive product offerings, while allowing retailers to leverage scale and supplier relationships to improve sourcing economics. As a result, private label penetration is expected to increase as retailers seek to strengthen their value proposition and enhance profitability in an increasingly competitive market.

E-commerce, Digital Payments and Omnichannel Retail

Digital adoption is increasingly relevant to Kenya's retail sector, supported by high mobile connectivity, mobile money penetration and expanding broadband access. The Communications Authority of Kenya reported that, as of March 2026, mobile subscriptions reached 84.1 million, mobile money subscriptions reached 53.4 million, and mobile broadband subscriptions reached 62.8 million²⁵.

The Communications Authority also reported that by March 2026, smartphone penetration²⁶ had reached 63.7%, total mobile data and broadband subscriptions had grown to 62.6 million, and 4G and 5G coverage had expanded to 97.3% and 30.0% of the population, respectively²⁷.

These digital trends support the development of e-commerce, delivery, mobile payment and omnichannel retail models. To take advantage of this opportunity, retailers have partnered with third-party logistics providers such as Uber Eats, Bolt Food and Glovo for delivery services and have also developed their own in-house platforms and capabilities to secure the higher profitability margins associated with e-commerce.

For formal grocery retailers, digital channels support incremental customer reach, convenience, loyalty engagement and data-driven merchandising. At the same time, grocery e-commerce can require investment in picking, fulfilment, last-mile delivery, inventory visibility and customer service, which may affect profitability if order density and basket economics are not sufficient. In 2025, e-commerce sales in Kenya contributed USD 0.2 billion (KES 26 billion) to total retail expenditure.

²⁴ Source: Kenya Retail Assessment 2026, ATNi

²⁵ Source: Communications Authority

²⁶ Defined as total number of smartphones divided by total mobile phone devices

²⁷ Fourth quarter sector statistics report, 2025/2026, Communications Authority

4 Competitive Landscape

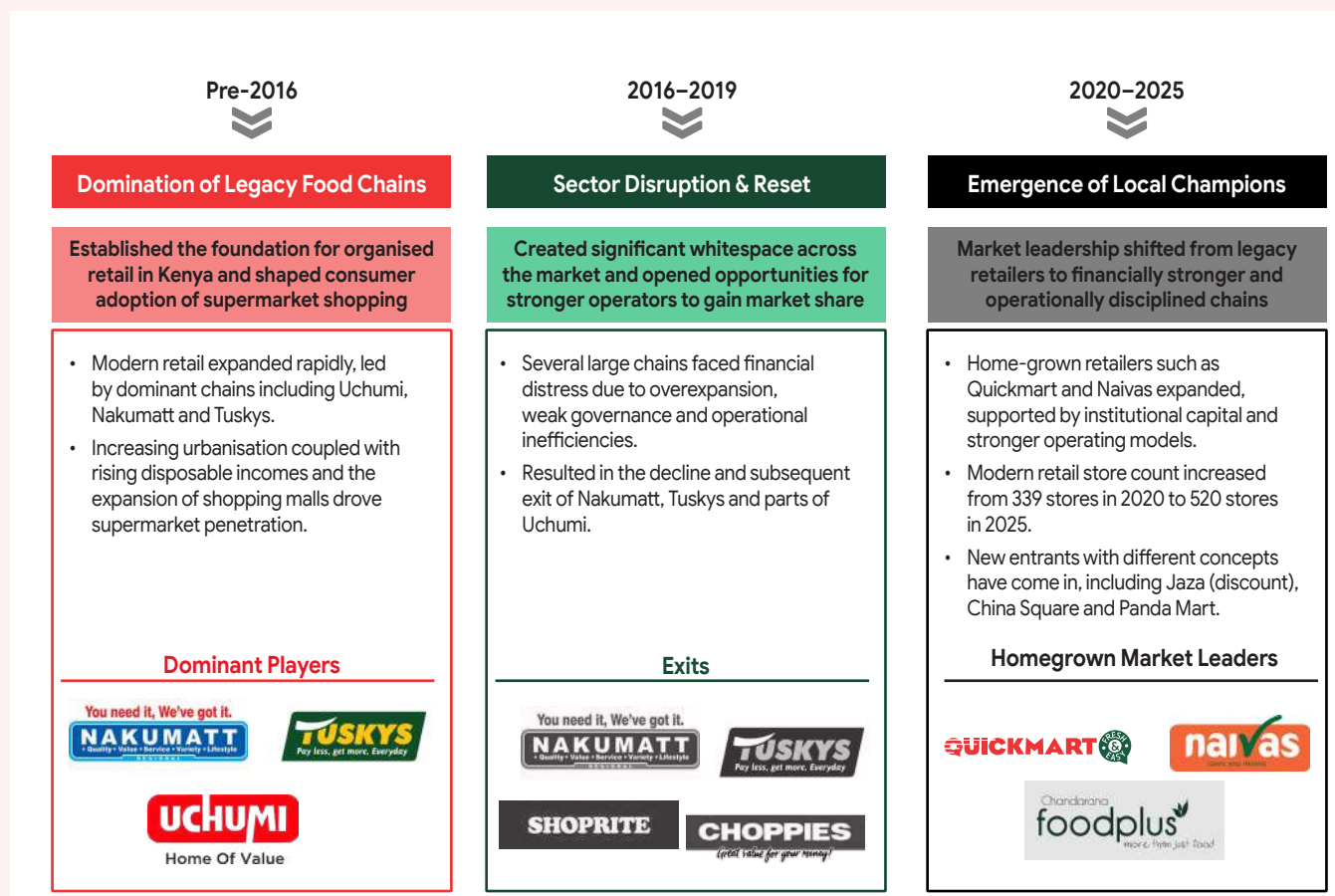
The Kenyan modern grocery retail market is concentrated among a small number of leading chains that together make up 60% of the market, and the remaining market share is fragmented across a long tail of smaller operators.

By 2023, six relatively large retailers had exited the Kenyan market, with their assets subsequently acquired by other operators. Two of these were local operators trading under the Nakumatt and Tuskys retail brands, while two were foreign-owned operators trading under the Shoprite and Choppies brands.

Prior to their decline, Nakumatt and Tuskys were the largest supermarket operators in Kenya, with peak store counts of 65 and 64, respectively. The failure of these local chains has been widely attributed to weak corporate governance, overly aggressive expansion strategies and inadequate cost control. In several cases, governance weaknesses reportedly extended to poor internal controls, resulting in pilferage and inappropriate supplier relationships that undermined financial discipline.

Foreign-owned operators faced different structural challenges. These included above-market rental commitments in premium locations, with rents charged in foreign currency, which constrained pricing competitiveness and reduced footfall, reliance on costly expatriate management with limited local market familiarity, and product assortments skewed towards imported goods that were often higher priced and less aligned with local consumer preferences.

The timeline below presents the key historic events in Kenya's grocery retail sector.



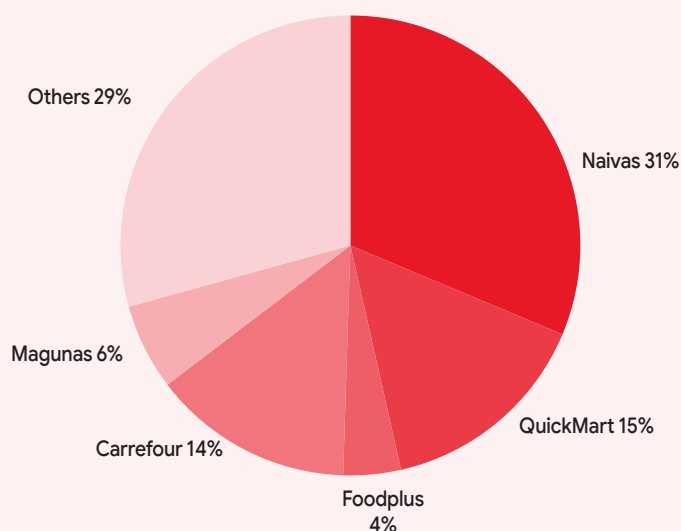
Source: Company, media reports

Market Structure and Leading Operators

Kenya's modern chain retail base is estimated at c. 500 outlets, spread across approximately 20 retail chains operating across key cities and towns. Within modern grocery, market share is concentrated among a small number of scaled operators. Sagaci Research estimates that:

- ➔ Naivas is the leading operator with over 31.0% market share;
- ➔ Quickmart is the second largest operator with around 15.0% market share; and
- ➔ Carrefour is the third largest operator with around 14.0% market share.

Modern Grocery Retail Market Share by Estimated Revenue (2025)



Source: Kenya Retail Market Update, Sagaci Research

Competition includes large domestic supermarket chains, regionally focused operators, discount-led formats, convenience stores, wholesalers and emerging online platforms. Competition intensity is highest in Nairobi and its surrounding suburban areas, while regional urban centres remain comparatively underserved.

Competition is primarily driven by:

- ➔ **Store location and catchment quality**, reflecting the frequent, convenience-led nature of grocery shopping and the expansion of residential catchments in Nairobi and other urban centres;
- ➔ **Price and value proposition**, given high consumer price sensitivity and competition from informal retailers, with promotions, pack sizes and private-label products providing key tools to offer value;
- ➔ **Assortment, product availability and fresh-food quality**, which enable modern retailers to capture a broader share of consumers' grocery baskets and differentiate from smaller informal outlets;
- ➔ **Convenience and format**, including proximity, parking, trading hours and neighbourhood-oriented store formats, which allow modern retailers to compete with the accessibility of informal retail; and
- ➔ **Scale and operational execution**, including procurement, supply-chain reliability and inventory management, which can support competitive pricing, product availability and margins as retailers expand their store networks.

International operators have historically faced challenges adapting to local consumer behaviour, cost structures and real estate dynamics, reinforcing the advantage of local operators with established supplier relationships and on-the-ground execution capabilities.

Informal retailers remain important competitors because they typically offer proximity, smaller purchase quantities, local consumer relationships and flexible price points. This is particularly relevant in lower-income and residential catchments where frequent small-basket shopping is common.

5 Positioning of Quickmart within the Sector

Within this context, Quickmart has emerged as one of Kenya's leading locally founded modern grocery retailers. The Company has built a dense network of stores focused on suburban residential catchments, complemented by growing exposure to regional urban centres and selective coastal locations. This positioning aligns closely with prevailing urbanisation and convenience-led consumption trends.

Quickmart's model emphasises:

- ➔ Proximity-based retail near residential and commuter routes
- ➔ A strong food and fresh-led proposition
- ➔ Competitive promotional pricing supported by supplier partnerships
- ➔ Extended trading hours in selected locations and free customer parking
- ➔ High customer engagement through loyalty and digital platforms

The Company believes this positioning enables it to compete effectively against both informal trade and organised peers. Quickmart's footprint, customer proposition and operational model are aligned to key structural drivers that underpin the growth of modern retail in Kenya.

As the market continues to formalise, Quickmart's positioning benefits from:

- ➔ Scale and network effects in procurement, promotions and supply chain execution (in line with the market's shift toward stronger, better-capitalised local champions);
- ➔ Convenience-led formats and locations that capture high-frequency grocery shopping missions, particularly in dense urban neighbourhoods and commuter corridors; and
- ➔ A pathway to omnichannel participation, as online retail expands rapidly from a low base and consumer behaviour shifts toward mobile-first discovery and ordering.

Against this market backdrop, management's forward-looking plan (including continued store rollout and an increased contribution from online) is positioned to capture a share of the growing modern retail market in Kenya from:

- ➔ the ongoing shift from traditional to modern retail;
- ➔ the acceleration of digital retail from a low base; and
- ➔ the expansion of private label categories within retail.

Within this context, retailers that can leverage scale, maintain pricing discipline, secure favourable supplier relationships, ensure inventory availability, manage working capital efficiently and remain relevant across multiple customer catchments and channels are better positioned to compete and grow. Quickmart's competitive position, store footprint, operating model and strategy are described in the following "**Business Overview and Operations**" section in this Information Memorandum..



QuickChoice

Premium Quality
TOILET ROLLS

100% Virgin Pulp



Extra Gentle, Extra Strong, Extra Soft

10 ROLLS

QUICKMART

BUSINESS OVERVIEW AND OPERATIONS

1. HISTORY AND OVERVIEW OF THE COMPANY

Quick Mart PLC is a supermarket chain operating in Kenya, focused on the retail of everyday consumer goods, including food, fresh produce and essential household items. As of 30 June 2026, the Issuer operated a network of 68 modern grocery retail stores under the “Quickmart” brand across urban and suburban locations across Kenya, making it the second largest supermarket chain in Kenya by store count and turnover. Following the opening of four additional stores in July and August 2026, the Issuer’s network increased to 72 stores.

The Company services a broad customer base through a convenience-led retail offering, including value-conscious and middle to higher-income households, and seeks to balance competitive pricing with convenience and product range.

The Issuer was formed through the merger of two established supermarket chains in Kenya, Tumaini and Quickmart. The Company’s growth trajectory has been shaped by a number of key strategic and operational milestones:

Establishment

Quickmart traces its origins to 2006, when the late John Kinuthia and his son, Duncan Kinuthia, established the first Quickmart store in Nakuru, Kenya. In the same year, Moses Nditika, together with Joram Ngeruro and Elijah Okello, founded the Tumaini supermarket chain in Nairobi’s Eastlands area. These two businesses subsequently evolved into leading regional retail platforms and later merged to become the foundation of the Quickmart business as it exists today.

Independent Development of Quickmart and Tumaini

Quickmart and Tumaini operated as independent, founder-led retail businesses. Each built its own store network and customer base within Kenya’s emerging formal grocery retail sector, while developing distinct market positions and operating formats in growing neighbourhoods.

Quickmart’s early growth strategy focused on expansion into suburban and peri-urban catchment areas, supported by an emphasis on convenience, product assortment and accessibility. At the time of Adenia’s investment in 2019, Quickmart had expanded its network to ten stores. Tumaini, by contrast, operated primarily in urban areas, targeting high-frequency, value-oriented customers through smaller-format outlets in dense neighbourhoods and high-traffic locations. When Adenia invested in 2018, Tumaini had developed a network of nine stores concentrated in Nairobi’s Eastlands neighbourhood and in the western Kenyan city of Kisumu.

Adenia Partners Investment and Pre-Merger Ownership

The growth of both Quickmart and Tumaini accelerated following investments by Adenia Partners as a private equity investor. Adenia held both investments indirectly through its controlling interest in Sokoni Retail Kenya Limited, which acquired a 55% majority equity stake in Tumaini in 2018 and a 51% equity interest in Quickmart in 2019, providing capital and strategic support to the two established founder-led supermarket businesses.

Merger of Quickmart and Tumaini

In December 2019, Adenia initiated the merger of Quickmart and Tumaini having identified the two businesses as complementary in geographic footprint and store format, with limited overlap between their networks. The combination offered opportunities to achieve economies of scale across purchasing, category management, supply chain, systems, pricing and working capital management.

The transaction created a unified retail platform by bringing together Quickmart's suburban and larger-format store footprint with Tumaini's urban, high-frequency store network. The merger also supported the consolidation of purchasing processes, operating systems, commercial practices and management structures across the combined business.

From the outset of Adenia's investment, and continuing through the integration, Adenia supported the professionalisation of the Issuer through enhancements to the management team and the introduction of a more structured operating, financial and governance framework. Together, these initiatives strengthened the Issuer's operational capabilities and established the foundation for its subsequent expansion and development.

Transaction Structure and Implementation

In December 2019, the shareholders of Tumaini and Quickmart entered into a share swap pursuant to which their respective ownership interests in the two businesses was combined under a single holding entity, Sokoni Retail Kenya Limited. Under this arrangement, the shareholders of Tumaini and Quickmart exchanged their residual shareholdings in the operating companies for equity interests of equivalent value in the Selling Shareholder, thereby bringing all shareholders of both businesses into common ownership of the combined group.

Subsequently, the two businesses were merged via the transfer of Tumaini's business as a going concern into Quickmart, effective 01 January 2020. Following implementation, Sokoni Retail Kenya Limited became the sole shareholder of both Tumaini and Quickmart, Tumaini ceased operating as a separate trading business and all stores previously operated under the Tumaini brand were rebranded as "Quickmart".

Key Post-Merger Developments

Following the merger, Quickmart entered a period of accelerated growth and operational development, driven by disciplined store expansion, operational enhancement and the introduction of customer engagement and digital initiatives.

The Issuer expanded its store network significantly, adding ten stores in each of 2020, 2021 and 2022, and reaching its 50th store milestone in 2022. Quickmart continued its expansion in subsequent years, increasing its network to 64 stores by 2025 and further to 68 stores as of 30 June 2026. The Issuer opened four new stores in July and August 2026 increasing its footprint to 72 stores nationwide. This expansion also broadened the Company's geographic reach beyond its initial core markets, with its presence growing from 5 counties to 16, including entry into Kenya's coastal and eastern regions in 2021 and 2022 respectively.

In parallel, Quickmart enhanced its customer engagement and digital capabilities. The Company launched its Q-Points loyalty platform in 2021 and introduced grocery delivery through third-party partnerships, beginning with Glovo in 2023 and subsequently expanding to Uber Eats in 2024 and Bolt in 2025. In 2024, Quickmart also introduced QSOKO, its branded online e-commerce platform, as part of its broader development of e-commerce capabilities.

Current Positioning

Through its expansion and integration strategy, the Issuer has built a scaled national supermarket platform operating across Kenya. The Company's business model is underpinned by:

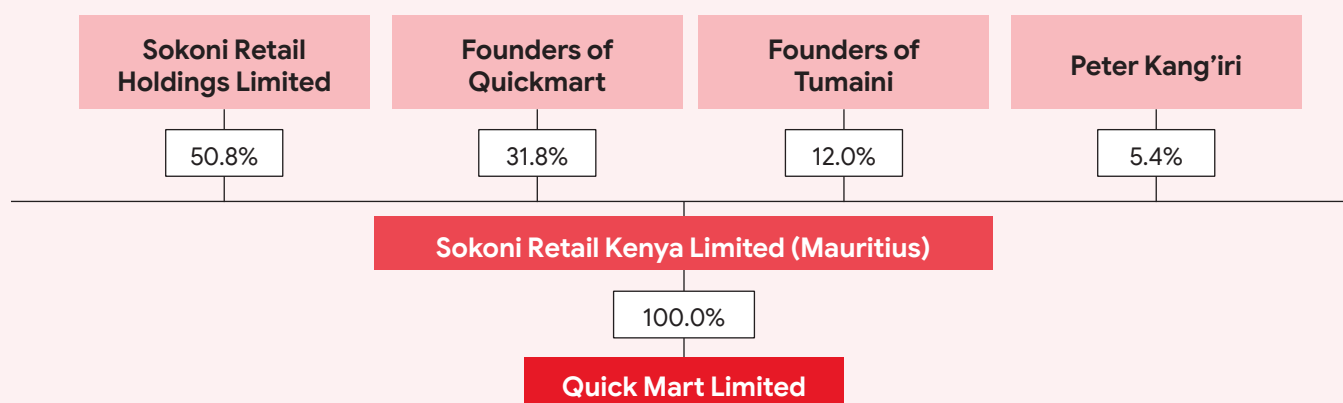
- ➔ A multi-format store network serving urban, suburban and regional markets;
- ➔ A broad product offering across food, fresh produce and non-food categories;
- ➔ A customer proposition centred on convenience, accessibility and promotion-led value; and
- ➔ Digital and delivery channels that complement its physical store network.

Through a combination of disciplined organic expansion, operational improvements and digital innovation, Quickmart has established itself as one of Kenya's leading supermarket operators. The Company benefits from a seasoned management team comprising both long-serving executives and experienced functional leaders recruited to support its growth trajectory. This combination has enhanced institutional continuity, strengthened decision-making and governance processes, and underpinned the consistent execution of the Company's strategic objectives.

The Issuer believes that the stability of its leadership team and governance structures has been a key factor underpinning its successful store expansion strategy, while preserving valuable local market expertise and customer insights across its operating regions. The depth of management experience and continuity of leadership continue to support the Company's ability to execute its growth strategy in a disciplined and sustainable manner.

Corporate Ownership Structure

The Issuer's ownership structure as of 30 June 2026 is set out below:



Source: Company information

2. GEOGRAPHICAL PRESENCE AND COVERAGE

The Issuer operates exclusively in Kenya and has established the second-largest supermarket network in the country. As at 30 June 2026, the Issuer operated 68 stores across 16 counties, comprising approximately 1.2 million square feet of net selling area. The scale and geographic breadth of its store network provide extensive market reach and positions the Issuer to serve a broad and diversified customer base across Kenya.

The Issuer's store network is strategically concentrated in Kenya's major population centres, including Nairobi and its surrounding metropolitan catchment area, while maintaining a significant presence across regional and coastal markets. As at 30 June 2026, the Issuer operated stores in Nairobi, Kiambu, Kericho, Kisumu, Nakuru, Kajiado, Laikipia, Kilifi, Uasin Gishu, Kakamega, Trans-Nzoia, Kisii, Mombasa, Machakos, Kitui and Narok counties.

As of 30 June 2026, the distribution of the Issuer's stores by region is as follows:

Region	Number of Stores
Nairobi Metropolitan Area	41
Coastal Region	18
Western and Rift Valley Region	5
Central and Eastern Region	4
Total	68

The Issuer benefits from a highly diversified revenue base derived from its extensive store network. In FY2025, the Issuer's ten highest-performing stores contributed approximately 28.2% of total revenue, declining to approximately 26.1% in H1 2026. Revenue concentration at the individual store level remained low, with no single store accounting for more than approximately 3.7% of revenue in FY2025 or 3.4% in H1 2026. The Issuer believes this diversified revenue profile enhances the resilience of its earnings and cash flows, while reducing dependence on the performance of any individual store or geographic location.

The Issuer's geographic footprint has been supported by a disciplined store rollout programme. Since 2018, the Issuer has expanded its network significantly through organic new store openings supported by operational improvements. The Issuer intends to continue expanding into under-served and high-growth catchment areas across Kenya.

The Company's expansion strategy has focused on:

- ➔ High density urban neighbourhoods;
- ➔ Major commuter corridors; and
- ➔ Emerging urban and peri-urban locations.

The Issuer believes that its geographic diversification reduces dependence on individual locations while enhancing customer accessibility, convenience and reach across multiple consumer segments.

3. STORE FORMATS

The Issuer operates a network of leased stores across Kenya comprising Hypermarkets, Supermarkets and Express stores. This multi-format model enables the Company to adapt its store footprint, product assortment and customer proposition to the specific local market characteristics, serving a broad range of shopping missions including destination, routine household and convenience-led purchases.

Hypermarkets: Hypermarkets are large-format destination stores located in affluent areas, serving as the primary venue for planned family shopping missions. With an average net selling area of 24,601 sq. ft and an assortment of approximately 17,000 SKUs, Hypermarkets offer the broadest range of essentials, household goods, textiles, and electronics. Customers predominantly access these stores by car, and they are designed to deliver the highest customer spend per visit. As at 30 June 2026, the Issuer operated 26 Hypermarkets, which generated KES 24.9 billion of revenue in FY2025, representing 49.5% of the Issuer's total FY2025 sales. Average basket sizes range between KES 1,100 and 1,200.

Supermarkets: Supermarkets are neighbourhood-format stores predominantly situated within residential areas, catering to both families and individual shoppers. With an average net selling area of 15,361 sq. ft and an assortment of approximately 13,500 SKUs, Supermarkets provide a full range of essentials and regular household items. Customers access supermarkets by car or on foot, making them well suited to recurring household grocery missions. As at 30 June 2026, the Issuer operated 28 supermarkets, which generated KES 20.0 billion of revenue in FY2025, representing 39.7% of the Issuer's total FY2025 sales. Average basket sizes range between KES 800 and 900.

Express stores: Express stores are compact convenience-oriented outlets located in densely populated urban neighbourhoods and high-footfall locations. Designed to support frequent and immediate purchase needs, these stores primarily serve urban professionals, younger consumers and single-person households. With an average net selling area of approximately 7,638 sq. ft. and an assortment of around 10,000 SKUs, Express stores offer a focused selection of essential grocery and convenience products. Customers predominantly access these stores on foot, resulting in higher visit frequency. As at 30 June 2026, the Issuer operated 14 Express Stores, which generated KES 5.5 billion of revenue in FY2025, representing 10.8% of the Issuer's total FY2025 sales. Average basket sizes range between KES 500 and KES 600.

Store Portfolio Overview (as at 30 June 2026):

	Hypermarkets	Supermarkets	Express
Stores (#)	26	28	14
Avg. Net Selling Area (sq. ft)	24,601	15,361	7,638
Contribution to Customer Transactions (%)	43.6%	38.7%	17.7%
Revenue Contribution (%)	50.5%	37.9%	11.5%

The Company's combination of store formats provides flexibility in site selection and enables it to adapt its offering to local market conditions while maintaining a consistent customer proposition. The model also supports efficient capital deployment and expansion into both established and emerging retail catchments.

Leases and Properties

The Issuer operates an asset-light business model under which all stores are leased rather than owned. The Issuer believes this supports capital efficiency by reducing upfront investment requirements and allowing capital to be allocated towards inventory, technology, store fitouts and network expansion. Store leases are entered into on standard commercial terms customary in the retail industry and range from 5 to 20 years with periodic rental escalation provisions. A portion of the portfolio is leased from related parties on arm's-length terms.

The Issuer actively manages its lease portfolio to support operational continuity and minimise the concentration of lease expiries in any single year. Management seeks to negotiate favourable lease terms, including appropriate lease durations and renewal options, while maintaining strong relationships with landlords. As at 30 June 2026, the lease portfolio had an average original lease term of approximately 10.5 years and an average remaining lease term of approximately 5.3 years. All lease payments are made in KES. The Issuer has demonstrated a strong track record of successfully renewing leases across its store network, supporting stability and continuity of operation.

To date, the Issuer has experienced only one store closure, relating to its Shirikisho branch, which occurred upon expiry of the lease after the landlord elected to repurpose the premises. The closure was not related to store performance. The Issuer monitors rent as a percentage of sales at each store as a key performance indicator and closely reviews locations where occupancy costs are elevated relative to revenue generation. Where appropriate, the Issuer implements corrective measures to improve store economics. In addition, the Issuer's established market presence, scale and operating track record enhance its ability to negotiate lease renewals and identify alternative premises when required.

Store Rollout Process

The Issuer has developed a disciplined and repeatable store rollout process that supports its expansion programme. New locations are selected following demographic, commercial and competitive assessments, with a focus on catchment potential, accessibility, expected sales productivity and strategic fit within the Issuer's network. Proposed sites are subject to financial and operational review prior to management and Board approval.

Following approval, stores are developed using a standardised fit-out and operational readiness process to support consistency across the network. Historically, the Issuer's expansion programme has been funded primarily through internally generated cash flows, supplemented by dedicated credit facilities for new store openings. The process from site identification to store launch typically takes approximately six months. New Quickmart stores typically break even at the EBITDA level from their first month of operation, achieve sales maturity within 12 months on average, and deliver a capital payback period of between two and three years.

The Issuer believes that its established site selection and store development capabilities have supported the successful expansion of the business across Kenya while maintaining operational consistency and capital discipline.

4. PRODUCT CATEGORIES

The Issuer offers a diversified range of grocery and household products through its store network and digital channels, designed to meet everyday consumer consumption needs. Its product mix is designed to support both high frequency purchases of essential goods and incremental margin opportunities from discretionary categories. As at H1 2026, the Issuer stocked approximately 40,000 SKUs across its network.

The product offering is organised across eight principal categories listed below:

Category	Product Examples	Revenue Contribution (FY 2025)	Revenue Contribution (H1 2026)
Food	Dairy products, flour, sugar, juices, rice, cereals, cooking oils, meats	52%	52%
Fresh	Fruits, vegetables, bakery, butchery, fishery and deli	12%	13%
Home Care	Soaps, detergents, tissue, cleaning equipment	9%	9%
Personal Care	Body care, baby care, oral care, sanitary and health products	9%	9%
Liquor	Spirits, wine and beer	6%	6%
Electronics	Appliances and electrical accessories	5%	4%
Household Goods	Kitchenware, office supplies, luggage and furniture	4%	4%
Textile	Beddings and clothing	3%	3%

Category Management and Product Strategy

The Issuer operates a category-led approach aligned with international grocery retail practices. Under this model, each product category is managed as a strategic unit, supporting more disciplined decisions on pricing, assortment, promotions, margin optimisation, supplier negotiations and stock availability.

This approach has strengthened the Issuer's ability to:

- ➔ Optimise product assortment at both national and store level;
- ➔ Align pricing and promotional activity with category performance;
- ➔ Improve supplier negotiations and commercial terms;
- ➔ Enhance margin mix across the product portfolio;
- ➔ Improve stock availability; and
- ➔ Respond more effectively to evolving customer preferences.

The Issuer expects the continued refinement of this category-led model to support sustainable profitability and disciplined commercial execution over the medium term.

Fresh Category and “Fresh and Easy” Concept

A central component of the Issuer’s product strategy is its Fresh category, supported by its proprietary “Fresh & Easy” concept. Introduced in 2019 and subsequently implemented across the store network, the Fresh & Easy concept places fresh produce and related categories at the centre of the in-store customer experience, with approximately 30.0% of selling space allocated to Fresh offerings.

The Fresh category is a key component of the Issuer’s customer value proposition and is an important driver of store economics. The category supports customer traffic, shopping frequency and customer loyalty, while enhancing the overall in-store experience.

The Fresh category also contributes positively to the Issuer’s margin profile. Margins in the category benefit from the value added through in-store preparation activities, including bakery, butchery, deli and hot food offerings, as well as the specialised handling, cold-chain infrastructure and operational expertise required to manage fresh products. As the category has increased in importance over time, reflecting evolving consumer preferences and demand for convenience and fresh food solutions, it has become an increasingly important contributor to the Issuer’s mix of higher-margin sales and overall profitability.

Selected Fresh subcategories, particularly fruits and vegetables, are supplied on a consignment basis, reducing inventory risk and working capital requirements while supporting efficient cash conversion.

Retail Services and Customer Fulfilment

The Issuer delivers its products through an integrated physical and digital fulfilment model.

In-store retailing: The Issuer’s physical store network remains its primary sales and distribution channel. The network is supported by strategically located stores, extended trading hours, including 31 stores operating on a 24-hour basis as at 30 June 2026, and store layouts and merchandising strategies designed to facilitate convenient and efficient shopping experiences. These factors enable the Issuer to capture both planned and convenience-led shopping missions while maintaining strong accessibility for customers.

Digital and Omnichannel offering: The Issuer has developed an integrated omnichannel retail proposition that combines digital ordering with store-based fulfilment, enabling customers to place orders through QSOKO, WhatsApp and third-party delivery partners including Glovo, Uber Eats and Bolt. Orders are fulfilled through the Issuer’s existing store network, allowing for quick and convenient delivery while leveraging its established retail footprint.

Sales generated through QSOKO and third-party delivery partners collectively accounted for approximately 3% of the Issuer’s total sales in H1 2026. Since its launch in 2024, QSOKO has experienced rapid growth, with monthly sales increasing from approximately KES 0.1 million in August 2024 to KES 19.2 million in December 2025, reflecting growing consumer demand for digital shopping solutions and strengthening the Issuer’s direct customer engagement capabilities.

The Issuer expects digital and delivery-enabled services to form an increasingly important component of its product and service offering over the medium term.

5. COMPETITION

The Issuer operates within Kenya’s grocery retail sector, which comprises both modern organised retailers and a large informal retail segment, including kiosks, open-air markets and independent retailers. Despite the continued growth of organised retail, a significant proportion of grocery spending remains concentrated within informal channels, creating an opportunity for further formalisation of the sector.

Within the formal retail segment, the Issuer competes with national and regional supermarket operators across urban, suburban and regional markets. Competition is primarily based on pricing, product range, store location, convenience, customer experience and brand recognition. Competitors vary in scale, format and customer positioning, with some focused on value-oriented convenience retailing and others operating larger-format stores with broader product assortments.

The Issuer also competes with digital and delivery-enabled platforms that provide customers with alternative fulfilment channels, particularly in urban areas. In response, the Issuer has developed an omnichannel offering through its QSOKO platform and partnerships with third-party delivery providers.

The Issuer believes its competitive position is built on value, reflected in its broad product range, promotion-driven pricing and loyalty programme; convenience, reflected in its 24-hour store offering, free customer parking and accessible store layouts; and freshness, reflected in its "Fresh & Easy" proposition. However, the Issuer remains subject to competitive pressures from existing market participants, new entrants and evolving consumer shopping preferences.

6. COMPETITIVE STRENGTHS

The Issuer believes that the following factors may support its ability to successfully execute its business strategy and maintain its competitive position within the Kenyan grocery retail sector:

Attractive market dynamics: The Issuer operates in Kenya's large and developing grocery retail market, which remains characterised by relatively low penetration of organised modern retail and a significant informal retail segment. A substantial proportion of grocery spending continues to occur through traditional channels.

The Issuer believes that increasing urbanisation and changing consumer preferences including growing demand for convenience, product assortment, value, freshness and digital engagement are supporting the continued transition towards organised retail formats. Further, the Issuer believes that modern grocery retailers with scaled store networks and established operating capabilities are well positioned to benefit from this trend as consumers increasingly migrate towards modern retail channels.

Differentiated offering and returns profile: The Issuer is one of Kenya's leading supermarket operators, with 68 stores across 16 counties as of 30 June 2026 and an estimated 15% share of the formal grocery retail market based on turnover and store counts as of FY 2025. It has built its position on a customer proposition centred on value and convenience. This proposition, delivered through a multi-format store network, allows the Issuer to serve a broad cross-section of Kenyan households. The Issuer has been recognised in successive editions of the Financial Times ranking of Africa's Fastest Growing Companies, having grown revenue at a CAGR of 18.4% between FY2021 and FY2025. Its asset-light model, under which all stores are leased rather than owned, supports a return on average capital employed of 47.1% in FY2025.

Brand equity and customer loyalty: The Quickmart brand is built around a customer proposition centred on value, convenience and freshness. The Issuer offers a broad assortment of grocery and household products supported by competitive pricing, supplier-funded promotional activity and strategically located stores. The Issuer believes that its established brand, broad customer reach and differentiated value proposition support customer acquisition, customer retention and sustainable long-term growth.

The Issuer has also developed a large and engaged loyalty ecosystem. As of 30 June 2026, the Issuer had approximately 2.5 million loyalty members, with loyalty-linked transactions contributing approximately 74% of sales during FY2025 and H1 2026. The Issuer believes that this platform strengthens customer engagement, supports repeat purchasing behaviour and provides valuable customer insights.

Scalable and robust operating platform: The Issuer has built its operating platform around four key elements: a category-led approach, centralised procurement with a focus on local sourcing, an asset-light, predominantly direct-to-store distribution model, under which most suppliers deliver products directly to individual stores eliminating the need of a centralised warehouse, and a proven store rollout process. This approach supports product availability, pricing consistency and efficient inventory management across the network. The Issuer also maintains a limited warehousing capability for a small number of suppliers and operates its own delivery fleet, enabling the redistribution of selected products across stores where appropriate.

In addition, the Issuer believes that its established store rollout process has contributed to its successful expansion track record and provides a scalable foundation for future growth.

Strong financial track record underpinned by profitability and cash generation: The Issuer has demonstrated a track record of revenue growth, improving profitability and strong cash generation. The Issuer grew revenue at a CAGR of 18.4% between FY2021 and FY2025, with like-for-like sales growth averaging 7.1% over the same period. For FY2025, the Issuer generated revenue of KES 50.4 billion, adjusted EBITDA (post-IFRS 16 and adjusted for one-off and non-recurring costs) of KES 5.4 billion and adjusted profit after tax of KES 1.7 billion.

The Issuer's financial performance has been supported by a combination of store expansion, increasing customer traffic and growth in basket sizes. Gross margin has improved from 21.1% in FY2021 to 22.5% in H1 2026, supported by the Issuer's category-led commercial approach, scale gains in centralised procurement and an improving product mix. The Issuer has also benefited from operating leverage and disciplined cost management, which have contributed to improving profitability over time. Adjusted EBITDA margin (post-IFRS 16) has increased from 10.1% in FY2021 to 10.9% in H1 2026, while adjusted net income margin has improved from 1.7% to 3.5% over the same period. The Issuer has remained profitable through the specified periods.

The Issuer's business model generates strong operating cash flows supported by favourable working capital cycles. The Issuer believes that this cash-generative profile supports the funding of future expansion initiatives while maintaining financial flexibility and supporting shareholder returns through dividends, which have grown from KES 106 million in FY2022 to KES 1.6 billion in FY2025.

Experienced management team and robust governance framework: The Issuer is led by an experienced and long-tenured management team with expertise across grocery retail, operations, finance, procurement, customer engagement and business transformation. The leadership team has overseen multiple phases of the Issuer's growth, including store network expansion, business integration, operational scaling and the development of new customer initiatives.

The Issuer's governance framework has evolved alongside the growth and institutionalisation of the Company and includes an experienced board, established governance structures, financial and operational controls, and formal oversight of strategy, risk management and capital allocation.

The Issuer further benefits from a combination of founder heritage, experienced operating leadership and institutional shareholder support. The Issuer believes that this blend of entrepreneurial experience, sector expertise and governance oversight provides a strong foundation for the continued execution of its growth strategy and long-term value creation.

7. STRATEGY AND FUTURE PLANS

Growth Plan (2026 – 2030)

The Issuer's medium-term strategy is focused on expanding its store network, increasing customer engagement, enhancing operational efficiency and maintaining disciplined capital allocation. The key elements of the Issuer's strategy are outlined below.

New Store Expansion

The Issuer intends to expand its store network to 125 stores in Kenya by 2030, with a focus on urban, peri-urban, regional and coastal catchments that management believes offer attractive long-term growth potential. Expansion is expected to be supported primarily by internally generated cash flows, leveraging the Issuer's asset-light operating model, favourable working capital profile and cash-generative business model. The Issuer believes that its track record of disciplined execution and established operating platform provides a strong foundation for continued expansion.

To support its growth pipeline, the Issuer has identified 30 prospective locations beyond 2026, of which 13 sites are currently under negotiation and 17 sites remain subject to further market research and site assessments. This pipeline provides visibility over future expansion opportunities while allowing management to maintain a disciplined approach to site selection and capital deployment.

Maintain Strong Like-for-Like Sales Growth

The Issuer intends to increase revenue from its existing store network through initiatives designed to enhance customer engagement, increase transaction frequency and grow basket size.

The Issuer intends to continue leveraging its Q-Points loyalty programme, customer analytics capabilities and category-led merchandising approach to strengthen customer retention and drive repeat purchases. Management believes that targeted promotional activity, localised product assortments and the continued development of the Issuer's value and freshness proposition will support sustainable like-for-like sales growth across the store network.

Improved Digital Capabilities

The Issuer believes that increasing internet penetration, growing mobile commerce adoption and evolving consumer shopping preferences will support continued adoption of online grocery fulfilment.

The Issuer intends to make further investments in QSOKO and its broader digital ecosystem. Beyond providing an additional sales channel, QSOKO generates valuable customer and transaction data that supports data-driven decision-making across the business. These insights enable the Issuer to analyse customer purchasing behaviour, evaluate product performance, optimise category management and implement targeted promotional campaigns.

The Issuer expects these capabilities to be further enhanced through the implementation of its new enterprise resource planning platform, which is anticipated to provide improved customer analytics, enhanced customer relationship management functionality and greater visibility across the business. The Issuer believes that these capabilities will strengthen customer engagement, support more personalised marketing initiatives and improve the effectiveness of commercial decision-making.

Over the longer term, the Issuer aims to increase the contribution of digital channels to more than 10% of total revenue, supported by rising smartphone penetration, expanding delivery coverage and continued investment in digital capabilities. The Issuer believes its omnichannel strategy positions the business to capture evolving consumer preferences, extend its reach beyond existing store catchments and support the continued formalisation and digital transformation of grocery retail in East Africa.

Enhance Operational Efficiency and Category Management

The Issuer intends to further strengthen its category management, inventory optimisation and commercial capabilities to improve product availability and support margin enhancement. The Issuer expects continued investment in technology, supplier partnerships and category management to support operating leverage as the business scales, with particular emphasis on higher-margin categories, private label development and product mix optimisation.

The Issuer intends to expand QuickChoice, its private label product brand, beyond its current offering of mostly daily commodities such as bread, milk, sugar, rice, water to higher margin categories that can be supported by existing local manufacturing capabilities.

Maintain Capital Discipline

The Issuer intends to maintain a disciplined approach to capital allocation while pursuing its growth strategy. The Issuer believes that its asset-light operating model, rapid inventory turnover and favourable working capital profile provide a strong foundation to support future expansion while maintaining financial flexibility and balance sheet discipline.

8. CUSTOMERS

The Issuer serves a diverse customer base across Kenya, with purchasing needs centred on everyday grocery consumption and household essentials. Demand is principally driven by routine, non-discretionary spending, with the Issuer's offering positioned to support frequent, convenience-led shopping missions across its store network. As a result, the Issuer benefits from consistent customer traffic and repeat purchasing across different economic conditions.

The Issuer's customer base spans a broad demographic profile, including value-conscious households, young professionals and family shoppers. Its offering is designed to appeal to a range of income segments through competitive pricing, convenience and product availability.

Quickmart has developed strong brand resonance among consumers, particularly female shoppers, supported by its value proposition centred on convenience, freshness and affordability. The Issuer's positioning within urban and peri-urban catchments also supports high shopping frequency and customer engagement across its network.

Shopping Behaviour

Customer shopping behaviour across the Issuer's store network is predominantly high-frequency and convenience-led, reflecting the essential nature of its product offering. Approximately 68.0% of customers shop at Quickmart on a daily or weekly basis, while 54.0% prefer to shop in the evening, consistent with the Company's extended trading hours and focus on convenience and accessibility. In H1 2026, the Issuer recorded an average of approximately 5.0 million customer transactions per month, demonstrating the scale of customer engagement and recurring demand across its store network.

Customer Engagement and Retention

The Issuer promotes customer engagement and retention through Q-Points, its loyalty programme, which supports repeat purchases and targeted promotional activity. The programme also enables the Issuer to better understand purchasing behaviour and refine its offering in response to evolving customer preferences. In addition, the Issuer has expanded customer touchpoints through digital channels, including QSOKO, WhatsApp ordering and third-party delivery partnerships, which complement the physical store network and provide customers with additional fulfilment options.

Payment and Transaction Strategy

The Issuer offers customers a range of payment options, including cash, mobile money and card-based payments. Mobile money, primarily M-Pesa, has become an increasingly important payment channel, reflecting broader consumer adoption trends in Kenya.

M-Pesa accounted for approximately 63.1% of gross sales by value in FY 2025, compared to approximately 44.4% in FY21. The increasing adoption of mobile money supports faster transaction processing, reduces cash-handling requirements and contributes to operational efficiency at store level.

The Issuer believes that the continued migration towards mobile money payments supports margin protection, as mobile money transaction costs are materially lower than card-processing costs while reducing certain security and cash management risks.

9. SALES AND PROMOTIONAL STRATEGIES

The Issuer's sales strategy is centred on delivering a compelling customer value proposition through competitive pricing, a broad product assortment, convenience and targeted promotional activity.

Pricing and Value Proposition

The Issuer seeks to maintain a competitive pricing position while preserving profitability through disciplined category management, supplier collaboration and centralised buying capabilities. Its product offering spans multiple price points and is designed to provide customers with value, choice and product availability across key grocery and household categories.

Pricing decisions are informed by customer purchasing trends, competitive market dynamics and category performance. Management believes that the Issuer's scale, supplier relationships and commercial capabilities support competitive pricing while maintaining attractive gross margins.

Promotional Strategy

The Issuer operates a structured, year-round promotional programme designed to enhance customer engagement, drive store traffic, increase basket values and support category development across its store network. Promotional activities are planned centrally and executed at store level through a combination of supplier-supported campaigns, seasonal initiatives, category-specific promotions and localised store activations.

Promotional offers are communicated through multiple customer touchpoints, including in-store signage and displays, promotional catalogues and leaflets, public address announcements, social media platforms, digital marketing channels, SMS campaigns and targeted communications delivered through the Issuer's Q-Points loyalty programme. Customer-facing promotional materials are predominantly presented in English and Swahili, reflecting the principal languages used across the Issuer's operating regions.

A significant proportion of promotional activity is funded by suppliers through established commercial arrangements, including promotional funding, rebates, merchandising support and marketing contributions. As at 30 June 2026, supplier-funded promotions support approximately 25% of the Issuer's sales, reflecting the strength of the Issuer's supplier relationships and its scale within the Kenyan retail market. The Issuer collaborates closely with suppliers to develop and execute campaigns across key product categories, enabling it to deliver attractive value propositions while maintaining margin discipline.

Promotional activities also support the Issuer's Fresh & Easy brand proposition through product demonstrations, sampling and tasting initiatives designed to encourage product trial and enhance customer engagement.

Management believes that its supplier-supported promotional model contributes to customer retention, category growth and sales development across the store network.

Loyalty Programme

The Issuer operates Q-Points, its proprietary customer loyalty programme, which forms a central component of its sales, promotional and customer retention strategy. The programme is designed to encourage repeat purchases, strengthen customer engagement and support data-driven commercial decision-making across the business.

Under the programme, customers earn points based on qualifying purchases which may subsequently be redeemed against selected in-store purchases. In addition to supporting customer retention, the programme provides the Issuer with detailed customer-level insights, including shopping frequency, basket size, category preferences and responsiveness to promotional campaigns. These insights support the Issuer's ability to optimise pricing, improve promotional effectiveness and tailor product offerings to customer demand.

Since its launch in 2021, Q-Points has expanded significantly, growing from approximately 300,000 members to approximately 2.5 million registered members as of 30 June 2026. In FY 2025 and H1 2026, loyalty programme members accounted for approximately 74.0% of total revenue, demonstrating the programme's importance to customer retention and purchasing activity. Registered loyalty members also exhibit materially stronger purchasing behaviour, with average basket values approximately 2.5 times higher than those of non-registered customers.

Convenience-Led Retail Model

Convenience forms a core component of the Issuer's customer proposition and sales strategy. The Issuer's stores are strategically located within residential and commuter catchment areas and are supported by extended operating hours and customer-friendly store layouts and accessibility features, including free customer parking at the majority of locations.

As of 30 June 2026, the Issuer operated 24-hour stores at 31 locations across its network. Approximately 15.3% of sales generated by these stores occurred during overnight trading hours in H1 2026 with stores operating on a 24-hour basis benefitting from stronger customer traffic patterns, with overnight trading providing an incremental source of revenue and profitability.

The Issuer believes that its extended-hours operating model enhances accessibility, increases customer convenience and supports incremental sales opportunities, particularly among time-constrained consumers and customers seeking flexible shopping options.

In addition to its operating model, convenience is embedded within the Issuer's site-selection strategy. Quickmart typically seeks locations within strip malls, neighbourhood retail centres and standalone retail developments that offer high visibility, easy customer access and convenient parking facilities. Management believes that this approach supports frequent shopping visits, enhances the overall customer experience and reinforces the Issuer's positioning as a convenient destination for everyday grocery purchases.

10. SUPPLY CHAIN AND INVENTORY ARRANGEMENTS

The Issuer operates a centralised buying model under which commercial terms, pricing and promotional funding are negotiated centrally by its category buying teams. Product distribution is predominantly undertaken through a direct store delivery model, under which suppliers deliver merchandise directly to individual stores.

Supplier Relationships

The Issuer maintains relationships with a broad and diversified supplier network comprising predominantly local suppliers. The Issuer sources its products primarily from companies operating in Kenya and transacts predominantly

in Kenya Shillings. While certain suppliers are global multinational brands, products are procured through their Kenyan operations or through local distributors and importers. As at FY2025, the Issuer's top ten suppliers represented approximately 27% of total purchases, reflecting a diversified sourcing base.

As of H1 2026, the Issuer's largest individual supplier represented approximately 7% of total purchases. The products supplied are broadly available from multiple alternative suppliers and do not comprise products that are unique to the Issuer's assortment. As a result, the Issuer does not believe that it is materially dependent on any individual supplier.

The Issuer also collaborates with key suppliers through structured commercial planning arrangements, including Joint Business Plans ("JBPs"), which align suppliers and the Issuer on promotional activity, category development, product availability, sales growth initiatives and commercial objectives. The JBPs are renewed annually and do not create fixed purchase obligations on the Issuer. As at FY2025, the Issuer maintained 269 active JBPs with its suppliers.

Inventory Management

Inventory management is supported by the Issuer's enterprise resource planning and category management systems, which provide visibility at both SKU and store level and facilitate demand forecasting, replenishment planning and inventory monitoring across the network.

The Issuer also undertakes ongoing SKU rationalisation initiatives aimed at optimising product assortment, improving inventory turnover, reducing working capital requirements and enhancing category profitability. Through regular reviews of product performance, customer demand patterns and store-specific requirements, the Issuer seeks to eliminate underperforming or duplicative SKUs while prioritising high-demand and higher-margin products.

Inventory controls include regular stock counts and store-level monitoring procedures designed to maintain inventory accuracy and minimise losses. In H1 2026, shrinkage and waste represented approximately 0.5% and 0.2% of sales, respectively.

Supplier-Led Direct-to-Store Distribution

The Issuer operates a supplier-led direct-to-store distribution model under which suppliers deliver merchandise directly to individual stores rather than through a central warehouse facility. The Issuer believes this approach reduces logistics infrastructure requirements, supports scalability and contributes to a lean operating cost structure.

To complement this model, the Issuer operates an in-house fleet of 48 vehicles as of 30 June 2026 that facilitates the redistribution of inventory between stores. This capability supports stock optimisation, improves product availability and enhances operational responsiveness across the network. The Issuer believes that maintaining its own redistribution fleet provides greater reliability and service quality when balancing inventory requirements between locations.

The Issuer's customer delivery activities are separate from its store distribution network. Delivery of products ordered through the QSOKO platform is facilitated through Leta and other third-party delivery partners, allowing the Issuer to provide last-mile fulfilment services without maintaining a dedicated customer delivery fleet.

Working Capital Efficiency

The Issuer's operating model benefits from efficient inventory turnover and supplier payment arrangements that support a favourable working capital profile.

Inventory is generally sold and converted into cash before supplier obligations fall due, contributing to a structurally negative working capital position. The Issuer believes that this characteristic supports liquidity, operating cash flow generation and capital-efficient growth.

The Issuer maintains standardised payment terms and has established a track record of settling supplier obligations in accordance with agreed terms.

11. EMPLOYEES

The Issuer considers its employees an important component of its operating model and growth strategy and relies on a combination of permanent employees, outsourced personnel and specialised service providers to support its retail operations.

As of 30 June 2026, the Issuer's workforce comprised 7,974 personnel, including 1,906 direct employees and 6,068 outsourced and consignment staff, compared with 3,265 personnel in 2020. This equates to an average of approximately 117 personnel per store across the Issuer's 68-store network as of 30 June 2026.

Quickmart's workforce has grown in line with the expansion of its store network and operations, with total staff increasing from 4,479 employees as at 31 December 2021 to 7,519 employees as at 31 December 2025. Headcount increased steadily to 5,309 employees in 2022, 5,661 employees in 2023, and 7,313 employees in 2024.

The Issuer's workforce reflects the labour-intensive nature of grocery retail and supports a broad range of functions, including store operations, merchandising, customer service, inventory management, logistics and head office functions. The Issuer believes that the scale and experience of its workforce are important contributors to the consistent execution of its customer value proposition and continued store network expansion.

The Issuer also benefits from a predominantly local and diverse workforce, with women representing approximately 40% of the total workforce and 41% of outsourced and consignment personnel as at 30 June 2026. Women's representation in management has increased as the store network has grown from one manager in 2020, representing 3% of managers, to 20 managers, representing approximately 29% of store management positions, as at 30 June 2026.

The Issuer believes that its local employment model supports community engagement, enhances customer understanding and contributes to operational effectiveness across its geographic footprint.

Talent Development and Performance Management

The Issuer seeks to attract, develop and retain employees through competitive remuneration, training initiatives, performance management frameworks and opportunities for professional development. The Company believes that investment in employee capability supports customer service standards, operational execution and future leadership development.

In 2023, the Issuer established the Quickmart Retail Academy, an internal development and mentorship programme designed to build capability across the organisation. Employees also receive ongoing training in areas including operational procedures, occupational health and safety and food safety. In the twelve months to 30 June 2026, the Company recorded 7,974 training participations across its workforce.

The Issuer prioritises internal talent development and promotion. Of 148 supervisory and management appointments made in H1 2026, 147 were filled internally. The Issuer also operates a Management Trainee programme to support future leadership requirements and sponsors further education for selected employees.

12. ENVIRONMENTAL AND SOCIAL CONSIDERATIONS

The Issuer recognises the importance of environmental stewardship, employee wellbeing, customer safety and responsible business practices in its operations and seeks to integrate sustainability considerations into its business activities.

Environmental Management

The Issuer has established an Environmental and Social Management System proportionate to the scale and maturity of its operations, supported by policies, procedures and operating protocols. Its framework is aligned with internationally recognised good practice standards, including the IFC Performance Standards. The Issuer measures Scope 1 and Scope 2 greenhouse gas emissions internally and intends to seek external assurance of its emissions data.

The Issuer has installed a solar photovoltaic system at one branch with installed capacity of 380 kWp, generating approximately 590,100 kWh annually and meeting approximately 44% of that branch's electricity requirements. Installation is underway at additional locations as part of the Company's renewable energy programme. The Issuer also utilises third-party last-mile delivery partners that operate electric motorcycles.

Food Safety and Customer Welfare

Food safety is a core component of the Issuer's operating model and customer proposition. The Company maintains policies, procedures and operational controls designed to ensure compliance with applicable Kenyan food safety, hygiene and public health requirements.

The Issuer implements a range of food safety controls across its store network, including supplier approval processes, product handling protocols, storage standards and regular in-store inspections. Fresh food categories are subject to additional monitoring and control procedures, given their perishability and importance to the Company's customer proposition.

The Issuer believes that maintaining high food safety standards is critical to protecting customer trust, preserving brand reputation and supporting long-term business sustainability.

Employee Health and Safety

The Issuer maintains health and safety policies, incident reporting procedures and workplace controls across its stores, logistics activities and supporting operations. Health and safety oversight is led by the Head of Environment, Health and Safety and is supported by personnel across the store network.

Community and Social Impact

The Issuer believes that its operations contribute positively to local communities through employment creation, supplier relationships and the provision of essential goods and services across Kenya. The Issuer also supports selected community-focused initiatives and seeks to maintain positive engagement with the communities in which it operates.

The Issuer supports the Kilimo Shuleni school farming initiative, a school-farm food security partnership reaching approximately 200 students, to which the Company contributes, and was recognised in the Community Development Partner category at the 2024/2025 Kenya ESG Awards. The Issuer also provides staff with discounted access through QSOKO and, in partnership with E-Moti, funds electric bus transport for employees working late shifts at selected stores, reducing commute times and improving personal safety for staff travelling at night.

As a result of its continued growth, expanding workforce and increasing scale of operations, the Issuer has become a significant contributor to the Kenyan economy through tax revenues. Across key tax categories, the Issuer's tax contributions increased from approximately KES 395 million in FY2020 to KES 2.9 billion in FY2025. The Issuer believes this growth reflects both the expansion of the business and its increasing economic impact through employment creation, supplier partnerships and fiscal contributions to the public sector.

Governance and Responsible Business Practices

The Board retains ultimate responsibility for sustainability strategy, ESG performance and oversight of sustainability-related risks and opportunities. Sustainability oversight forms part of the mandate of the Audit and Risk Management Committee, while management is responsible for implementing and monitoring the Issuer's sustainability objectives and ESG performance. The Issuer intends to publish sustainability disclosures in line with applicable Nairobi Securities Exchange and Capital Markets Authority requirements.

Data Protection

The Issuer collects and processes personal data in connection with its operations, including customer, employee and supplier information. These activities are subject to the Data Protection Act (Cap 411C). The Issuer is registered as a data controller with the Office of the Data Protection Commissioner and has implemented policies and procedures designed to ensure compliance with applicable data protection requirements. .

Business Ethics

The Issuer has adopted a Whistleblowing Policy, which provides employees and external stakeholders with a mechanism to report suspected misconduct, fraud or wrongdoing anonymously and without fear of retaliation. The Issuer has also adopted an Anti-Bribery and Anti-Fraud Policy that establishes standards for preventing, detecting and addressing bribery, corruption and fraud.

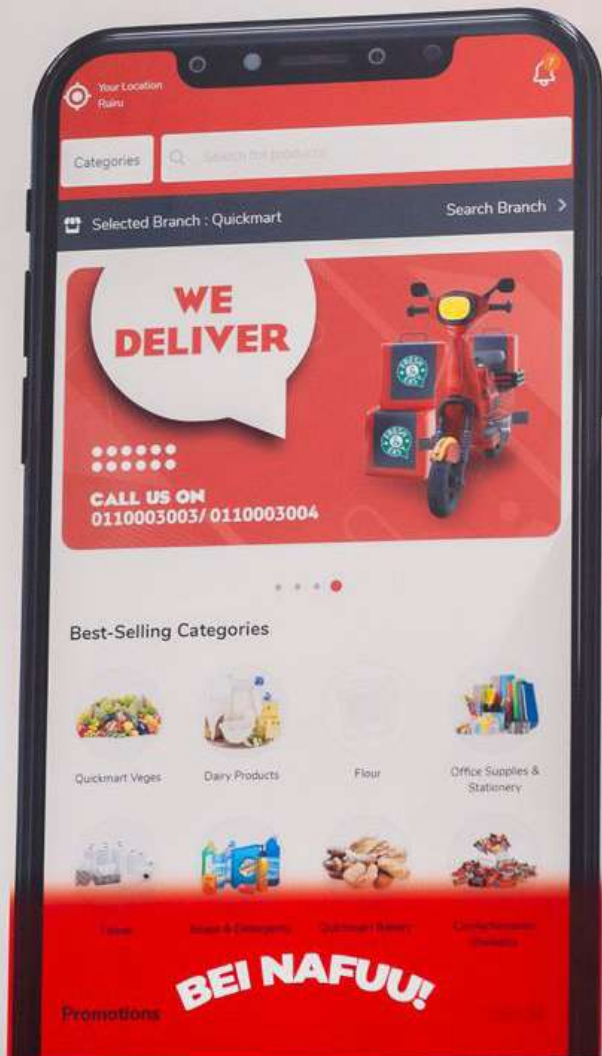
Grievance and Stakeholder Engagement

The Issuer maintains a Stakeholder Grievance Reporting Procedure that sets out the process for receiving, investigating and resolving grievances raised by internal and external stakeholders. The mechanism is supported by a grievance register and is available to direct employees, outsourced personnel and other stakeholders.



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LONG TERM INCENTIVE PLAN

The sole member of the Issuer and the Issuer have approved the establishment of the LTIP for the benefit of eligible employees, executives and directors of the Company ("**Participants**"). The LTIP is intended to serve as a mechanism for talent attraction, motivation and long-term retention by linking a portion of Participant reward to the Company's long-term share price performance and other performance conditions.

The terms on which Participants may receive awards under the LTIP, including eligibility, award type (whether share options, restricted share awards, phantom awards or a combination thereof), applicable performance conditions, vesting schedules, forfeiture provisions and good/bad leaver treatment, are subject to agreement and will be set out in the LTIP Rules and, where applicable, a trust deed and individual award agreements.

Regulatory and Disclosure Considerations

Implementation of the LTIP shall be subject to: (i) approval of the Authority; (ii) approval of the shareholders of the Issuer, including approval of the size of the LTIP share pool as a percentage of the Issuer's total issued share capital; (iii) NSE admission of any Ordinary Shares issuable pursuant to vested LTIP awards; and (iv) compliance with applicable accounting and disclosure standards.

The Issuer will bear all costs associated with the establishment and administration of the LTIP.

Reporting in respect of the LTIP will be undertaken in accordance with the Regulations and the applicable disclosure requirements, and details of the LTIP will be disclosed in the Issuer's annual report.

PROFILES OF THE BOARD OF DIRECTORS AND EXECUTIVE LEADERSHIP TEAM

Profiles of the Board of Directors

Jérôme Loubère

Non-Executive Director and
Chairperson of the Board



Jérôme Loubère serves as Chairman of the Board and brings more than 30 years of international leadership experience in the retail, consumer and investment sectors. Over the course of his career, he has held senior executive positions across Europe and emerging markets, leading large-scale retail operations, driving business transformation programmes and advising investors and management teams on strategic growth initiatives. His expertise spans corporate governance, mergers and acquisitions, business development, operational improvement, profitability enhancement and strategic planning.

Since 2016, Jérôme Loubère has been the Founder and Chief Executive Officer of Group Three Seas, an advisory and investment business focused on retail and consumer-facing companies across Europe. Through this platform, he provides strategic advisory services to retailers and investment funds and manages investments in the retail and real estate sectors.

Prior to founding Group Three Seas, Jérôme Loubère served as Group Chief Executive Officer of the Marinopoulos Group, one of the largest privately owned retail and pharmaceutical groups in Greece and the Balkans, employing approximately 30,000 people and generating annual revenues of approximately €3 billion. In this role, he oversaw a portfolio of businesses that included the Carrefour franchise operations in Greece, Cyprus and Bulgaria, as well as internationally recognised brands including Starbucks, Gap, Marks & Spencer, Sephora and Fnac.

Between 1998 and 2008, Jérôme Loubère held several senior leadership positions within the Carrefour Group. He served as Chief Executive Officer of Carrefour Greece, where he doubled revenue from approximately €1 billion to €2 billion through a combination of organic expansion, acquisitions and commercial initiatives, while significantly increasing profitability.

Earlier in his career, Jérôme Loubère worked as a consultant with McKinsey & Company, where he advised clients on restructuring and operational improvement programmes. He also co-founded a technology start-up focused on digital services in France.

As Chairman, Jérôme Loubère provides strategic leadership to the Board and supports the continued institutionalisation of the Company's governance framework. His extensive experience in retail operations, corporate transformation, strategic transactions and governance provides valuable guidance as Quickmart continues to execute its long-term growth strategy and strengthen its position within Kenya's formal retail sector.

Jérôme Loubère holds a Master of Engineering degree from École Centrale Paris, awarded in 1993, and a Master of Business Administration from Harvard Business School, awarded in 1998.

Peter Kang'iri

Group Chief Executive Officer
and Executive Director



Peter Kang'iri serves as the Group Chief Executive Officer of Quickmart and is a seasoned executive with over 25 years of experience spanning retail, logistics, consulting, finance and technology. He has extensive experience in business transformation, strategic planning, operational excellence, corporate finance, mergers and acquisitions, stakeholder management and organisational development, having held executive and senior leadership positions across a range of industries.

Peter Kang'iri has been closely involved in Quickmart's evolution for more than a decade. He first engaged with Quickmart in 2013 as a strategic finance and business consultant, advising the business on the strengthening of its finance function, enterprise resource planning systems and human capital structures at a time when the Company operated four stores. He also advised Tumaini, which operated seven stores at the time. Following Adenia's investment in Tumaini in 2018, he was appointed Chief Executive Officer of Tumaini and subsequently played a key leadership role in Adenia's investment in Quickmart in 2019 and the integration of the Quickmart and Tumaini businesses in 2020. Following completion of the transaction, he was appointed Chief Executive Officer of the combined business.

Since assuming leadership of the combined business, Peter Kang'iri has overseen a period of significant growth and institutionalisation. Under his leadership, Quickmart has delivered substantial growth in revenue, store footprint and employment while continuing to invest in operational capabilities, customer proposition development and strategic partnerships.

Prior to his executive leadership roles within Quickmart, Peter Kang'iri served as a Strategic Business Advisor at Broadfocus Consultancy Limited, where he advised family-owned and growth-stage businesses on strategy, governance, organisational design and growth initiatives. Earlier in his career, he held senior finance and operational leadership positions including Group Finance & Operations Manager at Atom TDF Group, Chief Financial Officer at Virtual City Limited and Credit Control Coordinator for intercompany operations at Bolloré Logistics East Africa. Through these roles, he gained extensive experience in corporate finance, treasury, business transformation, operational management, technology implementation and organisational scaling.

Peter Kang'iri holds a Master of Business Administration (Finance) from the University of Nairobi, awarded in 2012 and a Bachelor of Commerce (Finance) from the Catholic University of Eastern Africa, awarded in 2006. He is a Certified Investment and Financial Analyst (CIFA-EA), Certified Public Secretary (CPS-K), Certified Public Accountant (CPA-K) and holds a qualification in Credit Management (MICM-K). He also completed the Global CEO Africa Programme in 2024 through Strathmore University Business School, Lagos Business School and Yale School of Management.

Jacques Dôme

Managing Director – Kenya and
Executive Director



Jacques Dôme serves as Managing Director, Kenya. He is a senior retail executive with more than 30 years of international experience across the retail, consumer goods and financial management sectors, having worked in seven countries across Europe, North America, the Middle East and Africa. His career spans leadership positions in supermarket, hypermarket, home improvement and luxury retail businesses, with expertise in business transformation, category management, commercial strategy, profitability improvement, corporate governance, mergers and acquisitions, debt restructuring and capital markets transactions.

Since joining Quickmart in August 2020, Jacques Dôme has played a leading role in the Company's transformation and expansion, helping to grow the store network while strengthening operational performance, profitability and governance. During his tenure, he has overseen the implementation of a category management operating model and supporting technology platforms, introduced enhanced budgeting and forecasting processes, developed the Company's long-term strategic plan and supported a range of strategic initiatives across e-commerce, pricing and logistics.

Prior to joining Quickmart, Jacques Dôme served as Group Chief Financial Officer of Damas Jewellery, the Middle East's largest jewellery retailer, where he was responsible for finance, information technology, demand planning, merchandising, real estate and business intelligence functions across a network of more than 230 stores. During this period, he led strategic growth initiatives, directed acquisitions and disposals, implemented advanced financial reporting systems and strengthened governance processes in the Company.

Previously, Jacques Dôme served as Group Senior Vice-President Finance of Majid Al Futtaim Holding and Chief Financial Officer of Majid Al Futtaim Retail, the operator of the Carrefour franchise across the Middle East. Other earlier appointments included Chief Financial Officer positions with Kingfisher Group in the United Kingdom and Poland, senior finance leadership roles within the Belgian retail group GIB Group, and external audit experience with Arthur Andersen & Co. These roles provided him with extensive experience in international finance, business development, performance improvement and cross-border retail operations.

Jacques Dôme holds a Business Administration Engineering degree (Ingénieur Commercial) from HEC Belgium, which he obtained in 1991, and obtained his CPA licence in Belgium in 1994. He is a Chartered Global Management Accountant (CGMA) and a member of both the Chartered Institute of Management Accountants (CIMA) and the American Institute of Certified Public Accountants (AICPA). He has completed executive programmes in Advanced International Corporate Finance at INSEAD and Digital Marketing at Columbia Business School. He is fluent in English and French.

Alexis Caude

Non-Executive Director



Alexis Caude serves as a Non-Executive Director of the Company and the Managing Partner of Adenia Partners. He has over 30 years of experience as an entrepreneur, investor and business leader, with significant expertise in private equity investing, corporate governance, business transformation, strategic planning and value creation across multiple sectors, including consumer, retail, technology, hospitality and services.

Since 2016, Alexis Caude has served as Managing Partner of Adenia Partners, where he is responsible for investment strategy, portfolio management and value creation across the firm's investment platform. Under his leadership, Adenia has continued to expand its presence across Africa, supporting management teams in implementing growth strategies, strengthening governance frameworks and driving operational improvements within portfolio companies. He also serves on the boards of numerous Adenia portfolio and holding companies, providing strategic oversight and governance support across a broad range of industries.

Prior to joining Adenia, Alexis Caude founded and led several entrepreneurial ventures in the digital media, technology and hospitality sectors. He founded NewsWeb, a leading online publishing business in France, and subsequently co-founded additional digital businesses and investment platforms focused on long-term value creation. He also co-founded ValueState, a hospitality and real estate investment business focused on hotel assets across Europe. These experiences provided him with extensive expertise in business formation, growth management, capital allocation and strategic execution. Earlier in his career, he held marketing and strategic planning positions with RJR Nabisco and Universal Studios in the United States.

Alexis Caude holds a Bachelor of Business Administration from NEOMA Business School (formerly École Supérieure de Commerce de Rouen), awarded in 1991, and a Master of Business Administration from Harvard Business School, awarded in 1998. He previously served as an officer in the French Navy and has extensive international business experience across Europe and Africa.

Duncan Kinuthia

Non-Executive Director



Duncan Kinuthia is a founder of Quickmart and serves as a Non-Executive Director of the Company. He is an entrepreneur and investor with extensive experience in retail, real estate development and business investment. He founded Quickmart in 2006 together with his family with the objective of providing quality and affordable retail services to underserved communities in Kenya. Over nearly two decades, he has played a central role in shaping the Company's strategy, culture and customer-centric operating model, supporting its development from a small regional supermarket business into one of Kenya's leading grocery retailers.

Since the founding of Quickmart, Duncan Kinuthia has contributed to the strategic direction and growth of the business, supporting its evolution from a family-owned retailer into one of Kenya's leading supermarket chains. Under his leadership, he established the operational foundations that enabled the Company's subsequent national expansion. Led by his vision, Quickmart developed a differentiated neighbourhood retail model centred on convenience, value and fresh produce, which remains a core component of the Company's customer proposition and growth strategy. He has been actively involved in identifying growth opportunities, supporting organisational development initiatives and providing strategic oversight to management.

In addition to his involvement with Quickmart, Duncan Kinuthia has established and invested in a number of businesses across complementary sectors. He is the founder and Managing Director of Basic Land Limited, a real estate investment and development business focused on commercial property development and sustainable agricultural activities, including apiculture and value-added food production. He is also a Director of Basic Capital Limited, an investment company focused on building a diversified portfolio of investments across multiple sectors and value chains, and a Director of Resource Business Investments Limited, a business focused on developing premium retail real estate and commercial centres across Kenya.

Martha Osier

Non-Executive Director



Martha A. Osier serves as a Non-Executive Director of the Company and a Partner at Adenia Partners. She is an experienced private equity investor with over 15 years of investment, corporate finance and business development experience across Africa, North America and global markets. Her expertise includes investment origination and execution, corporate governance, strategic transformation, value creation, growth capital investing and board stewardship.

Since joining Adenia Partners in 2018, Martha Osier has played a leading role in establishing and expanding the firm's East African operations. She currently leads Adenia's activities in the region and has been instrumental in identifying, evaluating and executing investments across a range of sectors. She serves on the boards of several portfolio companies, including Quickmart, Africa Biosystems and Red Lands Roses, where she provides strategic oversight, governance support and guidance on long-term value creation initiatives.

Prior to joining Adenia, Martha Osier was an Investment Manager at Catalyst Principal Partners, an East Africa-focused private equity firm, where she was responsible for originating, evaluating, executing and managing investments across the region.

Earlier in her career, Martha Osier worked with General Electric Africa in business development, where she contributed to the formulation of strategic initiatives across the energy, healthcare and transportation sectors in Kenya. She also worked in private equity with Kingdom Zephyr Africa Management, a pan-African investment firm, and with RFE Investment Partners in the United States, where she focused on evaluating investment opportunities and supporting portfolio company development. She began her professional career with Citigroup in New York, where she worked within the leveraged finance and portfolio management group, analysing and monitoring debt-financed transactions across a broad range of industries.

Martha Osier holds a Master of Business Administration from Harvard Business School, awarded in 2012, where she was an Allan Gray Africa Fellow. She holds a Bachelor of Arts in Economics & Business and International Affairs from Lafayette College, awarded in 2006.

Disha Copreaux

Independent Non-Executive Director and Chair of the
Nomination Remuneration and Governance Committee
(appointed effective 01 October 2026)



Disha Copreaux serves as an Independent Non-Executive Director and Chair of the Nomination Remuneration and Governance Committee of the Board of Directors of the Issuer. She is an accomplished business executive with nearly two decades of leadership experience across agribusiness, consumer products, financial services, technology, renewable energy and international trade in Africa, Europe and North America. She brings significant expertise in strategy execution, business transformation, commercial growth, operational scaling, capital allocation and governance, having held senior leadership roles across a range of high-growth and complex operating environments. Her experience combines executive management, entrepreneurial leadership and board-level engagement, providing valuable insight into growth strategy, organisational development, risk oversight and stakeholder management.

Since June 2021, Disha Copreaux has served as Chief Executive Officer of Red Lands Roses, a leading floriculture export business in Kenya. Under her leadership, the business has undertaken a significant expansion programme, increased production capacity and maintained profitability through periods of market and supply-chain disruption. Prior to joining Red Lands Roses, Disha Copreaux served as Chief Commercial Officer of Jenga, where she developed and executed the company's go-to-market strategy, established customer acquisition channels across Kenya and Europe and led the delivery of enterprise software implementation projects. Earlier, she held a leadership role at M-KOPA Solar, where she launched and scaled a digital credit product, built a nationwide telesales operation and successfully grew customer acquisition through strategic partnerships and operational innovation.

Previously, Disha Copreaux participated in the global general management rotational programme at Syngenta Crop Protection AG, where she held commercial, strategic and product management roles in the United Kingdom and Switzerland. Earlier in her career, Disha Copreaux worked in business development roles at Export Trading Company Limited (ETG) and Bio-Energy Investments Limited, where she gained experience in agricultural finance, infrastructure logistics, supply chain development and large-scale commercial farming operations.

Disha Copreaux holds a Master of Business Administration from Harvard Business School, awarded in 2013, and a Bachelor of Science degree in Economics and Politics from the University of Warwick, awarded in 2006.

Jennifer Kinyoe

Independent Non-Executive Director and Chair of the Audit and Risk Management Committee (appointed effective 01 October 2026)



Jennifer Kinyoe serves as an Independent Non-Executive Director and Chair of the Audit and Risk Management Committee of the Board of Directors of the Issuer. She is a seasoned business leader and board executive with more than 25 years of experience across the banking, insurance, leasing, finance, healthcare and automotive sectors in East Africa. She brings extensive expertise in corporate governance, strategic oversight, capital stewardship, business transformation and growth management, having successfully led organisations through start-up, expansion and operational transformation phases.

Jennifer Kinyoe served as the Managing Director of Loxea Kenya, a CFAO Group company specialising in automotive leasing and fleet management across Africa, from 2023 to 2025, where she spearheaded growth initiatives, digital transformation programmes and electric mobility projects. Prior to this, she was Country Director for East Africa at GE Healthcare, overseeing commercial operations across six countries, and previously served as Senior Vice President at GE Capital HFS East Africa, where she led financing-led growth and healthcare infrastructure initiatives. Earlier in her career, she held chief executive and managing director positions at various leasing, finance and insurance businesses.

In addition to her executive leadership experience, Jennifer Kinyoe has substantial board-level experience. She currently serves as a Non-Executive Director and Chair of the Finance & Strategy Committee of Africa Merchant Assurance Company (AMACO), is a Board Advisor to Waugh McDonald Wealth Management, and has served as Chair of the Board of Kinyoe & Company, Certified Public Accountants since 2010. Her previous board appointments include Rivières Finance Limited and Clarkson Insurance Brokers Limited.

Jennifer Kinyoe holds a Master's degree in Strategic Management and a Bachelor of Arts in Economics and Sociology from the University of Nairobi. She is a Certified Public Accountant (CPA), a Certified Executive Coach, and a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

Executive Leadership Team

Peter Kang'iri

Group Chief Executive Officer

See "Profiles of the Board of Directors - Peter Kang'iri" for further details



Jacques Dôme

Managing Director – Kenya

See "Profiles of the Board of Directors - Jacques Dôme" for further details



Simon Macharia

Chief Financial Officer



Simon Macharia serves as Chief Financial Officer of the Company and is responsible for the oversight of the Company's finance, information technology, financial planning and strategic performance management functions. He is a seasoned finance executive with over 18 years of experience spanning retail, financial services, audit, corporate governance and business transformation.

Since joining Quickmart in December 2018, he has played a pivotal role in the Company's growth and institutional development. As Chief Financial Officer, he has been responsible for strengthening the Company's financial management, reporting, technology and governance frameworks, while supporting the execution of its long-term growth strategy.

Prior to joining Quickmart, Simon Macharia served as Financial and Systems Manager and, earlier, Chief Accountant at FinCredit Limited, where he was responsible for financial reporting, systems oversight, internal controls and business performance management. Earlier in his career, he spent six years with Ernst & Young, where he progressed to the position of Audit Manager. During this period, he advised and audited businesses across a range of sectors, developing extensive expertise in financial reporting, risk management, corporate governance, regulatory compliance and internal controls.

Simon Macharia holds a Master of Business Administration from the United States International University Africa and a Bachelor of Commerce (Accounting) from the University of Nairobi. He has also completed the Senior Management Leadership Programme at Strathmore University. He is a Certified Public Accountant (Kenya) and a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

Joseph Thuku

Chief Commercial Officer



Joseph Thuku serves as Chief Commercial Officer of the Company and is responsible for leading Quickmart's commercial strategy across category management, merchandising, pricing, supplier partnerships, marketing and customer value proposition. He is a retail and commercial executive with more than 15 years of experience spanning commercial finance, category management, business development, marketing and strategic growth within the Kenyan retail sector.

Since joining Quickmart in 2024, Joseph Thuku has played a key role in strengthening the Company's commercial platform and driving revenue growth across its national store network. He oversees commercial operations across a portfolio of more than 40,000 products and works closely with suppliers, category teams and executive management to enhance customer value, improve category performance and support market share expansion.

Prior to joining Quickmart, he founded Adroit Professional Consulting, a business advisory firm focused on assisting retailers, manufacturers, start-ups and small and medium-sized enterprises with commercial strategy, market expansion, route-to-market planning, customer acquisition and product development.

Before establishing his advisory practice, Joseph Thuku spent more than twelve years with Naivas Limited, where he held several finance and commercial leadership positions, culminating in his appointment as Commercial Finance Manager.

Joseph Thuku holds a Master of Science in Business Administration from the University of Salford, awarded in 2025, a Bachelor of Commerce (Finance) from Kabarak University, awarded in 2016, and a Diploma in Sales and Marketing from Kenya Polytechnic University College, awarded in 2009. He also holds a Certificate in Public Accounting from the Vision Institute of Professionals.

Steve Boro

Chief Retail Operations Officer



Steve Boro serves as Chief Retail Operations Officer of the Company and is responsible for leading Quickmart's retail operations, supply chain, inventory management, logistics, store productivity and operational excellence initiatives across the Company's nationwide store network. He is an experienced retail, finance and operations executive with more than 20 years of leadership experience spanning retail, consumer goods, manufacturing, technology and logistics sectors.

Prior to his current role, Steve Boro served as Post-Merger Integration Lead for the combination of Quickmart and Tumaini, working closely with management and external advisers to implement the integration strategy. Earlier, he served as General Manager, Business and Operations at Tumaini, where he was responsible for overseeing day-to-day business operations following private equity investment in the company.

Before joining Quickmart and Tumaini, Steve Boro was Lead Consultant and Chief Finance Officer at BroadFocus Consulting Limited, a retail advisory firm focused on supporting family-owned businesses across East Africa. Earlier in his career, he held senior finance leadership roles including Group Financial Controller at EAGM Holdings Limited and CPC Trust, Group Management Accountant at Virtual Group of Companies, and finance and credit management positions at SDV Transami (K) Limited, Bio Food Products Limited and Premier Food Industries Limited.

Steve Boro holds a Bachelor of Commerce (Finance) degree from the Catholic University of Eastern Africa. He is a Certified Public Accountant (Kenya) and also holds a Certificate in Credit Management from the School of Credit Management.

Priscah Muasya

Head of Human Resources



Priscah Muasya serves as Head of Human Resources of the Company and is responsible for leading Quickmart's people strategy, talent management, organisational development, culture transformation, employee relations and human capital initiatives. She is an accomplished human resources executive with more than 12 years of experience in human resource management, organisational development, talent acquisition and leadership development across the retail and service sectors.

Since joining Quickmart in 2022, Priscah Muasya has been a member of the Executive Committee and has played a key role in aligning the Company's human capital strategy with its continued growth and operational objectives.

Prior to joining Quickmart, Priscah Muasya served as Assistant Human Resources Manager, Talent Acquisition and Development, at Naivas Limited, where she was responsible for talent acquisition, employer branding, succession planning and employee development initiatives. Earlier in her career,

Priscah Muasya served as Human Resources Manager at Mulleys Supermarkets Limited, where she led the development of the company's human resources function. Prior to this, she was Group Human Resources Manager at Kaab Group of Companies, where she was responsible for human resource strategy and administration across the group's diversified operations.

Priscah Muasya holds a Higher Diploma in Human Resource Management from the College of Human Resource Management, awarded in 2015, and a Bachelor of Business Administration from the Technical University of Mombasa, awarded in 2013. She also holds a Diploma in Marketing from the Technical University of Mombasa, awarded in 2008. Her professional certifications include Certified Human Resource Professional, Certification in Organisational Culture from Hofstede Insights, a Certificate in Counselling and the FFP Leadership Programme of the Federation of Kenya Employers. She is a member of the Institute of Human Resource Management (IHRM).

A black and white portrait of Lilian Kerubo, a woman with glasses and her hair in a ponytail, standing with her arms crossed. The portrait is positioned on the right side of a dark green banner that has a red wavy top edge.

Lilian Kerubo

Head of Environment, Health and Safety

Lilian Kerubo serves as Head of Environmental Health and Safety of the Company and is responsible for leading Quickmart's environmental, health, safety and sustainability initiatives across its nationwide operations. She is an environmental health and safety professional with more than 10 years of experience in environmental management, food safety, occupational health and safety, quality management systems, regulatory compliance and ESG implementation across the retail, hospitality, aviation catering and consulting sectors.

Since joining Quickmart in 2022, Lilian Kerubo Mosota has been responsible for overseeing the Company's environmental, health and safety framework and ensuring compliance with applicable regulatory requirements and industry best practices.

Prior to joining Quickmart, Lilian Kerubo Mosota served as Food Hygiene Manager at InterContinental Nairobi, where she was responsible for food safety management, occupational health and safety compliance, environmental audits and quality assurance programmes. Earlier in her career, Lilian Kerubo Mosota worked as Quality Assurance and Hygiene Officer at NAS Servair. She began her professional career with Millennium Management Consultants, where she served as a Management Consultant.

Lilian Kerubo Mosota holds a Bachelor of Science degree in Environmental Health from Kenyatta University awarded in 2013 and a Master of Public Health in Epidemiology and Disease Control from Kenyatta University awarded in 2024.

Michael Mwangi

Head of Internal Audit



Michael Mwangi serves as Head of Internal Audit of the Company and is responsible for providing independent assurance over the effectiveness of Quickmart's governance, risk management and internal control frameworks. He is an accomplished governance, internal audit, risk and compliance professional with more than 12 years of experience spanning financial services, investment management, real estate and corporate governance.

Prior to joining the Company in 2026, Michael Mwangi served as Head of Audit (Group Internal Auditor) at Acorn Holdings Limited, a diversified investment, property development and asset management group, where he was responsible for leading the group-wide internal audit function. Before joining Acorn, Michael Mwangi held several progressively senior audit leadership positions at CPF Financial Services Limited, including Manager, Operations Audit, Internal Audit Manager and Senior Operations Auditor. Earlier in his career, Michael Mwangi served within the internal audit functions of Chase Bank Kenya Limited and Chase Group Kenya Limited.

Michael Mwangi holds a Master of Business Administration in Strategic Management and a Bachelor of Economics with Finance, both from Kenyatta University awarded in 2023 and 2013 respectively. He is a Certified Public Accountant (Kenya).



Asante sana!

*Thank you so much
and see you again!
We appreciate you
Come Again!*



**Thank you
for shopping
with us!**

We truly appreciate you.
Your trust & loyalty keep us
growing everyday.

Go with blessings

You're Valued.



OVERVIEW OF CORPORATE GOVERNANCE FRAMEWORK

Corporate governance helps to enhance corporate performance through systems, processes and operations to safeguard the interests of stakeholders. This ensures that the Board of Directors and senior management of the Issuer are accountable and helps build public trust in the Issuer. The Board of Directors are responsible for the governance of the Issuer and are accountable to all its stakeholders by overseeing the effective management and control of the Issuer. Transparency, accountability, and disclosure are the key focus areas of the Issuer's Board of Directors oversight.

The Issuer is committed to the highest standards of corporate governance, transparency and accountability in the conduct of its business and affairs. The Issuer recognises that robust corporate governance is fundamental to the protection of shareholder interests, the maintenance of stakeholder confidence and the sustainable creation of long-term value. The Issuer also embraces and recognizes the benefits of diversity in skills and experience in the composition of its Board of Directors, and this engenders the effective discharge of the Board of Director's strategic oversight function.

As a company seeking to list its securities on the Nairobi Securities Exchange, the Issuer is subject to the regulatory oversight of the CMA and will be required to comply with the CM Act, the Regulations, the CMA Code of Corporate Governance and the NSE Listing Rules. The corporate governance framework described below reflects the Issuer's commitment to meeting and, where appropriate, exceeding these regulatory requirements.

1 The Board of Directors

The Board of Directors are responsible for providing strategic leadership, exercising oversight over the management of the Issuer's business, protecting shareholder value, ensuring financial integrity and fostering long-term sustainability. The Board of Directors exercises its functions through a combination of direct oversight and delegation to Board Committees with specific terms of reference.

As at the Listing Date, the Board of Directors will comprise of eight (8) members, including

- a. a non-executive Chairman;
- b. two (2) executive directors (being the Chief Executive Officer, Managing Director);
- c. three (3) non-executive directors; and
- d. two (2) independent non-executive directors;

Following the Listing Date, the Issuer anticipates making certain changes to its corporate governance framework to ensure full compliance with applicable CMA requirements and to reflect ongoing enhancements to its governance practices.

The Authority has approved the Issuer's request for transitional regulatory accommodations in connection with the Listing, including a transitional period of up to twelve (12) months from the Listing Date to appoint a third independent non-executive director required to satisfy the one-third independence threshold under applicable CMA requirements.

Once the third independent director has been appointed as set out above, the composition of the Board of Directors will comply with the CMA Code of Corporate Governance requirement that independent non-executive directors constitute at least one-third of the total number of Board of Directors members, and reflects an appropriate balance of skills, experience, diversity and independence to enable the effective discharge of the Board of Directors' responsibilities.

The non-executive directors are independent of management and bring diverse expertise and experience to the Board of Directors' deliberations. At least one member of the Board of Directors holds a professional qualification in accounting or finance and is a member of the Institute of Certified Public Accountants of Kenya ("ICPAK"). The Board of Directors composition also complies with the constitutional requirement of gender balance.

Separation of Roles

In accordance with the CMA Code of Corporate Governance, the roles of Chairman and Group Chief Executive Officer are separate and clearly defined.

The Chairman, Jerome Loubère, is responsible for leading the Board, ensuring its effectiveness in all aspects of its role and facilitating constructive engagement between the Board and management.

The Group Chief Executive Officer, Peter Kang'iri, is responsible for the day-to-day management of the Issuer's business, including the implementation of Board strategy and policies. This separation promotes accountability, ensures an appropriate balance of power and authority, and provides for effective checks and balances in decision-making.

Board Committees

As at the date of this Information Memorandum, the Board has established three (3) standing Board Committees with specific terms of reference to exercise the Board's delegated responsibilities. Each Committee operates under the terms of reference as approved by the Board. The Board Committees are the Audit and Risk Management Committee, the Nomination, Remuneration and Governance Committee, and the Strategy and Investment Committee. The membership and terms of reference of each Committee are summarised below.

Audit and Risk Committee

- a. **Terms of Reference:** The Audit and Risk Management Committee comprises at least three (3) members, the majority of whom shall be independent non-executive directors and is chaired by an independent non-executive director who holds a professional qualification in audit or accounting. The Audit and Risk Management Committee is responsible for:
 - ➔ monitoring the integrity of the Issuer's financial statements, operating and financial review, interim reports, preliminary announcements and any other formal announcements relating to its financial performance, and reviewing significant financial reporting issues and judgments;
 - ➔ assessing the scope, adequacy and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks, and monitoring the integrity of the Issuer's internal financial controls;
 - ➔ reviewing and assessing the internal audit programme, the adequacy, scope and functions of the internal audit function, and ensuring that it is adequately resourced, has appropriate authority and is independent of the activities of the Issuer;
 - ➔ making recommendations on the appointment, reappointment, removal and remuneration of the external auditors and assessing their qualifications, expertise, resources, effectiveness and independence;
 - ➔ determining and reviewing the Issuer's risk profile, including the nature and extent of significant risks that the Issuer is willing to take in achieving its strategic objectives;

- ➔ reviewing the Issuer's procedures for managing breaches of the Code of Business Conduct, including the prevention, detection and handling of fraud, and reviewing anti-bribery and corruption policies; and
- ➔ considering related party transactions and the major findings of internal investigations and management responses.

Nomination, Remuneration and Governance Committee

a. Terms of Reference: The Nomination, Remuneration and Governance Committee consists of at least three (3) members, majority of whom shall be Independent Non-Executive Directors of the Company. The Nomination, Remuneration and Governance Committee is responsible for:

- ➔ identifying and nominating candidates to fill Board vacancies, keeping under review the structure, size and composition of the Board and its Committees, including skills, knowledge, experience, diversity and tenure;
- ➔ developing and recommending to the Board an appropriate remuneration philosophy and strategy for the Issuer, including for executive directors and senior management, having regard to performance, strategy, market practice and shareholder interests;
- ➔ giving full consideration to succession planning for the Board and Board Committees, including director tenure, progressive refreshment and the skills and experience required, and maintaining an up-to-date Board succession plan; and
- ➔ overseeing the implementation of the Issuer's corporate governance policies, monitoring compliance with the Code of Conduct and corporate governance principles adopted by the Issuer, and overseeing the annual evaluation of the Board, individual directors, the Group Chief Executive Officer and Board Committees.

Strategy and Investment Committee

a. Terms of Reference: The Strategy and Investment Committee comprises six (6) Board members. The Strategy and Investment Committee is responsible for:

- ➔ overseeing the development and implementation of the Issuer's corporate strategy, including long-term strategic goals and objectives;
- ➔ reviewing investment proposals to ensure alignment with the Issuer's strategic objectives, financial capacity and applicable legal and regulatory requirements;
- ➔ considering and making recommendations on major capital expenditure proposals, acquisitions, disposals, strategic partnerships, joint ventures and other significant investments;
- ➔ reviewing opportunities for business expansion, including new stores, market expansion, new product lines, digital initiatives and other strategic growth opportunities;
- ➔ monitoring market trends, customer preferences, technological developments and the competitive landscape; and
- ➔ overseeing the development and implementation of the Issuer's brand strategy and ensuring alignment with key stakeholder groups and the strategic direction of the Issuer.

② Risk Management and Internal Controls

The Issuer has implemented an enterprise risk management framework under which risks are identified, assessed, monitored and controlled. Management of the Issuer is responsible for designing, implementing and monitoring the effectiveness of the Issuer's internal control systems, and the Board of Directors reviews the adequacy and integrity of these systems on a regular basis.

The Issuer's internal audit function reports directly to the Audit and Risk Management Committee and provides independent assurance on the effectiveness of internal controls, risk management processes and governance arrangements.

③ Conflicts of Interest

The Issuer has adopted a policy on the management of conflicts of interest.

Directors are required to declare any real or perceived conflict of interest at the commencement of each Board of Directors meeting, and such declarations are recorded in a conflict of interest register maintained by the Company Secretary. Directors with a conflict in any matter are required to recuse themselves from participating in discussions and decision-making on that matter.

④ Company Secretary

The Board of Directors is assisted by a suitably qualified and competent Company Secretary who is a member of the Institute of Certified Public Secretaries of Kenya ("ICPSK") in good standing. The Company Secretary provides guidance to the Board of Directors on its duties and responsibilities, ensures timely preparation and circulation of Board of Directors papers, coordinates the governance audit process and maintains all statutory records and registers of the Issuer.

⑤ Disclosure and Transparency

Following listing, the Issuer will be subject to continuous disclosure obligations under the CM Act, the Regulations, and the NSE Listing Rules.

The Issuer will be required to keep the CMA, the NSE, shareholders and the general public promptly informed of any information relating to the Issuer that is necessary to avoid the establishment of a false market in its securities, or that might reasonably be expected to materially affect market activity in the price of its securities.

The Issuer will publish audited annual financial statements and half-yearly interim results, and will disclose related party transactions and material risks in accordance with applicable regulatory requirements.

⑥ Shareholder Rights

The Issuer is committed to the fair and equitable treatment of all shareholders, including minority shareholders. All shareholders have the right to attend and participate in general meetings, to vote on resolutions (including the election of directors), to receive relevant information on the Issuer's performance, to receive dividends when declared, and to participate in any distribution of the proceeds of liquidation.

The Issuer maintains an effective shareholder communication policy and engages with institutional and retail shareholders through regular investor briefings.

7 Ethics and Code of Conduct

The Board of Directors has adopted a Code of Ethics and Conduct (the “**Code of Conduct**”) that sets out the ethical values and standards to be observed by all directors, management and employees in the conduct of the Issuer’s business. The Code establishes appropriate communication and whistle-blowing mechanisms to enable stakeholders to report concerns regarding unethical conduct in confidence and without fear of retaliation.

The Board of Directors periodically reviews the Code of Conduct and ensures that compliance is integrated into the Company’s operations.

8 Governance Audit

In accordance with the CMA Code of Corporate Governance, the Company will be subject to an annual governance audit conducted by a competent professional. The governance audit will assess the Company’s compliance with sound governance practices across key parameters including leadership and strategic management, transparency and disclosure, compliance with laws and regulations, Board of Directors’ independence and governance, and corporate social responsibility.

9 Directors’ Remuneration

Directors’ remuneration is determined in accordance with a formal remuneration policy approved by shareholders at the Annual General Meeting. The policy provides for the payment of directors’ fees, sitting allowances and other emoluments at levels sufficient to attract and retain directors of appropriate calibre. Details of directors’ remuneration are disclosed in the Issuer’s annual report in accordance with the CMA Code of Corporate Governance requirements.

10 Corporate Governance Changes

Following the Listing Date, the Issuer anticipates making certain changes to its corporate governance framework to ensure full compliance with applicable CMA requirements and to reflect ongoing enhancements to its governance practices. The CMA has approved the Issuer’s request for transitional regulatory accommodations in connection with the Listing, including a transitional period of up to twelve (12) months from the date of Listing to appoint a third independent non-executive director required to satisfy the one-third independence threshold under applicable CMA requirements. These exemptions are time-limited and subject to phased compliance, and the Issuer will notify the CMA once each appointment has been completed.



STICKMART

RISK FACTORS AND MITIGANTS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, IN ADDITION TO OTHER MATTERS SET FORTH IN THIS INFORMATION MEMORANDUM, THE FOLLOWING RISK FACTORS BEFORE MAKING AN INVESTMENT DECISION.

THE RISKS DESCRIBED BELOW ARE NOT EXHAUSTIVE AND MAY NOT BE THE ONLY RISKS TO WHICH THE COMPANY AND ITS SHAREHOLDERS ARE EXPOSED. ADDITIONAL RISKS NOT PRESENTLY KNOWN TO THE ISSUER, OR WHICH THE ISSUER CURRENTLY CONSIDERS IMMATERIAL, MAY ALSO IMPAIR ITS BUSINESS, OPERATING RESULTS, FINANCIAL CONDITION OR PROSPECTS.

IF ANY OF THE FOLLOWING RISKS MATERIALISE, THE ISSUER'S BUSINESS, OPERATING RESULTS, FINANCIAL CONDITION OR PROSPECTS COULD BE MATERIALLY AND ADVERSELY AFFECTED, WHICH COULD CAUSE THE TRADING PRICE OF THE OFFER SHARES TO DECLINE AND INVESTORS COULD LOSE ALL OR PART OF THEIR INVESTMENT. THE ORDER IN WHICH THE RISKS ARE PRESENTED DOES NOT NECESSARILY REFLECT THE LIKELIHOOD OF THEIR OCCURRENCE OR THE MAGNITUDE OF THEIR POTENTIAL IMPACT.

ALL OF THESE FACTORS ARE CONTINGENCIES WHICH MAY OR MAY NOT OCCUR, AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCY OCCURRING OR THE EXTENT OF ITS IMPACT.

CERTAIN INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM, INCLUDING INFORMATION RELATING TO THE ISSUER'S PLANS, STRATEGY AND RELATED FINANCING, CONSTITUTES FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. THE ISSUER'S ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE ANTICIPATED IN SUCH FORWARD-LOOKING STATEMENTS AS A RESULT OF CERTAIN FACTORS, INCLUDING BUT NOT LIMITED TO THOSE DESCRIBED IN THIS SECTION AND ELSEWHERE IN THIS INFORMATION MEMORANDUM.

PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE INFORMATION MEMORANDUM, MAKE SUCH INDEPENDENT INVESTIGATIONS AND OBTAIN SUCH INDEPENDENT ADVICE AS THEY CONSIDER NECESSARY, AND REACH THEIR OWN VIEWS PRIOR TO MAKING ANY INVESTMENT DECISION.

1 Country and Macroeconomic Risks

Macro-Economic Risks In Kenya

The Issuer's operations are concentrated entirely within Kenya, and its financial performance is therefore subject to the macroeconomic conditions prevailing in Kenya, including levels of economic growth, inflation, interest rates, currency movements, employment levels and household disposable income. Adverse developments in any of these factors could reduce consumer purchasing power and discretionary spending, which in turn could negatively affect demand for the Issuer's products and services.

Mitigant: The macroeconomic risks identified above are mitigated by the essential, non-discretionary nature of the Issuer's core product categories, comprising everyday consumer goods such as food, fresh produce and essential household items. Because these are goods that consumers continue to purchase even as disposable income comes under pressure – in contrast to discretionary retail categories, where spending is more readily deferred or reduced during economic downturns – demand for the Issuer's core offering is expected to remain comparatively resilient through periods of economic weakness. In FY2025, food and fresh accounted for 52% and 12%, respectively, of the Issuer's total revenue, together representing 64% of total revenue, underscoring the extent to which the Issuer's revenue base is weighted towards this more resilient, non-discretionary consumer spending. The fresh category also represents the Issuer's highest-margin product category, providing additional support to the Issuer's profitability during periods of macroeconomic pressure. The Issuer's value-oriented customer proposition and diversified store network across multiple counties also provide some insulation against localised economic weakness.

Inflation Risks

Inflation may increase the Issuer's operating costs and affect consumer spending. Kenya has historically experienced periods of elevated inflation, which can increase the cost of goods, labour, utilities, rent and other operating expenses. Prolonged or significant inflationary pressure may compress the Issuer's margins if it is unable to pass on increased costs to customers or may reduce consumer demand if customers curtail spending in response to higher prices.

Mitigant: The Issuer actively manages its cost base and pricing strategy in response to inflationary conditions. Its centralised procurement platform and supplier relationships enable negotiation of competitive terms. The Issuer also monitors consumer price sensitivity and adjusts its promotional activity and product assortment accordingly. Historically, like-for-like sales have broadly tracked inflation and have more recently grown slightly ahead of inflation, and ahead of the Issuer's internal product price inflation, reflecting both the Issuer's ongoing price reviews and increases in transaction volumes, which the Issuer attributes to its value-oriented proposition. The Issuer also benefits from a relatively predictable rental cost base, with contractual escalations generally set at either 5% annually or 10% every two years. Under the biennial structure, rent remains fixed between escalation dates while revenues may continue to grow, which can reduce occupancy costs as a proportion of sales during the intervening period. This timing differential provides a measure of protection against inflationary pressure on operating margins.

Foreign Exchange Risks

Currency fluctuations may affect the Issuer's cost of imported goods. A portion of the products sold by the Issuer, including certain packaged foods, household goods and health and beauty products, are imported or contain imported inputs. Depreciation of the Kenya Shilling against major trading currencies, including the US Dollar and the Euro, may increase the cost of imported products, which could compress margins or result in higher prices for customers.

Mitigant: The Issuer sources all products through suppliers operating in Kenya and maintains relationships with multiple suppliers to manage input cost variability. While certain products may be imported, they are procured through local distributors, importers or multinational suppliers with operations in Kenya, thereby

limiting the Issuer's direct exposure to foreign currency procurement risk. The Issuer's product mix also includes a substantial proportion of locally produced goods, including fresh produce, bakery products and dairy, which are less exposed to currency fluctuations. Substantially all of the Issuer's operating costs, including lease payments and payments to suppliers, are denominated in Kenya Shillings, which limits direct transactional foreign exchange exposure. The Issuer's resilience to currency volatility is further demonstrated by its financial performance during FY2023 and FY2024, a period during which the Kenya Shilling experienced significant depreciation and volatility, with revenue growing from KES 41.2 billion to KES 46.7 billion and operating profit increasing from KES 2.0 billion to KES 3.0 billion over the same period.

Political and Social Risks

Political and social instability may disrupt the Issuer's operations. Kenya has historically experienced periods of political and social instability, including during election cycles. Such instability may disrupt the Issuer's operations, supply chains and customer traffic, and may adversely affect consumer confidence and spending. Additionally, changes in government policy, including taxation, labour law, trade policy or regulatory frameworks, may increase the Issuer's operating costs or constrain its business activities.

Mitigant: The Issuer's diversified geographic footprint of 68 stores as at 30 June 2026 provides resilience against localised disruptions, including within its largest market, Nairobi County. Based on H1 2026 store sales, no single store accounted for more than 5% of total store sales, demonstrating a broad distribution of the Issuer's stores across the capital. The Issuer's presence across 16 counties further diversifies its geographic exposure, with no other county accounting for more than 11% of total store sales during the period. Within Nairobi, the Issuer's network includes stores in residential and neighbourhood locations, shopping malls and central business district locations, providing a mix of store formats and catchments, with stores located in shopping malls generally benefiting from enhanced, mall-operator security measures relative to standalone stores in residential areas. The Issuer maintains business continuity and crisis-management procedures involving senior management, human resources and loss prevention, with coordination with security agencies and industry participants, drawing on the Issuer's experience managing disruption during past occasions of civil unrest. During FY2023 to H1 2026, protest-related losses at affected stores were fully compensated by insurers and operations were restored promptly, demonstrating the effectiveness of these measures. The Company also engages with industry bodies and regulatory authorities to monitor and respond to policy developments affecting its sector.

Interest Rate Risks

The Issuer is exposed to interest rate risk in connection with its lease liabilities and any future borrowings. Increases in interest rates could increase the Issuer's financing costs, reduce profitability and affect the terms on which the Issuer is able to obtain future financing for expansion or working capital purposes.

Mitigant: The Issuer's financing structure is weighted towards lease liabilities rather than bank borrowings. Lease liabilities are subject to fixed or pre-agreed contractual escalations rather than variable market interest rates, which provides some stability in the cost base relative to a financing structure more reliant on floating-rate bank debt. In addition, excluding lease liabilities, the Issuer has historically operated on a net cash basis, further reducing its reliance on external borrowings. As at 31 December 2025, the Issuer had minimal bank borrowings outstanding, amounting to KES 46,286,000, and had also obtained bank guarantees of approximately KES 500 million as part of its working capital facilities. Although the Issuer maintains a KES 2 billion working capital facility, comprising working capital lines, bank guarantees and term loans, it has drawn only nominally on this facility and primarily funds its operations and capital expenditure through internally generated cash flows. The Issuer monitors interest rate developments and evaluates financing alternatives in the context of its capital allocation and expansion plans.

2 Business and Operational Risks

Supply Chain Risks

The Issuer's business is dependent on its ability to manage supply chain and inventory effectively. The Issuer sources a wide range of products from numerous suppliers, including fresh produce, packaged goods and household items. Disruptions to the supply chain, including supplier insolvency, transportation delays, logistics bottlenecks or global supply disruptions, could result in stock shortages, increased costs or inability to meet customer demand. Ineffective inventory management could lead to overstocking, spoilage or write-offs, particularly in the perishables category, or to understocking that results in lost sales.

Mitigant: The Issuer operates its own fleet of 46 vehicles as at 31 December 2025, primarily for product redistribution across stores, and maintains a distribution centre for the limited number of suppliers that prefer centralised distribution, with the significant majority of products supplied directly to stores by suppliers. This diversified distribution approach supports flexibility on cost and service levels, enables stock to be moved between stores in response to demand, and ensures that no single distribution route is critical. The Issuer maintains relationships with multiple suppliers across key product categories and actively monitors inventory levels and turnover to optimise stock management. The Issuer also operates selected fresh categories on a consignment basis, reducing inventory risk in higher-spoilage product lines. The Issuer has a strong enterprise resource planning (ERP) system that enables real-time inventory tracking and store-level stock management, which supports effective inventory control. The Issuer maintains a store-level provision for expected shrinkage of approximately 0.5% of sales, which is subsequently adjusted following physical inventory counts.

Supplier Concentration and Dependence Risks

The Issuer may be dependent on certain key suppliers. The Issuer sources products from numerous suppliers across a range of product categories. Certain product categories or brands may be sourced from a limited number of suppliers, and the loss of, or material adverse change in the terms of trade with, any such supplier could affect the Issuer's ability to offer those products, result in stock shortages or require the Issuer to source from alternative suppliers on less favourable terms. In addition, failure by a key supplier to meet quality standards, comply with applicable laws or maintain supply continuity could adversely affect the Company's operations and reputation.

Mitigant: The Issuer maintains relationships with multiple suppliers across key product categories and actively manages supplier performance. While the Issuer's largest single supplier, Brookside Dairy, accounted for approximately 7% of total purchases in FY2025 and H1 2026, the Issuer's supplier concentration risk is limited because the dairy products supplied by Brookside Dairy, including milk and yogurt, are not unique to Brookside Dairy and are readily available from alternative suppliers, such that management does not consider this to create a material supplier concentration risk. The Issuer's centralised procurement function further supports supplier diversification and enables the Issuer to identify and qualify alternative suppliers where appropriate. The Issuer also utilises joint business plans ("JBPs") as a critical tool for managing its supplier relationships, which support collaborative commercial planning, promotional alignment and long-term supply continuity, and monitors supplier compliance with applicable laws and quality standards as part of its supplier management processes.

Supplier Credit and Working Capital Risks

The Issuer operates with a structurally negative working capital profile, reflecting a business model in which customers pay upfront in cash while the Issuer benefits from supplier payment terms that generally extend beyond its inventory holding period. The Issuer is therefore reliant, in part, on continued access to trade credit from its suppliers. A material shortening or withdrawal of supplier credit terms, or a significant increase in inventory funding requirements could increase the Issuer's cash requirements and adversely affect its liquidity, product availability and ability to fund its operations. The Kenyan retail sector has previously seen supermarket operators fail following a

loss of supplier and lender confidence, where a withdrawal of trade credit resulted in stock shortages and mounting arrears, ultimately leading to administration proceedings brought by unpaid suppliers.

Mitigant: The Issuer's working capital model is supported by its broader liquidity position, including its net cash position (excluding lease liabilities) and substantially undrawn bank facility, as described under "Interest rate risks" above. The Issuer has generated consistently positive net cash from operating activities of approximately KES 4.0 billion, KES 4.2 billion and KES 4.8 billion in FY2023, FY2024 and FY2025, respectively. The Issuer also operates selected fresh categories on a consignment basis, reducing its inventory funding requirements and its reliance on supplier credit for these product lines. Beyond its centralised procurement and joint business planning processes described above, the Issuer monitors trade payable ageing and supplier payment performance as part of its ongoing working capital management, supporting the maintenance of supplier confidence. The Issuer's working capital model has been maintained without disruption to supplier terms or funding availability through periods of macroeconomic and currency volatility, including during FY2023 and FY2024.

Perishable Goods and Fresh Produce Risks

The handling and sale of perishable goods and fresh produce exposes the Issuer to food safety and product quality risks. The Issuer's "Fresh" category, including fresh produce, dairy, bakery and prepared foods, represented approximately 12% of the Issuer's category mix and is therefore a significant component of its customer proposition and store economics. The nature of these products creates risks relating to food safety, spoilage, contamination and product recalls, and the scale of the Fresh category means that a significant food safety incident could have a disproportionate effect on the Issuer relative to retailers with a smaller perishables footprint. Any incident involving food safety or product quality at a store could expose the Issuer to regulatory action, reputational damage, customer claims and loss of consumer confidence.

Mitigant: The Issuer maintains food safety and hygiene protocols across its store network in accordance with Applicable Laws, regulatory requirements and applicable standards. The Issuer's stores are subject to regular inspections, and employees involved in food handling are required to hold the necessary health certificates. The Issuer also sources products from approved suppliers and monitors product quality and freshness standards as part of its store operations. The Issuer maintains documented product recall and withdrawal procedures, including procedures for the identification, tracing and isolation of affected stock pending return, disposal or other appropriate remedial action. Cold-chain and temperature-sensitive products, including fresh produce, dairy and prepared foods, are subject to monitoring and control procedures, including temperature monitoring during transportation, storage and in-store display, designed to preserve product quality and food safety throughout the supply chain. The Issuer also maintains an ongoing supplier screening and audit programme under which suppliers of perishable products are assessed prior to onboarding and subject to periodic re-assessment as part of its approved-supplier framework. The Issuer has in place measures to ensure that its food-handling staff undergo biannual medical screening and that every food handler has obtained the relevant certifications from the relevant county authority. As at the date of the Information Memorandum, the Issuer had not experienced any material food-safety incidents.

Lease Arrangement Related Risks

The Issuer's store network is operated primarily through leased premises, exposing it to lease-related risks. The Issuer operates its stores under lease arrangements with third-party landlords. There can be no assurance that the Issuer will be able to renew its leases on acceptable terms upon expiry, or that landlords will not seek material rent increases. Unfavourable lease terms, inability to renew strategic leases, or disputes with landlords could adversely affect the Issuer's store network, operating costs and profitability.

Mitigant: The Issuer seeks to negotiate favourable lease terms, including appropriate lease durations and renewal provisions. The average lease term across the portfolio is approximately 10.5 years, with an average remaining lease term of approximately 5.3 years as at 30 June 2026. The Issuer has a strong track record of successfully renewing its leases, which has provided continuity across its store network. To date, the Issuer's only store closure was the Shirikisho store, which occurred at the end of the relevant lease term as a result of the landlord repurposing the premises, rather than as a result of underperformance. The Issuer tracks rent as a percentage of sales as a key performance indicator for each store – if this percentage is notably high at a particular store, the Issuer reviews that store's sales and profitability and puts in place corrective actions accordingly. The Issuer's established market presence and store performance track record support its ability to negotiate with landlords and identify alternative premises where necessary.

Related-Party Transaction Risks

The Issuer has entered into lease arrangements in respect of certain business premises, and has previously entered into consultancy and management services agreements, with entities associated with the Quickmart founders and the founder of Tumaini Self Service Limited. These arrangements may give rise to actual or perceived conflicts of interest, including a risk that their terms may differ from those that could be obtained from independent third parties.

As at 31 December 2025, the Issuer leased 13 of its 64 stores from entities associated with one of the founders of Quickmart, representing approximately (i) 20.3% of the Issuer's store network, (ii) 21.7% of FY2025 store sales, and (iii) 25.7% of FY2025 rent expense.

Mitigant: The related-party leases are documented under written agreements on standard commercial terms, with rental and other terms no less favourable to the Issuer than those available under comparable arrangements with unrelated landlords. The negotiation and ongoing management of these leases is also subject to the Issuer's broader governance arrangements for managing actual and perceived conflicts of interest. Directors are required to declare any real or perceived conflict of interest, and a Director with a conflict in any matter must recuse himself or herself from discussions and decision-making on that matter. As at that date, those leases had a weighted average unexpired term broadly in line with the Issuer's lease portfolio as a whole as described under "Lease arrangement related risks" above, and typically provide renewal options exercisable by the Issuer.

The consultancy and management services agreements previously entered into by the Issuer with certain related parties have been terminated with effect from July 2026.

Further details of any historical and current related party arrangements are set out in paragraph 10 (*Related Party Transactions*) of the "**Statutory and General Information**" section, and the Reporting Accountant's Report included in this Information Memorandum.

Utility Costs and Energy Price Risks

The Issuer is exposed to utility costs and energy price volatility. Electricity costs are a significant operating expense for the Issuer's retail operations, including refrigeration, lighting, air conditioning and point-of-sale systems. Increases in electricity prices, changes in tariff structures or disruptions to electricity supply could increase the Issuer's operating costs, require capital investment in backup power or energy efficiency measures, or disrupt store operations. The Issuer's operating cost base is also affected by fuel prices, which influence distribution and logistics costs.

Mitigant: The Issuer monitors utility costs and implements measures to manage energy consumption across its store network. The Issuer has invested in backup power infrastructure to mitigate the impact of electricity supply disruptions. In addition, the Issuer, through a strategic partnership with SafePower Limited, has commenced a solarisation programme across its store network. The Nyali branch solar PV system, commissioned in February 2026, met approximately 43% to 44% of the branch's electricity requirements between March and June 2026. The Issuer has identified 52 branches as viable sites for further rollout over the following 12 months.

Technology and Information Systems Risks

The Issuer is dependent on technology and information systems. The Issuer relies on technology and information systems for store operations, inventory management, customer engagement (including QSOKO and Q-Points loyalty programme), e-commerce fulfilment, financial reporting and other business functions. System failures, cyber-attacks, data breaches or other technology disruptions could impair the Issuer's operations, expose it to data protection liabilities, damage its reputation and result in financial losses.

Mitigant: The Issuer has invested in its technology infrastructure and maintains appropriate controls to support system reliability, data security and business continuity. The Issuer's data processing activities are conducted in accordance with the Data Protection Act, and the Issuer is registered as a data controller with the Office of the Data Protection Commissioner. The Issuer applies due diligence and approval procedures in the selection of material technology vendors and service providers and subjects such providers to ongoing performance, compliance and, where applicable, information-security reviews. The Issuer maintains an internal information technology team responsible for the management and support of its technology environment and provides ongoing training and capacity building to support the operation, security and resilience of its systems. The Issuer's information-security framework includes access and authentication controls, network and endpoint security, data backup and recovery arrangements, system monitoring and incident-response procedures designed to prevent, identify and respond to cyber-security and other technology incidents.

Key Personnel Risks

The Issuer's success depends on its ability to attract, retain and motivate key personnel. The Issuer's business is managed by a team of experienced executives. The loss of key executives or the inability to attract and retain suitably qualified senior management could adversely affect the Issuer's operations, strategy execution and competitive position.

Mitigant: The Issuer has implemented competitive remuneration and incentive structures and invests in employee training and development. The Issuer's senior management team possesses significant cumulative industry and operational experience, with certain members of that team having worked with the Issuer prior to the onboarding of its institutional investors, providing continuity and institutional knowledge at the senior management level. The Issuer also has a track record of promoting from within, which supports employee satisfaction and retention. The Issuer maintains succession plans for key positions.

Employee and Workforce Risks

The Issuer's operations depend on a substantial workforce, comprising 7,974 personnel as at 30 June 2026, of which 1,906 were direct employees and 6,068 were personnel engaged through outsourced labour and consignment arrangements. Difficulty recruiting or retaining suitably skilled direct employees, labour disputes, wage inflation or workplace health and safety incidents affecting the Issuer's direct workforce could increase costs, disrupt store operations and adversely affect customer service and the Issuer's ability to execute its growth strategy. In addition, high turnover among personnel engaged through outsourced labour and consignment arrangements could, if not effectively managed, disrupt store-level operations or increase the Issuer's reliance on its third-party labour service providers.

Mitigant: The Issuer invests in employee training, development and retention initiatives for direct workforce. These include its Management Trainee Programme, under which 40 trainees participated in FY2024 and 62 trainees in FY2026, and a partnership with Strathmore University, under which 12 senior store managers completed an inaugural management programme in August 2025. The Issuer also provides a 10% staff discount on purchases through the QSOKO App and Quickmart website, free meals to its workforce and staff gift vouchers during the Christmas season and for store teams achieving specified KPI targets, supporting retention and reducing turnover-related recruitment and training costs among its direct employees.

Turnover among personnel engaged through outsourced labour and consignment arrangements is an inherent and expected feature of that engagement model, rather than a feature specific to the Issuer's operations. Recruitment, replacement and day-to-day management of this outsourced workforce base is undertaken by the Issuer's third-party labour service providers under the terms of the Issuer's outsourcing arrangements, such that individual staff turnover within that population does not require direct intervention by the Issuer and is managed contractually through those provider relationships. The Issuer maintains ongoing oversight of its outsourcing arrangements, including monitoring of service levels and staffing continuity at store level, to mitigate the operational impact of any turnover within the outsourced and consignment workforce.

Competition Risks

The Issuer operates in a competitive retail market and may face increased competition. The Issuer competes with other modern retail operators, as well as a large informal retail segment comprising traditional kiosks, open-air markets and independent retailers. Increased competition from existing operators, new market entrants, or digital and e-commerce platforms could result in pricing pressure, loss of market share or reduced profitability.

Mitigant: The Issuer has built a national retail platform with a scaled store network, centralised procurement, customer loyalty capabilities and an expanding digital offering. The Issuer monitors its competitive positioning on a frequent basis to ensure it maintains its competitive advantage, including tracking competitor pricing on key products within different categories and running regular customer surveys to assess price perception and service levels relative to principal competitors. This monitoring informs the Issuer's pricing, promotional and assortment decisions, and the Issuer has achieved a substantial improvement in customer price perception relative to its principal competitors as a result. The Issuer's established market position, brand recognition and customer relationships provide a competitive foundation, while its investment in operational efficiency and customer engagement supports its ability to respond to competitive pressures.

Shrinkage, Theft and Fraud Risks

In the course of its operations, the Issuer may be exposed to shrinkage, theft and fraud. Retail operations are inherently subject to inventory shrinkage, including losses from employee and customer theft, administrative errors, supplier fraud and spoilage. The Issuer handles significant cash volumes across its store network, which creates exposure to theft and fraud. Failure to maintain effective loss prevention measures could result in material inventory and cash losses that adversely affect profitability.

Mitigant: The Issuer has implemented a comprehensive loss prevention framework across its store network to protect its inventory and other assets. All stores are equipped with CCTV systems monitored by independent, qualified camera room operators. The Issuer also engages independent loss control personnel who perform a range of oversight functions, including unannounced store checks, independent verification of merchandise receipts, exit searches of staff, and oversight of cashier activity. Customers are checked on entry to stores, and security guards are stationed at parking areas, entrances and other critical locations. Designated supervisory personnel, including category buyers, branch inventory leads and branch leadership, are accountable for store-level asset security. Fire detection and alarm systems are installed across the store network and are monitored by reputable third-party service providers. The Issuer also maintains a dedicated Loss Prevention

team responsible for investigating and recommending remedial action in respect of anomalies relating to inventory, staff or customers.

This physical and personnel-based framework is complemented by a structured inventory monitoring and financial control process. Shrinkage levels are monitored as a key operational metric. The Issuer undertakes regular cyclic inventory counts, informed by the assessed risk profile of individual stock categories, and conducts full store-wide inventory counts at least twice a year, supported by a trained internal team responsible for the accuracy and efficiency of the count process; the Issuer's loss control personnel also perform regular surprise stock confirmations as part of this process. The Issuer uses automated exception reporting to monitor point-of-sale activity, including voids, refunds, negative inventory balances and inventory ageing, and applies electronic security tags to products assessed as higher risk, whether due to susceptibility to shrinkage or high unit value. The Issuer's internal audit function, under its Head of Internal Audit, reviews internal control gaps that could give rise to shrinkage events and works together with the Loss Prevention team on related investigations. Reflecting these controls, the Issuer maintains a store-level provision for expected shrinkage, recognised in its financial statements at approximately 0.5% of sales, which is reassessed and adjusted following each physical inventory count to reflect the actual stock position identified. The Issuer's exposure to cash-related theft and fraud is further reduced by its transaction mix, with mobile money (M-Pesa) accounting for approximately 64.7% of revenue collections, cards for approximately 9.8% and other non-cash forms of payment, including credit sales and gift vouchers, for approximately 4.3%, with cash payments comprising the remaining approximately 20.1% of revenue collections in the six month period ending 30 June 2026.

Growth Strategy Related Risks

The Issuer may not be able to execute its expansion strategy successfully. The Issuer's growth strategy includes continued store roll-out, operational enhancement and development of digital capabilities. Execution of this strategy is subject to risks including the availability of suitable store locations, landlord negotiations, capital requirements, regulatory approvals, competition for sites, store fit-out timelines and the successful integration of new stores into the Company's operating platform.

Mitigant: The Issuer has a proven track record of successful store roll-out, having grown its network from 19 stores at the time of the merger in 2019 to 68 stores as at 30 June 2026, with a target of 73 stores by FY 2026. Each new store is expected to break even at the EBITDA level from its first month of operation, achieve sales maturity within 12 months on average, and recover its capital investment within two to three years. The majority of stores opened to date have met these milestones. The Issuer has not closed any store due to underperformance. The only store closure to date was the Shirikisho store, which ceased operations at the end of its lease after the landlord elected to repurpose the premises. Despite the costs associated with new store openings, the Issuer has remained profitable throughout the review period and has delivered year-on-year profitability growth. The Issuer's flexible store format strategy and disciplined site selection processes support continued expansion. The Issuer is also actively developing its digital capabilities to enhance customer engagement and expand its reach. Recent initiatives include the launch of a loyalty programme to drive customer retention, the QSOKO App to enable online shopping, and integration with third-party delivery platforms such as Uber Eats and Glovo to extend convenience and accessibility. Historically, the Issuer's store roll-out has been funded largely through internally generated cash flows.

3 Regulatory and Compliance Risks

Risks Related to Changes in Law

The Issuer is subject to extensive regulation. The Issuer's business is subject to a comprehensive regulatory framework, including capital markets regulation (as a listed entity), consumer protection and competition law, food safety and standards, employment and labour law, environmental compliance, data protection and county-level licensing

requirements. Changes to applicable laws and regulations, or the interpretation or enforcement thereof, could increase the Issuer's compliance costs, restrict its business activities or expose it to penalties and reputational harm.

Mitigant: The Issuer has established internal policies and procedures designed to ensure compliance with all material applicable regulatory requirements. The Issuer maintains a licensing and permits compliance programme to ensure that all required permits are obtained and renewed in a timely manner. The Issuer also engages with relevant regulatory authorities and monitors legislative and regulatory developments affecting its sector. In preparation for listing, the Issuer has engaged and retained Adili Corporate Services Kenya LLP (**Adili**), a reputable specialist corporate governance advisory firm, to support compliance with the regulatory and governance requirements applicable to listed companies in Kenya.

Competition Enforcement Related Risks

The Issuer is also subject to competition law regulation. The Issuer operates in a concentrated retail sector and must comply with the Competition Act and the oversight of the CAK. The Issuer may be subject to restrictions relating to pricing practices, supplier agreements, consumer protection or market conduct. Non-compliance could result in material penalties, restrictions on business activities or reputational harm.

Mitigant: The Issuer has implemented competition law compliance protocols and maintains awareness of regulatory requirements relating to pricing, supplier relationships and market conduct.

Taxation and Fiscal Policy Risks

Changes in tax law or fiscal policy may adversely affect the Issuer. The Issuer is subject to corporate income tax, value-added tax, withholding taxes, excise duties and other taxes applicable to its business operations. Changes in tax legislation, including changes to VAT rates or the VAT treatment of essential food items, introduction of new taxes or levies, or changes in the interpretation or enforcement of existing tax laws, could increase the Issuer's tax burden, affect product pricing or increase compliance costs. Kenya's fiscal environment has experienced ongoing changes to tax policy in recent years.

Mitigant: The Issuer maintains tax compliance processes and engages with professional advisers to monitor and respond to changes in the tax environment. The Issuer's diversified product assortment, which includes products subject to different VAT treatments, provides some flexibility in managing the impact of tax changes on overall margins. The Issuer also maintains an internal audit function which provides independent assurance over the effectiveness of the Issuer's internal controls, financial reporting and compliance processes.

4 Industry Risks

Consumer Preferences and Shopping Behaviours Related Risks

Consumer preferences and shopping behaviours may change. The retail industry is subject to evolving consumer preferences, including in relation to product choices, shopping formats, convenience and value. Failure by the Issuer to anticipate, identify or respond effectively to changes in consumer preferences could result in reduced customer traffic, loss of market share and diminished financial performance.

Mitigant: The Issuer operates a comprehensive consumer insight and engagement framework to anticipate and respond to evolving preferences. This includes:

- a. monitoring shopping behaviour data across its store network and digital platforms, including through its Q-Points loyalty programme, which supports customer segmentation and targeted promotional campaigns;

- b. continuous adaptation of product assortment, with particular emphasis on fresh produce quality and availability, which the Issuer's customer data indicates is a primary driver of store visits;
- c. investment in omnichannel capabilities, including the QSOKO digital ordering and delivery platform, to serve customers who increasingly expect both online and in-store shopping options;
- d. competitive pricing strategies, with the Issuer having achieved substantial improvement in customer price perception relative to principal competitors; and
- e. expansion and development of ready-to-eat food services and in-store café and bakery offerings in response to changing customer demand for convenience.

The Issuer employs TRFs, its category management software, to support data-driven decisions on assortment, pricing and promotional strategy across its product categories. The Issuer's real estate strategy prioritises neighbourhood locations with high accessibility, including proximity to residential catchments, public transport nodes and dedicated parking, reflecting customer preference data and the broader industry trend towards convenience-led and localised retail shopping. However, there can be no assurance that these measures will be sufficient to offset the impact of material shifts in consumer preferences or competitive dynamics.

E-Commerce Related Risks

The growth of e-commerce and digital retail may intensify competitive dynamics. E-commerce and digital grocery platforms, including quick-commerce services offering rapid delivery, represent an evolving channel in Kenyan retail. Increased consumer adoption of digital channels could affect customer traffic at physical stores and intensify competitive pressure from both established and emerging digital-first competitors.

Mitigant: E-commerce and digital grocery adoption continue to grow in Kenya, and the Issuer has developed a range of digital sales channels to complement its physical store network and respond to changing customer shopping preferences. In FY2025, the Issuer's e-commerce sales grew by approximately 90% year-on-year to approximately KES 1.1 billion, equivalent to approximately 2.2% of total sales, with sales through the Issuer's QSOKO platform growing at an average monthly rate of approximately 38% during the year. Customers can place orders through the QSOKO App, WhatsApp and third-party delivery platforms such as Uber Eats and Glovo, in addition to shopping in-store.

The Issuer's e-commerce model is store-led: existing stores serve as the primary picking and fulfilment points for online orders within their respective catchment areas. This approach allows the Issuer to use its existing inventory, store infrastructure and geographic footprint to support the growth of online sales without requiring separate warehousing or fulfilment infrastructure. The Issuer continues to develop its digital channels, delivery capabilities and customer reach as part of its broader strategy to serve customers across both physical and digital channels.

External Shocks Related Risks

The grocery retail sector may be affected by external shocks. The retail industry is susceptible to external shocks such as disease outbreaks, pandemics, natural disasters, civil unrest or other events that may disrupt supply chains, restrict customer mobility or alter consumer behaviour. Such events could have a material adverse effect on the Issuer's operations, revenues and profitability.

Mitigant: The Issuer's business proved resilient during the COVID-19 pandemic, during which its stores remained operational as providers of essential goods. During the pandemic period, the Issuer achieved like-for-like sales growth of 12% and overall basket growth of 32%. For the financial year ended 31 December 2021, the Issuer recorded revenue of approximately KES 25.7 billion, representing year-on-year growth of 49.5% and operating profit of approximately KES 1.1 billion. This resilience reflects the nature of the Issuer's product offering: food and fresh categories, which comprise predominantly staple and non-discretionary products,

accounted for approximately 65% of the Issuer's revenue in H1 2026 and have historically proven resilient through periods of external shock. The Issuer also maintains business continuity plans and has developed operational flexibility to respond to disruptions, supported by comprehensive insurance coverage, including policies covering business interruption, property damage and losses arising from civil unrest, which provides an additional layer of financial protection against the impact of external shocks.

Climate and Environmental Risks

Climate change and environmental factors may affect the Issuer's operations. Kenya is exposed to climate variability, including droughts, floods and other weather-related events, which could affect agricultural production, disrupt supply chains for fresh produce and food products, increase energy costs and damage store infrastructure. Changes in weather patterns may also affect consumer behaviour and demand. Environmental regulations, including requirements relating to waste management, single-use plastics and energy efficiency, may increase compliance costs or require changes to the Company's operations.

Mitigant: The Issuer sources products from diversified suppliers, including fresh produce across distinct climatic and geographic zones, which reduces its reliance on any single production area and its exposure to localised weather-related disruptions. The Issuer also maintains inventory management practices designed to respond to supply variability, and monitors environmental regulatory developments to maintain compliance with applicable environmental laws and regulations. In addition, the Issuer is taking steps to reduce its exposure to energy-cost increases and grid-supply volatility through renewable-energy and energy-efficiency initiatives. Its solar photovoltaic system at the Nyali branch, commissioned in February 2026, supplied approximately 43% to 44% of that branch's electricity requirements between March and June 2026, and the Issuer has identified 52 further branches as viable sites for rollout over the following 12 months. The Issuer is also transitioning to energy-efficient refrigeration and HVAC systems, including retrofit chiller doors, to reduce electricity consumption and mitigate exposure to increases in energy costs. Further information on the Issuer's environmental and social management framework and initiatives is set out in paragraph 12 (*Environmental and Social Considerations*) of the section entitled "**Business Overview and Operations**" in this Information Memorandum.

5 Risks Relating to the Offer and Offer Shares

The Offer is Subject to a Minimum Subscription Condition

The Offer is conditional upon valid Applications being received and accepted in respect of not less than 75% of the Offer Shares (being 1,500,000,000 Offer Shares) by the Offer Closing Date. If the Minimum Subscription Condition is not satisfied, the Offer will not proceed and will be deemed to have lapsed. In such event, the Selling Shareholder shall have no obligation to transfer any Offer Shares to any Applicant, the Company shall have no obligation in connection with the transfer of Offer Shares, and all Application Monies shall be refunded to Applicants. There can be no assurance that the Minimum Subscription Condition will be satisfied.

Mitigant: The Minimum Subscription Condition has been set at a level intended to ensure sufficient demand and liquidity in the Offer Shares following listing. The Selling Shareholder, in consultation with the Company and the Lead Transaction Advisors, reserves the right to waive or reduce the Minimum Subscription Condition subject to the prior written approval of the CMA. Any such waiver or reduction would be publicly announced prior to the Allotment Date.

Market and Pricing Risks

Prior to the Offer, there has been no public trading market for the Issuer's shares. There can be no assurance that an active trading market will develop or be sustained following admission to listing on the NSE. If an active trading market does not develop or is not maintained, investors may have difficulty selling their shares at an attractive price, or at all.

Mitigant: The Offer has been structured to promote broad distribution and liquidity, including allocation across retail and institutional investor categories. The Issuer is seeking listing on the MIMS of the NSE, which is Kenya's principal equities market and the largest in East Africa by market capitalisation.

The price of the Offer Shares may be volatile and may decline. The trading price of the Offer Shares may be subject to significant volatility due to factors including changes in the Issuer's operating performance, general market conditions, investor sentiment, economic outlook, competitive developments, regulatory changes or other factors affecting the Issuer, the retail sector or the Kenyan equity market generally. Investors may not be able to sell their shares at or above the Offer Price.

Mitigant: The Offer Price has been determined with reference to customary valuation methodologies. The Issuer's growth profile, market position and financial performance provide a foundation for investor evaluation.

Interests of the Selling Shareholder

Following completion of the Offer, the interests of the Selling Shareholder, who will retain a significant shareholding in the Issuer, may not be fully aligned with those of new investors who acquire Offer Shares pursuant to the Offer. The Selling Shareholder may have different investment horizons and return expectations than new investors and may take actions, or support strategies, that new investors do not agree with or that benefit the Selling Shareholder at the expense of the new investors.

Mitigant: Subject to the possible upstream ownership reorganisation of the Selling Shareholder as described below and in paragraph 5 (*Shareholding Structure (Pre and Post Offer)*) in the section entitled "**Statutory and General Information**" in this Information Memorandum, the Selling Shareholder will retain 50% of the Issuer's issued share capital following completion of the Offer. Accordingly, the Selling Shareholder would retain a significant continuing economic interest in the Issuer, demonstrating its continued commitment to the Issuer's long-term success. The Selling Shareholder is also subject to lock-up undertakings as set out in the section entitled "Lock-up Arrangement" in the section entitled "**Statutory and General Information**" in this Information Memorandum."

Certain Shareholders May Retain Significant Influence Over the Issuer.

Following the Offer, the Selling Shareholder will hold significant shareholding in the Issuer and may therefore be able to exercise significant influence over matters requiring shareholder approval, such as the election of directors, amendments to the Issuer's constitutional documents and other significant corporate actions. The interests of these shareholders on such matters may not always align with the interests of other shareholders.

Mitigant: The Issuer has put in place a corporate governance framework intended to provide appropriate oversight of matters involving significant shareholders. This framework operates through the Issuer's Board structure, its articles of association, and governance policies addressing matters such as related-party transactions and other material corporate decisions. The Board will include independent non-executive directors, who provide independent oversight on matters that could otherwise be influenced by significant shareholders, in the interests of the Issuer and its shareholders generally. The Issuer has also engaged Adili to support the development and implementation of governance structures, policies and procedures appropriate for a publicly listed company, including as the Issuer continues to strengthen its governance framework following the Offer.

The indirect upstream ownership of the Selling Shareholder may change following completion of the Offer.

Adenia Capital (IV) LP and Adenia Capital (IV) Parallel LP (together, the "**Adenia Funds**"), each managed by Adenia, together hold an effective economic interest of approximately 48.6% in the Company, indirectly through Sokoni Retail Holdings Limited. As part of the ordinary course management of its fund structure, Adenia Partners may, following

completion of the Offer, undertake an internal reorganisation of the Adenia Funds' shareholding interests, which may involve the transfer of all or part of those interests to an existing fund or to a new fund established and managed by Adenia Partners. Any such reorganisation could result in a change in the identity of the fund vehicles that indirectly hold that interest in the Company. This risk relates to Adenia's fund structure only and does not affect the Selling Shareholder or its respective interests in the Company. For further details, see paragraph 5 (*Shareholding Structure (Pre and Post Offer)*) in the section entitled "**Statutory and General Information**" in this Information Memorandum.

Mitigant: Any such reorganisation would be purely internal in nature and would occur solely within Adenia's fund and holding structure above the Selling Shareholder. It would not involve any sale, disposal or transfer of the Issuer's shares to any third party, nor would it result in any change in the ultimate management, control or stewardship of Adenia's investment. Any successor vehicle would remain managed, advised and/or controlled by Adenia or one of its affiliates, ensuring full continuity in the oversight and management of the investment. Importantly, such reorganisation would have no impact on the Selling Shareholder's direct shareholding in the Issuer, the Issuer's governance, management or day-to-day operations, or the rights and interests attaching to the Ordinary Shares held by public shareholders. The purpose of any such reorganisation would be limited to internal fund structuring considerations and would not alter the underlying investment or the relationship between the Issuer and its shareholders. Any such reorganisation would, in all cases, be implemented in accordance with applicable laws, regulations and disclosure requirements, including any necessary approvals, or notifications.

Future Sales or Issuances of Shares

Future sales or issuances of shares may adversely affect the trading price. Sales or issuances of substantial numbers of shares following the Offer, or the perception that such sales could occur, could adversely affect the trading price of the Offer Shares. This includes sales of the Lock-Up Shares by the Selling Shareholder following the expiry of any Lock-Up period, or at any time, sales of Shares not subject of the Lock-Up Period, as well as any future capital raises or equity issuances by the Issuer.

Mitigant: Subject to the risk factor described above under "The indirect upstream ownership of the Selling Shareholder may change following completion of the Offer", the contemplated upstream reorganisation would not result in a change of ultimate beneficial ownership of the Selling Shareholder's interest in the Issuer. In accordance with the Regulations and the exemptions granted by the CMA, the Selling Shareholder is subject to lock-up restrictions on the sale of the Lock-Up Shares for a period of twenty-four (24) months following the Listing Date.

Dividend Payment Related Risks

Dividend payments are not guaranteed. The Issuer's ability to pay dividends depends on its earnings, financial condition, capital requirements, expansion plans, applicable legal and regulatory restrictions and the discretion of the Board of Directors. The Issuer's dividend policy is set out in the section entitled "**Dividend Information**" in this Information Memorandum. There is no assurance that the Issuer will pay dividends in any particular amount, or at all, in any given financial year.

Mitigant: The Board of Directors has adopted a dividend policy to guide distributions to shareholders, and the Issuer has a consistent track record of dividend payments, having declared and paid dividends in each financial year from FY2022 to FY2025. The Issuer has a track record of generating positive cash flows and, subject to future performance and capital requirements, intends to balance shareholder returns with investment in growth.

Dilution From the Long Term Incentive Plan

The Issuer has approved the establishment of the LTIP pursuant to which Ordinary Shares may be allotted and issued directly to Participants upon the vesting, exercise or release of awards granted under the LTIP following the Listing Date. The issue of new Ordinary Shares pursuant to vested LTIP awards will dilute the percentage shareholding of investors who acquire Offer Shares pursuant to the Offer, as such issuances are not made pro rata to existing shareholders.

Mitigant: The Issuer has received in-principle approval for the establishment of the LTIP, which will be capped as a percentage of the Issuer's total issued share capital, as described under "*Long Term Incentive Plan*" in this Information Memorandum. The final size of the LTIP share pool and the terms of any awards thereunder will be subject to the prior approval of the Authority and the shareholders of the Issuer.



SELECTED HISTORICAL FINANCIAL INFORMATION

1 Introduction and Basis of Presentation

The selected historical financial information presented below is derived from the audited financial statements of the Company including the notes thereto, and the “**Reporting Accountant’s Report**”, and should be read in conjunction with the “**Operating and Financial Review**,” included elsewhere in this Information Memorandum. The selected financial information for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 (“**Historical Period**”) has been extracted from the audited financial statements of the Company prepared in accordance with IFRS. Selected financial information for the interim period of 30 June 2026 (“**Interim Period**”) has been extracted from the Company’s interim financial statements prepared on a basis consistent with the audited financial statements.

The selected historical financial information set out below is intended to provide a summary overview of Quickmart’s historical financial performance, financial position and cash flows and should be considered together with the more detailed information contained elsewhere in this Information Memorandum, particularly the section entitled “**Operating and Financial Review**”. Historical performance is not necessarily indicative of future results and investors should also read certain risks associated with the purchase of Offer Shares in the section entitled “**Risk Factors and Mitigants**”.

2 Selected Statement of Profit or Loss Data

The table below sets out selected statement of profit or loss data of the Company for the periods indicated²⁸.

	Unaudited 30-Jun-26 KES '000	31-Dec-25 KES '000	31-Dec-24 KES '000	Audited 31-Dec-23 KES '000	31-Dec-22 KES '000	31-Dec-21 KES '000
Revenue	27,266,942	50,427,637	46,707,717	41,215,775	34,781,302	25,680,587
Cost of sales	(21,120,797)	(39,349,358)	(36,432,225)	(32,577,573)	(27,385,087)	(20,274,410)
Gross profit	6,146,145	11,078,279	10,275,492	8,638,202	7,396,215	5,406,177
Other income	167,920	339,999	284,187	233,431	181,009	190,753
Operating Income	6,314,065	11,418,278	10,559,679	8,871,633	7,577,224	5,596,930
Employee benefits	(1,758,232)	(3,155,532)	(2,936,397)	(2,619,561)	(2,331,089)	(1,692,958)
Administration and general expenses	(1,755,101)	(3,172,049)	(3,017,636)	(2,588,187)	(2,157,956)	(1,687,813)
Depreciation of property and equipment	(354,848)	(696,767)	(739,760)	(773,055)	(660,951)	(540,409)
Depreciation of right-of-use assets	(497,954)	(897,467)	(872,602)	(845,256)	(745,535)	(554,601)
Amortisation of intangible assets	(17,343)	(30,575)	(33,408)	(38,003)	(28,162)	(24,128)
Allowance for expected credit losses	17,981	(15,104)	6,203	(28,473)	(12,426)	297
Operating expenses	(4,365,497)	(7,967,494)	(7,593,600)	(6,892,535)	(5,936,119)	(4,499,612)
Operating profit before finance costs and tax	1,948,568	3,450,784	2,966,079	1,979,098	1,641,105	1,097,318
Net finance charges	(698,782)	(1,284,016)	(1,321,908)	(1,333,101)	(1,239,048)	(828,203)
Profit before tax	1,249,786	2,166,768	1,644,171	645,997	402,057	269,115
Income tax expense	(376,993)	(658,194)	(509,364)	(196,386)	(127,099)	(86,478)
Profit for the year	872,793	1,508,574	1,134,807	449,611	274,958	182,637
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year, net of tax	872,793	1,508,574	1,134,807	449,611	274,958	182,637
Number of ordinary shares post Capital Reorganisation	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
Pro forma earnings per ordinary share (KES)	0.22	0.38	0.28	0.11	0.07	0.05

Source: Reporting Accountants Report

²⁸ The historical pro forma earnings per ordinary share are calculated on a post Capital Reorganisation basis, assuming 4,000,000,000 Ordinary Shares

	Unaudited	Audited				
	30-Jun-26	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
	KES '000	KES '000	KES '000	KES '000	KES '000	KES '000
Operating profit	1,948,568	3,450,784	2,966,079	1,979,098	1,641,105	1,097,318
Adjusted for:						
Depreciation of property and equipment	354,848	696,767	739,760	773,055	660,951	540,409
Depreciation of right-of-use assets	497,954	897,467	872,602	845,256	745,535	554,601
Amortisation of intangibles	17,343	30,575	33,408	38,003	28,162	24,128
EBITDA	2,818,713	5,075,593	4,611,849	3,635,412	3,075,753	2,216,456
Gross Profit margin, %	22.5%	22.0%	22.0%	21.0%	21.3%	21.1%
EBITDA margin, %	10.3%	10.1%	9.9%	8.8%	8.8%	8.6%
Net profit margin	3.2%	3.0%	2.4%	1.1%	0.8%	0.7%

Source: Reporting Accountants Report, Company

Quickmart's revenue increased from KES 25.7 billion in FY2021 to KES 50.4 billion in FY2025, representing a CAGR of 18.4%, and amounted to KES 27.3 billion for the six months ended 30 June 2026. Revenue growth was driven by store expansion and increased same store sales

Gross profit grew from KES 5.4 billion in FY2021 to KES 11.1 billion in FY2025, with gross profit margin remaining broadly stable and improving to 22.5% in the six months ended 30 June 2026.

Operating expenses increased over the Historical Period, from KES 4.5 billion to KES 7.9 billion principally reflecting higher employee benefits, administration and general expenses, and higher depreciation and amortisation expenses in relation to store leases, consistent with the expansion of the Company's operations and asset base. Tight cost containment supported consistent growth in operating profits.

The Company's profitability increased significantly over the Historical Period, with EBITDA increasing from KES 2.2 billion in FY2021 to KES 5.1 billion in FY2025 and EBITDA margins improving from 8.6% to 10.1% over the same period, with EBITDA of KES 2.8 billion and an EBITDA margin of 10.3% for the six months ended 30 June 2026. Profit for the year increased from KES 182.6 million in FY2021 to KES 1.5 billion in FY2025, while profit for the six months ended 30 June 2026 amounted to KES 872.8 million.

Overall, the Company's performance reflects sustained revenue growth, stable gross margins and improving operating leverage, resulting in stronger profitability across the periods presented.

The table below sets out the distributions to shareholders paid over the review period, comprising of dividends paid in the historical period and a Shareholders' Advance in relation to the Interim Period.

	Unaudited	Audited				
	30-Jun-26	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
	KES '000	KES '000	KES '000	KES '000	KES '000	KES '000
Shareholders' Advance	1,100,000	-	-	-	-	-
Total Dividends distributed	-	1,647,055	1,176,465	782,353	105,882	-
Dividend payout ratio	126%	109%	104%	174%	39%	-

Source: Company

Quickmart has a strong track record of paying dividends on an annual basis, with pay-out ratios exceeding 100% since FY 2023.

3 Selected Statement of Financial Position Data

The table below sets out the selected financial position data of the Company as of the dates indicated.

	Unaudited	Audited				
	30-Jun-26	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
	KES '000	KES '000	KES '000	KES '000	KES '000	KES '000
Non-current assets	12,263,878	11,302,983	11,018,803	11,976,186	11,756,032	9,107,852
Current assets	7,209,430	8,422,082	7,042,989	6,361,261	5,644,989	4,023,209
Total assets	19,473,308	19,725,065	18,061,792	18,337,447	17,401,021	13,131,061
Non-current liabilities	6,972,482	6,510,056	6,359,268	7,012,305	7,064,803	5,229,049
Current liabilities	10,572,172	12,159,148	10,508,182	10,089,142	8,949,829	6,502,346
Total liabilities	17,544,654	18,669,204	16,867,450	17,101,447	16,014,632	11,731,395
Total Equity	1,928,654	1,055,861	1,194,342	1,236,000	1,386,389	1,399,666
Total Equity and Liabilities	19,473,308	19,725,065	18,061,792	18,337,447	17,401,021	13,131,061

Source: Reporting Accountants Report

Quickmart's total assets increased from KES 13.1 billion as at 31 December 2021 to KES 19.7 billion as at 31 December 2025. Increases in property and equipment, plus right of use assets recognised under IFRS 16 reflecting the Company's store leases, drove the overall increase in non-current assets, as the Company significantly expanded its store network across the country over the period with the addition of 19 stores. This trend continued into the current year, with the addition of 4 stores by 30 June 2026.

Non-current assets represented the largest component of total assets across the periods presented, increasing from KES 9.1 billion as at 31 December 2021 to KES 11.3 billion as at 31 December 2025 and KES 12.3 billion as at 30 June 2026. Current assets also increased over the Historical Period, from KES 4.0 billion as at 31 December 2021 to KES 8.4 billion as at 31 December 2025, driven by inventories and trade receivables as Quickmart's working capital needs increased in line with revenue expansion. The marginal decline in current assets to KES 7.2 billion reported as of June 2026 can be attributed to the seasonality of the business, as the festive period in December typically generates higher sales which requires higher working capital balances.

The Company's liabilities increased from KES 11.7 billion as at 31 December 2021 to KES 18.7 billion as at 31 December 2025, before decreasing to KES 17.5 billion as at 30 June 2026. Non-current liabilities were comprised principally of non-current lease liabilities, which remained broadly stable and continued to represent the largest component of non-current liabilities throughout the period. Non-current borrowings declined from a peak of KES 05. billion in FY2022 and were fully repaid by June 2026, resulting in a nil non-current borrowing balance as at 30 June 2026.

The increase in liabilities in 2025 was driven mainly by higher current liabilities, particularly trade and other payables, reflecting the scale of the Company's purchasing activities and working capital requirements as the store network expanded. Current lease liabilities also remained a significant component of current liabilities.

Quickmart's total equity reflects the Company's ability to balance reinvestment in the business with shareholder returns. Between FY2021 and the six months ended 30 June 2026, the Company generated KES 4.4 billion in cumulative profit after tax while maintaining a track record of consistent dividend distributions, supported by internally generated cash flows. The share capital and share premium accounts remained unchanged and movements in equity during the period were therefore driven principally by changes in retained earnings rather than by changes in issued share capital or share premium.

Overall, the Quickmart's balance sheet reflects the continued scaling of the business over the Historical Period, supported by growth in its asset base and sustained investment in property, equipment and right-of-use assets. The reduction in borrowings and low leverage indicates a strengthening financial profile, positioning the Company for further growth.

4 Selected Statement of Cash Flow Data

The table below sets out selected consolidated cash flow data of the Company for the periods indicated.

	Unaudited			Audited		
	30-Jun-26	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
	KES '000	KES '000	KES '000	KES '000	KES '000	KES '000
Cash generation before working capital movement	2,396,608	3,956,758	3,786,221	2,918,345	2,486,437	1,867,651
Working capital movement	(1,017,591)	870,258	421,221	1,043,550	5,524	115,308
Net cash flows generated from operating activities	1,379,017	4,827,016	4,207,442	3,961,895	2,491,961	1,982,959
Net cash flows used in investing activities	(762,862)	(1,114,909)	(364,924)	(911,661)	(1,887,478)	(1,278,486)
Net cash flows used in financing activities	(2,111,951)	(3,392,125)	(3,303,496)	(2,347,448)	(899,128)	(814,373)
Net increase / (decrease) in cash and cash equivalents	(1,495,796)	319,982	539,022	702,786	(294,645)	(109,900)
Cash and cash equivalents at 1 January	2,195,964	1,875,982	1,336,960	634,174	928,819	1,038,719
Cash and cash equivalents at end of period	700,168	2,195,964	1,875,982	1,336,960	634,174	928,819

Source: Reporting Accountants Report, Company.

Note: In H1 2026, the shareholders' advance (KES 1.1bn) has been reclassified from working capital movement, as presented in the Reporting Accountants' Report, to financing activities as it relates to interim dividends.

Quickmart generated positive net cash flows from operating activities across all periods presented, at increasingly higher levels, reflecting the Company's growing profitability and consistent cash flow conversion. Cash flows from operating activities grew with a CAGR of 25% from KES 2.0 billion in FY 2021 to KES 4.8 billion in FY 2025. This positive momentum continued in the interim period up to 30 June 2026, with operating cash generation before working capital movements of KES 2.4 billion in the first half alone already at 61% of the full-year FY 2025 level.

Investments into property and equipment were the primary driver of investing cashflows, accounting for more than 90% of investing cash flows in each period, comprising maintenance capital expenditure across the existing store network and investment in new store openings. Net cash utilised in investments was KES 1.1 billion in FY2025, reflecting the opening of new stores during the period together with work in progress on two further stores that opened in early 2026.

Net cash flows used in financing activities principally related to repayment of lease liabilities, repayment of bank borrowings and dividend payments.

Net cash used in financing activities was KES 3.4 billion in FY2025, compared to KES 3.3 billion in FY2024 and KES 2.3 billion in FY2023, primarily reflecting repayments of finance leases, dividend payments and repayments of bank borrowings.

Quickmart's cashflow profile between FY2021 and the six months ended 30 June 2026 reflects a consistently cash-generative operating business, with operating cash flows supporting ongoing investment, debt reduction, lease obligations and shareholder distributions over the periods presented.

5 Selected Operating and Other Key Performance Indicators

The Issuer uses certain alternative performance measures ("APMs"), including EBITDA, Adjusted EBITDA, Underlying Adjusted Free Cash Flow and Cash Conversion Ratio (amongst others), to supplement the measures of performance, liquidity and financial position presented in accordance with IFRS. Management believes these APMs provide useful information to investors because they facilitate period-on-period comparisons of underlying business performance and are used internally to assess and operating results, capital allocation and liquidity.

These APMs have limitations as analytical tools and should not be considered in isolation or as a substitute for the most directly comparable measures prepared in accordance with IFRS. This data has not been audited by the Company's independent auditors. In addition, these measures may not be comparable to similarly titled measures used by other companies or market experts. Reconciliations of these measures to the most directly comparable IFRS measures are set out in the table below.

The table below sets out selected operating and other key performance indicators of the Company for the periods indicated.

Operational Metrics	Definition and method of calculation
Adjusted EBIT	Calculated as Adjusted EBITDA less depreciation and amortisation
Adjusted EBITDA	EBITDA adjusted for exceptional expenses including management fees, consultancy fees, mergers costs, impacts of political protests, and COVID related expenses
Adjusted EBITDA margin	Calculated as Adjusted EBITDA divided by revenue
Adjusted free cash flow conversion	Calculated as Underlying Adjusted Cash Flow divided by Adjusted EBITDA
Adjusted NOPAT	Calculated as Adjusted EBIT x (1- effective tax rate)
Adjusted Net Income	Calculated as Net Income adjusted for after tax net impact of the exceptional expenses including management fees, consultancy fees, mergers costs, impacts of political protests, and COVID related expenses net of
Adjusted Net Income margin	Calculated as Adjusted Net Income divided by revenue
Average Basket size	Total sales divided by total transaction volumes
Average capital employed	Calculated as total equity plus total borrowings, lease liabilities and dividends payable, less cash, short term deposits and net tax balances for the current and preceding financial year, divided by 2
Capital Employed	Computed as total equity plus total borrowings, lease liabilities and dividends payable, less cash, short term deposits and net tax balances
Cash Conversion Cycle	Calculated as inventory days less net supplier days
Cash Conversion Ratio	Underlying Adjusted Cash Flow divided by Adjusted EBITDA
Dividend payout ratio	Calculated as dividends paid divided by net profit for the year
EBIT	Earnings before interest and tax

Operational Metrics	Definition and method of calculation
EBITDA	Calculated as operating income plus depreciation and amortisation on a Post-IFRS 16 basis
EBITDA margin	Calculated as EBITDA divided by revenue
Free Cash Flow	EBITDA less working capital changes and capital expenditure and taxes
Gross Margin	Calculated as gross profit divided by revenue
Inventory days	Calculated as closing inventory balance divided by cost of sales multiplied by 365 days
Like-for-Like Sales Growth (also Same Store Sales)	Like-for-like sales growth comparisons relate to stores that have been open for at least 12 months, removing the impact of store openings and closures
Net debt	Calculated as total borrowings plus lease liabilities less shareholder loans less cash and bank balances less short-term deposits
Net Supplier days	Calculated as payable days less receivable days
NOPAT	Net operating profit after tax ("NOPAT") is calculated as EBIT x (1- corporate tax rate)
Payable days	Calculated as closing trade payables balance divided by cost of sales multiplied by 365 days
Receivable days	Calculated as closing net trade receivables balance divided by cost of sales multiplied by 365 days
Return on invested capital ("ROIC") on average capital	Calculated as Adjusted NOPAT divided by average capital employed
Underlying Adjusted Cash Flow	Calculated as adjusted EBITDA less maintenance capital expenditure and lease repayments

Adjusted EBITDA and Adjusted EBITDA margin

The Company defines Adjusted EBITDA as operating income plus depreciation and amortisation, less any exceptional expenses including management fees, consultancy fees, mergers costs, impacts of political protests, and COVID related expenses. Exceptional items are additional specific items that because of their nature or non-recurring incidence, are considered to hinder comparison of the Company's performance on a year-to-year basis. The Company's Directors view Adjusted EBITDA as a useful measure because it is used to analyse the trading performance of the business.

The table below provides the Adjusted EBITDA and Adjusted EBITDA margin for the Historical Period

	30-Jun		As at 31 December			
	2026	2025	2024	2023	2022	2021
Operating profit	1,948,568	3,450,784	2,966,079	1,979,098	1,641,105	1,097,318
Depreciation of property and equipment	354,848	696,767	739,760	773,055	660,951	540,409
Depreciation of right-of-use assets	497,954	897,467	872,602	845,256	745,535	554,601
Amortisation of intangible assets	17,343	30,575	33,408	38,003	28,162	24,128
Reported EBITDA	2,818,713	5,075,593	4,611,849	3,635,412	3,075,753	2,216,456
Management & Consultancy fees	147,611	264,730	214,006	218,985	292,276	220,181
Merger costs	-	-	-	-	-	4,726
Impact of protests	-	20,967	39,389	-	-	-
Covid Expenses	-	-	-	-	88,583	106,378
Consultancy fees	-	-	-	-	-	48,000
Total Adjustments to EBITDA	147,611	285,697	253,395	218,985	380,859	379,286
Adjusted EBITDA	2,966,324	5,361,290	4,865,244	3,854,397	3,456,612	2,595,742
Adjusted EBITDA margin	10.9%	10.6%	10.4%	9.4%	9.9%	10.1%

Source: Reporting Accountants Report, Company

Adjusted Net Income and Adjusted Net Income Margin

The table below provides the Adjusted Net Income and Adjusted Net Income margin for the Historical Period.

KES '000

	30-Jun		As at 31 December			
	2026	2025	2024	2023	2022	2021
Reported net profit after tax	872,793	1,508,574	1,134,807	449,611	274,958	182,637
Adjustments	147,611	285,697	253,395	218,985	380,859	379,286
Tax impact of adjustments	(44,283)	(85,709)	(76,019)	(65,696)	(114,258)	(113,786)
Adjusted Net income	976,121	1,708,562	1,312,183	602,900	541,559	448,137
Adjusted Net income margin	3.6%	3.4%	2.8%	1.5%	1.6%	1.7%

Source: Reporting Accountants Report, Company

Net Working Capital

Quickmart's receivables primarily consist of supplier rebates and volume discounts. Therefore, the Company's management nets these off against trade payables to calculate net supplier days. The cash conversion cycle is then computed as inventory days less net supplier days. Net working capital balances measured at year end reflect seasonality as this is the peak trading and restocking month. The following table provides the Net Working Capital for the Historical Period.

	30-Jun		As at 31 December			
	2026	2025	2024	2023	2022	2021
Days						
Inventory days	33	41	36	38	47	43
Gross trade payable days	77	101	89	93	98	99
less net trade receivable days	(9)	(13)	(13)	(15)	(16)	(11)
Net supplier days	67	88	76	78	82	88
Cash conversion cycle	(35)	(47)	(40)	(40)	(35)	(45)

Source: Company

Underlying Adjusted Cash Flow and Cash Conversion Ratio

The Company computes Underlying Adjusted Cash Flow by subtracting maintenance capital expenditure and lease payments from Adjusted EBITDA, and management utilises this APM as a key liquidity measure to determine the degree to which EBITDA is converted into cash available to fund growth capital expenditure, repay debt and distribute dividends. The following table provides the Underlying Adjusted Cash Flow and Cash Conversion Ratio for the Historical Period.

KES '000

	30-Jun		As at 31 December			
	2026	2025	2024	2023	2022	2021
Adjusted EBITDA	2,966,324	5,361,290	4,865,244	3,854,397	3,456,612	2,595,742
Maintenance Capex	(101,111)	(279,066)	(255,346)	(219,093)	(329,340)	(207,267)
Lease repayments	(972,441)	(1,614,290)	(1,515,349)	(1,408,271)	(1,195,718)	(827,473)
Underlying Adjusted Cash Flow	1,892,772	3,467,933	3,094,549	2,227,034	1,931,554	1,561,003
% Cash Conversion	63.8%	64.7%	63.6%	57.8%	55.9%	60.1%

Source: Company

Return on Invested Capital

Return on Invested Capital (“**ROIC**”) is a key measure of the Company's ability to generate operating profits from the capital invested in the business. Management considers ROIC an important indicator of the effectiveness of its capital allocation strategy, as it measures the Company's ability to convert investments in store expansion, inventory and operating infrastructure into sustainable earnings growth. The following table provides the ROIC for FY 2022 to FY 2025.

KES '000

	As at 31 December			
	2025	2024	2023	2022
Adjusted NOPAT	2,601,459	2,222,081	1,529,856	1,382,777
Average Capital Employed	6,073,541	7,122,598	8,347,192	7,585,771
ROIC (%)	42.8%	31.2%	18.3%	18.2%

Source: Company



OPERATING AND FINANCIAL REVIEW

The following discussion should be read together with the sections entitled “**Industry Overview**”, “**Business Overview and Operations**”, “**Selected Historical Financial Information**”, and the “**Reporting Accountant’s Report**” including the notes thereto, included elsewhere in this Information Memorandum. This section is intended to assist investors in understanding the principal factors that have affected, and are expected to continue to affect, the Company’s results of operations, financial condition and cash flows.

The following discussion of the Company’s results of operations and financial condition contains forward looking statements. The Company’s actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Information Memorandum, particularly under the section entitled “**Risk Factors and Mitigants**” in this Information Memorandum. In addition, certain industry issues also affect the Company’s results of operations and are described in the section entitled “**Industry Overview**” in this Information Memorandum.

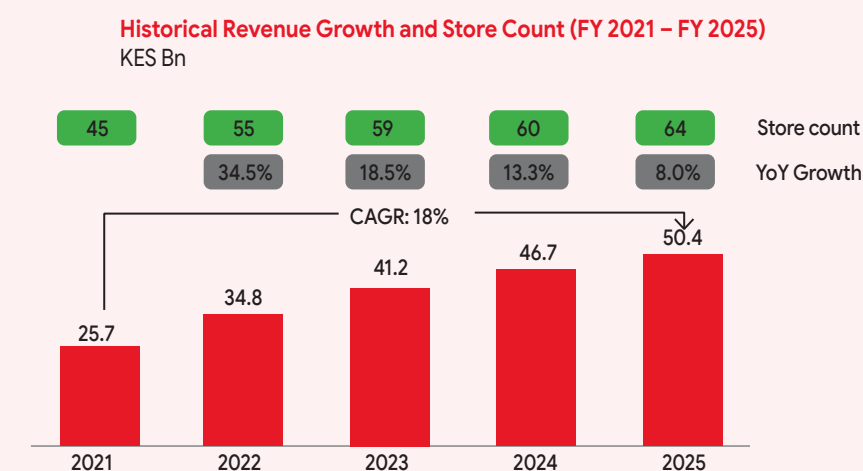
1 Overview

Quickmart’s performance over the Historical Period was driven by disciplined store expansion, improving same-store productivity and growth in loyalty-led customer engagement. Revenue increased from KES 25.7 billion in FY 2021 to KES 50.4 billion in FY 2025, supported by store additions, higher basket values and increased customer traffic, while operating margins improved as the business scaled and operating costs were absorbed over a larger revenue base. The Company maintained positive operating cash flows throughout the period, supported by profitability and a structurally negative working capital cycle, while continuing to invest in its store base and meet lease, debt and dividend obligations. Looking ahead, management expects further growth to be supported by continued network expansion, like-for-like sales growth, private label development and omnichannel initiatives, subject to consumer demand, inflation, supplier terms and execution of the store rollout plan.

2 Results of Operations

Historical Revenue Performance

During the period under review, Quickmart recorded consistent growth in revenues, which increased from KES 25.7 billion in FY2021 to KES 50.4 billion in FY2025, representing a CAGR of 18%. Revenue growth was primarily driven by a combination of sustained like-for-like performance (underpinned by growth in customer transactions and average basket size), disciplined expansion of Quickmart’s store network accompanied by progressive maturation of new stores, and pricing adjustments in response to inflationary cost pressures.



Source: Audited Financials, Company information

A further discussion on the Company's key revenue drivers follows below.

Revenue Growth Drivers

Store Network Expansion

A significant portion of the Company's revenue growth over the period was attributable to the expansion of its store network. The Company increased its store footprint from 45 stores in FY2021 to 64 stores by the close of FY2025, broadening its customer reach and presence to 16 counties.

In FY2022, Quickmart recorded the highest revenue growth over the period, with sales increasing by 35.4% year-on-year. This performance was largely supported by the addition of ten new stores, which accounted for approximately half of the KES 9.1 billion increase in revenue during the year. Quickmart continued its expansion strategy between FY2023 and FY2025, albeit at a slightly slower pace, opening a further nine stores. During this period, the Company prioritised consolidating its performance across its existing store network with a number of initiatives, including introducing 24-hour stores and enhancing promotional activities, while continuing to add stores. This combination of new stores openings and LFL sales growth supported annual revenue growth rates of 18.5%, 13.3% and 8.0% for FY2023, FY2024 and FY2025 respectively.

As at FY2025, the stores opened between FY2021 and FY2025 generated approximately KES 22.8 billion in revenue, equivalent to 45% of total sales. New stores achieve sales maturity within 12 months on average and thereafter track like-for-like growth. As illustrated in the table below, average revenue per store and per net selling area (sq. ft) showed consistent growth over the period. Average revenue per store grew by 1.2% in FY2025, reflecting the inclusion of four stores opened during the year, three of which opened in the second half of FY2025. Adjusting for opening dates, average revenue per store grew by approximately 5%.

		FY2025	FY2024	FY2023	FY2022	FY2021
Revenue, KES '000		50,427,637	46,707,717	41,215,775	34,781,302	25,680,587
Net store additions		4	1	4	10	10
Net selling area sq. ft (cumulative)		1,264,238	1,109,721	1,038,806	949,736	749,616
Average revenue per store, KES '000		787,932	778,462	698,572	632,387	570,680
Average revenue per sq. ft, KES		45,442	44,117	39,676	36,622	34,258
Addition by store format	Express	2	-	-	1	1
	Supermarket	1	-	2	4	3
	Hypermarket	1	1	2	5	6

Source: Audited Financials, Company information

Like-for-Like Revenues, Basket Size and Transaction Volumes

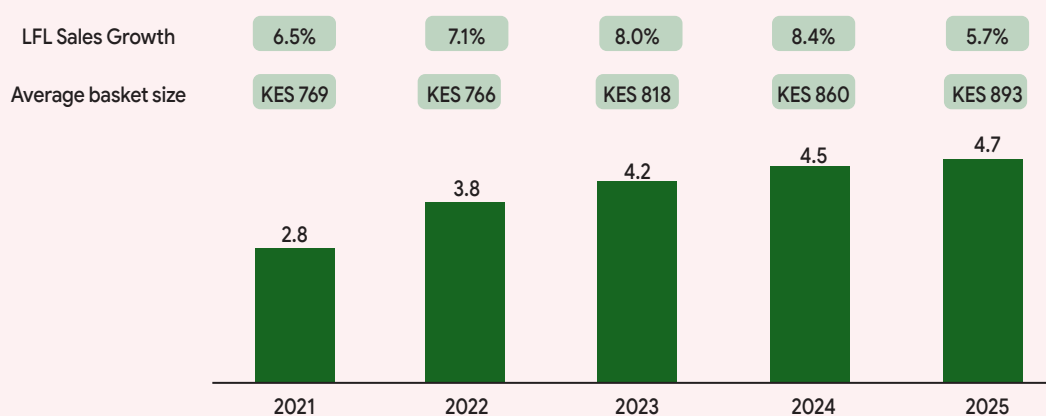
Like-for-like revenue growth was supported by increased customer traffic, higher average basket values and pricing adjustments across selected product categories. Quickmart has successfully achieved consistent increases in like-for-like sales owing to:

- ➔ *Loyalty program expansion* as active loyalty members increased from 0.3 million in FY2020 to 2.3 million in FY2025, with these customers contributing to 74% of total sales in FY2025
- ➔ *Growth in the average basket size*, supported by targeted pricing strategies and optimised product mix, resulting in the average basket size growing from KES 769 in FY2021 to Kes 893 in FY2025
- ➔ *The 24-hour store roll out*, extending hours at high-traffic locations attracts a broader customer base and meets growing demand for flexible shopping. Night-shift sales represented 15% of participating stores' sales in FY2025. The contribution of after hour sales to total sales was approximately 8% in FY2025
- ➔ *Localized product assortment* with tailored offerings to meet regional preferences and customer needs
- ➔ *Year-round in-store promotions*, with the increase in sales from promotions driving both customer traffic and increases in basket size.

Collectively, the above factors increased overall transaction volumes over the Historical Period from 2.8 million to 4.7 million per month (FY2025).

The chart below sets out the average monthly customer visits and the evolution of the average basket size.

Growth in Average Monthly Transactions (mn) and Average Basket Size



Source: Company information

Over the Historical Period, average like-for-like sales growth of c.7.1% exceeded average inflation of 6.0% indicating real sales growth across the existing store base.

Sales Contribution by Store Format

Revenue growth was supported by the Company's multi-format store strategy, which enabled it to serve a range of catchment types and customer missions. Hypermarkets remained an important contributor to revenue given their larger trading space and broader assortment, while Supermarkets and Express formats supported penetration into more densely populated and convenience-led locations.

The table below sets out the breakdown of revenue by store format over the period. Quickmart's localisation strategy in response to consumer preference for convenience and neighbourhood shopping venues led to a notable increase

in the percentage of sales arising from Supermarkets. The contribution from Supermarkets increased from 43% in FY2021 to 49% in FY2025. A corresponding decrease in sales from hypermarkets was recorded.

Store Format	FY2025	FY2024	FY2023	FY2022	FY2021
Express	11%	11%	11%	12%	12%
Supermarket	49%	49%	49%	48%	43%
Hypermarket	40%	40%	40%	40%	45%
Total	100%	100%	100%	100%	100%

Source: Company information

Sales Contribution by Product Category Mix

Quickmart's product mix is anchored in recurring household consumption, and overall, each product category's contribution to total revenue was fairly stable over the period, with the largest contributors to sales being food (c.52%), fresh (c.13%), homecare (c.9%) and personal care (c.8%) on average over the Historical Period.

Sales Contribution by Geographic Revenue Analysis

Revenue growth was supported by increased penetration across both established and newer geographic markets. The Company's revenue base remained concentrated in Nairobi County, reflecting its established and growing store footprint in urban neighbourhoods, while newer regions contributed incremental growth as stores opened during the period matured. Expansion has strengthened Quickmart's national footprint and increased access to underserved catchment areas.

The top five counties contributed 80% total sales in FY2025: Nairobi (48%), Kiambu (15%), Kajiado (8%), Machakos (6%) and Kisumu (4%).

Sales Distribution by County (KES '000) and Average Contribution to Revenue (%)

County	FY2025	FY2024	FY2023	FY2022	FY2021	CAGR
Nairobi	24,230,319	23,071,126	20,442,802	16,758,575	13,718,015	15.3%
Kiambu	7,604,622	7,286,052	6,425,865	5,987,120	5,604,693	7.9%
Kajiado	3,970,491	3,820,763	3,374,085	2,625,469	1,434,483	29.0%
Machakos	2,837,072	1,954,875	1,785,640	1,372,877	-	19.9%
Kisumu	1,894,525	1,665,754	1,607,111	1,658,579	1,669,338	3.2%
Other Counties ²⁹	9,890,608	8,909,147	7,580,272	6,378,683	3,254,057	32.0%
Total	50,427,637	46,707,717	41,215,775	34,781,302	25,680,587	13.2%

Source: Company information

E-commerce

The contribution of E-commerce sales, across QSOKO and various third-party platforms increased to KES 1.1 billion in FY2025 (2.2% of total sales) from KES 0.6 billion in FY2024, reflecting a year over year growth of 90%. In FY2025, sales from QSOKO grew by an average of 38% per month. E-commerce is a nascent but strategic channel, as it extends Quickmart's reach beyond immediate store catchments, enhances convenience, is margin accretive and leverages existing infrastructure in a capital efficient manner by reducing upfront expansion capital expenditure.

29 Other counties includes 11 other counties in Kenya

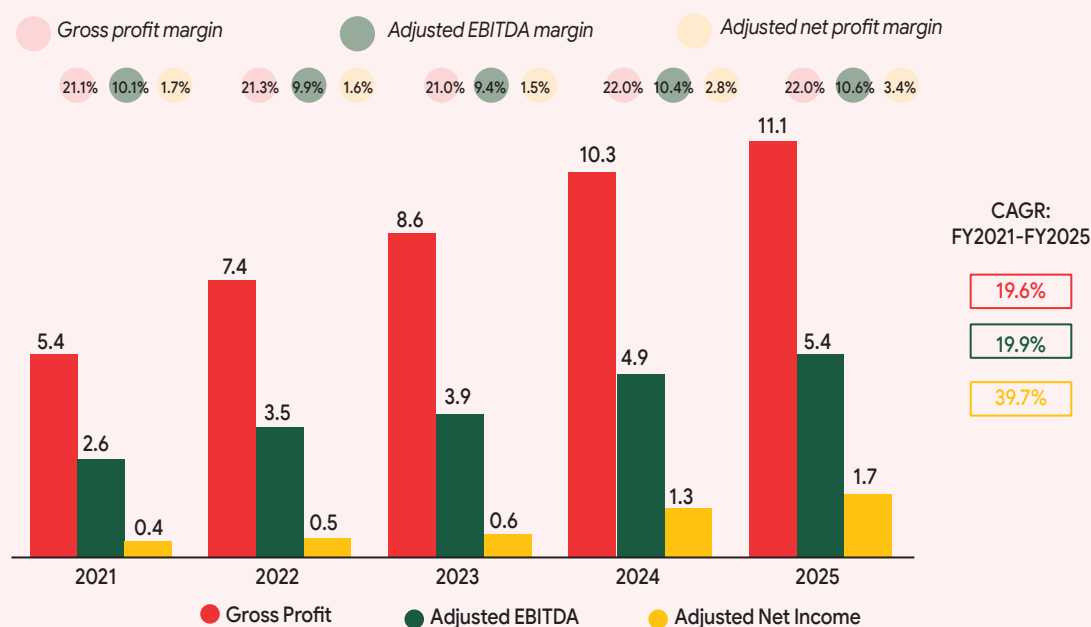
Profitability Performance

Quickmart's gross profit, Adjusted EBITDA and Adjusted net profit increased significantly over the Historical Period, reflecting the combined effect of sustained revenue growth, stable gross margins and improved operating leverage as the business scaled. Gross profit increased from KES 5.4 billion in FY2021 to KES 11.1 billion in FY2025, representing a CAGR of 19.6%.

Adjusted EBITDA³⁰, increased from KES 2.6 billion in FY2021 to KES 5.4 billion in FY2025, at a CAGR of 19.9%, with the Adjusted EBITDA margin improving from 10.1% to 10.6%, reflecting the Company's operating leverage as revenue and gross profit expanded. The Adjusted net profit margin increased significantly over the same period, from KES 0.4 billion (adjusted net margin of 1.7%) to KES 1.7 billion (adjusted net profit margin of 3.4%), at a CAGR of 39.7%.

Gross Margin, Adjusted EBITDA and Adjusted Net Profit Margins

KES bn



Source: Audited Financial Statements, Company information, Reporting Accountant's Report

Gross margins were resilient over the period, increasing from 21.1% in FY2021 to 22.0% in FY2025, supported by scale benefits, pricing discipline and successful implementation of the supplier joint business plans, which provide for volume-based rebates upon the achievement of sales targets. Gross margin improved most notably in FY2024, increasing to 22.0% from 21.0% in FY2023, before remaining broadly stable at 22.0% in FY2025.

Operating expenses increased in absolute terms over the period, at a CAGR of 15.4%, driven by higher employee benefits, administration and general expenses, as well as depreciation and amortisation costs in relation to store leases. The Company exercised effective cost controls, and operating expenses declined as a proportion of revenue from approximately 17.5% in FY2021 to 15.8% in FY2025.

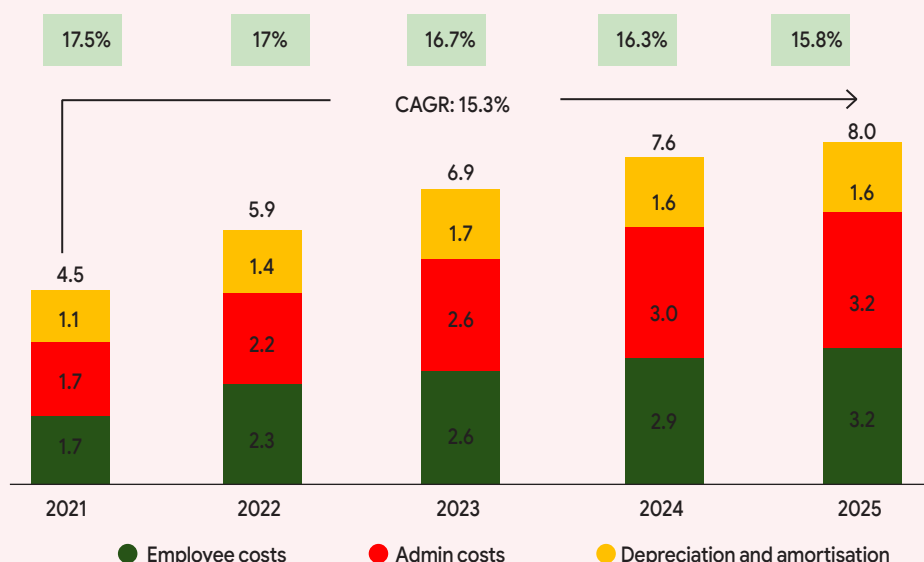
Employee benefits, the largest constituent of operating expenses, increased from KES 1.7 billion in FY2021 to KES 3.2 billion in FY2025, broadly reflecting the growth of the business and the additional staff costs required to support a larger store network and operating platform. As a percentage of revenue, employee benefits improved slightly from approximately 6.6% in FY2021 to 6.3% in FY2025, as staff costs were absorbed over a larger revenue base.

30 EBITDA on Post-IFRS 16 basis

Administration and general expenses increased from KES 1.7 billion in FY2021 to KES 3.2 billion in FY2025. As a percentage of revenue, administration and general expenses declined slightly from approximately 6.6% in FY2021 to 6.3% in FY2025, contributing to the improvement in EBITDA margin over the period.

Breakdown of Operating Expenses

KES bn



Source: Audited Financial Statements, Company information

Operating profit before finance cost and tax increased from KES 1.1 billion in FY2021 to KES 3.5 billion in FY2025, at a CAGR of 33.2%, while operating profit margin improved from 4.3% to 6.8%. The increase in operating profit before finance cost and tax was supported by improved operating cost absorption, partially offset by depreciation and amortisation charges relating to property and equipment, right-of-use assets and intangible assets, which increased from an aggregate KES 1.1 billion in FY2021 to KES 1.6 billion in FY2025. These charges reflect the asset base required to support the Company's physical store operations and broader operating infrastructure.

Net income increased significantly over the Historical Period, from KES 182.6 million in FY2021 to KES 1.5 billion in FY2025, representing a CAGR of approximately 69.5%. Net income margin also improved from 0.7% in FY 2021 to 3.0% in FY 2025, reflecting the combined effect of revenue growth, improved operating profitability via disciplined cost managements and deleveraging.

Overall, Quickmart's profitability profile improved over the Historical Period, as revenue growth translated into stronger earnings. The improvement in profitability was achieved notwithstanding higher employee, administrative, depreciation and amortisation costs associated with the broader scale of the business.

3 Balance Sheet Analysis

Quickmart's balance sheet reflects the scale-up of a lease-based grocery retail platform, with growth in store-related assets, inventory and trade payables supporting the expansion of the business. Total assets increased from KES 13.1 billion as at 31 December 2021 to KES 19.7 billion as at 31 December 2025, reflecting continued investment in the Company's operating footprint and a larger working capital base.

Asset Base and Investment in Store Infrastructure

Non-current assets increased from KES 9.1 billion as at 31 December 2021 to KES 11.3 billion as at 31 December 2025, primarily driven by property and equipment and right-of-use assets. Property and equipment increased from KES 4.0 billion to KES 5.3 billion over the same period, reflecting continued investment in the Company's physical store infrastructure and operating platform. Right-of-use assets over the same period also increased from KES 4.7 billion to KES 5.2 billion, reflecting the leased nature of the Company's store network. As at 30 June 2026, non-current assets increased further to KES 12.3 billion, supported by increases in both property and equipment and right-of-use assets.

Working Capital and Liquidity

Quickmart's working capital profile reflects the operating characteristics of a high-volume grocery retail business, with inventories (primarily fast-moving) representing the principal current asset and trade payables representing the principal current liability. Current assets increased from KES 4.0 billion as at 31 December 2021 to KES 8.4 billion as at 31 December 2025, primarily due to higher inventories, trade and other receivables, cash and short-term deposits. This reflects the increased scale of the business and the stock levels required to support a larger store network. Trade receivables primarily relate to supplier rebates and volume discounts as documented in the supplier Joint Business Plans ("JBPs").

Trade and other payables increased from KES 5.7 billion as at 31 December 2021 to KES 11.2 billion as at 31 December 2025, broadly in line with the expansion of purchasing activity and the Company's increased operating scale. Supplier credit therefore remained an important component of the Company's working capital funding model over the Historical Period.

The Company operated with a structurally favourable, negative net working capital throughout the period, with inventory days and net supplier days averaging 41 and 82 days as measured at the year-end dates, translating into cash conversion cycle of approximately (41) days. This negative working capital profile is consistent with the dynamics of a high-volume grocery retailer, where supplier credit and inventory turnover are important components of liquidity management. Net working capital as a percentage of gross sales averaged 9% over the Historical Period.

The following table sets out Net Working Capital as at the dates indicated.

Kes '000

	Unaudited	Audited				
	30-Jun-26	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Inventory	3,815,047	4,430,959	3,554,903	3,418,462	3,540,275	2,366,886
Net Trade Receivable	1,107,624	1,396,566	1,340,316	1,331,245	1,217,541	583,832
Payables	(8,974,115)	(10,890,644)	(8,932,292)	(8,303,332)	(7,339,062)	(5,525,485)
Net working capital	(4,051,444)	(5,063,119)	(4,037,073)	(3,553,625)	(2,581,246)	(2,574,767)
Net working capital/revenues	(14.9%)	(10.0%)	(8.6%)	(8.6%)	(7.4%)	(10.0%)

Source: Reporting Accountants Report, Company

Lease Liabilities, Borrowings and Capital Structure

The Company's liabilities profile remained primarily driven by lease liabilities and trade and other payables. Total liabilities increased from KES 11.7 billion as at 31 December 2021 to KES 18.7 billion as at 31 December 2025.

Lease liabilities represented a significant component of the balance sheet throughout the period. Non-current lease liabilities increased from KES 5.1 billion as at 31 December 2021 to KES 6.5 billion as at 31 December 2025. Current lease liabilities also increased from KES 243.7 million as at 31 December 2021 to KES 811.1 million as at 31 December 2025.

Significant deleveraging saw bank borrowings decrease from KES 543.1 million as at 31 December 2021 to KES 46.3 million as at 31 December 2025.

Equity, Retained Earnings and Dividends

Total equity decreased from KES 1.4 billion as at 31 December 2021 to KES 1.1 billion as at 31 December 2025, reflecting the net impact of increased profitability and significant dividend payments over the period. Share capital and share premium remained unchanged throughout the period, while retained earnings decreased from KES 311.3 million as at 31 December 2021 to KES 255.8 million as at 31 December 2025.

4 Cashflow Analysis

The Company generated positive net cash flows from operating activities throughout the Historical Period, reflecting the cash-generative nature of its grocery retail model. Net cash flows from operating activities increased from KES 2.0 billion in FY 2021 to KES 4.8 billion in FY 2025, at a CAGR of 24.9%, supported by growth in profitability, non-cash depreciation and amortisation charges, and working capital inflows, particularly from trade and other payables.

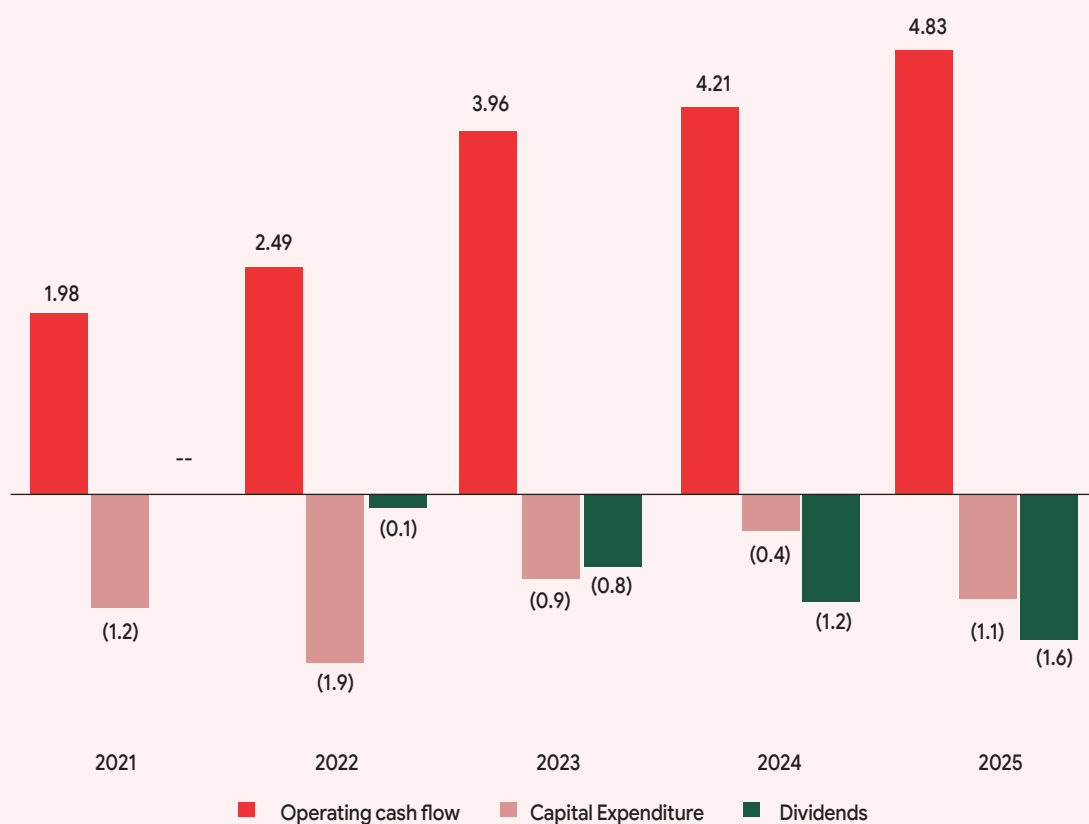
Operating cash flow was closely linked to the Company's negative working capital structure, where inventory days are shorter than trade payables days net of trade receivables (primarily consisting of supplier rebates). This highlights the importance of supplier credit, inventory discipline and working capital timing to the Company's cash conversion profile.

Net cash used in investing activities remained negative throughout the period, reflecting continued investment in property and equipment, intangible assets and long-term deposits. Purchases of property and equipment were the principal investing outflow, amounting to KES 1.2 billion in FY2021, KES 1.8 billion in FY2022, KES 865.5 million in FY2023, KES 393.5 million in FY2024 and KES 1.1 billion in FY2025. Over the Historical Period, capital expenditure related to maintenance averaged KES 260 million per annum. Quickmart's investment profile is consistent with the capital requirements of a growing grocery retail platform, including store fit-outs, equipment and related operating infrastructure. Capital expenditure

Despite continued investing activity, operating cash flows were sufficient to cover investing cash outflows in each of the historical years presented. Cash flow after investing activities was positive in each year from FY2021 to FY2025, increasing from KES 704.5 million in FY2021 to KES 3.7 billion in FY2025. This indicates that the Company's operating cash generation was sufficient to fund capital expenditure and other investing requirements before financing cash flows.

Net cash used in financing activities increased from KES 814.4 million in FY2021 to KES 3.4 billion in FY2025, primarily driven by lease liability repayments, dividend payments and repayments of bank borrowings. Lease liability repayments increased from KES 827.5 million in FY2021 to KES 1.6 billion in FY2025, reflecting the recurring cash cost associated with the Company's leased store footprint. Dividend payments also increased materially, from nil in FY2021 to KES 1.6 billion in FY2025, indicating that a meaningful portion of cash generated by the business was distributed to shareholders during the period.

Operating Cashflow, Capital Expenditure and Dividend payments



Source: Audited Accounts

The Company's closing cash and cash equivalents, including short-term investments, increased from KES 928.8 million as at 31 December 2021 to KES 2.2 billion as at 31 December 2025, supported by strong operating cash generation and positive cash flow after investing activities. As at 30 June 2026, cash and cash equivalents, including short-term investments, declined to KES 700.2 million, primarily reflecting financing outflows of KES 1.0 billion, including dividend payments and lease liability repayments, together with investing cash outflows of KES 762.9 million.

Overall, the Company demonstrated strong operating cash generation over the Historical Period, with operating cash flows funding capital expenditure and other investing requirements.

Capital Efficiency and Return on Invested Capital

Over the Historical Period, the Company's ROIC performance reflected the combined effects of expanding operating profitability, disciplined store network growth and efficient working capital management. As new stores matured and same-store sales productivity improved, operating earnings increased while the Company's structurally negative working capital cycle reduced the amount of incremental capital required to support growth. These factors contributed to improved capital efficiency and enhanced returns on invested capital, leading to the growth in ROIC from 14.8% in FY2021 to 39.6% in FY2025.

5 Operating and Financial Outlook

The Company believes the Kenyan grocery retail sector offers a compelling long-term opportunity, driven by favourable demographics, rising urbanisation and the continued shift toward organised retail formats. Leveraging its established operating platform, Quickmart expects to continue scaling its store network while preserving margin resilience, maintaining an efficient working capital structure and generating strong operating cash flows with prudent capital allocation. Quickmart expects the following growth levels will deliver the next phase of value creation:

- ➔ Maximisation of existing store productivity – higher LFL sales driven by higher average basket sizes, increased customer visits and higher sales density, underpinned by Quickmart’s strong value proposition, enhanced customer experience through store designs, optimisation of product categories and data driven insights to drive promotions.
- ➔ Disciplined network expansion – leveraging its proven roll-out expertise, Quickmart will continue to open new stores in underpenetrated regions, focusing on areas with high residential density and the potential for attractive store economics
- ➔ Scaling its private label (“QuickChoice”) offering – broadening the product range to deepen customer loyalty and enhance gross margins
- ➔ Building a scalable, omnichannel ecosystem – extending its reach across physical and digital platforms to enhance customer convenience in a capital efficient manner enhancing profitability.

These factors are expected to support sustainable revenue growth and attractive returns on invested capital over the medium to long term.

H1 2026 Interim Unaudited Financial Results

In H1 2026, Quickmart recorded strong operational momentum, with an additional 4 stores (opened by 30 June 2026), an increase in loyalty members from 2.3 million in December 2025 to 2.5 million, and sustained transaction growth with an average of 5 million transactions handled per month. As at June 2026, the Company recorded revenue of KES 27.3 billion.

Profitability margins improved during the interim period with the Company reporting a gross margin of 22.5% (FY 2025: 22%), an Adjusted EBITDA margin of 10.9% (FY 2025: 10.6%) and an adjusted net income margin of 3.6% (FY 2025: 3.4%). The Company distributed KES 1.1 billion to its shareholder in the Interim Period.

Financial Outlook for FY 2026 and FY 2027

The Company expects to maintain its current growth trajectory into H2 2026 and FY2027, as it delivers on its strategic plan, resulting in projected revenues of KES 58.2 billion and KES 67.4 billion, for FY2026 and FY2027 respectively, reflecting a projected growth rate of c. 15% per annum. This growth will be supported by opening of an additional 5 new stores by the end of FY2026 (increasing the total store network to 73 stores by the end of the year) and a planned additional 10 stores (7 supermarkets and 3 hypermarkets) in FY2027. In both years, LFL sales are projected to grow at approximately 6% per annum.

	Projected	Projected
	31-Dec-27	31-Dec-26
	KES '000	KES '000
Revenue	67,435,723	58,204,588
Cost of sales	(52,127,814)	(45,060,936)
Gross profit	15,307,909	13,143,652
Other income	371,735	348,209
Operating Income	15,679,644	13,491,861
Employee benefits	(4,328,920)	(3,678,023)
Administration and general expenses	(3,575,018)	(3,537,373)
Depreciation of property and equipment	(944,100)	(773,572)
Depreciation of right-of-use assets	(1,205,798)	(1,056,019)
Amortisation of intangible assets	(38,758)	(35,554)
Allowance for expected credit losses	(15,859)	2,531
Operating expenses	(10,108,453)	(9,078,010)
Operating profit before finance costs and tax	5,571,191	4,413,851
Net finance charges	(1,671,085)	(1,465,662)
Profit before tax	3,900,106	2,948,189
Income tax expense	(1,051,791)	(845,386)
Profit for the year	2,848,316	2,102,803
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	2,848,316	2,102,803
Operating profit	5,571,191	4,413,851
Adjusted for:		
Depreciation of property and equipment	944,100	773,572
Depreciation of right-of-use assets	1,205,798	1,056,019
Amortisation of intangibles	38,758	35,554
EBITDA	7,759,847	6,278,996
EBITDA margin	11.5%	10.8%
Adjustments to EBITDA	-	306,243
Adjusted EBITDA	7,759,847	6,585,239
Adjusted EBITDA margin, %	11.5%	11.3%
Adjustments	-	306,243
Tax impact of adjustments		(91,873)
Adjusted net income	2,848,316	2,317,173
Adjusted net income margin	4.2%	4.0%

Source: Company information, Reporting Accountant's Report

Profitability and Margins

The Company expects to maintain EBITDA and net income margins in the range of approximately 10% - 11% and 3% - 4% respectively for FY2026 and FY2027, broadly in line with recent performance. The Company expects to distribute approximately KES 2.0 billion and KES 2.5 billion in dividends in FY2026 and FY2027 respectively, representing dividend payout ratios of 95.1% and 90%.

Capital Expenditure

Capital expenditure in FY2026 and FY2027 is projected at KES 1.8 billion for each year, comprised of growth capital expenditure of approximately KES 1.4 billion and maintenance capital expenditure of approximately KES 0.4 billion. The Company will continue to fund its expansion through internally generated cash flows.

Working Capital

The Company expects to maintain its structurally negative working capital cycle, driven by rapid inventory turnover, limited receivables exposure and favourable supplier payment terms.

Cash Flow Generation and Allocation

The Company expects continued revenue growth, robust margins, disciplined capital allocation, and a negative working capital cycle to drive strong cash conversion. This cash generation will fund Quickmart's organic growth strategy, including new store openings, reinvestment in existing locations, and selective digital capability enhancements – all financed through internally generated cash flows without reliance on external equity.



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INFORMATION ON TAXATION

DISCLAIMER: NEITHER THE ISSUER, NOR ANY OF ITS DIRECTORS, OFFICERS NOR ANY OF ITS ADVISORS ACCEPT ANY LIABILITY FOR ANY TAX IMPLICATIONS ARISING FOR SHAREHOLDERS OR PROSPECTIVE INVESTORS IN CONNECTION WITH THE OFFER, INCLUDING (WITHOUT LIMITATION) THE ACQUISITION, HOLDING OR DISPOSAL OF OFFER SHARES OR THE RECEIPT OF DIVIDENDS THEREON.

THE SUMMARY BELOW IS INTENDED AS A GENERAL GUIDE ONLY AND DOES NOT CONSTITUTE TAX, LEGAL OR FINANCIAL ADVICE.

THIS SECTION PROVIDES A GENERAL OVERVIEW OF CERTAIN TAX CONSIDERATIONS RELEVANT TO THE OFFER SHARES, BASED ON KENYAN TAX LAW AND PRACTICE IN EFFECT AS AT THE DATE OF THIS INFORMATION MEMORANDUM. THE SUMMARY APPLIES ONLY TO PERSONS WHO ARE THE ABSOLUTE BENEFICIAL OWNERS OF THE OFFER SHARES AND HOLD THEM AS INVESTMENTS (AND NOT AS TRADING STOCK OR AS PART OF A BUSINESS OF DEALING IN SECURITIES).

THIS SECTION DOES NOT CONSTITUTE A COMPREHENSIVE ANALYSIS OF ALL POTENTIAL TAX IMPLICATIONS AND DOES NOT ADDRESS THE TAX POSITION OF SHAREHOLDERS WHO MAY BE SUBJECT TO SPECIAL RULES (INCLUDING, WITHOUT LIMITATION, FINANCIAL INSTITUTIONS, TAX-EXEMPT ORGANISATIONS, DEALERS IN SECURITIES OR PERSONS WHO ACQUIRED THEIR SHARES IN CONNECTION WITH AN EMPLOYMENT RELATIONSHIP).

SHAREHOLDERS AND PROSPECTIVE INVESTORS SHOULD TREAT THIS SECTION AS GUIDANCE ONLY AND ARE STRONGLY ADVISED TO CONSULT THEIR OWN PROFESSIONAL TAX ADVISERS REGARDING THE POSSIBLE TAX CONSEQUENCES OF ACQUIRING, HOLDING OR DISPOSING OF THE OFFER SHARES, AS WELL AS RECEIVING DIVIDENDS OR OTHER DISTRIBUTIONS, UNDER THE LAWS OF THEIR RESPECTIVE COUNTRIES OF RESIDENCE, CITIZENSHIP OR DOMICILE.

Dividend Payments

Dividend payments to Kenyan resident shareholders and citizens of East African Community Partner States are subject to withholding tax at a rate of 5%.

Non-resident shareholders are subject to withholding tax on dividends at a rate of 15% (or such lower rate as may apply under an applicable double taxation treaty). Withholding tax on dividends is a final tax under Kenyan law. Non-resident shareholders may be entitled to a foreign tax credit in their home jurisdiction under applicable domestic tax laws or double taxation treaties. Shareholders who are exempt from withholding tax under the Income Tax Act or any applicable treaty having the force of law in Kenya must provide a certified copy of a valid tax exemption certificate or certificate of tax residence to the Issuer (in a form satisfactory to the Issuer) in order to benefit from the relevant exemption or reduced rate.

Capital Gains Tax

As long as the Offer Shares will remain listed and traded on the NSE, gains realised by shareholders on the transfer or disposal of Offer Shares on the NSE are currently exempt from capital gains tax in Kenya.

Stamp Duty

As long as the Offer Shares remain listed on the NSE, no stamp duty, registration fees, or similar taxes are payable in Kenya on the transfer of such Offer Shares, in accordance with current legislation.

Double Taxation Treaties

As at the date of this Information Memorandum, Kenya has concluded double taxation treaties with the following countries: Canada, Denmark, France, Germany, India, Iran, Norway, Qatar, Republic of South Korea, Seychelles, South Africa, Sweden, United Arab Emirates, the United Kingdom and Zambia. Kenya is also a member of the East Africa Community.

Shareholders who are tax resident in a treaty jurisdiction may be entitled to reduced rates of withholding tax on dividends. Shareholders seeking to benefit from an applicable double taxation treaty must provide the Issuer with a valid certificate of tax residence or such other documentation as may be required by the Kenya Revenue Authority and the Issuer to evidence entitlement to treaty benefits.

A photograph of a grocery store's produce section. In the foreground, large wooden crates are filled with fresh produce, including stacks of carrots, watermelons, and large root vegetables like yams or sweet potatoes. In the background, a red delivery truck is parked, and a sign for 'CUSTOMER CARE' is visible above a counter area. A person is standing near the counter.

STATUTORY AND GENERAL INFORMATION

1. AUTHORISATIONS FOR THE OFFER

The Issuer has obtained all necessary approvals and authorisations in connection with the Offer, including but not limited to:

- a. approval of the Board of Directors and the sole member of the Issuer in relation to: (i) this Information Memorandum so far as it relates to the information of the Issuer as at the date hereof; and (ii) approving the listing of and the admission of the Offer Shares to the Main Investment Market Segment of the NSE;
- b. approval of the Selling Shareholder in relation to inter alia: (i) the sale of the Offer Shares pursuant to the terms and conditions of the Offer; and (ii) the establishment of a long term incentive plan, each as more particularly described in this Information Memorandum;
- c. pursuant to the unanimous written resolutions of the Board of Directors dated 10 August 2026, recommendation of the increase in share capital from KES 1,000,000 to KES 50,000,000 and approving the conditional allotment of 498,700 Ordinary Shares to the Selling Shareholder;
- d. pursuant to the resolutions of the sole shareholder passed on 10 August 2026, approval of the Selling Shareholder (being the sole shareholder of the Issuer) in relation to: (i) capitalisation of the sum of KES 49,870,000 standing to the credit of the Issuer's share premium account; and (ii) the allotment and issue of 498,700 fully paid bonus shares to the Selling Shareholder
- e. pursuant to the resolutions of the sole shareholder passed on 25 August 2026, approval of the Selling Shareholder (being the sole shareholder of the Issuer) in relation to: (i) the conversion of the Issuer from a private limited company to a public limited company; (ii) the change of the Issuer's name from "Quick Mart Limited" to "Quick Mart PLC"; and (iii) the adoption of new articles of association;
- f. pursuant to the unanimous written resolutions of the Board of Directors of the Company dated 09 September 2026, recommendation that the sole shareholder approve the subdivision of the nominal value of each Ordinary Share from KES 100 to KES 0.20;
- g. pursuant to the special resolutions of the sole shareholder passed on 09 September 2026, approval of the subdivision of the nominal value of each Ordinary Share from KES 100 to KES 0.20;
- h. pursuant to the unanimous written resolutions of the Board of Directors of the Company dated 09 September 2026, (i) recommendation that the sole shareholder approve the increase in the Company's share capital from KES 50,000,000 to KES 800,000,000 by the creation of 3,750,000,000 Ordinary Shares of a par value of KES 0.20 each, paid up in full at par by the application of KES 750,000,000 from the share premium account, and (ii) approval of the conditional allotment of 3,750,000,000 Ordinary Shares to the Selling Shareholder;
- i. pursuant to the written special resolutions of the sole member of the Company dated 09 September 2026, approving (i) the further increase in share capital of the Company from KES 50,000,000 to KES 800,000,000 by the creation of 3,750,000,000 Ordinary Shares of a par value of KES 0.20 each, paid up in full at par by the application of KES 750,000,000 from the share premium account, and (ii) subsequent allotment of 3,750,000,000 Ordinary Shares to the Selling Shareholder;
- j. pursuant to the requirements set out in the CM Act and the Regulations, approval of the CMA in respect of the Offer and this Information Memorandum, and the listing and admissions of the Offer Shares on the NSE; and
- k. pursuant to the requirements set out in the NSE Listing Rules, approval of the NSE for the listing and admission of the Offer Shares to the Main Investment Market Segment of the NSE.

2. INCORPORATION HISTORY

The Issuer was incorporated in the Republic of Kenya under the Companies Act as a private company on 28 April 2006 under the name “Kids Supermarkets Limited”, and subsequently, pursuant to a special resolution of the shareholders, changed its name to “Quick Mart Limited” on 13 January 2008 (being the date of the Certificate of Change of Name as issued by the Companies Registry in Kenya).

Pursuant to a resolution of the sole member of the Company passed on 25 August 2026, the Issuer subsequently converted into a public company and with effect from 22 September 2026 (being the date of the certificate of change of name as issued by the Companies Registry in Kenya), and the Issuer changed its name from “Quick Mart Limited” to “Quick Mart PLC”.

3. INFORMATION ON SHARE CAPITAL AND TOTAL ASSETS

As at the date of this Information Memorandum, the Issuer’s issued and fully paid-up share capital and total assets exceed the statutory eligibility thresholds of Kenya Shillings fifty million (KES 50,000,000) and Kenya Shillings one billion (KES 1,000,000,000), respectively, as set out below.

Authorised and Issued Share Capital and Capital Reorganisation

In August 2026, the Issuer undertook a capital reorganisation to ensure compliance with the eligibility requirements for listing on the Main Investment Market Segment of the NSE (the “**Capital Reorganisation**”).

Prior to the Capital Reorganisation, the Issuer’s authorised share capital was Kenya Shillings one million (KES 1,000,000), divided into ten thousand (10,000) Ordinary Shares of a par value of Kenya Shillings one hundred (KES 100) each, of which one thousand three hundred (1,300) Ordinary Shares had been issued to the Selling Shareholder and eight thousand seven hundred (8,700) Ordinary Shares remained unissued.

The Capital Reorganisation comprised the following steps, undertaken in the sequence set out below:

- a. an increase in the Issuer’s share capital from Kenya Shillings one million (KES 1,000,000) to Kenya Shillings fifty million (KES 50,000,000), together with the issuance and allotment of bonus shares to the Selling Shareholder (including, the allotment of shares that were previously not issued) paid up out of the share premium account by the application of Kenya Shillings forty nine million (KES 49,000,000) from the share premium account;
- b. a subdivision of the nominal value of each Ordinary Share from Kenya Shillings one hundred (KES 100) to Kenya Shillings twenty cents (KES 0.20); and
- c. a further increase in the Issuer’s share capital from Kenya Shillings fifty million (KES 50,000,000) to Kenya Shillings eight hundred million (KES 800,000,000), by the creation and allotment of three billion seven hundred and fifty million (3,750,000,000) Ordinary Shares of a par value of Kenya Shillings twenty cents (KES 0.20) each, paid up in full at par by the application of Kenya Shillings seven hundred and fifty million (KES 750,000,000) from the share premium account.

Following the Capital Reorganisation, and as at the date of this Information Memorandum, the Issuer’s authorised share capital is Kenya Shillings eight hundred million (KES 800,000,000), divided into four billion (4,000,000,000) Ordinary Shares of a par value of Kenya Shillings twenty cents (KES 0.20) each. The entire authorised share capital has been issued and is fully paid up, and there is no unissued share capital. All of the issued Ordinary Shares are held by the Selling Shareholder.

Save for the Capital Reorganisation described above, there have been no changes to the share capital of the Issuer in the three years prior to the date of this Information Memorandum. All documents relating to the capital reorganisation have been made available for inspection.

Total Assets

As at 30 June 2026, the Issuer's total assets were Kenya Shillings nineteen billion four hundred and seventy-three million three hundred and eight thousand (KES 19,473,308,000). As at 31 December 2025, the Issuer's total assets were Kenya Shillings nineteen billion seven hundred and twenty-five million sixty-five thousand (KES 19,725,065,000), and as at 31 December 2024, the Issuer's total assets were Kenya Shillings eighteen billion sixty-one million seven hundred and ninety-two thousand (KES 18,061,792,000).

4. PRINCIPAL OBJECTS

The Issuer's principal objective is to operate a scalable and efficient grocery retail platform in Kenya, offering accessible, convenient and competitively priced everyday consumer goods, including food, fresh produce and essential household items. This objective is supported by a nationwide network of modern grocery stores across urban, suburban and selected regional locations, underpinned by centralised procurement, inventory management and supply chain capabilities.

5. SHAREHOLDING STRUCTURE (PRE AND POST OFFER)

Sokoni Retail Kenya Limited is the sole shareholder of the Issuer.

As at the date of this Information Memorandum, Sokoni Retail Holdings Limited holds 50.8% of the issued share capital of Sokoni Retail Kenya Limited and accordingly exercises indirect control over the Issuer.

The names of the persons who currently hold 3% or more of the issued share capital of Sokoni Retail Kenya Limited, and particulars of their respective shareholdings, are set out below:

Shareholder	Shares Held	Percentage	Nationality
Sokoni Retail Holdings Ltd	37,605,032 Ordinary Shares of no par value	50.8%	Mauritius
Duncan Muiruri Kinuthia	15,347,118 Ordinary Shares of no par value	20.7%	Kenyan
Peter Gathua Kang'iri	3,964,793 Ordinary Shares of no par value	5.4%	Kenyan
Gladys Wambui Kinuthia	3,544,741 Ordinary Shares of no par value	4.8%	Kenyan
Okello Elijah Omullo	3,256,674 Ordinary Shares of no par value	4.4%	Kenyan
Nditika Moses	2,821,672 Ordinary Shares of no par value	3.8%	Kenyan
Njoga Joram Ngeruro	2,821,672 Ordinary Shares of no par value	3.8%	Kenyan
Zipporah Wanjiku Kinuthia	2,336,307 Ordinary Shares of no par value	3.2%	Kenyan
William Gitau Kinuthia	2,336,307 Ordinary Shares of no par value	3.2%	Kenyan

The names of the persons who hold 3% or more of the issued share capital of Sokoni Retail Holdings Limited, and particulars of their respective shareholdings, are set out below:

Shareholder	Shares Held	Percentage	Nationality
Adenia Capital (IV) LP	24,577,087 ordinary shares of no par value	86.5%	Mauritius
Adenia Capital (IV) Parallel LP	2,600,129 ordinary shares of no par value	9.2%	Mauritius

Following the completion of the Offer, the Issuer's issued share capital will be held by the Selling Shareholder and public shareholders in the proportions set out below:

Shareholder	Pre-Offer (%)	Post-Offer (%) (assuming full sale of Offer Shares)
Sokoni Retail Kenya Limited	100%	50%
Public Shareholders	-	50%
Total	100%	100%

Potential Upstream Shareholder Restructuring

As part of the ordinary course management of its fund structure, Adenia Partners may, following completion of the Offer, undertake an internal reorganisation of the Adenia Funds' shareholding interests in Sokoni Retail Holdings Limited (the majority shareholder of the Selling Shareholder), through which the Adenia Funds hold an effective economic interest of approximately 48.6%³¹ in the Company. Any such reorganisation may involve the transfer of all or part of those interests to an existing fund or to a new fund established and managed by Adenia Partners as a successor vehicle, which may or may not be managed by the same general partner³² or have the same underlying investors as the Adenia Funds. Any such reorganisation could result in a change in the identity of the fund vehicles that indirectly hold an interest in the Company but would not affect the Selling Shareholder's direct shareholding in the Company.

Any such reorganisation would occur at the level of Adenia Partners' upstream fund and holding company structure. Although this would not involve any direct transfer or disposal of shares in the Company³³, it would constitute an indirect change in the persons holding an ultimate beneficial interest in the Company's shares. The Selling Shareholder's direct shareholding in the Company and the management and operations of the Company would not be affected by any such reorganisation. Public shareholders' rights would similarly remain unaffected.

Following any such reorganisation, it is expected that Adenia Partners, through the relevant successor vehicle, would continue to manage the Adenia Funds' interest in the Selling Shareholder through Sokoni Retail Holdings Limited and, ultimately, in the Company.

Any such reorganisation will be undertaken in compliance with all Applicable Laws and regulations. Adenia Partners and/or the relevant Adenia Funds will seek such regulatory approvals or notifications as may be required to implement the reorganisation. The Company will comply with its continuing disclosure obligations and will make such public announcements as may be required under Applicable Law in respect of any indirect change in beneficial ownership resulting from such reorganisation.

In addition, following completion of the Offer, the shareholders of the Selling Shareholder may re-arrange (by share transfers between themselves, buy-backs or similar reorganisations) their respective shareholdings in the Selling Shareholder in such proportions as they may agree between themselves. Any such re-arrangement would similarly constitute an indirect change in the ultimate beneficial ownership of the Company.

³¹ The Adenia Funds' indirect economic interest in the Company is derived by multiplying their 95.7% interest in Sokoni Retail Holdings Limited by Sokoni Retail Holdings Limited's 50.8% interest in the Selling Shareholder, resulting in an effective indirect economic interest of approximately 48.6% in the Company.

³² The Adenia Funds are investment funds constituted as limited partnerships. In this type of fund structure, the general partner is the entity with legal responsibility for managing the fund and conducting its affairs, while the limited partners are the investors who contribute capital to the fund. Accordingly, if the interests of the Adenia Funds are transferred to a successor vehicle that is also constituted as a limited partnership, the entity appointed as the general partner of that successor vehicle may either be the same entity that currently acts as general partner of the Adenia Funds or a different entity.

³³ This means any changes would take place among the private equity funds and holding companies that sit above the Selling Shareholder in the ownership chain, rather than at the level of the Company itself.

Prospective investors should be aware that reorganisations of the nature described above may occur at any time following completion of the Offer and the listing of the Company's shares on the NSE, and that any such reorganisation would result in an indirect change in the ultimate beneficial ownership of the Company. The timing, terms and structure of any such reorganisation will be determined by Adenia Partners and its affiliated entities at their sole discretion, subject to Applicable Law. The Company may have limited or no involvement in, or advance notice of, any such reorganisation.

Convertible Securities and Warrants

As at the date of this Information Memorandum, the Issuer has not issued any convertible securities, exchangeable securities or securities with warrants attached. The Issuer does not have any shares that do not represent share capital, nor does it have any outstanding convertible debt securities, exchangeable debt securities or debt securities with warrants.

Long Term Incentive Plan

The sole member of the Issuer has approved the establishment of the LTIP for the benefit of eligible employees, executives and directors of the Company. The LTIP is intended to serve as a mechanism for talent attraction, motivation and long-term retention, with awards subject to performance conditions and vesting schedules set out in the LTIP Rules.

Implementation of the LTIP, including the final size of the LTIP share pool as a percentage of the Issuer's total issued share capital, will be subject to the prior approval of the Authority and the shareholders of the Issuer. The Issuer will bear all costs associated with the establishment and administration of the LTIP.

Reporting in respect of the LTIP will be undertaken in accordance with the Regulations and the applicable disclosure requirements, and details of the LTIP will be disclosed in the Issuer's annual report.

6. LOCK UP ARRANGEMENT

The lock-up period commences on the Listing Date and ends on the date falling 24 (twenty-four) months after the Listing Date (the **Lock-up Period**). During the Lock-up Period, the Selling Shareholder has agreed that it will not, without the prior written consent of the Lead Placing Agent, Co-Placing Agent and the Issuer (such consent not to be unreasonably withheld or delayed) and the approval of the CMA, directly or indirectly:

- a. offer, sell, contract to sell, or otherwise transfer or dispose of any Ordinary Shares or any interest in such number of Ordinary Shares legally or beneficially owned by it, representing 60% of the Selling Shareholder's total remaining Ordinary Shares envisaged to be held by it immediately after the Listing Date on the terms set out in this Information Memorandum (the "**Lock-up Shares**" and, the balance of such remaining Ordinary Shares not subject to the Lock-up Undertaking, the "**Unrestricted Shares**");
- b. enter into any swap or other transaction or arrangement that transfers, in whole or in part, directly or indirectly, any of the economic consequences of ownership of any Lock-up Shares; or
- c. publicly announce any intention to do any of the foregoing, in each case whether any such transaction described in paragraph (a) or (b) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise.

The Selling Shareholder shall notify the CMA, the Lead Placing Agent and the Co-Placing Agent in writing of any sale or other disposal of Unrestricted Shares during the Lock-up Period within 2 (two) business days of such sale or disposal.

The lock-up restrictions do not apply to:

- a. any disposal required by Applicable Law or by an order of a court or competent authority, provided that the Selling Shareholder shall give prompt written notice to the Lead Placing Agent and the Co-Placing Agent of any such requirement or order, together with a copy of any such order;
- b. any transaction undertaken with the prior written consent of the Lead Placing Agent and the Co-Placing Agent; and which is approved in writing by the CMA or the NSE as being consistent with the continuing listing obligations of the Issuer and the requirements of the applicable Regulations;
- c. any transfer (i) by the Selling Shareholder to an affiliate of the Selling Shareholder, (ii) by any shareholder of the Selling Shareholder of any shares or other ownership interests held by it in the Selling Shareholder to any fund or other entity that is an affiliate of, or under common control with, that shareholder or the Selling Shareholder, or (iii) by any fund managed or advised by Adenia Partners (an “**Adenia Controlled Fund**”) that holds, directly or indirectly, an interest in the Selling Shareholder of all or part of its direct or indirect interest in the Selling Shareholder to another existing or newly established Adenia Controlled Fund (whether or not managed by the same general partner or having the same underlying investors as the transferring Adenia Controlled Fund), provided that, in the case of transfers under limbs (i) and (ii) above, the relevant transferee executes and delivers to the Lead Placing Agent and the Co-Placing Agent, prior to the transfer, an undertaking on the same terms as the Lock-Up Undertaking, and the Selling Shareholder remains liable for any breach of the Lock-Up Undertaking by such transferee; or
- d. the acceptance of a general offer (whether mandatory or voluntary) made to all holders of Ordinary Shares on equal terms in accordance with Applicable Laws and which has been recommended by the Board of Directors of the Issuer or has become unconditional in all respects.

Notwithstanding the above, nothing in the lock-up arrangements restricts, prohibits, or shall be construed as restricting or prohibiting the Selling Shareholder from creating, granting, or permitting to subsist any pledge, charge, mortgage, lien, or other encumbrance over, or otherwise granting security over, any of the Lock-up Shares (or any interest therein), or from permitting the enforcement of any such pledge, charge, mortgage, lien, encumbrance, or security interest (including any sale, transfer, or disposal of Lock-up Shares pursuant to or in connection with such enforcement).

7. WORKING CAPITAL STATEMENT

The Directors are of the opinion that the working capital available to the Issuer is sufficient for the Issuer’s present requirements and to meet its obligations in the foreseeable future.

8. CAPITAL ADEQUACY STATEMENT

In the opinion of the Directors, the issued capital of the Issuer is adequate for the purposes of the business of the Issuer for the foreseeable future, being a period of at least twelve (12) months from the date of publication of this Information Memorandum.

9. DIRECTORS' INTERESTS

The following Directors have a material indirect and effective beneficial interest in at least 3% or more of the issued share capital of the Issuer:

Shareholder	Indirect and Effective Beneficial Ownership Percentage
Duncan Muiruri Kinuthia	20.7%
Peter Gathua Kang'iri	5.4%

Save as disclosed above, no Director has any direct or indirect interest in the share capital of the Issuer which would be material to such Director, or has a material, direct or indirect economic interest in the Issuer.

Directors' Remuneration and Emoluments

The aggregate remuneration paid and benefits in kind granted to the Directors of the Issuer during the financial year ended 31 December 2025 under all categories of compensation including salaries, directors' fees, bonuses, share-based compensation (where applicable) and other benefits, amounted to KES 82.9 million.

Estimate of Directors' Remuneration for the Current Financial Year

The estimated aggregate remuneration payable to the Directors of the Issuer for the current financial year under the arrangements in force at the date of this Information Memorandum is KES 166.0 million.

Waiver of Emoluments

As at the date of this Information Memorandum, no Director has waived or agreed to waive future emoluments, and there have been no waivers of emoluments during the past financial year or currently in force.

10. RELATED PARTY TRANSACTIONS

Current Related Party Transactions

As at the date of this Information Memorandum, of the Company's total lease portfolio (as set out below in paragraph 19 (*Land and Leasehold Interests*)), 18 store locations are subject to leases with related parties, being enterprises controlled by the founders and directors of the Company ("**QM Founders**") or by a founder of Tumaini Self Service, which merged with the Company. All such leases with the related parties are on arms' length terms and do not contain any terms that would be considered to be unusual in their nature.

The related party lessors identified for purposes of this disclosure are:

- Basic Capital Investment Limited, an enterprise controlled by QM Founders;
- Basic Land Investment Limited, an enterprise controlled by QM Founders;
- Resource Business Investments Limited, an enterprise controlled by QM and Founders.

Historical Related Party Transactions

Prior to listing, the Issuer entered into consultancy and management services agreements with certain related parties, which agreements have since been terminated with effect from July 2026. Notwithstanding such termination, disclosure is made below of all payments to related parties within the three years preceding the date of this Information Memorandum, in accordance with the Regulations.

a. Payments to Promoters and Directors

The following consultancy and management services agreements were entered into between the Issuer and entities in which certain promoters and/or directors held beneficial interests:

- i. **Sokoni Retail Holdings Limited** – management consultancy agreement dated 3 December 2025, providing strategic oversight, operational guidance, financial management structure advice, and executive support services;
- ii. **Sokoni Retail Kenya Limited** – consultancy agreement dated 3 December 2025, providing high-level strategic management and retail consultancy services;
- iii. **Acres Advisors Limited** – consulting agreement dated 16 December 2019 (as varied by a deed of variation dated 1 March 2021), providing management and staff advisory, retail operations and management advisory, and environmental and social action plan compliance and advisory services;
- iv. **WLL Value Added Limited** – consulting agreement dated 1 August 2024, providing HR consultancy, performance development, performance management, and HR policies review and improvement services;
- v. **Basic Land Investment Limited** – consulting agreement dated 19 July 2019, providing property sourcing, construction negotiation and supervision, lease negotiations advisory, landlord relationship management, and commercial negotiations advisory services;
- vi. **Mondin Consulting Limited** – consulting agreement dated 16 December 2019 (as varied by a deed of variation dated 1 March 2021), providing management and staff advisory, business expansion and market advisory, operations management advisory, and landlord relationship management;
- vii. **Resource Business Investments Limited** – service agreement dated 1 March 2021, providing business expansion and market advisory, commercial supplier negotiations advisory, assets selection and optimization advisory, Kenya retail market advisory, and site acquisition and commercial development services; and
- viii. **Elijah Okello** – service agreement dated 1 March 2021, providing site planning and fit-out advisory and community relations management advisory services.

These agreements have since been terminated with effect from July 2026.

b. Aggregate Payments for Leases to Related Parties

The following table sets out the aggregate fees paid by the Issuer to each related party in respect of the financial years ended 31 December 2023, 31 December 2024, 31 December 2025 and the six-month period to 30 June 2026.

No	Related Party	FY 2023 (KES)	FY 2024 (KES)	FY 2025 (KES)	H1 2026 (KES)	Total (KES)
1	Basic Capital Investment Ltd	100,541,434	105,847,502	131,589,871	72,026,623	642,326,905
2	Basic Land Investment Limited	69,338,000	130,145,976	268,794,978	99,449,129	567,728,083
3	Resource Business Investments Limited	144,257,686	155,856,556	161,058,333	84,913,941	876,240,119

c. Statement

Save as disclosed above, no sums have been paid or agreed to be paid within the three years preceding publication of this Information Memorandum to any director, or to any company, partnership, syndicate or other association in which a director has a beneficial interest or membership, whether in cash, securities or otherwise, by any person either to induce or qualify him as a director or for services rendered in connection with the promotion or formation of the Issuer.

Loan to Directors

As at the date of this Information Memorandum, there are no outstanding loans (including guarantees of any kind) made by the Issuer to or for the benefit of any Director.

11. INDEBTEDNESS

As of 30 June 2026, the Issuer had no outstanding non-current borrowings and current borrowings were KES 6.8 million. The Company's total lease liabilities stood at KES 7.9 billion, comprising of KES 7.0 billion in non-current lease liabilities and KES 1.0 billion in current lease liabilities. Further details are set out in the section entitled "**Reporting Accountants Report**" in this Information Memorandum.

Borrowing Powers

Under the Issuer's articles of association, the Directors may exercise all the powers of the Issuer to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Issuer or of any third party.

Loan Capital, Borrowings and Off-Balance Sheet Financing

The table below summarises the Issuer's borrowings for the financial years ended 31 December 2023, 31 December 2024, 31 December 2025 and the six-month period to 30 June 2026:

KES'000	31 December 2023	31 December 2024	31 December 2025	30 June 2026
	788,748	177,066	46,286	6,776

As at 30 June 2026, the Issuer had no material off-balance sheet debt financing arrangements. However, in the ordinary course of business, the Issuer maintained financial guarantees and bank guarantees amounting to KES 418.5 million (FY2025: KES 467.2 million) issued primarily in support of its operational and contractual obligations. Further details are set out in the section entitled "**Reporting Accountants Report**" section in this Information Memorandum.

12. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this Information Memorandum, the Company has no subsidiary undertakings.

As at the date of this Information Memorandum, the Company is a wholly owned subsidiary of Sokoni Retail Kenya Limited, which holds the entire issued share capital of the Issuer comprising 4,000,000,000 Ordinary Shares of a par value of KES 0.20 each. Sokoni Retail Kenya Limited is accordingly the sole parent undertaking of the Issuer. Details of the number of shares held by Sokoni Retail Kenya Limited in the Issuer, and of the persons who hold 3% or more of the issued share capital of Sokoni Retail Kenya Limited (and who accordingly hold indirect interests in the Issuer), are set out in paragraph 5 "**Shareholding Structure**" above.

13. RELEVANT EXTRACTS FROM THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION

Set out below are extracts from the Articles of Association of Quick Mart PLC adopted on 25 August 2026 relevant to the disclosures required under the Sixth Schedule of the POLD Regulations.

Article	Extract
Article 3.1 – Public Company	The Company is a public company. The shares of the Company shall be freely transferable, subject only to the provisions of the CM Act, these Articles, the Capital Markets Act, the rules of any securities exchange on which the shares of the Company are listed (including the Listing Rules), the Central Depositories Act, the rules of the central depository and any other applicable laws and regulations.
Article 5.1 – Share Capital	The share capital of the Company shall be as constituted from time to time in accordance with the CM Act and these Articles.
Article 5.2 – Issue of shares with special rights	Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by ordinary resolution determine.
Article 5.3 – Redeemable shares	Subject to section 520 of the CM Act, the Company may issue shares on the terms that they are to be redeemed, or are liable to be redeemed at the option of the Company or the holders of the shares. The Directors may determine the terms, conditions and manner of redemption.
Article 5.4 – Variation of class rights	The rights attached to any class of shares can be varied or abrogated either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the authority of a special resolution passed at a separate class meeting.
Article 5.8 – Board's power to allot shares	Subject to the provisions of the Statutes and of these Articles, the shares in the capital of the Company shall in accordance with section 329 of the CM Act be at the disposal of the Board which may allot, grant options over, grant rights to subscribe for, or convert any security into shares, or otherwise deal with or dispose of them with rights or restrictions as may be determined by ordinary resolution. No shares shall be issued at a discount.
Article 5.9 – Pre-emption rights	Unless otherwise provided under the CM Act or as determined by ordinary resolution, whenever the Board proposes to issue any shares it shall offer them in the first instance to existing members in a rights issue made in proportion as nearly as may be to the number of existing shares held by them. Such offer shall be made by notice specifying the number of shares to which the member is entitled and allowing not less than twenty-one days for acceptance.
Article 5.10 – Disapplication of pre-emption	The Company may by ordinary resolution authorise the Directors to allot shares up to an aggregate nominal amount specified in the resolution on specified terms and/or for a specified period otherwise than in connection with a rights issue to members.
Article 12.1 – Free transferability	The shares and other securities of the Company shall be freely transferable and, save as required by the Statutes, the Listing Rules, the Central Depositories Act, the rules of the relevant central depository and any applicable law or regulation, shall not be subject to any restriction on transfer or to any pre-emptive right.
Article 12.2 – Manner of transfer	Certificated shares may be transferred by instrument of transfer in writing in any usual form or in any form approved by the Board. Uncertificated shares may be transferred by means of a relevant system in accordance with the uncertificated securities rules.
Article 12.4 – Suspension of registration	The registration of transfers may be suspended at such time and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.
Article 12.6 – Board's discretion to refuse transfer	The Board may refuse to register a transfer unless: (a) it is for a share which is fully paid up; (b) it is for a share upon which the Company has no lien; (c) it is in favour of not more than four joint transferees; (d) it is duly stamped; (e) it is accompanied by the share certificate and evidence of title; and (f) it is in respect of only one class of share.
Article 16 – Increase of Capital	The Company may from time to time increase its share capital by allotting new shares.
Article 17 – Alteration of Capital	The Company may by ordinary resolution alter its share capital, including by sub-division into shares of smaller nominal amount or consolidation into shares of larger nominal amount. Resolutions authorising sub-division may determine that resulting shares have different preferences or restrictions.

Article	Extract
Article 18 – Reduction of Capital	The Company may by special resolution reduce its share capital in any way. If the net assets of the Company are half or less of its called-up share capital, the Directors shall convene a general meeting to consider how to deal with the situation.
Article 19 – Acquisition of Own Shares	The Company may acquire its own shares in accordance with Part XVI of the CM Act.
Article 27.1 – Voting rights	Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every member who is present in person or (being a corporation) is present by a representative shall have one vote. On a poll every member present in person or by proxy shall have one vote for each share of which he is the holder.
Article 29.5 – Directors’ remuneration	The Directors (other than those whose remuneration is determined by agreement) shall be entitled to such remuneration for their services as the Company may from time to time in general meeting determine.
Article 31.7 – Sokoni Retail director appointment rights	Sokoni Retail shall, for so long as it holds (together with its Affiliates) at least 10% of the issued ordinary share capital, be entitled to appoint Directors as follows: 30%+ = 4 Directors; 20%-30% = 3 Directors; 15%-20% = 2 Directors; 10%-15% = 1 Director.
Article 33.1 – Directors’ interests in contracts	A Director may be interested in any contract or arrangement with the Company but shall declare the nature of his interest. No Director shall vote as a Director in respect of any contract in which he is interested and, if he does vote, his vote shall not be counted, but he shall be counted in the quorum.
Article 33.5 – Director holding office of profit	A Director may hold any other office or place of profit under the Company (except that of auditor) on such terms as the Board shall arrange. Such Director shall not vote at a meeting of the Board determining any such appointment and remuneration.
Article 34 – Borrowing Powers	The Board may exercise all powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company and to issue debentures, debenture stock and other securities. The aggregate borrowings (net of cash and short-term investments) shall not, without the previous authority of an ordinary resolution, exceed three (3) times the aggregate of paid-up share capital, reserves and the profit and loss account balance.
Article 35.9 – Pensions and gratuities	The Board may grant pensions, annuities, gratuities or other allowances on death, sickness, disability or retirement to any person who is or has been employed by or in the service of the Company or of its holding company or any subsidiary of the Company, or any person who is or has been a Director or other officer of the Company or of its holding company or any subsidiary of the Company, or to the widow, family or dependants of any such person.
Article 40 – Dividends and Reserves	The Company intends to maintain a sustainable dividend policy. The declaration and payment of dividends shall remain at the discretion of the Board. No dividend shall be payable except out of the profits or other reserves available for distribution, or in excess of the amount recommended by the Board. The Board may declare interim dividends. All dividends shall be paid according to the amounts paid up on the shares.
Article 41 – Capitalisation of Profits	The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of its reserve accounts, share premium account or profits available for distribution, and the Board shall give effect to such resolution.
Article 46 – Winding Up	If the Company shall be wound up, the relevant insolvency provisions outlined under the Insolvency Act 2015 and the Insolvency Regulations Legal Notice number 47 of 2016 shall apply.
Article 48 – Long Term Incentive Plan	Subject to approval in general meeting, the Board may establish a LTIP. Shares allotted to the LTIP require: (i) authorisation by ordinary resolution (stating maximum shares and expiry date not exceeding five years); (ii) approval of the Capital Markets Authority; and (iii) waiver of pre-emption rights by special resolution.

14. CLAIMS AND LITIGATION

Due to the nature and scope of the Issuer's operations, the Issuer is a party to various legal proceedings that arise in the normal course of its business, including but not limited to legal proceedings relating to employment, data protection, and defamation matters.

The Issuer has from time to time received routine enquiries and complaints from the Office of the Data Protection Commissioner ("ODPC"), as is typical for a retailer of its scale with a customer loyalty programme. Two such complaints have been resolved amicably, and a further complaint was dismissed by the ODPC as frivolous. None of these matters has resulted in any sanction or penalty.

The Issuer has retained professional advisors to handle all litigation matters working under the instruction of the Issuer's management, which in turn updates and advises the Board of Directors, on the conduct of these matters on a regular basis.

In the opinion of the Directors, the outcome of such proceedings is not expected to give rise to material liabilities for the Issuer when considered in the context of the Offer. As at 31 December 2025, the Issuer has made adequate provisions in its financial statements in respect of certain material litigation involving the Issuer.

Notwithstanding that the legal proceedings to which the Issuer is a party are not considered to be material in the context of the Offer, brief details of such proceedings are set out below.

Parties	Description of the Matter	Potential Liability
Civil Case No. E5048 of 2020 - Susan Mwendu vs Quick Mart Ltd	This is a defamation claim brought by a customer of Quickmart whose payment card was declined at the point of sale during a retail transaction. The matter is awaiting allocation of a hearing date by the Court.	The claim does not specify a quantified amount. The remedies sought include: • damages for breach of contract; • aggravated damages for defamation; and • costs of the suit.
Succession 763/2018 -Estate of James Njomo Kamore	Quickmart has been joined as an interested party in succession proceedings relating to the estate of the deceased landlord of one of its leased premises (i.e., the Kamaki's store). Certain claimants to the estate have alleged that Quickmart's tenancy at the relevant store is irregular and unauthorised. The matter is awaiting further directions from the Court.	Potential risk of eviction from the premises. The Issuer considers this risk to be low, as Quickmart has continued to honour the terms of its lease with the deceased landlord's estate
Civil Suit No, E012/2023 - Leonard Onyancha Mokua Vs. Quick Mart Ltd.	This is a defamation claim in which the plaintiff alleges that he was publicly embarrassed by the conduct of Quickmart staff. The matter is scheduled for hearing on 12 October 2026.	The claim does not specify a quantified amount. The remedies sought include: • general and exemplary damages for malicious defamation; • damages for breach of contract; • aggravated damages for defamation; and • costs of the suit.

Parties	Description of the Matter	Potential Liability
ELRC Cause No. E2437 of 2024 – George Mawira Gituma v Quick Mart Limited & Retail Management Solution Limited	This is an employment-related claim brought against Quickmart and Retail Management Solution Limited. Quickmart denies that any employer-employee relationship existed between it and the claimant. Retail Management Solution Limited employed the claimant. Quick Mart relies on the human resource supply contract with Retail Management Solution Limited and the claimant's employment documents to support its misjoinder argument. Quickmart has filed a response and an application to strike out its name from the proceedings on the grounds of misjoinder. The matter is awaiting determination of Quickmart's strike-out application.	The total quantified monetary claim is KES 453,600. Quickmart maintains that the claim should not succeed against it in the absence of an employer-employee relationship, and that any employment-related liability should properly rest with Retail Management Solution Limited.

15. UNPAID AND UNCLAIMED DIVIDENDS

As at the date of this Information Memorandum, there are no unpaid dividends or unclaimed dividends relating to the Issuer

16. MATERIAL CONTRACTS

The Issuer is not party to any material contracts that are outside the ordinary course of its business.

That said, the Issuer is party to various categories of commercial agreements which are critical for the operations of the Issuer's business and are summarised below.

- a. **Facility Agreement** – The Company is party to a facility agreement with Family Bank PLC dated 18 February 2026 pursuant to which the Company has access to banking facilities totalling KES 1,850,000,000 (Kenya Shillings one billion, eight hundred and fifty million), comprising capital expenditure, secured overdraft, bank guarantee and revolving stock loan facilities. The facilities are secured by all asset debentures over the Company's property and assets registered in favour of Family Bank PLC, together with a letter of comfort from the Selling Shareholder. Further details of the Issuer's borrowings are set out in paragraph 11 (*Indebtedness*) above.
- b. **Supplier Agreements** – The Issuer has entered into Joint Business Plans and trading terms agreements with a number of suppliers for the supply of goods which the Issuer sells through its retail store and online network. These agreements are entered into in accordance with the requirements of the Retail Trade Code and generally govern the commercial relationship between the Issuer and its suppliers, including payment terms, supply arrangements and performance-related incentive structures. The majority of these agreements have a term of one year, with a small number having a term of two years.
- c. **E-Commerce Agreements** – The Issuer has entered into e-commerce partnership agreements with third-party delivery platforms, pursuant to which the Issuer's products are made available for purchase and delivery to customers through such platforms. These arrangements enable the Issuer to extend its retail reach and offer convenient delivery options to its customers.
- d. **Lease Agreements** – The Issuer is party to various lease agreements in respect of its retail store network, distribution centres and other operational premises. Further details of the Issuer's land and leasehold interests are set out in paragraph 19 (*Land and Leasehold Interests*) below.

- e. Employment Outsourcing Agreements** –The Issuer has entered into employment outsourcing arrangements with third-party service providers for the provision of labour and staffing solutions. These arrangements enable the Issuer to supplement its workforce with personnel engaged through specialist employment service providers.
- f. Information Technology and Software Agreements** –The Issuer has entered into a number of information technology and software agreements to support its retail operations and technology infrastructure. These include agreements for the licensing of proprietary software products used in the Issuer's operations, agreements for the provision of software integration and middleware services (including services enabling mobile payment notification transmission), agreements for the licensing of mobile-based customer loyalty platforms, and agreements for the development and proof of concept of store management systems. In this regard, the Issuer has entered into the following contracts:

Agreement	Parties	Date	Term and Termination	Key Terms
Service Agreement (TRF Retail Proof of Concept)	Hypertrade Consulting Company Limited (Thailand), as agent for SC Méthodes (France), the publisher and owner of the TRF Retail solution, and Quick Mart Limited	11 March 2021	Initial Proof of Concept period of three (3) months from the date of execution. Terminable by the Issuer on one (1) month's prior written notice. The agreement contemplates a subsequent twelve (12) month subscription with SC Méthodes upon successful completion of the Proof of Concept phase.	Subject matter: Provision of the "TRF Retail" business intelligence and store-management software solution on a Proof of Concept basis, covering 36 stores. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence to use the TRF Retail software for its own business purposes. All intellectual property rights in the software remain vested in SC Méthodes. Governing law: Laws of Kenya; disputes to be resolved by arbitration.
Software Sale and Licensing Agreement	Aspire Software Limited and Quick Mart Limited	25 March 2015	No fixed term; the agreement continues until terminated in accordance with its provisions. Automatic termination applies if force majeure incapacity exceeds six (6) months. Aspire may terminate the licence if the Issuer fails to comply with the terms of the End-User Licence Agreement.	Subject matter: Sale and licensing of Aspire's proprietary point-of-sale and ERP software, together with delivery, installation, training and first-level support services. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence for the software. Copyright and all proprietary rights remain vested in Aspire. Liability: Neither party is liable for special, indirect, incidental or consequential damages. Governing law: Laws of Kenya.
Agreement for Provision of Software Integration Notification Services for MPESA	Asprime Software Limited and Quick Mart Limited	1 July 2019	Initial term of one (1) year, renewing automatically on a year-to-year basis until terminated by either party on thirty (30) days' prior written notice. Either party may terminate immediately upon written notice if the other party ceases or threatens to cease to carry on business, enters administration or receivership, makes arrangements for creditors' benefit, or enters liquidation (other than for genuine amalgamation or reconstruction).	Subject matter: Provision of a Software Integration Notification Service for MPESA, enabling mobile payment notifications from Safaricom's MPESA API to be transmitted to the Issuer's systems. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence to use the service. All proprietary rights remain vested in Asprime Software Limited. Governing law: Laws of Kenya; disputes to be resolved by arbitration.

17. MERGERS AND ACQUISITIONS

The Issuer has not been a party to any merger, acquisition, division or takeover offer within the five (5) years immediately preceding the date of this Information Memorandum.

18. MAJOR CUSTOMERS AND SUPPLIERS

The Issuer's business does not depend on a single or small number of major customers or suppliers. Due to the nature of its retail grocery business, the Issuer sources products from a diversified base of suppliers across multiple product categories and serves a broad consumer base. No single supplier accounts for more than seven per cent (7%) of the Issuer's total purchases in FY 2025 and H1 2026.

The Issuer maintains relationships with multiple suppliers across key product categories and operates a procurement function which supports supplier diversification and enables the Issuer to identify and qualify alternative suppliers where appropriate. The Issuer has entered into Joint Business Plans and trading terms agreements with its key suppliers, which govern the commercial relationship between the Issuer and such suppliers. Further details of these arrangements are set out in paragraph 16 (*Material Contracts*) above. The Issuer also monitors supplier compliance with applicable laws and quality standards as part of its supplier management processes.

19. LAND AND LEASEHOLD INTERESTS

The Issuer does not own any freehold or leasehold property. The Issuer occupies various land and property assets across Kenya under lease arrangements with third parties and related parties, which are utilised in the operation of its retail stores, distribution centres, administrative offices and other support infrastructure. The details of the various properties that have been leased by the Issuer are set out in the table below:

No.	Type	Location	No.	Type	Location
1	Store	Argwings Kodhek Underhill	22	Store	Kangundo Road
2	Store	Banana	23	Store	Karen Crossroads
3	Store	Bandari, Mombasa	24	Store	Kericho
4	Store	Buruburu	25	Store	Kiambu Road
5	Store	Chania Mall, Thika	26	Store	Kikuyu Road
6	Store	Circle Mall	27	Store	Kileleshwa (Sub-Lease)
7	Store	Donholm	28	Store	Kilimani (Sub-Lease)
8	Store	Eldo Centre	29	Store	Kiserian Bluestone
9	Parking	Eldoret Post Office	30	Store	Kisii (Main Store)
10	Store	Embakasi (Sub-Lease)	31	Parking	Kisii parking lot
11	Store	Express Open Yard	32	Parking	Kisii parking lot 2
12	Store	Express Shop 10	33	Store	Kisumu Oginga Odinga Street
13	Store	Express Shop 4	34	Store	Kitengela
14	Store	Express Shop 5	35	Store	Kitengela CBD
15	Store	Fedha	36	Parking	Kitengela parking
16	Store	Highway	37	Store	Kitui
17	Store	Jipange	38	Store	Kondele
18	Parking	Jipange parking space	39	Store	Lavington (Additional Space)
19	Store	Kahawa Sukari	40	Store	Lavington (Ground Floor)
20	Store	Kahawa West	41	Store	Likoni Ferry
21	Store	Kamakias Bypass (EBP 2)	42	Store	Machakos Express

No.	Type	Location
43	Store	Mayfair
44	Store	Mega Centre, Kitale
45	Store	Mega Mall, Kakamega
46	Store	Mfangano Mega (Mfangano Street)
47	Store	Mfangano Travin House (Mfangano Street)
48	Store	Milele Mall
49	Store	Mombasa Road
50	Store	Mtwapa Mall
51	Store	Mtwapa Ndogo
52	Store	Nakuru Go Downs
53	Store	Nakuru Shabab
54	Store	Nakuru Statehouse Road
55	Store	Nanyuki Mall
56	Parking	Nanyuki parking
57	Store	Narok
58	Store	New Fedha/Sam Ligeyo
59	Store	Ngong
60	Store	Nyalenda
61	Store	Nyali Links
62	Store	OTC, Nairobi
63	Store	Outering (New)

No.	Type	Location
64	Store	Outering Ashmi
65	Store	Pioneer
66	Store	Pioneer House
67	Parking	Pioneer parking
68	Store	Pipeline/Lucky Summer
69	Store	Rongai (Sub-Lease)
70	Store	Rongai 30
71	Store	Rongai 31
72	Store	Roysambu (Sub-Lease)
73	Store	Ruai
74	Store	Ruaka
75	Parking	Ruaka parking lot
76	Store	Ruiru
77	Store	Ruiru Bypass (EBP 1)
78	Store	T-Mall
79	Store	Thome
80	Store	Tom Mboya Street
81	Store	Utawala Express/Homematt
82	Store	Utawala Kimson Holdings
83	Store	Utawala LR No. 6845/50 & 51
84	Store	Waiyaki Way
85	Store	Westlands

Save as disclosed in this Information Memorandum, the Issuer is not aware of any material title defects, encumbrances or disputes affecting its leasehold assets that would have a material adverse effect on its business or the Offer.

20. PRINCIPAL INVESTMENTS

Past Investments

Over the last five financial years and during the current financial year, the Issuer's principal investments have primarily comprised the acquisition of property and equipment, store fit-outs and equipment for new and existing stores, and investment in technology, digital platforms and supply chain infrastructure in support of its store network.

Save as otherwise disclosed in this Information Memorandum, the Issuer has not held any material interests, whether by way of shares or debt securities, in any other undertakings.

Current Principal Investments

The Issuer's principal investments currently being made during the current financial year consist primarily of continued investment in its store network, including the opening of new stores, store fit-outs and equipment, together with continued investment in its technology, digital and supply chain systems.

These investments are (i) geographically concentrated within Kenya, being focused on the Issuer's existing and adjacent store catchment areas as part of the continued development of its domestic store network, and (ii) financed primarily through internally generated cash flows from the Issuer's operations, supplemented, as required, by available debt facilities.

Future Principal Investments

The proposed principal future investments of the Issuer relate to the continued expansion and development of the Issuer's store network, including the opening of new stores and the further development of its store formats across its existing and adjacent operating regions. Details of the timing, location and scale of such investments will be disclosed in due course in accordance with the Issuer's continuing disclosure obligations.

21. RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISORS

Each of the Advisors named in this Information Memorandum including SBG Securities Limited (as Lead Transaction Advisor, Sponsoring Broker, and Lead Placing Agent), Stanbic Bank Kenya Limited (as Lead Transaction Advisor and Receiving Bank), Dyer and Blair Investment Bank Limited (as Co-Placing Agent), Coulson Harney LLP (trading as Bowmans in Kenya) (as Legal Advisor), Ernst & Young LLP (as Reporting Accountants), Image Registrars Limited (as Data Processing Agent and Share Registrar), Creide Limited (as Public Relations Advisor) and Adili Corporate Services Kenya LLP (as Corporate Governance Advisor) have been engaged by the Issuer and the Selling Shareholder in respect of the Offer on customary terms and conditions. No Advisor has any interest in the Issuer that would be material to that Advisor.

None of the Advisors has been employed on a contingent basis, owns an amount of shares in the Issuer which is material to that person, or has a material, direct or indirect economic interest in the Issuer or that depends on the success of the Offer.

22. CONSENTS

Ernst & Young LLP, Certified Public Accountant Firm, acting as Reporting Accountant in respect of the Offer, has given and has not withdrawn its consent to the issue of this Information Memorandum with the inclusion in it of its reports in the form and context in which they are included.

The firms of Coulson Harney LLP (trading as Bowmans), as transaction Legal Counsel in respect of the Offer, has given and has not withdrawn its written consent to the issue of this Information Memorandum with the inclusion in it of its legal opinion in the form and context in which it is included.

23. PLEDGED SHARES

The Offer Shares, together with all other Ordinary Shares in the Company held by the Selling Shareholder, are currently subject to a share pledge (the "**Share Pledge**") in favour of The Mauritius Commercial Bank Limited ("**MCB**") pursuant to a share pledge agreement dated 19 December 2025, between the Selling Shareholder, MCB and the Company. The Share Pledge was granted to secure certain financing obligations of the Selling Shareholder.

MCB has consented to the release of the Share Pledge in connection with the Offer. The Selling Shareholder and MCB have entered into a waiver letter and a deed of release dated 30 September 2026 pursuant to which the Share Pledge will be released and discharged in full in respect of the Offer Shares.

The release of the Share Pledge will become effective prior to the announcement of the Offer results, upon the filing of a cancellation notice with the collateral registry established under the Moveable Property Security Rights Act (Cap. 499A of the Laws of Kenya). Accordingly, the Offer Shares will be transferred to successful Applicants free from any encumbrances arising under the Share Pledge.

Copies of the waiver letter and the deed of release will be made available for inspection at the locations specified in paragraph 26 (Documents Available for Inspection) below, subject to obtaining MCB's consent on confidentiality.

24. PLEDGED ASSETS

The Company's assets are encumbered pursuant to all asset debentures registered in favour of Family Bank Limited securing facilities of up to KES 1,850,000,000 (Kenya Shillings one billion, eight hundred and fifty million), which create fixed and floating charges over all of the Company's undertaking, property and assets. Save for the encumbrances imposed by the said debentures, the Company's material assets are not subject to any other material encumbrances.

25. CONFLICT OF INTEREST

As at the date of this Information Memorandum, the Directors, senior management of the Issuer, and the experts referred to herein, have no known conflicts between their duties to the Issuer and their private interests or other obligations that could materially affect the Offer Shares.

None of the experts or advisers named in this Information Memorandum holds an interest in the Issuer that is material to such person. However, it cannot be ruled out that such persons may hold interests at the time of the offer of the Offer Shares. The existence and materiality of any such interests will depend on the facts and circumstances prevailing at the time of the Offer.

26. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents, will, when published, be available for inspection at (i) the offices of the Issuer – Quick Mart Building, Ruaka, Old Limuru Road, P.O. Box 2361-00621, Nairobi, Kenya (ii) Electronic channels officially designated in relation to the Offer, with the main IPO offer website being <https://quickmartipo.e-offer.app/>

Any information contained on this website does not form part of, and should not be relied upon as part of, this Information Memorandum unless such information is expressly incorporated by reference into this Information Memorandum.

- a. Amended and Restated Articles of Association of Quick Mart PLC adopted 25 August 2026;
- b. The Audited Financial Statements for the financial year 2025;
- c. The reviewed Financial Statements for the period ended June 2026 which are contained in the Reporting Accountant's Report;
- d. Certified extracts of the minutes of the meeting of the Board approving the Offer;
- e. Certified extracts of the minutes of the meeting of the sole shareholder of the Company approving the Offer;
- f. The Reporting Accountant's Report as reproduced in this Information Memorandum;
- g. The Legal Opinion as reproduced in this Information Memorandum;
- h. Official Search (CR12) from the Companies Registry in respect of Quick Mart PLC dated 17 September 2026; and
- i. Offer Price valuation parameters.

DISCOUNT
QUICKMART
FREE
CRAZY
QUICK
OFFERS
BANKS
SALES
100% OFF



- PLAIN MASALA POWDER KES 150 PER KG
- CINNAMON KES 1 PER KG
- SHREDDED CARAMEL POWDER KES 330 PER KG
- SHREDDED CARAMEL POWDER KES 45 PER KG
- CUMIN SEEDS KES 209 PER KG
- CUMIN POWDER KES 145 PER KG
- QUINOA KES 200 PER KG
- PURE GROUND BLACK PEPPER POWDER KES 28 PER KG
- MORINCA KES 139 PER KG
- CHIEF PRUNES KES 352 PER KG
- CHIEF CHAMBERLAIN KES 358 PER KG
- DRIED GOLDEN BACON BROWN KES 18 PER KG
- DRIED BLACK BACON BROWN KES 146 PER KG
- JUMBO OATS KES 72 PER KG
- CURRY POWDER KES 4 PER KG
- CINNAMON KES 4 PER KG
- GINGER POWDER KES 4 PER KG
- TRIP MASALA KES 10 PER KG
- ROASTED SWEET PEANUTS KES 72 PER KG
- FRUIT NUT GRANOLA KES 183 PER KG
- CARLIC POWDER KES 100 PER KG
- GREEN DRIED CARDAMON POWDER KES 463 PER KG
- CINNAMON GROUND KES 111 PER KG
- KASHATA KES 156 PER KG
- JAGGERY KES 57 PER KG
- SESAME BRITTLE KES 123 PER KG
- PEANUT BRITTLE KES 127 PER KG
- DRIED CAYENNE GROUND KES 126 PER KG
- TURMERIC KES 135 PER KG
- FINGER MILLET FLOUR KES 260 PER KG

CORNERSTONE INVESTOR PARTICIPATION

International Finance Corporation has conditionally agreed to participate as a cornerstone investor in the Offer. In this regard, IFC has committed to purchase approximately KES 1.94 billion of Offer Shares, representing approximately 13% of the Offer and approximately 6.45% of the Issuer's outstanding share capital following the Listing and Admission. In the event of an oversubscription, IFC's commitment to participate in the Offer will remain approximately 6.45% of the Issuer's outstanding share capital following the Listing and Admission.

This commitment is subject to certain conditions, including IFC obtaining all required internal approvals, including approval from its board of directors, to purchase up to KES 1.94 billion of Offer Shares at the Offer Price, and to the final terms and conditions of the Offer.

Save as set out above, any IFC purchase of Offer Shares would be made on the same terms and conditions as all other investors in the Offer.

Related Disclaimers and Caveats

No Recommendation or Endorsement

IFC's participation as a cornerstone investor in the Offer does not constitute or imply a recommendation or endorsement by IFC or any member of the World Bank Group of the Offer, Quick Mart PLC, the Offer Shares or any investment in Quick Mart PLC. IFC has not verified and accepts no responsibility for the accuracy or completeness of the information contained in this Information Memorandum.

Conditionality Caveat

IFC's participation in the Offer remains subject to the receipt of all required internal approvals, including approval from its Board of Directors. Until such approval is obtained, IFC is under no obligation to purchase any Offer Shares or make any other investment in Quick Mart PLC. Accordingly, IFC's participation should not be relied upon as a guarantee of subscription, completion of the Offer, or the success of the Listing and Admission.

Multilateral Institution Disclaimer

IFC is an international development finance institution and a member of the World Bank Group. IFC is participating in the Offer solely as a commercial investor. Its participation does not imply any sovereign, governmental, or institutional backing, guarantee, or credit support for Quick Mart PLC, the Offer Shares, or the Offer. Neither the Government of Kenya nor the World Bank Group bears any liability in respect of IFC's investment.

IFC Privileges and Immunities

IFC enjoys certain privileges, immunities, and exemptions under its articles of agreement, international conventions, and applicable law. Nothing in this Information Memorandum constitutes or implies a waiver, termination, or modification of any such privilege, immunity, or exemption.

No Investment Advice

IFC's participation in the Offer does not constitute investment, financial, legal, tax or other professional advice. Each prospective investor must make its own independent assessment of the merits and risks of an investment in the Offer Shares. IFC accepts no responsibility for, and makes no representation regarding, any investment decision made by any investor.

IFC Policy Agreement Disclosure

The Issuer will execute a policy agreement with IFC ("the IFC Policy Agreement") in connection with the Offer. The IFC Policy Agreement will contain the key obligations of the Issuer summarised below.

1. Environmental and Social Compliance

The Issuer will conduct its business in compliance with IFC's sustainability standards and applicable environmental and social laws, maintain appropriate systems to identify and manage environmental and social risks, and implement any agreed measures required to address identified risks.

2. Integrity, Prohibited Activities and Sanctions

The Issuer will not engage in corruption, fraud or other prohibited misconduct and will cooperate with IFC in any related investigation. It will not undertake activities on IFC's exclusion list of prohibited activities, except for ancillary trade in alcoholic beverages and tobacco, which is carved out. It will comply with United Nations Security Council sanctions and will not deal with shell banks.

3. Access and Incident Notification

Subject to applicable law, the Issuer will give IFC and its compliance advisor ombudsman, on reasonable notice, access to its sites, records and relevant personnel for compliance purposes. The Issuer will notify IFC within three days of any material environmental, social, labour, health, safety or security incident and keep IFC informed of its response.

4. Development Impact Reporting

Within 120 days after each financial year-end, the Issuer will report annually to IFC on development impact indicators for its business, subject to applicable disclosure requirements.

Sustainability Partnership with IFC

The Issuer has partnered with IFC to implement a sustainability programme expected to run through mid-2028. The programme is focused on three key pillars:

Climate Performance and Energy Efficiency: IFC is supporting the Issuer in the development of a greenhouse gas ("GHG") inventory aligned with the GHG Protocol, covering Scope 1 and Scope 2 emissions and the screening of key material Scope 3 emission sources. The programme is expected to establish an emissions baseline, support the development of medium- and long-term emissions reduction targets, and enhance alignment with emerging climate disclosure standards and best practices. In addition, climate risk assessments of key agricultural sourcing regions are expected to be undertaken to strengthen the resilience of the Issuer's supply chain.

Responsible Sourcing and Food Safety: IFC intends to support the Issuer in designing and implementing a capacity-building programme for smallholder farmers and supplier aggregators, focusing on sustainable agricultural practices, post-harvest management and product traceability. The programme also includes the development of a roadmap towards ISO 22000/FSSC 22000 food safety certification readiness across the Issuer's supplier network.

Food Loss Prevention: With IFC's support, the Issuer plans to establish a baseline measurement framework for food loss across its sourcing, handling, storage and retail operations. This will inform the implementation of a structured food loss reduction programme aimed at delivering measurable improvements in operational efficiency and sustainability performance.



SELLING RESTRICTIONS

The distribution of this Information Memorandum and the offer of Offer Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Information Memorandum comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Information Memorandum does not constitute an offer to sell, or a solicitation of an offer to purchase, securities in any jurisdiction in which such offer or solicitation is unlawful.

Kenya

This Information Memorandum has been prepared in compliance with the requirements of the Companies Act, the CM Act and the Regulations. The CMA has approved the Offer and the listing of the Offer Shares on the Main Investment Market Segment of the NSE. As a matter of policy, the CMA assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Information Memorandum. Approval of the Offer or listing is not to be taken as an indication of the merits of Quickmart or of the Offer Shares.

No person has been authorised to give any information or make any representation in connection with the Offer other than as contained in this Information Memorandum. Delivery of this Information Memorandum at any time after its date will not, under any circumstances, create any implication that there has been no change in the affairs of Quickmart since such date or that the information contained herein is correct at any time subsequent to its date.

United States

The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States of America, its territories and possessions, any state of the United States, and the District of Columbia (the “**United States**”). The Offer Shares may not be offered, sold, pledged or otherwise transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) absent registration or an exemption from the registration requirements of the Securities Act. The Offer is being made outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. No public offering of the Offer Shares will be made in the United States.

United Kingdom

No Offer Shares are being offered or sold, and no offer of Offer Shares is being or will be made, to the public in the United Kingdom, except in reliance on an exemption from the prohibition on offers of transferable securities to the public in the United Kingdom set out in Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the “**POATRs**”), including offers made: (a) to qualified investors (as defined in paragraph 15 of Schedule 1 of the POATRs); (b) to fewer than 150 persons (other than qualified investors) in the United Kingdom; or (c) in any other circumstances in which the public offer prohibition in the POATRs does not apply.

An invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) in connection with the issue or sale of any Offer Shares will only be communicated or caused to be communicated in circumstances in which section 21(1) of the FSMA does not, or would not if the Company were not an authorised person, apply to the Company or the Selling Shareholder. This Information Memorandum is not being distributed to, and must not be passed on to, the general public in the United Kingdom, and is directed only at persons in the United Kingdom to whom it may lawfully be communicated. Any investment or investment activity to which this Information Memorandum relates is available only to, and will be engaged in only with, such persons, and no other person in the United Kingdom should rely on or act upon this Information Memorandum.

For the purposes of this selling restriction, the expression “offer to the public” in relation to the Offer Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Offer Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Offer Shares. All applicable provisions of the FSMA and the POATRs will be complied with in respect of anything done in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

European Economic Area

In any member state of the European Economic Area (the “EEA”), this Information Memorandum is addressed only to, and directed only at, persons who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”) (“**Qualified Investors**”). No offer of Offer Shares to the public is being made that would require the publication of a prospectus under Article 3 of the Prospectus Regulation. This Information Memorandum and any investment or investment activity to which it relates is available only to, and any invitation, offer or agreement to subscribe for, purchase or otherwise acquire such securities will be engaged in only with, Qualified Investors in the EEA. No other person in the EEA should rely on or act upon this Information Memorandum. The Offer does not constitute a marketing in the EEA under the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) or any applicable implementing legislation of any EEA member state.

South Africa

The Offer does not constitute an “offer to the public” as such expression is defined in the South African Companies Act, No. 71 of 2008, as amended (the “**South African Companies Act**”), and this Information Memorandum does not, nor is it intended to, constitute a “registered prospectus” as that term is defined in the South African Companies Act. Accordingly, to the extent that the Offer Shares are offered for subscription or sale in South Africa, such Offer is made only to: (i) selected persons falling within one of the specified categories listed in Section 96(1)(a) of the South African Companies Act; and/or (ii) selected persons, acting as principal, acquiring Offer Shares for a total acquisition cost of ZAR 1,000,000 or more, as contemplated in Section 96(1)(b) of the South African Companies Act, to whom the Offer will specifically be addressed and only by whom the Offer will be capable of acceptance.

Canada, Australia and Japan

The Offer Shares have not been and will not be registered under the applicable securities laws of Canada, Australia or Japan. No prospectus or offering document in relation to the Offer Shares has been lodged with or registered by the Canadian Securities Administrators, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Subject to certain exceptions, the Offer Shares may not be offered, sold, taken up, delivered or transferred, directly or indirectly, in or into Canada, Australia or Japan, or to or for the account or benefit of any national, resident or citizen of Canada, Australia or Japan.

East African Community

The securities referred to herein have not been and will not be registered under the securities laws of any East African Community Partner State other than Kenya.

The Capital Markets (Foreign Investors) Regulations, 2002 (as amended) (the “**Foreign Investor Regulations**”) define a “local investor” in relation to an individual as a natural person who is a citizen of an East African Community Partner State, and in relation to a body corporate, as a company incorporated under the Companies Act (or similar statute of an EAC Partner State) in which citizens of an EAC Partner State or the Government of an EAC Partner State have beneficial interest in one hundred per cent of its ordinary shares. A “foreign investor” means any person who is not a local investor. Whereas the Foreign Investor Regulations include citizens of East African Community Partner States as local investors, this Information Memorandum may not be used for, or in connection with, any offer or solicitation by anyone in any East African Community Partner State where such offer or solicitation is not authorised or is otherwise unlawful. This does not affect the classification of EAC citizens as local investors for the purposes of the Foreign Investor Regulations.

Foreign investors may apply for Offer Shares in Quickmart, subject to the selling restrictions set out in this section. The offer of shares to foreign investors may be affected by laws and regulatory requirements of the relevant jurisdictions. Any foreign investors wishing to apply for Offer Shares must satisfy themselves as to the full observance of the laws of the relevant territory and governmental and other consents to ensure that all requisite formalities are adhered to and pay any issue, transfer or other taxes due in such territory. Foreign investors are advised to consult their own professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal or regulatory requirements to enable them to apply for and purchase the Offer Shares.

Regulation 4(1) of the Foreign Investors Regulations imposes a duty on a listed company to always maintain a register of shareholders with an indication of whether they are foreign investors, individual local investors or institutional local investors. Any foreign investor who wishes to apply for Offer Shares should obtain guidance from an Authorised Selling Agent before completing and lodging an Application Form.

The Company reserves the right to treat as invalid any application or purported application to purchase the Offer Shares which appears to the Company or its agents to have been executed, effected, or dispatched in a manner which may involve a breach of any applicable legal or regulatory requirement of any jurisdiction outside Kenya.

Other Jurisdictions

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction outside Kenya where action would be required for such purpose. The distribution of this Information Memorandum in other jurisdictions may be restricted by law and persons into whose possession this Information Memorandum comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction. Neither the Company, the Selling Shareholder, the Transaction Advisor nor any of the Advisors accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

APPLICATIONS FOR QUALIFIED INSTITUTIONAL INVESTORS AND FOREIGN INVESTORS TO BE PLACED VIA SBG



PROCEDURE FOR APPLICATION, PAYMENT AND ALLOTMENT

To participate in the offer, Applicants should ensure that they have a Valid CDS Account and may apply via the application channels set out below.

a. Electronic Applications

Investors may submit their Applications electronically via the designated electronic platforms by:

- i. completing and submitting an electronic Application, and uploading the required supporting documentation, on the application portal accessible at <https://quickmartipo.e-offer.app>.
- ii. completing and submitting a mobile Application by dialling USSD code ***483*803#**. This option is only available for investors who intend to apply for Offer Shares with an aggregate value up to KES 250,000.

b. Physical Applications

Application Forms for the Offer Shares may be downloaded from <https://quickmartipo.e-offer.app>. Completed Application Forms should be submitted to the Placing Agents no later than 5:00pm hours EAT on the Offer Closing Date.

Settlement procedure

Payment of the purchase price for the Offer Shares shall be made to the Receiving Bank by no later than 5.00pm EAT on the Offer Closing Date as specified in the Information Memorandum.

In respect of Qualified Institutional Investors, payment of the purchase price for the Offer Shares shall be made to the Receiving Bank by no later than 5.00pm EAT on 10 November 2026.

All payments may be made via the following methods:

(a) Electronic Funds Transfers (Real Time Gross Settlement, Electronic Funds Transfer and Telegraphic Transfer) or cash deposit to the bank details below:

Bank Name:	Stanbic Bank Kenya Limited
Account Name:	Quickmart IPO
Account Number:	6565650XXXXXX (XXXXXX - being the 6-digit number on the Application Form and the total account number should be 13 digits)
Narration:	Application Form serial number (6-digit number)
Branch:	Chiromo
Branch Code:	31000
SWIFT Code:	SBICKENX

(b) Mobile Money (M-Pesa)

Pay Bill Number:	8250250
Account Number:	6565650XXXXXX (XXXXXX- being the 6-digit number on the Application Form)

Settlement Procedure for Qualified Institutional Investors only

1. Irrevocable Bank Guarantee (“IBG”)

IBGs shall be used in the format provided in this Information Memorandum and should be authenticated by the guaranteeing bank via a Swift message forwarded to the Receiving Bank on or before 5.00pm EAT on the Offer Closing Date. The IBG shall be drawn down at the sole discretion of the Selling Shareholder.

2. Irrevocable Letter of Undertaking (“ILU”)

Qualified Institutional Investors who wish to make payment through this method must get in touch with the Lead Transaction Advisor or the Lead Placing Agent or Co-Placing Agent, who upon satisfaction of the prospective investor’s standing, will provide the ILU for the investor to complete and execute. The completed and executed ILU which shall be presented together with the Application Form on or before 5.00pm EAT on the Offer Closing Date.



AUTHORISED SELLING AGENTS

SECURITIES LIMITED AND DYER AND BLAIR INVESTMENT BANK LIMITED AS THE LEAD INSTITUTIONAL PLACING SYNDICATE

Sponsoring Stockbroker and Lead Placing Agent	Co-Placing Agent
SBG SECURITIES LIMITED Stanbic Bank Centre 58 Westlands Road P. O. Box 47198 – 00100 Nairobi, Kenya Tel : +254 - 20 – 3638900/3638080 Email : sbgs@stanbic.com Website : www.sbgsecurities.co.ke	DYER AND BLAIR INVESTMENT BANK LIMITED 7th Floor, Goodman Tower Off Waiyaki Way P.O. Box 45396-00100 Nairobi, Kenya Tel : +254 (0)709 930 000 Email : shares@dyerandblair.com Website : www.dyerandblair.com

APPLICATIONS BY RETAIL INVESTORS CAN BE PLACED VIA ANY OF THE PLACING AGENTS BELOW

Sponsoring Broker and Lead Placing Agent

SBG SECURITIES LIMITED

Stanbic Bank Centre
58 Westlands Road
P. O. Box 47198 – 00100
Nairobi, Kenya
Tel : +254 - 20 – 3638900/3638080
Email : sbgs@stanbic.com
Website : www.sbgsecurities.co.ke

In collaboration with Stanbic Bank Kenya Limited (list of branches below)

Stanbic Bank Kenya Branches	Region/ County	Location/Address	Stanbic Bank Kenya Branches	Region/ County	Location/Address
Chiromo Branch	Nairobi	Stanbic Bank Centre	Warwick Branch	Nairobi	Warwick Centre, Ground Floor, UNEP Avenue
Galleria Branch	Nairobi	1st Floor, Galleria Mall	Garden City Branch	Nairobi	Garden City Mall, Ground Floor
Kenyatta Ave Branch	Nairobi	Stanbic Bank Building, Kenyatta Avenue	Westgate Branch	Nairobi	2nd Floor, Westgate Mall, Mwanzi Road
Industrial Area Branch	Nairobi	Kenply House, Dar es Salam Road	Gikomba Branch	Nairobi	Ground Floor, Biashara Annex, Meru Road
International House Branch	Nairobi	International House, City Hall Way	The Hub Branch	Nairobi	1st Floor, The Hub shopping mall, along Dagoretti Road, Karen
Upperhill Medical Centre	Nairobi	Ralph Bunche Road	Imaara Branch	Nairobi	Imaara Mall, Imara Daima, Mombasa Road
Waiyaki Way Branch	Nairobi	Lion Place Building, Westlands	Expressway Branch	Nairobi	Nairobi Expressway Plaza, Mombasa Road
Buru Buru Branch	Nairobi	KNLS Building along Mumias South Road, Buru Buru Shopping Centre			

Stanbic Bank Kenya Branches	Region/ County	Location/Address
Two Rivers Branch	Kiambu	2nd Floor, Two Rivers Mall, Northern bypass
Changamwe Branch	Mombasa	Airport Centre Mall, Ground Floor, Magongo road
Malindi Branch	Kilifi	Ground Floor, Oasis Mall
Digo Road Branch	Mombasa	Stanbic Bank Building
Nyali Branch	Mombasa	Nyali Centre Mall, Links Road, off Malindi Road
Naivasha Branch	Nakuru	CfC Heritage House, Moi Road
Nakuru Branch	Nakuru	Nakuru Coffee House on Moi / Kenyatta Junction
Nanyuki Branch	Laikipia	Ground Floor, New Nanyuki Mall

Stanbic Bank Kenya Branches	Region/ County	Location/Address
Thika Branch	Kiambu	Maisha Heights Building, Ground Floor, Kenyatta Highway
Meru Branch	Meru	Hart Towers, Junction Njuri Ncheke and Kenyatta Highway
Eldoret Branch	Uasin Gishu	Zion Mall, Uganda Road
Kisumu Branch	Kisumu	Ground Floor, One Kenton Square Building, Oginga Odinga Road
Kericho Branch	Kericho	Ground Floor, Chai Plaza, Kenyatta and Temple Road
Kisii Branch	Kisii	Upper Ground Floor, Waumini Plaza, Kisii Town
Busia Branch	Busia	Ground Floor, Benna Plaza, Busia Highway

Co-Placing Agent

DYER AND BLAIR INVESTMENT BANK LIMITED

7th Floor, Goodman Tower

Off Waiyaki Way

P.O. Box 45396-00100

Nairobi, Kenya

Tel : +254 (0)709 930 000

Email : shares@dyerandblair.com

Website : www.dyerandblair.com

OTHER PLACING AGENTS

ABC CAPITAL LIMITED ABC Bank House, Mezzanine Floor Westlands P.O Box 34137 - 00100 Nairobi Tel: 2246036/2242534 Email: headoffice@abccapital.co.ke Website: www.abccapital.co.ke	ABSA FINANCIAL SERVICES LIMITED Westend Building, 5th Floor, Westlands P.O. Box 30120 -00100 Tel: 0732130120/0722130120 Email: absa.kenya@absa.africa Website: www.absabank.co.ke	AIB-AXYS AFRICA The Promenade, 5th Floor General Mathenge Drive P.O. Box 43676-00100 Nairobi Tel: 0207602525 Email: invest@aib-axysafrica.com Website: www.aib-axysafrica.com
CAPITAL A INVESTMENT BANK Mayfair Suites, 4th Floor, Parklands Road, Nairobi Tel: +254 (709) 100 405 / +254 (709) 100 407 Email: info@caib.co.ke Website: www.caib.co.ke	CINEMARK INVESTMENT BANK West End Towers, 1st Floor, Waiyaki Way, Westlands, Nairobi, Kenya Tel: +254 117 010101 Email: info@cinemarkinvestmentbank.com Website: www.cinemarkinvestmentbank.com	DRY ASSOCIATES INVESTMENT BANK Dry Associates Headquarters, 188 Loresho Ridge Road, Loresho P.O.Box 684 – 00606 Tel: 0204450521 Email: invest@dryassociates.com Website: www.dryassociates.com

EFG HERMES KENYA LIMITED 8th Floor, Orbit Place, Westlands Road P.O. BOX 349-00623, Nairobi Kenya Tel: 020 3743040 Email: KenyaOperations@efg-hermes.com Website: www.efghermes.com	EQUITY INVESTMENT BANK LIMITED Ground Floor, Equity Centre Hospital Road, Upperhill P.O. Box 75104-00200 Nairobi Tel: 2262000 Mobile: 0711026000/0732112030 Email: info@equityinvestment.co.ke Website: www.equitybank.co.ke	FAIDA INVESTMENT BANK LIMITED Crawford Business Park Statehouse Road P.O. Box 45236-00100 Nairobi Tel: 243811/2/3 Mobile: 0724721014/0733243811 Email: customerservice@fib.co.ke Website: www.fib.co.ke
FRANCIS DRUMMOND & CO. LIMITED Finance House, 14th Floor Loita Street P.O. Box 45465-00100 Nairobi Mobile: 0724256815 Email: info@drummond.com Website: www.drummond.com	GENGHIS CAPITAL LIMITED 3rd Floor, Orbit Place, Westlands Road P.O. Box 9959-00100 Nairobi Tel: 0709185000 Email: info@ghenghis-capital.com Website: www.ghenghis-capital.com	GREEN MARGIN CAPITAL The Exchange, 1st Floor, 55 Westlands Road P.O. Box 773, Uhuru Gardens 00517, Nairobi, Kenya Tel: +254 723 373999 Email: support@greenmargincapital.com Website: www.greenmargincapital.com
INVESTCENT INVESTMENT BANK The Address, 6th Floor, Muthangari Drive P.O.Box Tel: 0709327800 Email: info@investcent.co Website: www.investcent.co	KCB INVESTMENT BANK Kencom House, 2nd Floor P.O. Box 48400 -00100 Tel: 3270000/0711012000 Email: investmentbanking@kcb.co.ke Website: www.kcbgroup.com	KESTREL CAPITAL (EAST AFRICA) LIMITED Pramukh Towers, 10th Floor, Westlands Road P.O. Box 40005 - 00100 Nairobi Tel: 073333544/0722205897 Email: info@kestrelcapital.com Website: www.kestrelcapital.com
KINGDOM SECURITIES Co-operative Bank House, 5th Floor Haile Selassie Avenue P.O. Box 48231-00100 Nairobi Tel: 3276000/3276676 Email: info@kingdomsecurities.co.ke Website: www.kingdomsecurities.co.ke	NCBA INVESTMENT BANK LIMITED NCBA Annex, 3rd Floor Hospital Road, Upper Hill P.O. Box 44599 - 00100 Nairobi Tel: 2884000 Mobile: 254711056444/254732156444 Email: contact@ncbagroup.com Website: www.ncbagroup.com	OMNI MARCHE SECURITE (OMS) AFRICA LTD 4th Avenue Towers, 13th Floor, 4th Ngong Avenue, Upperhill P.O. Box 2151-00202 Nairobi Tel: 0709004330/0709004331 Email: info@omsafrica.co.ke Website: www.omsafrica.co.ke
PERGAMON INVESTMENT BANK 4th Floor, Delta Chambers Waiyaki Way P.O.Box 25749 Nairobi Tel: 0709227100 Email: info@pergamoninvestmentbank.co.ke Website: www.Pib.Africa	RENAISSANCE CAPITAL (KENYA) LIMITED Pramukh Towers, 4th Floor Westlands Road, Chiromo P.O. Box 40560-00100 Nairobi Tel: 3682339/36821100 Email: info@rencap.com Website: www.rencap.com	ROCK INVESTMENT BANK The Oval, 3rd, 4th and 5th Floors, Wing B, Ring Road, Westlands, Nairobi Tel: +254 119 844661 / +254 114 958697 Email: info@rib.co.ke Website: www.rib.co.ke
STANDARD INVESTMENT BANK LIMITED JKUAT Tower, 16th Floor Kenyatta Avenue P.O. Box 13714-00800 Nairobi Tel: 07777333000/0202277000 Email: invest@sib.co.ke Website: www.sib.co.ke	STERLING CAPITAL LIMITED Delta Corner Annex, 5th Floor Ring Road - Westlands P.O. Box 45080-00100 Nairobi Tel: 2213914/2244077 Mobile: 0723153219/0734219146 Email: info@sterlingib.com Website: www.sterlingib.com	SUNTRA INVESTMENTS LIMITED Nation Centre, 7th Floor Kimathi Street P.O. Box 74016-00200 Nairobi Tel: 2870000/2211846/2223330 Mobile: 0724-257024, 0733222216 Email: info@suntra.co.ke Website: www.suntra.co.ke
VICTORIA WEALTH MANAGEMENT theHead Office, Victoria Towers, Mezzanine Floor, Kilimanjaro Avenue, Upper Hill Tel: +254 709 876100 Email: upperhill@vicbank.com Website: www.victoriabank.co.ke		



FORM OF APPLICATION FORM



SERIAL NUMBER

APPLICATION FORM

Applications must be made in accordance with the instructions set out in this document. Care must be taken to follow these instructions as applications that do not comply may be rejected. If you are in any doubt, please consult the Sponsoring Broker, the Lead Placing Agent, Co-Placing Agent or the Registrar for guidance.

Unless otherwise defined in this section or required by the context, capitalised terms shall have the meanings ascribed to them in the Information Memorandum.

I/We, the undersigned hereby apply; or as agent on behalf of the applicant (as applicable), I/we confirm that the applicant applies to purchase the amount specified below of the existing Offer Shares being offered for sale by the Selling Shareholder upon the terms and conditions set out in this Application Form and the Information Memorandum dated **02 October 2026**

Date	Placing Agent (Please Tick One)	PLACING AGENT STAMP
	Lead Placing Agent () SBG Securities Limited	
	Co-Placing Agent () Dyer and Blair Investment Bank Limited	
	() Other Placing Agent (Specify).....	
	Note: The list of Placing Agents is available in the Information Memorandum	

Please use CAPITAL LETTERS and return the completed Application Form together with your proof of identity and the relevant supporting documents to the Placing Agents NO LATER THAN 5.00P.M. EAST AFRICA TIME (EAT) ON 30 OCTOBER 2026. The Application Form should not contain any material alterations.

1	Application details	All applications must be for a minimum 500 Offer Shares and in multiples of 100 Offer Shares thereafter.
	Application amount (KES)	
	Please credit my/our CDSC Account as detailed below to the extent of the Offer Shares allotted:	
	CDSC ACCOUNT DETAILS	
	Agent Code (e.g. B01)	Investor Category (Please Tick)
		L I F E I L C F C E C
	Name (as appears in the CDS Account)	
	Email Address:	Mobile/Telephone Number:

[illegible]

Mobile/Telephone Number:

[illegible]

+254	(0)									
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3	DECLARATION By applying for the Shares and signing this Application Form, I/We herein state that: - The funds used or to be used in connection with this application are derived from legitimate, lawful sources and are not, directly or indirectly, the proceeds of any criminal, fraudulent, corrupt, or other unlawful activity. The Applicant further acknowledges and accepts that if any statement made by me in this application is found to be false, inaccurate or misleading, this application may be rejected by the Issuer without any liability to the Issuer, or any of its appointed agents. - The applicant, or as an agent on behalf of the applicant (as applicable), acknowledges that the Issuer and the Placing Agents are entitled, in their absolute discretion, to accept or reject this application, in whole or in part, in accordance with the terms and conditions set out in the Information Memorandum. - The applicant, or as an agent on behalf of the applicant (as applicable), confirms that the applicant has read and understood the Information Memorandum dated 02 October 2026 and that this application is made on the terms set in the Information Memorandum and the Application Form. - The applicant, or as an agent on behalf of the applicant (as applicable), confirms that the applicant agrees to accept the allotted shares to the applicant, subject to the terms and conditions set out in the Information Memorandum. - The applicant, or as an agent on behalf of the applicant (as applicable), confirms that the applicant authorises you to enter the applicant's name on the Register of Members of Quick Mart PLC, for any Offer Shares that may be allotted to the applicant. - The applicant, or as an agent on behalf of the applicant (as applicable), hereby irrevocably undertakes and confirms that the applicant has made this application for purchase of the Offer Shares in accordance with the terms and subject to the conditions set out in the Information Memorandum and the Application Form. - The applicant, or as an agent on behalf of the applicant (as applicable), hereby undertakes to the extent not already paid, to pay the purchase price for the Offer Shares allotted to the applicant to the Receiving Bank in accordance with the terms and subject to the conditions set out in the Information Memorandum and the Application Form. - The signatory of this Application Form (the "Signatory") hereby represents and warrants that: (a) the Signatory has full power, authority and mandate to sign and submit this Application Form and to make the declarations and give the consents and instructions set out herein on behalf of the applicant; (b) where the applicant is a body corporate, partnership, association, trust or other entity, all necessary corporate or other internal approvals and authorisations have been validly obtained; (c) where the application is made jointly, each joint applicant has authorised the Signatory to sign and submit this Application Form on behalf of all joint applicants; (d) where the Signatory signs under a power of attorney or as custodian, the Signatory holds a valid and subsisting authority to act for the applicant and will, on request, provide certified copies of the relevant authorising documents; and (e) the Signatory is duly authorised to provide the applicant's personal data and other information to the Issuer and its agents for the purposes of processing this application, allotment, registration and ongoing administration of the Shares. - The applicant (and where applicable, the Signatory) represent and warrant that all information provided in or with this Application Form is, to the best of their knowledge and belief after due enquiry, true, accurate and complete in all material respects and that they will promptly notify the Issuer of any material change before allotment of the Shares. - The applicant consents to receiving marketing communications about the Issuer's securities and investor updates by Email, Short Message Service (SMS), Phone or Post.									
4	SIGNATURE(S) OF APPLICANT (S) (Note Your completed and signed Application Form must be accompanied by proof of identity) <table border="1"> <tr> <td data-bbox="165 1742 826 1776">4A: SIGNATURE 1</td> <td data-bbox="836 1742 1460 1776">4B: SIGNATURE 2 (CORPORATE/JOINT)</td> </tr> <tr> <td data-bbox="165 1787 826 1899"></td> <td data-bbox="836 1787 1460 1899"></td> </tr> <tr> <td data-bbox="165 1910 826 1944">DATE:</td> <td data-bbox="836 1910 1460 1944">DATE:</td> </tr> <tr> <td data-bbox="165 1955 826 1989">Designation (Corporate Only)</td> <td data-bbox="836 1955 1460 1989">Designation (Corporate Only)</td> </tr> </table>		4A: SIGNATURE 1	4B: SIGNATURE 2 (CORPORATE/JOINT)			DATE:	DATE:	Designation (Corporate Only)	Designation (Corporate Only)
4A: SIGNATURE 1	4B: SIGNATURE 2 (CORPORATE/JOINT)									
DATE:	DATE:									
Designation (Corporate Only)	Designation (Corporate Only)									

DETAILED INSTRUCTIONS ON COMPLETING THE APPLICATION FORM AND APPLYING FOR THE OFFER

1 Completing the Application Form

If you are in any doubt as to how to complete this Application Form, please contact the Sponsoring Broker, the Placing Agents or the Registrar. Submission of Applications can be made:

- a. **through electronic channels** can be made via the online portal by accessing <https://quickmartipo.e-offer.app> or submission via mobile channel by dialling USSD Code *483*803#;
- b. **through submission of the duly completed and executed Application Form** by email or physically submitted to any of the Placing Agents at the following addresses:

Lead Placing Agent	Co-Placing Agent
SBG Securities Limited Stanbic bank Centre, 58 Westlands Road Tel: +254 20 363 8900/363 8080 Email: sbgs@stanbic.com Web: www.sbgsecurities.co.ke OR Visit any Stanbic Bank Kenya Limited branch	Dyer and Blair Investment Bank Limited Goodman Tower, 7th Floor Off Waiyaki Way P.O. Box 45396-00100 Nairobi Tel: +254 (0)709 930 000 Email: shares@dyerandblair.com Website: www.dyerandblair.com
Any other Placing Agent as specified in the Information Memorandum	

2 Settlement Procedure

Payment of the purchase price for the Offer Shares may be made to the Receiving Bank by no later than 5.00pm EAT on the Offer Closing Date for Retail investors and no later than 5:00pm EAT on 10 November 2026 for Qualified Institutional Investors as set out in the Information Memorandum or as otherwise published by the Issuer, via the following methods:

- (a) **Electronic Funds Transfers (Real Time Gross Settlement, Electronic Funds Transfer and Telegraphic Transfer) or cash deposit to the bank details below:**

Bank Name:	Stanbic Bank Kenya Limited
Account Name:	Quickmart IPO
Account Number:	6565650XXXXXX (XXXXXX - being the 6-digit number on the Application Form and the total account number should be 13 digits)
Narration:	Application Form serial number (6-digit number)
Branch:	Chiromo
Branch Code:	31000
SWIFT Code:	SBICKENX

(b) Mobile Money (M-Pesa)

Pay Bill Number:	8250250
Account Number:	6565650XXXXXX (XXXXXX- being the 6-digit number on the Application Form)

3 Validity of acceptance of the application

Without prejudice to the provisions of the Information Memorandum, Quick Mart PLC reserves the right to treat as valid in whole or in part any Application Form that is not entirely in order or which is not accompanied by the relevant supporting documentation (such as proof of identity, proof of payment details and other required supporting documentation), or reject it in its entirety.

- a. All alterations to this application form must be authenticated by full signature.
- b. All applications must be made without any conditions stated by applicants and all declarations must be ticked.
- c. Under no circumstances whatsoever may the name of the applicant be changed and if this is done then the Application Form will be invalid.
- d. Applications are made subject to the provisions of the Information Memorandum and conditions set out in the Application Form.
- e. Applications are irrevocable and may not be withdrawn or amended without the written consent of the Issuer
- f. If you are a custodian, stockbroker, bank, fund manager or investment advisor who acting on behalf of an investor, by submitting this form you confirm that you have: (i) carried out the relevant “Know Your Customer” checks on your client and they are not a sanctioned party under any sanctions list published by the United States government (including the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) and the U.S. Department of State), the United Kingdom’s consolidated list, the European Union’s consolidated lists and the United Nation’s consolidated list, as each may be amended, supplemented or replaced from time to time.
- g. If the Application Form is signed under a power of attorney, the completed Application Form should be returned to accompanied by a certified true copy of the power of attorney (or a notarised copy).

4 Your personal information

- a. We will only collect the personal information needed to assess and process your application. This may include identification and contact details, tax registration, nationality and residency, signature and specimen signatures, CDSC Account details, mobile money details, and bank account details. If you do not provide required information or if it is inaccurate, we may not be able to process your application or maintain your investment. All personal information that you include in this Application Form is collected, stored, retained and processed in accordance with the Issuer’s Privacy Statement available at <https://ipo.quickmart.co.ke/> and Image Registrar Limited’s Privacy Notice available at https://www.image.co.ke/privacy_policy. This paragraph 4 of the Application Form should be read and interpreted together with the Issuer’s Privacy Statement. Where there is a conflict, the Issuer’s Privacy Statement will prevail. It is important that you read Quick Mart PLC’s Privacy Statement and Image Registrar Limited’s Privacy Notice https://www.image.co.ke/privacy_policy which contains more detailed information about data processing. We rely on your consent for limited processing activities. Withdrawal of consent does not affect processing carried out before withdrawal or processing based on other lawful bases. The Issuer’s data protection officer (“DPO”) can be contacted at dpo@quickmart.co.ke, P.O. Box 2361-00621, Nairobi, Kenya. Image Registrar’s DPO can be contacted at dpo@image.co.ke, P.O. Box 9287-00100, Nairobi, 0709 170 000, should you have any queries regarding your personal information, or in case you wish to exercise your data subject access rights.

- b. We collect your personal information directly from you and your advisers. We may also obtain data from third parties for verification and compliance purposes, such as credit reference agencies, screening providers, government databases, tax authorities, regulators, and publicly available sources.
- c. We may use automated tools for identity verification and fraud prevention. These checks may affect our ability to accept your application. You can request human review of any decision that is based solely on automated processing, express your point of view, and contest the decision.
- d. We apply the appropriate technical and organizational measures designed to protect your personal information against loss, misuse, unauthorized access, alteration or disclosure. We require third parties and our service providers to implement appropriate security measures when handling your personal information on our behalf.
- e. We will not send you marketing communications without your prior consent in accordance with this Application Form. You may change your preferences or withdraw consent at any time by contacting the DPOs using the details provided above.
- f. In submitting the completed Application Form you agree and understand that your personal information will be shared by Image Registrar Limited with Quick Mart Plc, the Transaction Advisors, the Placing Agents, the Receiving Bank, the Capital Markets Authority, the CDSC, and all such parties that require access to your information for the purposes of meeting their obligations under this Application Form, or the Information Memorandum. Such parties will safeguard your personal information and use it only for the permitted purposes.
- g. Where you submit the Application Form on behalf of a third party, you confirm that you have all necessary consents and authorisations from the relevant investor. By signing the Application Form, you confirm that (i) you have read and understood these data protection provisions; (ii) the information you provide is accurate; and (iii) where you provide data about another person (such as an Investor, joint applicant or authorised signatory), you have informed them of these provisions and obtained any and all relevant consent(s) required by law.
- h. All collection and processing of personal information will be carried out in accordance with the Data Protection Act and the regulations issued thereunder. We may update these data protection provisions to reflect changes in law or our practices. We will communicate material changes where required.

FORM OF BANK GUARANTEE

REF:

DATE:

THE DIRECTORS,

SOKONI RETAIL KENYA LIMITED

2ND FLOOR, THE COUNTRY SIDE VIVEA BUSINESS PARK

SAINT PIERRE, MAURITIUS

DEAR SIRs,

IRREVOCABLE BANK GUARANTEE IN RESPECT OF PAYMENT FOR ALLOCATION OF OFFER SHARES TO {INSERT NAME OF THE INVESTOR} FOR THE INITIAL PUBLIC OFFER (IPO) BY QUICK MART PLC

WHEREAS [NAME OF INVESTOR] [THE "INVESTOR"] HAS BY AN APPLICATION, SERIAL NUMBER [INSERT SERIAL NUMBER], DATED [INSERT DATE] APPLIED FOR [INSERT THE NUMBER OF SHARES] ("OFFER SHARES") IN THE 2026 IPO BY QUICK MART PLC ("QUICKMART IPO") AS SET OUT IN THE INFORMATION MEMORANDUM ("IM") DATED 02 OCTOBER, 2026.

AND WHEREAS IT HAS BEEN STIPULATED IN THE QUICKMART IPO IM THAT THE INVESTOR SHALL FURNISH YOU WITH AN IRREVOCABLE ON DEMAND GUARANTEE FOR THE FULL VALUE PAYABLE FOR THE OFFER SHARES APPLIED FOR AT THE OFFER PRICE.

AND WHEREAS WE [NAME OF GUARANTOR] HAVE AGREED TO GIVE THIS BANK GUARANTEE AND REPRESENT AND WARRANT THAT WE HAVE FULL POWER, AUTHORITY, AND LEGAL CAPACITY TO ENTER INTO AND PERFORM THIS GUARANTEE, THAT THIS GUARANTEE CONSTITUTES ITS LEGAL, VALID, AND BINDING OBLIGATIONS ENFORCEABLE AGAINST IT IN ACCORDANCE WITH ITS TERMS, THAT THE EXECUTION AND PERFORMANCE OF THIS GUARANTEE DO NOT VIOLATE ANY APPLICABLE LAW OR ANY CONTRACTUAL RESTRICTION BINDING UPON IT, AND THAT ALL INFORMATION PROVIDED BY THE GUARANTOR IN CONNECTION WITH THIS GUARANTEE IS TRUE, ACCURATE, AND COMPLETE IN ALL MATERIAL RESPECTS.

NOW, AT THE REQUEST OF THE INVESTOR AND IN CONSIDERATION OF YOUR ALLOCATION TO THE INVESTOR THE OFFER SHARES, OR SUCH LESSER NUMBER AS YOU SHALL IN YOUR ABSOLUTE DISCRETION DETERMINE, WE HEREBY IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE, AS PRIMARY OBLIGOR, TO PAY YOU IN KENYA SHILLINGS, UPON RECEIPT OF THIS ORIGINAL GUARANTEE AND YOUR FIRST WRITTEN DEMAND THROUGH STANBIC BANK KENYA LIMITED IN FULL WITHOUT SET OFF OR COUNTER CLAIM AND FREE FROM ANY DEDUCTION OR WITHHOLDING WHATSOEVER, SUCH SUM AS MAY BE DEMANDED BY YOU UP TO A MAXIMUM SUM OF KENYA SHILLINGS ([WORDS][FIGURES]) WITHOUT YOUR NEEDING TO PROVE OR TO SHOW GROUNDS OR REASONS FOR YOUR DEMAND OR THE SUM SPECIFIED THEREIN.

PROVIDED ALWAYS THAT THIS GUARANTEE IS STRICTLY LIMITED TO THE OFFER PRICE FOR THE OFFER SHARES AND EXPRESSLY EXCLUDES ANY FEES, COSTS, COMMISSIONS, LEVIES, EXPENSES, TAXES, DUTIES, INTEREST, DEFAULT INTEREST, PENALTIES, OR SIMILAR AMOUNTS, NONE OF WHICH SHALL BE RECOVERABLE FROM THE GUARANTOR UNDER THIS UNDERTAKING. THIS GUARANTEE SHALL NOT BE DISCHARGED, RELEASED, OR OTHERWISE AFFECTED BY ANY AMENDMENT, SUPPLEMENT, OR WAIVER OF THE TERMS OF THE IPO OR THE IM, ANY EXTENSION OF TIME, INDULGENCE, OR CONCESSION GRANTED BY THE ISSUER, OR THE INSOLVENCY, RESTRUCTURING, OR DISSOLUTION OF ANY PERSON, OR ANY OTHER ACT, OMISSION, MATTER, OR CIRCUMSTANCE WHICH MIGHT OTHERWISE OPERATE TO DISCHARGE OR EXONERATE A GUARANTOR SAVE AS OTHERWISE INDICATED IN THIS GUARANTEE.

THIS GUARANTEE WILL REMAIN IN FORCE UP TO AND INCLUDING 5:00 P.M. ON [INSERT LAST DATE OF PAYMENT FOR IBG] ["EXPIRY DATE AND TIME"] AND ANY CLAIM OR DEMAND FOR PAYMENT UNDER IT MUST BE RECEIVED BY US AT [INSERT ADDRESS] ON OR BEFORE THE EXPIRY DATE AND TIME. THIS GUARANTEE IS SUBJECT TO THE UNIFORM RULES FOR DEMAND GUARANTEES (URDG) 2010 REVISION, ICC PUBLICATION NO.758 AND SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE REPUBLIC OF KENYA. THE COURTS OF THE REPUBLIC OF KENYA SHALL HAVE EXCLUSIVE JURISDICTION TO SETTLE ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH IT.

THIS IBG CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES, NO AMENDMENT TO IT SHALL BE EFFECTIVE UNLESS MADE IN WRITING AND SIGNED BY ALL PARTIES

IN WITNESS WHEREOF THIS LETTER OF IRREVOCABLE BANK GUARANTEE HAS BEEN EXECUTED BY US ON THIS

[DATE ON OR BEFORE [DATE]].

[SIGNED AS PER THE GUARANTOR]



REPORTING ACCOUNTANT'S REPORT

QUICK MART LIMITED

REPORTING ACCOUNTANT'S REPORT ON THE COMPILATION OF HISTORICAL FINANCIAL STATEMENTS, REVIEW OF FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2021, 2022, 2023, 2024, 2025 AND SIX MONTHS PERIOD ENDED 30 JUNE 2026 AND EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION AS OF 31 DECEMBER 2027 AND FOR THE PERIOD FROM 1 JULY 2026 TO 31 DECEMBER 2027

To The Directors
Quick Mart Limited
Ruaka - Old Limuru Road
P.O. Box 2361-00621
Nairobi, Kenya

COMPILATION REPORT ON THE HISTORICAL FINANCIAL STATEMENTS

We have compiled the accompanying historical financial statements for Quick Mart Limited for the years ended 31 December 2021, 2022, 2023, 2024, 2025 and six months' period ended 30 June 2026 ("the Financial Statements") based on information you provided.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), *Compilation Engagements*.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of the Financial Information as prescribed by The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (the "POLD Regulations"). We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These Financial Statements, and the accuracy and completeness of the information used to compile it are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the Financial Statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

As stated on Note 1 (b), the Financial Statements are prepared and presented on the basis prescribed by IFRS Accounting Standards as issued by the International Accounting Standards Board for the purpose of Quick Mart Limited complying with the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (the "POLD Regulations"). Accordingly, the Financial Information is for use only in connection with that purpose and may not be suitable for any other purpose.

Our compilation report is intended solely for the use of Quick Mart Limited, Capital Markets Authority, Nairobi Securities Exchange (NSE), and Potential Shareholders, and should not be distributed to parties other than Quick Mart Limited, Capital Markets Authority, Nairobi Securities Exchange (NSE), and Potential Shareholders.



For and on behalf of Ernst & Young LLP
Certified Public Accountants
Nairobi, Kenya

29 September 2026

INDEPENDENT PRACTITIONER'S REVIEW REPORT

To The Directors
Quick Mart Limited
Ruaka - Old Limuru Road
P.O. Box 2361-00621
Nairobi, Kenya

Report on the Financial Statements

We have reviewed the accompanying financial statements of Quick Mart Limited which comprise the statement of financial position as at 30 June 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the years ended 31 December 2021, 2022, 2023, 2024, 2025 and the six months' period ended 30 June 2026, and a summary of material accounting policy information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with auditing standards issued by the International Auditing and Assurance Standards Board. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Quick Mart Limited as at 30 June 2026, and of its financial performance and cash flows for the years ended 31 December 2021, 2022, 2023, 2024, 2025 and the six months' period ended 30 June 2026, in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board.



For and on behalf of Ernst & Young LLP
Certified Public Accountants
Nairobi, Kenya

29 September 2026

QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

B. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		30 June 2026 (6 months) KShs 000	31 December 2025 KShs 000	31 December 2024 KShs 000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
	Notes						
Revenue	4	27,266,942	50,427,637	46,707,717	41,215,775	34,781,302	25,680,587
Cost of sales	5	<u>(21,120,797)</u>	<u>(39,349,358)</u>	<u>(36,432,225)</u>	<u>(32,577,573)</u>	<u>(27,385,087)</u>	<u>(20,274,410)</u>
Gross profit		6,146,145	11,078,279	10,275,492	8,638,202	7,396,215	5,406,177
Other income	6	<u>167,920</u>	<u>339,999</u>	<u>284,187</u>	<u>233,431</u>	<u>181,009</u>	<u>190,753</u>
Operating Income		<u>6,314,065</u>	<u>11,418,278</u>	<u>10,559,679</u>	<u>8,871,633</u>	<u>7,577,224</u>	<u>5,596,930</u>
EXPENSES							
Employee benefits	7	(1,758,232)	(3,155,532)	(2,936,397)	(2,619,561)	(2,331,089)	(1,692,958)
Administration and general expenses	8	(1,755,101)	(3,172,049)	(3,017,636)	(2,588,187)	(2,157,956)	(1,687,813)
Depreciation of property and equipment	13	(354,848)	(696,767)	(739,760)	(773,055)	(660,951)	(540,409)
Depreciation of right-of-use assets	19	(497,954)	(897,467)	(872,602)	(845,256)	(745,535)	(554,601)
Amortisation of intangible assets	14	(17,343)	(30,575)	(33,408)	(38,003)	(28,162)	(24,128)
Allowance for expected credit losses	9	<u>17,981</u>	<u>(15,104)</u>	<u>6,203</u>	<u>(28,473)</u>	<u>(12,426)</u>	<u>297</u>
Operating expenses		<u>(4,365,497)</u>	<u>(7,967,494)</u>	<u>(7,593,600)</u>	<u>(6,892,535)</u>	<u>(5,936,119)</u>	<u>(4,499,612)</u>
Operating profit before finance costs and tax		1,948,568	3,450,784	2,966,079	1,979,098	1,641,105	1,097,318
Net finance charges	10	<u>(698,782)</u>	<u>(1,284,016)</u>	<u>(1,321,908)</u>	<u>(1,333,101)</u>	<u>(1,239,048)</u>	<u>(828,203)</u>
Profit before tax	11	1,249,786	2,166,768	1,644,171	645,997	402,057	269,115
Income tax expense	12(b)	<u>(376,993)</u>	<u>(658,194)</u>	<u>(509,364)</u>	<u>(196,386)</u>	<u>(127,099)</u>	<u>(86,478)</u>
Profit for the year		872,793	1,508,574	1,134,807	449,611	274,958	182,637
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year, net of tax		<u>872,793</u>	<u>1,508,574</u>	<u>1,134,807</u>	<u>449,611</u>	<u>274,958</u>	<u>182,637</u>
Earnings per share: Basic and diluted earnings per ordinary share	22(b)	<u>0.21820</u>	<u>0.37714</u>	<u>0.28370</u>	<u>0.11240</u>	<u>0.06874</u>	<u>0.04566</u>

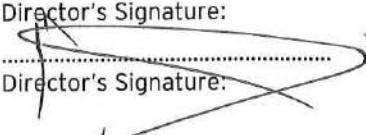
QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

C. STATEMENT OF FINANCIAL POSITION

		30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
ASSETS	Notes						
<i>Non-current assets:</i>							
Property and equipment	13	5,656,763	5,260,143	4,888,915	5,272,278	5,179,840	4,031,101
Right-of-use assets	19	5,740,195	5,168,594	5,319,591	5,965,074	6,003,207	4,694,829
Intangible assets	14	94,406	99,725	85,590	103,632	92,974	74,084
Deferred tax asset	15	550,400	552,407	508,480	418,975	261,291	122,557
Long term deposits	16	222,114	222,114	216,227	216,227	218,720	185,281
Total non-current assets		12,263,878	11,302,983	11,018,803	11,976,186	11,756,032	9,107,852
<i>Current assets:</i>							
Inventories	17	3,815,047	4,430,959	3,554,903	3,418,462	3,540,275	2,366,886
Trade and other receivables	18	1,594,215	1,795,159	1,612,104	1,605,839	1,470,540	727,504
Short term deposits	20	314,252	1,393,514	806,575	9,069	36,339	389,016
Cash and cash equivalents	21	385,916	802,450	1,069,407	1,327,891	597,835	539,803
Shareholders' advance	26 (vi)	1,100,000	-	-	-	-	-
Total current assets		7,209,430	8,422,082	7,042,989	6,361,261	5,644,989	4,023,209
TOTAL ASSETS		19,473,308	19,725,065	18,061,792	18,337,447	17,401,021	13,131,061
EQUITY AND LIABILITIES							
EQUITY							
Share capital	22(a)	130	130	130	130	130	130
Share premium	22(a)	799,970	799,970	799,970	799,970	799,970	799,970
Retained earnings		1,128,554	255,761	394,242	435,900	586,289	311,331
Proposed dividends	23	-	-	-	-	-	288,235
Total equity		1,928,654	1,055,861	1,194,342	1,236,000	1,386,389	1,399,666
LIABILITIES							
<i>Non-current Liabilities:</i>							
Borrowings	24	-	-	46,286	177,066	588,748	145,572
Lease liabilities	19	6,972,482	6,510,056	6,312,982	6,835,239	6,476,055	5,083,477
Total non-current liabilities		6,972,482	6,510,056	6,359,268	7,012,305	7,064,803	5,229,049
<i>Current liabilities:</i>							
Borrowings	24	6,776	46,286	130,780	611,682	356,824	397,528
Lease liability	19	1,000,414	811,103	885,355	655,848	618,377	243,734
Dividends payable		-	-	-	-	182,353	-
Trade and other payables	25	9,383,713	11,218,156	9,288,787	8,724,860	7,667,824	5,745,875
Income tax payable	12(c)	181,269	83,603	203,260	96,752	124,451	115,209
Total current liabilities		10,572,172	12,159,148	10,508,182	10,089,142	8,949,829	6,502,346
TOTAL LIABILITIES		17,544,654	18,669,204	16,867,450	17,101,447	16,014,632	11,731,395
TOTAL EQUITY AND LIABILITIES		19,473,308	19,725,065	18,061,792	18,337,447	17,401,021	13,131,061

The compiled financial information on pages 3 to 41 were approved for issue by the board of directors on 29 September 2026 and signed on its behalf by:

Jacques Dome
Director's Name:
Peter Kang'iri
Director's Name:


Director's Signature:

Director's Signature:

QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

D. STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital KShs '000	Share premium KShs '000	Retained earnings KShs '000	Proposed dividends KShs '000	Total KShs '000
At 1 January 2021		130	799,970	416,929	-	1,217,029
Profit for the year		-	-	182,637	-	182,637
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	182,637	-	182,637
Proposed dividend:						
Interim	23	-	-	(105,882)	105,882	-
Final	23	-	-	(182,353)	182,353	-
At 31 December 2021		<u>130</u>	<u>799,970</u>	<u>311,331</u>	<u>288,235</u>	<u>1,399,666</u>
At 1 January 2022		130	799,970	311,331	288,235	1,399,666
Profit for the year		-	-	274,958	-	274,958
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	274,958	-	274,958
Dividend:						
2021 dividend	23	-	-	-	(288,235)	(288,235)
At 31 December 2022		<u>130</u>	<u>799,970</u>	<u>586,289</u>	<u>-</u>	<u>1,386,389</u>
At 1 January 2023		130	799,970	586,289	-	1,386,389
Profit for the year		-	-	449,611	-	449,611
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	449,611	-	449,611
Dividend:						
Interim dividend paid	23	-	-	(600,000)	-	(600,000)
At 31 December 2023		<u>130</u>	<u>799,970</u>	<u>435,900</u>	<u>-</u>	<u>1,236,000</u>

QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

D. STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital KShs '000	Share premium KShs '000	Retained profit KShs '000	Proposed dividends KShs '000	Total KShs '000
At 1 January 2024		130	799,970	435,900	-	1,236,000
Profit for the year		-	-	1,134,807	-	1,134,807
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	1,134,807	-	1,134,807
Dividend:						
Interim dividend paid	23	-	-	(1,176,465)	-	(1,176,465)
At 31 December 2024		130	799,970	394,242	-	1,194,342
At 1 January 2025		130	799,970	394,242	-	1,194,342
Profit for the year		-	-	1,508,574	-	1,508,574
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	1,508,574	-	1,508,574
Dividend:						
Interim dividend paid	23	-	-	(1,647,055)	-	(1,647,055)
At 31 December 2025		130	799,970	255,761	-	1,055,861
At 1 January 2026		130	799,970	255,761	-	1,055,861
Profit for the year		-	-	872,793	-	872,793
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	872,793	-	872,793
Dividend:						
Interim dividend paid	23	-	-	-	-	-
At 30 June 2026		130	799,970	1,128,554	-	1,928,654

QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

E. STATEMENT OF CASH FLOWS

		30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
OPERATING ACTIVITIES							
Profit before tax	Notes	1,249,788	2,166,768	1,644,171	645,997	402,057	269,115
Adjustments for: -							
Depreciation property and equipment	13	354,848	696,767	739,760	773,055	660,951	540,409
- Right-of-use assets	19	497,954	897,467	872,602	845,256	745,535	554,601
Amortisation charge on intangible assets	14	17,343	30,575	33,408	38,003	28,162	24,128
Finance charges on capital leases	19	554,623	1,008,131	995,480	997,803	909,026	580,193
Rent concessions	19	-	-	-	-	-	3,773
Gain on termination of lease	6	-	(17,489)	-	-	-	(685)
Gain on disposal of property and equipment	6	(628)	(3,683)	(6,839)	-	(2,703)	-
Operating profit before working capital changes		2,673,928	4,778,536	4,278,582	3,300,114	2,743,028	1,971,534
Working capital changes:							
- Inventories		615,912	(876,056)	(136,441)	121,813	(1,173,389)	(682,384)
- Trade and other receivables		200,944	(183,055)	(6,265)	(135,299)	(743,036)	(512,909)
- Shareholders' advance	26 (vi)	(1,100,000)	-	-	-	-	-
- Trade and other payables		(1,834,447)	1,929,369	563,927	1,057,036	1,921,949	1,310,601
Cash generated from operations		556,337	5,648,794	4,699,803	4,343,664	2,748,552	2,086,842
Income tax paid	12(c)	(277,320)	(821,778)	(492,361)	(381,769)	(256,591)	(103,883)
Net cash generated from operating activities		279,017	4,827,016	4,207,442	3,961,895	2,491,961	1,982,959
INVESTING ACTIVITIES							
Purchase of property and equipment	13	(751,628)	(1,089,658)	(393,456)	(865,493)	(1,812,446)	(1,208,697)
Proceeds from disposal of property and equipment		790	25,346	43,898	-	4,136	-
Purchase of intangible assets	14	(12,024)	(44,710)	(15,366)	(48,661)	(45,729)	(27,796)
Payments for long term deposits		-	(5,887)	-	2,493	(33,439)	(41,993)
Net cash used in investing activities		(762,862)	(1,114,909)	(364,924)	(911,661)	(1,887,478)	(1,278,486)

QUICK MART LIMITED
COMPILED FINANCIAL INFORMATION

E. STATEMENT OF CASH FLOWS (CONTINUED)

		30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
FINANCING ACTIVITIES	Notes						
Proceeds from bank borrowings	24	-	-	-	200,000	800,000	500,000
Repayment of bank borrowings	24	(39,510)	(130,780)	(611,682)	(356,824)	(262,528)	(91,900)
Payment of dividends		-	(1,647,055)	(1,176,465)	(782,353)	(105,882)	-
Proceeds from shareholder's loan	24	-	-	-	-	-	225,000
Repayment of shareholders' loan	24	-	-	-	-	(135,000)	(620,000)
Repayment of lease liabilities	19	(972,441)	(1,614,290)	(1,515,349)	(1,408,271)	(1,195,718)	(827,473)
Net cash used in financing activities		(1,011,951)	(3,392,125)	(3,303,496)	(2,347,448)	(899,128)	(814,373)
Net (decrease)/increase in cash and cash equivalents		(1,495,796)	319,982	539,022	702,786	(294,645)	(109,900)
Cash and cash equivalents as at 1 January		2,195,964	1,875,982	1,336,960	634,174	928,819	1,038,719
Cash and cash equivalents as at		700,168	2,195,964	1,875,982	1,336,960	634,174	928,819
Represented by:							
Short term investments	20	314,252	1,393,514	806,575	9,069	36,339	389,016
Cash and cash equivalents	21	385,916	802,450	1,069,407	1,327,891	597,835	539,803
		700,168	2,195,964	1,875,982	1,336,960	634,174	928,819

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements of Quick Mart Limited (the "Company") are set out below. These policies have been consistently applied, unless otherwise stated.

a) Basis of preparation

The measurement basis applied is historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenyan Shilling (KShs), which is also the functional currency, rounded to the nearest thousand (KSh'000') unless expressly stated otherwise.

b) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and in the manner required by the Kenyan Companies Act, 2015.

For purposes of reporting under the Kenyan Companies Act, the balance sheet in these financial statements is represented by the statement of financial position, and the profit or loss account is represented by the statement of profit or loss and other comprehensive income.

c) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(d) Revenue from contracts with customers

The Company is in the business of running retail supermarket stores in Kenya. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it acts as the principal in the revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Revenue from contracts with customers (continued)

Loyalty points program

The Company has a loyalty points program, *Qpoints*, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points.

The Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue. The disclosures of significant estimates and assumptions relating to the estimation of the stand-alone selling price of the loyalty points are provided on Note 2.

(e) Tax

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognized for all taxable temporary differences, except:

- Where the deferred tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Tax (Continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognised in other comprehensive income or equity are also recognised in other comprehensive income or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value added tax

Expenses and assets are recognised net of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable, and
- When receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(f) Property and equipment

Construction in progress (capital work-in-progress) is stated at cost, net of accumulated impairment losses, if any. Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Depreciation is calculated on a reducing balance basis over the estimated useful lives of the assets, as follows:

- Property and fixtures at 12.5% per year
- Partitions and fixtures at 12.5% per year
- Bakery, fridges and commercial kitchen at 12.5% per year
- Heavy machinery at 12.5% per year
- Computers at 30% per year
- Motor vehicles at 25 % on reducing balance

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) *Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office /Store Space 4 - 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) *Lease liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings.

iii) *Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leases (continued)

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Company acts as a lessor of premises. The Company leases out space within its premises. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases. Further disclosures relating to rental income are also provided in Note 6.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss. Software licenses are amortised over a period of between 5 and 10 years.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective of holding financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial assets at amortised cost (debt instruments)

The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective of holding financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade and other receivables, short term investments and cash and cash equivalents.

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (Continued)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies the simplified approach in calculating ECL. The Company's probabilities of default are based on the credit ratings obtained from credit agencies such as Fitch. A Lifetime PD is applied to the exposures. The days to maturity of the exposure are used to map the appropriate lifetime PD. The Company applies Loss Given Default percentages based on the industry in which the counterparty operates in.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Note 2 significant accounting judgements, estimates and assumptions
- Note 18 Trade receivables

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, loan from shareholder and lease liabilities.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost (loans and borrowings)
- Financial liabilities at fair value through profit or loss

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

The Company has not designated any financial liability at fair value through profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Trade discounts, rebates and other similar items are deducted in determining the cost of inventories.

The Company operates a periodic inventory system, whereby the cost of inventories sold during the period is determined based on physical inventory counts and inventory movement records. Inventory quantities are verified through regular cycle counts and comprehensive physical stock counts conducted at reporting dates. Any differences identified between recorded and actual inventory quantities are investigated and appropriately adjusted in the accounting records.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(k) Inventories (continued)

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Inventories are assessed periodically for indicators of impairment, including slow-moving, obsolete, expired, damaged or discontinued goods. Where the carrying amount of inventory exceeds its net realisable value, the inventory is written down to net realisable value and the resulting loss is recognised in profit or loss within cost of sales.

The Company operates in the retail grocery sector where inventory losses may arise from shrinkage, including theft, spoilage, handling losses, administrative errors and other inventory variances. Shrinkage is assessed through periodic stock counts, inventory reconciliations and trend analyses. Identified shrinkage losses are recognised in profit or loss within cost of sales in the period in which they are determined.

The amount of inventory recognised as an expense during the period, including inventory write-downs, write-offs and shrinkage losses, is included within cost of sales in the statement of profit or loss. Any subsequent reversal of inventory write-downs arising from an increase in net realisable value is recognised in profit or loss in the period in which the reversal occurs, to the extent of the original write-down.

(l) Impairment of non-financial assets

At each reporting date, non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(m) Cash and short-term deposits

These comprise cash on hand and at bank and short-term highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(n) Pensions and other post-employment benefits

The Company contributes to the statutory National Social Security Fund (NSSF). This fund is a defined contribution scheme registered under the National Social Security Fund Act. The Company's obligations under this scheme are limited to specific contributions legislated from time to time and are currently limited to a maximum of KShs. 540 per employee per month for Tier 1 contributions remitted to NSSF and KShs 3,780 per month for Tier 2 contributions. Tier 2 Contributions have been contracted out to a collective pension fund managed by Prudential Life Assurance Kenya Limited.

The Company's obligations to the scheme are recognized in the statement of profit or loss and other comprehensive income.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) New and amended standards, interpretations and improvements

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS for periods beginning on or after 1 January 2026. The new standards and amendments effective as of 1 January 2026 are listed below. The adoption of the standard and amendments did not have an impact on the financial statements of the Company.

New standards or amendments	Effective for annual period beginning on or after
Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards Volume 11	1 January 2026
Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7	1 January 2026

New standards, amendments and interpretations in issue but not yet effective for the period ended 30 June 2026

Effective for annual periods beginning on or after 1 January 2027

- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
- Translation to a hyperinflationary presentation currency - Amendments to IAS 21

Effective for annual periods beginning on or after 1 January 2029

- IFRS 20 - Regulatory Assets and Regulatory Liabilities 21

Effective date postponed indefinitely

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28
- Amendments to illustrative examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

Statement of profit or loss

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'. 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'

Main business activities

For the purposes of classifying its income and expenses into the categories required by IFRS 18, an entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity is a matter of fact and circumstances which require judgement. An entity may have more than one main business activity.

Management-defined performance measures IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) New and amended standards, interpretations and improvements (continued)

Changes in material accounting policies information (continued)

IFRS 18 - Presentation and Disclosure in Financial Statements (continued)

Location of information, aggregation and disaggregation IFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. IFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

Consequential amendments to other accounting standards Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss'. The optionality around classification of cash flows from dividends and interest in the statement of cash flows has also largely been removed. New requirements have been added to IAS 33 Earnings per Share that only permit entities to disclose additional amounts per share if the numerator used in the calculation meets specified criteria. The numerator must be:

- An amount attributable to ordinary equity holders of the parent entity; and
- A total or subtotal identified by IFRS 18 or an MPM as defined by IFRS 18.

Some requirements previously included within IAS 1 have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis of Preparation of Financial Statements. IAS 34 Interim Financial Reporting has been amended to require disclosure of MPMs. Transition IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

The entity is currently assessing the expected impact on the financial statements as well as the relevant adoption strategies in case of a significant impact.

Except IFRS 18 - Presentation and Disclosure in Financial Statements as discussed above, the amendments are not expected to have an impact on the Company's financial statements at 31 December 2025.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties include:

- Capital management
- Financial instruments risk management and policies
- Sensitivity analyses disclosures

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

2. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

The key areas of judgement and sources of estimation uncertainty are as set out below:

Determining the lease term of contracts with renewal and termination options - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The Company included the renewal period as part of the lease term for leases of buildings with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of buildings with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification - Company as lessor

The Company has entered into commercial property subleases on its leased properties. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the leases and the present value of the minimum lease payments not amounting to substantially all of the fair value of the leases, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Allowance for expected credit losses

The Company uses a counterparty credit rating methodology to calculate ECLs for trade receivables and cash and bank balances. Counterparties are grouped based on similar credit risk characteristics including customer type, industry and available credit ratings. Credit ratings obtained from recognised rating agencies, such as Moody's and Fitch are used where available, to assess the credit quality of counterparties and determine the associated probability of default for ECL measurement.

ECLs are derived from historical default data corresponding to each counterparty credit rating category. At each reporting date, the Company reviews the credit ratings and credit risk profiles of counterparties and updates the underlying default assumptions where necessary, to reflect changes in credit quality when estimating expected credit losses.

The information about the ECLs on the Company's long term deposits, trade receivables, short term deposits and cash and cash equivalents is disclosed in Notes 3 and 18.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

2. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Income Taxes

The Company is subject to income taxes in Kenya. Significant judgement is required in determining the Company's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Further details on income taxes are disclosed in Notes 12 and 15.

Useful lives of property and equipment

The Company reviews the estimated useful lives and residual values of property and equipment at the end of each reporting period. In reviewing the useful lives of property and equipment, the Company considers the remaining period over which an asset is expected to be available for use. The rates used are set out in the accounting policy for property, plant and equipment, Note 1(f) and the carrying amount of property, plant and equipment is in Note 13.

Revenue recognition - Estimating stand-alone selling price - Qpoints loyalty program

The Company estimates the stand-alone selling price of the loyalty points awarded under the *Qpoints* program. The stand-alone selling price of the loyalty points issued is calculated by multiplying the estimated redemption rate and the monetary value assigned to the loyalty points. In estimating the redemption rate, the Company considers breakage which represents the portion of the points issued that will never be redeemed. The Company applies statistical projection methods in its estimation using customers' historical redemption patterns as the main input. The redemption rate is updated quarterly and the liability for the unredeemed points is adjusted accordingly. In estimating the value of the points issued, the Company considers the mix of products that will be available in the future in exchange for loyalty points and customers' preferences. The Company ensures that the value assigned to the loyalty points is commensurate to the stand-alone selling price of the products eligible for redemption (i.e., the value of each point is equivalent to the stand-alone selling price of any products eligible for redemption divided by number of points required). As points issued under the program do not expire, estimates of the stand-alone selling price are subject to significant uncertainty. Any significant changes in customers' redemption patterns will impact the estimated redemption rate. The estimated liability for unredeemed points was as follows:-

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Provision for loyalty point liabilities	<u>79,538</u>	<u>139,070</u>	<u>117,070</u>	<u>87,504</u>	<u>48,749</u>	<u>24,981</u>

If the estimated redemption rate used had been higher by 1% than management's estimate, the carrying amount of the estimated liability for unredeemed points would have been higher by:-

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
1% change in redemption rates	<u>795</u>	<u>1,391</u>	<u>1,171</u>	<u>875</u>	<u>487</u>	<u>250</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

2. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease; therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

3. FINANCIAL RISK MANAGEMENT

The Company carries out its activities in an extremely dynamic, and often highly volatile, commercial environment. Therefore, both opportunities and risks are encountered as part of everyday business for the Company. The Company's ability to recognise, successfully control and manage risks early in their development and to identify and exploit opportunities is key to its ability to successfully realise the corporate vision. The Company has exposure to the following risks from its use of financial instruments:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk
- iv) Capital management

Changing market conditions expose the Company to various financial risks and management have highlighted the importance of financial risk management as an element of control for the Company. The policy of the Company is to minimise the negative effect of such risks on cash flow, financial performance and equity. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

i) *Market risk*

Market risk is the risk that changes in market prices, such as changes in interest rates or foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing returns.

Interest rate risk

The Company's exposure to market risk due to changes in market interest rates relates primarily to the Company's long and short-term obligations and assets with variable interest rates. The assets and liabilities with exposure to interest rate risk were as follows: -

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Short term deposits	314,252	1,393,514	806,575	9,069	36,339	389,016
Borrowings	<u>6,776</u>	<u>46,286</u>	<u>177,066</u>	<u>788,748</u>	<u>945,572</u>	<u>543,100</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

i) *Market risk*

Interest rate risk (Continued)

The table below summarizes the effect on pre-tax profits and equity had interest rates been 1 percentage point higher/ (lower), with all other variables held constant.

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Increase/ (decrease)						
Pre-tax profit	<u>3,075</u>	<u>13,472</u>	<u>6,295</u>	<u>7,797</u>	<u>9,092</u>	<u>1,541</u>
Equity	<u>2,152</u>	<u>9,430</u>	<u>4,407</u>	<u>5,458</u>	<u>6,364</u>	<u>1,079</u>

The Company manages interest rate risk through ongoing monitoring of market conditions, maintaining an appropriate mix of fixed and variable rate borrowings, and evaluating opportunities to refinance facilities where appropriate. Management regularly reviews the impact of interest rate movements on the Company's financing costs and cash flows.

ii) *Credit risk*

Credit risk arises from cash at bank and short-term investments as well as trade and other receivables. The Company has policies in place to ensure that sales are made to customers with an appropriate credit history. The credit controllers assess the credit quality of each customer, taking into account its financial position, past experience and other factors. For banks and financial institutions, only reputable well-established financial institutions are accepted. The utilisation of credit limits is regularly monitored. The Company has three types of financial assets that are subject to the expected credit loss model; i.e. trade and other receivables, long-term deposits and cash and cash equivalents.

Trade Receivables

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company and where the debtor has been declared insolvent. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Cash and cash equivalents

For cash at bank, management assesses the expected credit loss based on probability of default attached to the various banks by external rating agencies.

The gross carrying amount of financial assets with exposure to credit risk at the reporting date was as follows:

	Gross amounts KShs '000	Expected credit losses KShs '000	Maximum exposure to credit risk KShs '000
At 30 June 2026			
Long term deposits	231,106	(8,992)	222,114
Trade receivables	1,153,576	(45,952)	1,107,624
Short term deposits	325,221	(10,969)	314,252
Cash at bank	<u>205,550</u>	<u>(36)</u>	<u>205,514</u>
Gross carrying amount	<u>1,915,453</u>	<u>(65,949)</u>	<u>1,849,504</u>
At 31 December 2025			
Long term deposits	231,106	(8,992)	222,114
Trade receivables	1,453,989	(57,423)	1,396,566
Short term deposits	1,410,945	(17,431)	1,393,514
Cash at bank	<u>603,081</u>	<u>(84)</u>	<u>602,997</u>
Gross carrying amount	<u>3,699,121</u>	<u>(83,930)</u>	<u>3,615,191</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

ii) Credit risk (continued)

At 31 December 2024	Gross amounts KShs '000	Expected credit losses KShs '000	Maximum exposure to credit risk KShs '000
Long term deposits	224,979	(8,752)	216,227
Trade receivables	1,386,806	(46,490)	1,340,316
Short term deposits	809,279	(2,704)	806,575
Cash at bank	<u>898,546</u>	<u>(10,880)</u>	<u>887,666</u>
Gross carrying amount	<u>3,319,610</u>	<u>(68,826)</u>	<u>3,250,784</u>
At 31 December 2023			
Long term deposits	224,979	(8,752)	216,227
Trade receivables	1,386,473	(55,228)	1,331,245
Short term deposits	9,069	-	9,069
Cash at bank	<u>1,054,722</u>	<u>(11,049)</u>	<u>1,043,673</u>
Gross carrying amount	<u>2,675,243</u>	<u>(75,029)</u>	<u>2,600,214</u>
At 31 December 2022			
Long term deposits	224,909	(6,189)	218,720
Trade receivables	1,247,893	(30,352)	1,217,541
Short term deposits	36,404	(65)	36,339
Cash at bank	<u>451,576</u>	<u>(9,950)</u>	<u>441,626</u>
Gross carrying amount	<u>1,960,782</u>	<u>(46,556)</u>	<u>1,914,226</u>
At 31 December 2021			
Long term deposits	193,848	(8,567)	185,281
Trade receivables	599,821	(15,989)	583,832
Short term deposits	389,476	(460)	389,016
Cash at bank	<u>344,190</u>	<u>(9,114)</u>	<u>335,076</u>
Gross carrying amount	<u>1,527,335</u>	<u>(34,130)</u>	<u>1,493,205</u>

Changes in expected credit losses

The movement in the loss allowance during the period was primarily driven by changes in the gross carrying amounts of trade receivables and long-term deposits subject to the ECL model. An increase in trade receivables and deposit balances during the period resulted in a corresponding increase in the exposure subject to expected credit loss assessment, while reductions in these balances led to a decrease in the related loss allowance.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

QUICK MART LIMITED
NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

ii) Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

	Cash & cash equivalents 12 months ECL KShs '000	Short-term deposits 12 months ECL KShs '000	Long-term deposits 12 months ECL KShs '000	Trade and other receivables lifetime expected credit loss KShs '000	Total KShs '000
30 June 2026					
Estimated total gross/EAD	205,550	325,221	231,106	1,153,576	1,915,453
Expected credit loss	36	10,969	8,992	45,952	65,949
Expected credit loss rate	0.02%	3.37%	3.89%	3.98%	3.44%
31 December 2025					
Estimated total gross/EAD	603,081	1,410,945	231,106	1,453,989	3,699,121
Expected credit loss	84	17,431	8,992	57,423	83,930
Expected credit loss rate	0.01%	1.24%	3.89%	3.95%	2.27%
31 December 2024					
Estimated total gross/EAD	898,546	809,279	224,979	1,386,806	3,319,610
Expected credit loss	10,880	2,704	8,752	46,490	68,826
Expected credit loss rate	1.21%	0.33%	3.89%	3.35%	2.07%
31 December 2023					
Estimated total gross/EAD	1,054,722	9,069	224,979	1,386,473	2,675,243
Expected credit loss	11,049	-	8,752	55,228	75,029
Expected credit loss rate	1.05%	0.00%	3.89%	3.98%	2.80%
31 December 2022					
Estimated total gross/EAD	451,576	36,404	224,909	1,247,893	1,960,782
Expected credit loss	9,950	65	6,189	30,352	46,556
Expected credit loss rate	2.20%	0.18%	2.75%	2.43%	2.37%
31 December 2021					
Estimated total gross/EAD	344,190	389,476	193,848	599,821	1,527,335
Expected credit loss	9,114	460	8,567	15,989	34,130
Expected credit loss rate	2.65%	0.12%	4.42%	2.67%	2.23%

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iii) Liquidity risk

Liquidity risk concerns the ability of the Company to fulfil its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Changing market conditions expose the Company to various financial risks and management have highlighted the importance of financial risk management as an element of control for the Company. The policy of the Company is to minimise the negative effect of such risks on cash flow, financial performance and equity.

The Company maintains a portfolio of short-term liquid assets, largely made up of bank balances and short-term deposits to ensure that sufficient liquidity is maintained within the Company as a whole. The Company also arranges for short-term borrowings to ensure that the Company's financial obligations are met. The Company's non-derivative financial liabilities analysed into relevant maturities based on remaining period to end of the contractual maturity date is as below:

Amounts due within one year are presented at their carrying amounts. Amounts due after one year are presented on an undiscounted basis and include future interest payments, where applicable.

At 30 June 2026	Less than 1 year KShs '000	Over 1 year KShs '000	Total KShs '000
Trade and other payables	9,128,941	-	9,128,941
Borrowings	6,776	-	6,776
Lease liabilities	1,000,414	11,643,876	12,644,290
Bank guarantees	418,473	-	418,473
	<u>10,554,604</u>	<u>11,643,876</u>	<u>22,198,480</u>
At 31 December 2025			
Trade and other payables	11,013,803	-	11,013,803
Borrowings	46,286	-	46,286
Lease liabilities	811,103	10,526,371	11,337,474
Bank guarantees	467,180	-	467,180
	<u>12,338,372</u>	<u>10,526,371</u>	<u>22,864,743</u>
At 31 December 2024			
Trade and other payables	9,039,488	-	9,039,488
Borrowings	130,780	196,900	327,680
Lease liabilities	885,355	9,961,942	10,847,297
Bank guarantees	455,848	-	455,848
	<u>10,511,471</u>	<u>10,158,842</u>	<u>20,670,313</u>
At 31 December 2023			
Trade and other payables	8,517,788	-	8,517,788
Borrowings	611,682	876,025	1,487,707
Lease liabilities	655,848	10,458,110	11,113,958
Bank guarantees	298,011	-	298,011
	<u>10,083,329</u>	<u>11,334,135</u>	<u>21,417,464</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Liquidity risk (Continued)

	At 31 December 2022	Less than 1 year KShs '000	Over 1 year KShs '000	Total KShs '000
Trade and other payables		7,537,492	-	7,537,492
Borrowings		356,824	1,088,328	1,445,152
Lease liabilities		618,377	10,146,514	10,764,891
Bank guarantees		<u>249,761</u>	<u>-</u>	<u>249,761</u>
		<u>8,762,454</u>	<u>11,234,842</u>	<u>19,997,296</u>
	At 31 December 2021			
Trade and other payables		5,594,262	-	5,594,262
Borrowings		397,528	468,432	865,960
Lease liabilities		243,734	8,663,671	8,907,405
Bank guarantees		<u>180,120</u>	<u>-</u>	<u>180,120</u>
		<u>6,415,644</u>	<u>9,132,103</u>	<u>15,547,747</u>

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
4. REVENUE						
Sales	<u>27,266,942</u>	<u>50,427,637</u>	<u>46,707,717</u>	<u>41,215,775</u>	<u>34,781,302</u>	<u>25,680,587</u>
Revenue recognition: At a point in time	<u>27,266,942</u>	<u>50,427,637</u>	<u>46,707,717</u>	<u>41,215,775</u>	<u>34,781,302</u>	<u>25,680,587</u>
5. COST OF SALES						
Cost of sales	<u>21,120,797</u>	<u>39,349,358</u>	<u>36,432,225</u>	<u>32,577,573</u>	<u>27,385,087</u>	<u>20,274,410</u>
6. OTHER INCOME						
* Fees - gondolas	94,500	200,224	170,000	145,795	90,472	107,743
Rental income	36,444	63,680	54,512	50,874	32,453	28,372
Gain on termination of lease (Note 19)	-	17,489	-	-	-	685
Branding	2,744	8,936	4,843	11,522	7,400	11,891
Finance income	24,000	21,138	22,142	1,057	10,094	13,034
Gain on disposal of property and equipment	628	3,683	6,839	-	2,703	-
**Commissions from agency banking	<u>9,604</u>	<u>24,849</u>	<u>25,851</u>	<u>24,183</u>	<u>37,887</u>	<u>29,028</u>
	<u>167,920</u>	<u>339,999</u>	<u>284,187</u>	<u>233,431</u>	<u>181,009</u>	<u>190,753</u>

* Gondola income relates to fees earned from suppliers for the use of premium merchandising and display space within the Company's retail stores.

** Agency banking income relates to commissions earned from the provision of agency banking and mobile money services through the Company's retail outlets.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
7. EMPLOYEE BENEFITS						
Salaries and wages	1,613,115	2,841,448	2,676,983	2,398,603	2,167,196	1,590,666
National Social Security Fund (NSSF)	29,748	49,571	31,245	13,790	2,251	1,601
Staff welfare	115,369	264,513	228,169	207,168	161,642	100,691
	<u>1,758,232</u>	<u>3,155,532</u>	<u>2,936,397</u>	<u>2,619,561</u>	<u>2,331,089</u>	<u>1,692,958</u>
	30 June 2026 (6 months) No. of staff	31 December 2025 No. of staff	31 December 2024 No. of staff	31 December 2023 No. of staff	31 December 2022 No. of staff	31 December 2021 No. of staff
The average number of persons employed during the year, by category, were:						
Permanent	1,906	1,881	1,351	1,230	1,036	773
Outsourced	6,068	5,638	5,962	4,431	4,273	3,706
Total	<u>7,974</u>	<u>7,519</u>	<u>7,313</u>	<u>5,661</u>	<u>5,309</u>	<u>4,479</u>
	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
8. ADMINISTRATION AND GENERAL EXPENSES						
Electricity and water	355,817	642,204	682,794	629,489	428,490	339,136
Cleaning	126,430	227,649	216,624	192,893	188,180	158,546
Professional fees	107,856	166,307	246,478	170,034	181,220	163,605
Security	125,432	220,683	204,614	167,147	177,892	144,423
Management fees	126,925	208,424	141,400	155,954	136,484	85,195
Advertising and sales promotion	139,278	210,657	109,542	92,602	129,610	125,158
Repairs and maintenance	100,197	165,669	169,260	135,556	100,511	95,962
Non-deductible input VAT	50,002	99,985	99,666	98,666	86,767	39,423
Office expenses	105,535	209,476	190,748	162,778	85,337	54,655
Loyalty points expenses	73,568	273,072	195,787	150,108	82,249	38,239
Computer software expenses	36,216	61,098	106,843	104,849	80,685	69,120
Insurance	40,546	82,812	70,429	68,101	59,306	45,623
Licenses and permit	52,235	89,316	80,020	60,183	56,302	45,688
Directors' fees	58,320	82,926	72,411	58,435	55,798	52,661
Expenses on leases of low-value assets and short-term leases	33,661	53,928	64,488	41,582	52,692	12,364
Travelling and entertainment	42,855	63,269	53,159	43,940	47,690	33,470
Vehicle running and maintenance	32,845	62,476	64,040	60,623	47,016	33,780
Bank charges and card commissions	21,499	40,295	37,491	33,028	29,199	28,477
Bakery kerosene and gas	31,910	54,906	58,443	51,244	28,771	16,773
Legal fees	8,246	20,885	12,672	20,832	25,635	49,478
Tax penalties and interest	134	1,036	43,691	-	24	1,269
Internet	16,736	29,864	24,824	20,483	24,850	18,061
Generator fuel	29,553	34,526	40,558	37,110	24,059	16,526
Consultancy fees	-	38,610	-	-	-	-
Printing and stationery	11,685	23,662	24,488	21,110	20,243	12,769
Auditor's remuneration	11,700	5,750	5,500	5,150	4,800	4,200
Catering levy	-	-	2,601	3,344	2,945	1,753
Foreign exchange loss/(gains)	-	-	(2,198)	2,023	679	-
Subscriptions	435	2,216	855	660	371	1,080
Cash losses	14,919	-	-	-	-	-
Postage and telephone	566	348	408	263	151	379
	<u>1,755,101</u>	<u>3,172,049</u>	<u>3,017,636</u>	<u>2,588,187</u>	<u>2,157,956</u>	<u>1,687,813</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
9. ALLOWANCE FOR EXPECTED CREDIT LOSSES						
Bank balances (Note 21)	(48)	(10,796)	(169)	1,099	836	1,895
Short term deposits (Note 20)	(6,462)	14,727	2,704	(65)	(395)	(1,418)
Long term deposits (Note 16)	-	240	-	2,563	(2,378)	8,567
Trade receivables (Note 18)	(11,471)	10,933	(8,738)	24,876	14,363	(9,341)
	<u>(17,981)</u>	<u>15,104</u>	<u>(6,203)</u>	<u>28,473</u>	<u>12,426</u>	<u>(297)</u>
10. FINANCE CHARGES						
Interest expense on lease liabilities (Note 19)	554,623	1,008,131	995,480	997,803	909,026	580,193
Interest expense on bank borrowings	5,861	17,909	92,972	138,137	146,356	94,533
Transaction processing fees*	138,298	257,976	233,456	197,161	172,752	134,741
Finance charges on loans from shareholders (Note 26(iv))	-	-	-	-	10,914	18,736
	<u>698,782</u>	<u>1,284,016</u>	<u>1,321,908</u>	<u>1,333,101</u>	<u>1,239,048</u>	<u>828,203</u>
*Transaction processing fees relate to commissions and charges incurred on electronic payment transactions, including credit card processing fees and M-Pesa transaction commissions.						
11. PROFIT BEFORE TAX						
The following items have been charged/ (credited) in arriving at operating profit:						
Cost of sales (Note 5)	21,120,797	39,349,358	36,432,225	32,577,573	27,385,087	20,274,410
Employee benefit expense (Note 7)	1,758,232	3,155,532	2,936,397	2,619,561	2,331,089	1,692,958
Depreciation - property and equipment (Note 13)	354,848	696,767	739,760	773,055	660,951	540,409
- right-of-use assets (Note 19)	497,954	897,467	872,602	845,256	745,535	554,601
Amortisation of intangible assets (Note 14)	17,343	30,575	33,408	38,003	28,162	24,128
Directors' fees (Note 8)	58,320	82,926	72,411	58,435	55,798	52,661
Management fees (Note 8)	126,925	208,424	141,400	155,954	136,484	85,195
Allowance for expected credit losses (Note 9)	(17,981)	15,104	(6,203)	28,473	12,426	(297)
Auditor's remuneration (Note 8)	11,700	5,750	5,500	5,150	4,800	4,200
12. INCOME TAX						
a) Income tax charge						
Income tax expense for the year	374,986	702,121	598,869	354,070	265,833	179,317
Deferred tax charge/(credit) (Note 15)	2,007	(43,927)	(89,505)	(157,684)	(138,734)	(92,839)
Income tax expense	<u>376,993</u>	<u>658,194</u>	<u>509,364</u>	<u>196,386</u>	<u>127,099</u>	<u>86,478</u>
b) Reconciliation of the income tax expense to expected tax based on the accounting profit						
Accounting profit before tax	<u>1,249,786</u>	<u>2,166,768</u>	<u>1,644,171</u>	<u>645,997</u>	<u>402,057</u>	<u>269,115</u>
Income tax at the applicable tax rate of 30%	374,936	650,030	493,251	193,799	120,617	80,735
Tax effect of:						
- expenses not deductible for tax purposes	2,057	8,164	16,113	2,587	6,482	5,743
Income tax expense	<u>376,993</u>	<u>658,194</u>	<u>509,364</u>	<u>196,386</u>	<u>127,099</u>	<u>86,478</u>
c) Income tax payable						
At 1 January	83,603	203,260	96,752	124,451	115,209	39,775
Charge for the year	374,986	702,121	598,869	354,070	265,833	179,317
Income tax paid	(277,320)	(821,778)	(492,361)	(381,769)	(256,591)	(103,883)
At 31 December	<u>181,269</u>	<u>83,603</u>	<u>203,260</u>	<u>96,752</u>	<u>124,451</u>	<u>115,209</u>

QUICK MART LIMITED
NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

13. PROPERTY AND EQUIPMENT

	Motor vehicle KShs '000	Partition and fixtures KShs '000	Furniture and fittings KShs '000	Bakery, fridges and commercial kitchen KShs '000	Heavy machinery KShs '000	Computers KShs '000	Work in progress KShs '000	Total KShs '000
Period ending 30 June 2026:								
COST								
At 1 January 2026	141,245	5,137,132	837,003	2,097,689	232,334	659,080	332,874	9,437,357
Additions	2,700	198,538	93,289	137,547	24,109	49,222	246,223	751,628
Disposals	(1,200)	-	-	-	-	-	-	(1,200)
Transfers from work in progress	-	227,557	10,694	74,335	5,831	14,457	(332,874)	-
At 30 June 2026	<u>142,745</u>	<u>5,563,227</u>	<u>940,986</u>	<u>2,309,571</u>	<u>262,274</u>	<u>722,759</u>	<u>246,223</u>	<u>10,187,785</u>
DEPRECIATION								
At 1 January 2026	92,028	2,315,647	315,773	901,702	92,511	459,553	-	4,177,214
Charge for the year	6,321	188,217	35,663	80,390	9,605	34,652	-	354,848
Disposals	(1,040)	-	-	-	-	-	-	(1,040)
At 30 June 2026	<u>97,309</u>	<u>2,503,864</u>	<u>351,436</u>	<u>982,092</u>	<u>102,116</u>	<u>494,205</u>	<u>-</u>	<u>4,531,022</u>
CARRYING AMOUNT								
At 30 June 2026	<u>45,436</u>	<u>3,059,363</u>	<u>589,550</u>	<u>1,327,479</u>	<u>160,158</u>	<u>228,554</u>	<u>246,223</u>	<u>5,656,763</u>
COST								
At 1 January 2025	128,212	4,789,103	718,442	1,952,989	212,619	598,516	-	8,399,881
Additions	18,103	386,213	119,941	146,692	22,570	63,265	332,874	1,089,658
Disposals	(5,070)	(38,184)	(1,380)	(1,992)	(2,855)	(2,701)	-	(52,182)
At 31 December 2025	<u>141,245</u>	<u>5,137,132</u>	<u>837,003</u>	<u>2,097,689</u>	<u>232,334</u>	<u>659,080</u>	<u>332,874</u>	<u>9,437,357</u>
DEPRECIATION								
At 1 January 2025	82,190	1,966,301	252,306	743,288	75,877	391,004	-	3,510,966
Charge for the year	14,747	369,851	63,777	159,580	18,147	70,665	-	696,767
Disposals	(4,909)	(20,505)	(310)	(1,166)	(1,513)	(2,116)	-	(30,519)
At 31 December 2025	<u>92,028</u>	<u>2,315,647</u>	<u>315,773</u>	<u>901,702</u>	<u>92,511</u>	<u>459,553</u>	<u>-</u>	<u>4,177,214</u>
CARRYING AMOUNT								
At 31 December 2025	<u>49,217</u>	<u>2,821,485</u>	<u>521,230</u>	<u>1,195,987</u>	<u>139,823</u>	<u>199,527</u>	<u>332,874</u>	<u>5,260,143</u>

QUICK MART LIMITED
NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-
MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

13. PROPERTY AND EQUIPMENT (CONTINUED)

	Motor vehicle KShs '000	Partition and fixtures KShs '000	Furniture and fittings KShs '000	Bakery, fridges and commercial kitchen KShs '000	Heavy machinery KShs '000	Computers KShs '000	Work in progress KShs '000	Total KShs '000
Year ended 31 December 2024:								
COST								
At 1 January 2024	138,161	4,661,580	665,329	1,864,696	191,737	559,770	-	8,081,273
Additions	-	146,943	53,113	121,336	25,373	46,691	-	393,456
Disposals	(9,949)	(19,420)	-	(33,043)	(4,491)	(7,945)	-	(74,848)
At 31 December 2024	128,212	4,789,103	718,442	1,952,989	212,619	598,516	-	8,399,881
DEPRECIATION								
At 1 January 2024	73,633	1,578,240	188,664	590,557	60,846	317,055	-	2,808,995
Charge for the year	15,686	396,245	63,642	166,592	17,795	79,800	-	739,760
Disposals	(7,129)	(8,184)	-	(13,861)	(2,764)	(5,851)	-	(37,789)
At 31 December 2024	82,190	1,966,301	252,306	743,288	75,877	391,004	-	3,510,966
CARRYING AMOUNT								
At 31 December 2024	46,022	2,822,802	466,136	1,209,701	136,742	207,512	-	4,888,915
Year ended 31 December 2023								
COST								
At 1 January 2023	114,052	4,290,469	526,689	1,638,037	164,542	481,991	-	7,215,780
Additions	24,109	371,111	138,640	226,659	27,195	77,779	-	865,493
At 31 December 2023	138,161	4,661,580	665,329	1,864,696	191,737	559,770	-	8,081,273
DEPRECIATION								
At 1 January 2023	57,499	1,158,624	128,540	421,420	43,719	226,138	-	2,035,940
Charge for the year	16,134	419,616	60,124	169,137	17,127	90,917	-	773,055
At 31 December 2023	73,633	1,578,240	188,664	590,557	60,846	317,055	-	2,808,995
CARRYING AMOUNT								
At 31 December 2023	64,528	3,083,340	476,665	1,274,139	130,891	242,715	-	5,272,278

QUICK MART LIMITED
NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-
MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

13. PROPERTY AND EQUIPMENT (CONTINUED)

	Motor vehicle KShs '000	Partition and fixtures KShs '000	Furniture and fittings KShs '000	Bakery, fridges and commercial kitchen KShs '000	Heavy machinery KShs '000	Computers KShs '000	Work in progress** KShs '000	Total KShs '000
COST								
At 1 January 2022	98,615	3,290,141	247,971	1,253,075	124,125	382,361	20,272	5,416,560
Additions	27,340	990,296	278,718	384,962	36,420	94,710	-	1,812,446
Disposal	(11,903)	-	-	-	-	-	-	(11,903)
Transfer from work in progress to Intangible assets (Note 14)	-	-	-	-	-	-	(1,323)	(1,323)
Transfers from work in progress	-	10,032	-	-	3,997	4,920	(18,949)	-
At 31 December 2022	114,052	4,290,469	526,689	1,638,037	164,542	481,991	-	7,215,780
DEPRECIATION								
At 1 January 2022	53,199	801,881	88,085	273,727	29,112	139,455	-	1,385,459
Disposal	(10,470)	-	-	-	-	-	-	(10,470)
Charge for the year	14,770	356,743	40,455	147,693	14,607	86,683	-	660,951
At 31 December 2022	57,499	1,158,624	128,540	421,420	43,719	226,138	-	2,035,940
CARRYING AMOUNT								
At 31 December 2022	56,553	3,131,845	398,149	1,216,617	120,823	255,853	-	5,179,840
COST								
At 1 January 2021	79,913	2,589,438	206,737	928,586	83,974	282,706	36,509	4,207,863
Additions	18,702	664,194	41,234	324,489	40,151	99,655	20,272	1,208,697
Transfer from work in progress	-	36,509	-	-	-	-	(36,509)	-
At 31 December 2021	98,615	3,290,141	247,971	1,253,075	124,125	382,361	20,272	5,416,560
DEPRECIATION								
At 1 January 2021	39,558	499,939	68,668	159,160	18,734	58,991	-	845,050
Charge for the year	13,641	301,942	19,417	114,567	10,378	80,464	-	540,409
At 31 December 2021	53,199	801,881	88,085	273,727	29,112	139,455	-	1,385,459
CARRYING AMOUNT								
At 31 December 2021	45,416	2,488,260	159,886	979,348	95,013	242,906	20,272	4,031,101

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14. INTANGIBLE ASSETS	2026 KShs'000	2025 KShs'000	2024 KShs'000	2023 KShs'000	2022 KShs'000	2021 KShs'000
COST						
At 1 January	280,087	235,377	220,011	171,350	124,298	96,502
Transfer from work-in-progress (Note 13)	-	-	-	-	1,323	
Additions	<u>12,024</u>	<u>44,710</u>	<u>15,366</u>	<u>48,661</u>	<u>45,729</u>	<u>27,796</u>
At 31 December	<u>292,111</u>	<u>280,087</u>	<u>235,377</u>	<u>220,011</u>	<u>171,350</u>	<u>124,298</u>
AMORTISATION						
At 1 January	180,362	149,787	116,379	78,376	50,214	26,086
Amortisation charge for the year	<u>17,343</u>	<u>30,575</u>	<u>33,408</u>	<u>38,003</u>	<u>28,162</u>	<u>24,128</u>
At 31 December	<u>197,705</u>	<u>180,362</u>	<u>149,787</u>	<u>116,379</u>	<u>78,376</u>	<u>50,214</u>
CARRYING AMOUNT						
At 31 December	<u>94,406</u>	<u>99,725</u>	<u>85,590</u>	<u>103,632</u>	<u>92,974</u>	<u>74,084</u>

15. DEFERRED TAX ASSET

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30%.. The movement on the deferred tax account is as follows:

	2026 KShs'000	2025 KShs'000	2024 KShs'000	2023 KShs'000	2022 KShs'000	2021 KShs'000
At 1 January	552,407	508,480	418,975	261,291	122,557	29,718
(Charge)/credit to statement of profit or loss (Note 12 (a))	<u>(2,007)</u>	<u>43,927</u>	<u>89,505</u>	<u>157,684</u>	<u>138,734</u>	<u>92,839</u>
At period end	<u>550,400</u>	<u>552,407</u>	<u>508,480</u>	<u>418,975</u>	<u>261,291</u>	<u>122,557</u>

Deferred tax assets in the statement of financial position and deferred tax (charge)/ credit to statement of profit or loss are attributable to the following items:

2026	At 1 January KShs'000	Recognized in profit/loss KShs'000	At 30 June KShs'000
Accelerated depreciation for tax purposes	(163,631)	(6,072)	(169,703)
Leases	645,770	24,041	669,811
Provision on loyalty points	41,721	(17,860)	23,861
Allowance for expected credit allowance	25,178	(5,395)	19,783
Provision for annual leave days	<u>3,369</u>	<u>3,279</u>	<u>6,648</u>
Net deferred tax asset	<u>552,407</u>	<u>(2,007)</u>	<u>550,400</u>
2025	At 1 January KShs'000	Recognized in profit/loss KShs'000	At 31 December KShs'000
Accelerated depreciation for tax purposes	(113,357)	(50,274)	(163,631)
Leases	563,624	82,146	645,770
Provision on loyalty points	35,121	6,600	41,721
Allowance for expected credit allowance	20,647	4,531	25,178
Provision for annual leave days	<u>2,445</u>	<u>924</u>	<u>3,369</u>
Net deferred tax asset	<u>508,480</u>	<u>43,927</u>	<u>552,407</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

15. DEFERRED TAX ASSET (CONTINUED)

2024	At 1 January KShs'000	Recognized in profit/loss KShs'000	At 31 December KShs'000
Accelerated depreciation for tax purposes	(93,456)	(19,901)	(113,357)
Leases	457,804	105,820	563,624
Provision on loyalty points	26,251	8,870	35,121
Allowance for expected credit allowance	22,509	(1,862)	20,647
Provision for annual leave days	<u>5,867</u>	<u>(3,422)</u>	<u>2,445</u>
Net deferred tax asset	<u>418,975</u>	<u>89,505</u>	<u>508,480</u>
2023	At 1 January KShs'000	Recognized in profit/loss KShs'000	At 31 December KShs'000
Accelerated tax depreciation	(99,274)	5,818	(93,456)
Right-of-use assets and lease liabilities	327,368	130,436	457,804
Provision on loyalty points	14,624	11,627	26,251
Allowance for expected credit allowance	13,967	8,542	22,509
2022 unrealised forex loss	204	(204)	-
Provision for leave accrual	<u>4,402</u>	<u>1,465</u>	<u>5,867</u>
Net deferred tax asset	<u>261,291</u>	<u>157,684</u>	<u>418,975</u>
2022	At 1 January KShs'000	Recognized in profit/loss KShs'000	At 31 December KShs'000
Accelerated tax depreciation	(92,427)	(6,847)	(99,274)
Right-of-use assets and lease liabilities	189,715	137,653	327,368
Provision on loyalty points	7,494	7,130	14,624
Allowance for expected credit allowance	10,239	3,728	13,967
2022 unrealised forex loss	-	204	204
Provision for leave accrual	3,148	1,254	4,402
Provision for tax penalties and interest	<u>4,388</u>	<u>(4,388)</u>	<u>-</u>
Net deferred tax asset	<u>122,557</u>	<u>138,734</u>	<u>261,291</u>
2021	At 1 January KShs'000	Recognised in profit/loss KShs'000	At 31 December KShs'000
Accelerated tax depreciation	(108,930)	16,503	(92,427)
Right-of-use assets and lease liabilities	96,592	93,123	189,715
Provision on loyalty points	4,777	2,717	7,494
Allowance for expected credit allowance	10,328	(89)	10,239
Provision for leave accrual	1,622	1,526	3,148
Provision for tax penalties and interest	<u>25,329</u>	<u>(20,941)</u>	<u>4,388</u>
Net deferred tax asset	<u>29,718</u>	<u>92,839</u>	<u>122,557</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

16. LONG TERM DEPOSIT	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Rental deposits	231,106	231,106	224,979	224,979	224,909	193,848
Less: Allowance for expected credit losses	<u>(8,992)</u>	<u>(8,992)</u>	<u>(8,752)</u>	<u>(8,752)</u>	<u>(6,189)</u>	<u>(8,567)</u>
	<u>222,114</u>	<u>222,114</u>	<u>216,227</u>	<u>216,227</u>	<u>218,720</u>	<u>185,281</u>
At 1 January	8,992	8,752	8,752	6,189	8,567	-
Increase/(decrease) (Note 9)	<u>-</u>	<u>240</u>	<u>-</u>	<u>2,563</u>	<u>(2,378)</u>	<u>8,567</u>
At 31 December	<u>8,992</u>	<u>8,992</u>	<u>8,752</u>	<u>8,752</u>	<u>6,189</u>	<u>8,567</u>
17. INVENTORIES						
Stock in trade	<u>3,815,047</u>	<u>4,430,959</u>	<u>3,554,903</u>	<u>3,418,462</u>	<u>3,540,275</u>	<u>2,366,886</u>
18. TRADE AND OTHER RECEIVABLES						
	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Trade receivables	1,153,576	1,453,989	1,386,806	1,386,473	1,247,893	599,821
Less: Allowance for expected credit losses	<u>(45,952)</u>	<u>(57,423)</u>	<u>(46,490)</u>	<u>(55,228)</u>	<u>(30,352)</u>	<u>(15,989)</u>
Net trade receivables	<u>1,107,624</u>	<u>1,396,566</u>	<u>1,340,316</u>	<u>1,331,245</u>	<u>1,217,541</u>	<u>583,832</u>
Deposits	316,255	329,448	223,984	233,329	217,608	117,601
Prepaid expenses	134,255	69,145	47,804	41,265	35,391	26,071
Amounts due from the related company (26(vii))	<u>36,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net trade and other receivables	<u>1,594,215</u>	<u>1,795,159</u>	<u>1,612,104</u>	<u>1,605,839</u>	<u>1,470,540</u>	<u>727,504</u>
Financial assets	1,459,960	1,783,437	1,610,790	1,619,802	1,465,501	717,422
Non-financial assets	<u>134,255</u>	<u>69,145</u>	<u>47,804</u>	<u>41,265</u>	<u>35,391</u>	<u>26,071</u>
Total	<u>1,594,215</u>	<u>1,852,582</u>	<u>1,658,594</u>	<u>1,661,067</u>	<u>1,500,892</u>	<u>743,493</u>

In the opinion of the directors, the carrying amounts of trade and other receivables are approximate to their fair value.

The closing allowance for expected credit losses allowance for trade and other receivables reconcile to opening allowance for expected credit losses as set out below:

	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
At 1 January	57,423	46,490	55,228	30,352	15,989	25,330
(Decrease)/ increase in loss allowance recognized through statement of profit or loss (Note 9)	<u>(11,471)</u>	<u>10,933</u>	<u>(8,738)</u>	<u>24,876</u>	<u>14,363</u>	<u>(9,341)</u>
At 31 December	<u>45,952</u>	<u>57,423</u>	<u>46,490</u>	<u>55,228</u>	<u>30,352</u>	<u>15,989</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Lease liabilities:						
At start of period/year	7,321,159	7,198,337	7,491,087	7,094,432	5,327,211	3,744,062
Additions	1,073,971	873,684	227,119	807,123	2,053,913	1,831,862
Payment of principal	(417,818)	(606,159)	(519,869)	(410,468)	(286,692)	(247,280)
Payment of interest	(554,623)	(1,008,131)	(995,480)	(997,803)	(909,026)	(580,193)
Lease modifications	(4,416)	(95,568)	-	-	-	-
Reversal on lease cancellation	-	(49,135)	-	-	-	(5,206)
Rent concessions	-	-	-	-	-	3,773
Accretion of interest (Note 10)	554,623	1,008,131	995,480	997,803	909,026	580,193
At end of period/year	<u>7,972,896</u>	<u>7,321,159</u>	<u>7,198,337</u>	<u>7,491,087</u>	<u>7,094,432</u>	<u>5,327,211</u>
Current portion	1,000,414	811,103	885,355	655,848	618,377	243,734
Non-current portion	<u>6,972,482</u>	<u>6,510,056</u>	<u>6,312,982</u>	<u>6,835,239</u>	<u>6,476,055</u>	<u>5,083,477</u>
	<u>7,972,896</u>	<u>7,321,159</u>	<u>7,198,337</u>	<u>7,491,087</u>	<u>7,094,432</u>	<u>5,327,211</u>

The amount recognised in the statement of the cashflows in respect of lease liability payments is:

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Repayments during the year	972,441	1,614,290	1,515,349	1,408,271	1,195,718	827,473

The total expense recognised in the statement of profit or loss and comprehensive income associated with leases is as follows:

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Expenses on leases of low-value assets and short-term leases (Note 8)	33,661	53,928	64,488	41,582	52,692	12,364
Amortisation of right-of-use assets	497,954	897,467	872,602	845,256	745,535	554,601
Interest accretion	<u>554,623</u>	<u>1,008,131</u>	<u>995,480</u>	<u>997,803</u>	<u>909,026</u>	<u>580,193</u>
	<u>1,086,238</u>	<u>1,959,526</u>	<u>1,932,570</u>	<u>1,884,641</u>	<u>1,707,253</u>	<u>1,147,158</u>

	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Right-of-use of assets:						
Cost:						
At start of period/year	9,502,339	8,755,869	8,528,750	7,721,627	5,667,714	3,840,374
Additions	1,073,971	873,684	227,119	807,123	2,053,913	1,831,862
Reversal on lease cancellation	-	(49,135)	-	-	-	(4,522)
Gain on lease termination	-	17,489	-	-	-	-
Lease modifications	<u>(4,416)</u>	<u>(95,568)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At end of period/year	<u>10,571,894</u>	<u>9,502,339</u>	<u>8,755,869</u>	<u>8,528,750</u>	<u>7,721,627</u>	<u>5,667,714</u>
Accumulated depreciation:						
At start of year/period	4,333,745	3,436,278	2,563,676	1,718,420	972,885	418,284
Charge for the year	<u>497,954</u>	<u>897,467</u>	<u>872,602</u>	<u>845,256</u>	<u>745,535</u>	<u>554,601</u>
At end of period/year	<u>4,831,699</u>	<u>4,333,745</u>	<u>3,436,278</u>	<u>2,563,676</u>	<u>1,718,420</u>	<u>972,885</u>
Carrying amount:						
At end of period/year	<u>5,740,195</u>	<u>5,168,594</u>	<u>5,319,591</u>	<u>5,965,074</u>	<u>6,003,207</u>	<u>4,694,829</u>

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

20. SHORT TERM DEPOSITS	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Short term deposits with commercial banks	325,221	1,410,945	809,279	9,069	36,404	389,476
Less: Allowance for expected credit losses	(10,969)	(17,431)	(2,704)	-	(65)	(460)
	<u>314,252</u>	<u>1,393,514</u>	<u>806,575</u>	<u>9,069</u>	<u>36,339</u>	<u>389,016</u>
Movement in allowance for expected credit losses:						
At 1 January	17,431	2,704	-	65	460	1,878
(Decrease)/ increase (Note 9)	(6,462)	14,727	2,704	(65)	(395)	(1,418)
At 31 December	<u>10,969</u>	<u>17,431</u>	<u>2,704</u>	<u>-</u>	<u>65</u>	<u>460</u>

21. CASH AND CASH EQUIVALENTS

Cash at bank	205,550	603,081	898,546	1,054,722	451,576	344,190
Less: Allowance for expected credit losses	(36)	(84)	(10,880)	(11,049)	(9,950)	(9,114)
Net cash at bank	205,514	602,997	887,666	1,043,673	441,626	335,076
Cash in hand	180,402	199,453	181,741	284,218	156,209	204,727
Net cash and cash equivalents	<u>385,916</u>	<u>802,450</u>	<u>1,069,407</u>	<u>1,327,891</u>	<u>597,835</u>	<u>539,803</u>
Movement in allowance for expected credit losses:						
At 1 January	84	10,880	11,049	9,950	9,114	7,219
(Decrease)/ increase (Note 9)	(48)	(10,796)	(169)	1,099	836	1,895
At 31 December	<u>36</u>	<u>84</u>	<u>10,880</u>	<u>11,049</u>	<u>9,950</u>	<u>9,114</u>

22(a) CAPITAL AND REVENUE RESERVES

Authorised: 10,000 ordinary shares of KShs 100 each	1,000	1,000	1,000	1,000	1,000	1,000
Issued and fully paid: 1,300 ordinary shares of KShs 100 each	130	130	130	130	130	130
	<u>130</u>	<u>130</u>	<u>130</u>	<u>130</u>	<u>130</u>	<u>130</u>
Share premium	<u>799,970</u>	<u>799,970</u>	<u>799,970</u>	<u>799,970</u>	<u>799,970</u>	<u>799,970</u>

The share premium represents the excess of the price paid for the additional shares over the par value. The share premium is not distributable.

22(b). EARNINGS PER ORDINARY SHARE

	2026	2025	2024	2023	2022	2021
Profit for the year attributable to ordinary shareholders	872,793,000	1,508,574,000	1,134,807,000	449,611,000	274,958,000	182,637,000
Basic and diluted - Weighted average number of shares	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
Basic and diluted earnings per ordinary shares	0.21820	0.37714	0.28370	0.11240	0.06874	0.04566

Basic and diluted earnings per share is calculated by dividing the net profit attributable to the ordinary equity holders by the weighted average number of ordinary shares in issue during the year.
There were no dilutive potential shares as at 30 June 2026.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

23. PROPOSED DIVIDEND

Dividend on ordinary shares is recognised as a liability in the year in which they are declared. Proposed dividend is not recognised until it has been declared at an Annual General Meeting (AGM).

	2026 KShs '000	2025 KShs'000	2024 KShs'000	2023 KShs'000	2022 KShs'000	2021 KShs'000
<u>Cash dividends on ordinary shares declared and paid</u>						
Final dividend	-	-	-	600,000	-	-
Interim dividend	-	1,647,055	1,176,465	182,353	105,882	-
Total	-	1,647,055	1,176,465	782,353	105,882	-
<u>Proposed for approval at the annual general meeting (not recognised as a liability at 31 December)</u>						
Final dividend	-	-	-	-	-	182,353
Interim dividend	-	-	-	-	-	105,882
Total	-	-	-	-	-	288,235

- (i) The directors recommended a final dividend of KShs 182.3 million in 2021 and KShs 600 million in 2023. No final dividend was recommended 2022, 2024 and 2025. The 2021 final dividend was settled in 2023.
- (ii) The directors recommended an interim dividend in 2021, 2024 and 2025 amounting to KShs 105.9 million, KShs 1.176 billion and KShs 1.647 billion, respectively. The 2021 interim dividend was settled in 2022.

24. BORROWINGS

a) Shareholder's loan

	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
At 1 January	-	-	-	-	135,000	530,000
Additions	-	-	-	-	-	225,000
Repayments	-	-	-	-	(135,000)	(620,000)
At 31 December	-	-	-	-	-	135,000

b) Bank borrowings

At 1 January	46,286	177,066	788,748	945,572	408,100	-
Additions	-	-	-	200,000	800,000	500,000
Repayments	(39,510)	(130,780)	(611,682)	(356,824)	(262,528)	(91,900)
At 31 December	6,776	46,286	177,066	788,748	945,572	408,100
Total borrowings	6,776	46,286	177,066	788,748	945,572	543,100
Current portion*	6,776	46,286	130,780	611,682	356,824	397,528
Non-current portion*	-	-	46,286	177,066	588,748	145,572
	6,776	46,286	177,066	788,748	945,572	543,100

*The split of borrowings between current and non-current liabilities in the Accountants' Report differs from the audited financial statements due to IFRS presentation requirements relating to the classification of liabilities. The difference is a presentation reclassification only and does not affect the total borrowings reported

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND
REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

24. BORROWINGS (CONTINUED)

b) Bank borrowings (Continued)

The shareholder's loan relates to an unsecured loan facility from the parent company, Sokoni Retail Limited. The loan is meant to fund investment in new stores. This loan attracts interest at a rate of 14.25% and is repayable after the term of 5 years.

Bank borrowing relates to a loan facility with Family Bank Limited amounting to KShs 1.85 billion. The loan is meant for capital expenditure. Each drawdown is repayable as a separate term loan over a period of 36 months from the respective drawdown date. The first drawdown of KShs 500 million was made in January 2021 and matured in January 2024, while the final drawdown of KShs 200 million was made in August 2023 and is scheduled to mature in August 2026. This loan attracts interest at a rate of 13% p.a. and is repayable monthly within the term of 36 months; and KShs 350 million meant for working capital financing. The working capital financing loan is a short-term loan payable within 90 days and attracts interest rate of 13%p.a. The facility has the following securities:

- i) All asset debentures over company assets for KShs 1.85 billion;
- ii) Resolution to borrow from Sokoni Retail Kenya Limited;
- iii) Letter of comfort by Sokoni Retail Kenya Limited; and
- iv) Quick Mart Limited directors' resolution to borrow.

25. TRADE AND OTHER PAYABLES	2026 KShs '000	2025 KShs '000	2024 KShs '000	2023 KShs '000	2022 KShs '000	2021 KShs '000
Trade payables	8,974,115	10,890,644	8,932,292	8,303,332	7,339,062	5,525,485
Accrued expenses	138,605	123,159	98,921	185,330	170,733	52,377
Other payables	150,908	48,505	75,324	61,574	39,733	53,744
Withholding VAT payable	24,326	16,778	56,905	57,994	41,850	72,888
Provision for loyalty point liabilities	79,538	139,070	117,070	87,504	48,749	24,981
Amounts due to the related company (26(viii))	16,221	-	8,275	29,126	27,697	16,400
	<u>9,383,713</u>	<u>11,218,156</u>	<u>9,288,787</u>	<u>8,724,860</u>	<u>7,667,824</u>	<u>5,745,875</u>
Financial liabilities	9,128,941	11,013,803	9,039,488	8,517,788	7,537,492	5,594,262
Non-financial liabilities	254,772	204,353	249,299	207,072	130,332	151,613
	<u>9,383,713</u>	<u>11,218,156</u>	<u>9,288,787</u>	<u>8,724,860</u>	<u>7,667,824</u>	<u>5,745,875</u>

26. RELATED PARTY DISCLOSURES

The parent company is Sokoni Retail Kenya Limited which owns 100% shareholding in Quick Mart Limited. Sokoni Retail Kenya Limited is 50.8% owned by Sokoni Retail Holdings Limited a Company incorporated in Mauritius. There are other companies which are related to Quick Mart Limited through common shareholding. Related party transactions and balances were as follows:

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
i) Management fees						
Sokoni Holdings Limited	62,744	40,628	-	-	-	-
Sokoni Retail Kenya Limited	<u>62,181</u>	<u>167,796</u>	<u>141,400</u>	<u>155,954</u>	<u>136,484</u>	<u>85,195</u>
	<u>124,925</u>	<u>208,424</u>	<u>141,400</u>	<u>155,954</u>	<u>136,484</u>	<u>85,195</u>
ii) Consultancy fees						
Oltotoi Ranch Limited	-	<u>38,610</u>	-	-	-	-

Oltotoi Ranch Limited is related to the Company through shared directorship. The company was engaged to offer consultancy support aimed at improving the Company's butcheries to enhance revenues and margins by conducting staff training and merchandising across the Company.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

26. RELATED PARTY DISCLOSURES (CONTINUED)

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
iii) Key management compensation						
Short-term employee benefits	69,375	108,166	85,761	82,499	88,541	70,031
Directors' fees	58,320	82,926	72,411	58,435	55,798	52,661
	<u>127,695</u>	<u>191,092</u>	<u>158,172</u>	<u>140,934</u>	<u>144,339</u>	<u>122,692</u>
iv) Interest on advances from shareholders	-	-	-	-	10,914	18,736
v) Repayment of lease liabilities						
Basic Capital Investment Limited	72,027	131,590	105,848	100,541	91,233	83,784
Basic Land Investment Limited	99,449	268,795	130,146	69,338	-	-
Resource Business Investments Limited	84,914	161,058	155,857	144,258	135,882	111,332
	<u>256,390</u>	<u>561,443</u>	<u>391,851</u>	<u>314,137</u>	<u>227,115</u>	<u>195,116</u>

The Company leases certain commercial premises from entities under the common control of the Company's directors. Lease payments made under these arrangements during the year are disclosed above.

	30 June 2026 KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
vi) Shareholders' advance						
Shareholders' advance	<u>1,100,000</u>	-	-	-	-	-

Amount relates to funds advanced to shareholders during the period. As at 30 June 2026, the amounts had not been formally declared or approved as dividends and have therefore been presented as amounts due from related parties.

vii) The amounts due from related parties were as follows:

	30 June 2026 KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Sokoni Retail Kenya Limited (Note 18)	<u>36,081</u>	-	-	-	-	-

The amounts due from Sokoni Retail Kenya Limited relates to an advance payment of management fees.

viii) The amounts due to related parties were as follows:

	30 June 2026 KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Shareholders' loan	-	-	-	-	-	135,000
Sokoni Holdings Limited	16,221	-	-	-	-	-
Sokoni Retail Kenya Limited	-	-	8,275	29,126	27,697	16,400

Loan from shareholder relates to unsecured borrowings extended by the shareholder, Sokoni Retail Kenya Limited, for the purpose of financing business growth and expansion. The loan has no definite terms and attracts annual interest at the rate of 14.25%.

The amounts due to Sokoni Retail Kenya Limited and Sokoni Holdings Limited relate to management fees.

27. FINANCIAL GUARANTEES

	30 June 2026 KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Financial Guarantees	418,473	467,180	455,848	298,011	249,761	180,120

The guarantees are granted to select suppliers who demand such to secure credit limits or in lieu of deposits for leased properties. All the guarantees are held with local banks.

QUICK MART LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE PRECEDING FIVE FINANCIAL YEARS AND REVIEWED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

28. CAPITAL MANAGEMENT

The Company's objective in managing its capital is to ensure that it supports the development of its business and is able to continue as a going concern, while at the same time maximising the return to its shareholders. The Company is not subject to any external capital requirements. The Company manages its capital by evaluating the working capital requirements and investment in non-current assets.

The capital structure of the Company consists of debt, which includes borrowings disclosed in Note 24, trade and other payables disclosed in Note 25, less cash and cash equivalents and equity attributable to equity holders, comprising issued capital as disclosed in Note 22 and retained earnings.

29. GOING CONCERN

For the period ended 30 June 2026, the Company recorded a profit before tax of KShs 1.2 billion and generated positive cash flows from operations of KShs 0.3 billion. However, the Company had a net current liability position of KShs 3.3 billion as of 30 June 2026 (31 December 2025: KShs 3.7 billion). The directors consider that this an industry phenomenon and note that it is imperative for the business to continue generating sufficient cashflows from operations to meet its obligations to its creditors when these obligations are due for payment. The Company's ability to repay trade creditors is also critical in ensuring continued availability of supplies and services from the creditors, which is necessary for continued operations of the Company.

Whilst the Company remains in a net current liability position in line with the global retail industry practice, the directors have put in place the following measures to drive its financial and liquidity position:

- Focus on growing its margins through range building and category management.
- Efficient management of inventories to ensure efficient holding and optimal rotation.
- Continuous negotiation with suppliers for favorable credit terms.
- Turnover optimization through sustainable marketing initiatives such as promotions and enhancement of loyalty customers management.
- Maintenance of the current disciplined cost management strategy.
- Continue sourcing funds at competitive interest rates and favorable payment terms.

Given the nature of the business and in line with the industry best practices, the Company's strategy is to prudently increase its negative working capital to improve its cash flows by increasing its inventory rotation (maintaining an average of 30 days for inventory), minimize growth in trade receivables and negotiation of better terms from our suppliers (average 60 payables' days). Trade credit is therefore an important source of financing for the business and hence the healthy negative working capital that was maintained. To augment trade credit, the company has maintained its facility with Family Bank Limited with an overall limit of KShs 1.85 billion in 2026. However, due to its strong operating cash flows, the Company had no outstanding liability from this facility as at 31 July 2026 and continues to be prudent in the application of debt to fund its development. In line with standard governance practice, the directors have made the above assessment of the Company's liquidity position and are satisfied with the Company's ability to continue as a going concern for the foreseeable future and thus, the financial statements are prepared on the basis of accounting policies applicable to going concern.

30. EVENTS AFTER REPORTING THE REPORTING PERIOD

Subsequent to the reporting date the following events have occurred;

1. from the share premium account. As a result, the Company allotted 498,700 additional ordinary shares of KShs 100 each, increasing the number of issued and fully paid ordinary shares from 1,300 shares to 500,000 shares, and the issued share capital from KShs 130,000 to KShs 50,000,000.
2. On 9 September 2026, the Company subdivided its 500,000 issued ordinary shares with a nominal value of KES 100 each into 250,000,000 ordinary shares with a nominal value of KES 0.20 each. On the same date, the Company increased its nominal share capital from KES 50,000,000 to KES 800,000,000 through the creation of 3,750,000,000 additional ordinary shares of KES 0.20 each. The additional shares were fully paid through the application of KES 750,000,000 from the share premium account and allotted as bonus shares to the sole shareholder, resulting in 4,000,000,000 issued ordinary shares of KES 0.20 each.
3. On 18 September, the Board of Directors unanimously resolved and adopted the resolution on approval and payment of interim dividend amounting to KShs 1,294,117,647 for the financial period ended 31 August 2026. As at 30 June 2026, KShs 1.1 billion had been paid to the shareholders and presented as advances to shareholders in the statement of financial position and within changes in working capital in the statement of cash flows.

Other than the above, the directors are not aware of any events occurring after the reporting date that require disclosure in or adjustments to the financial statements

QUICK MART LIMITED

EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION AS OF 31 DECEMBER 2027

AND FOR THE PERIOD FROM 1 JULY 2026 TO 31 DECEMBER 2027

QUICK MART LIMITED
PROSPECTIVE FINANCIAL INFORMATION

Contents	Page
Statement of Directors' Responsibilities	1
Report of the Reporting Accountant	2 - 4
Financial Statements:	
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 10

QUICK MART LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for ensuring that Quick Mart Limited (the 'Company') keep proper accounting records that are sufficient to show and explain the transactions of the Company; disclose with reasonable accuracy at any time the financial position of the Company; and that enables them to prepare financial statements of the Company that comply with prescribed financial reporting standards. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of the prospective financial information, and the underlying assumptions, in accordance with the Company's accounting policies which are based on IFRS Accounting Standards. They also accept responsibility for:

- i) designing, implementing, and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

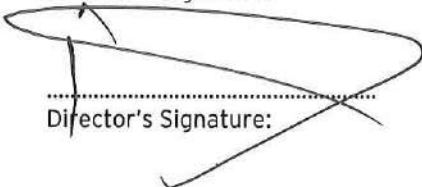
Having assessed the Company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Company's ability to continue as a going concern.

The directors acknowledge that the independent review of the prospective financial information does not relieve them from their responsibility.

Approved by the board of directors on 29 September..... 2026 and signed on its behalf by:

Jacques Dome
.....
Director's Name:

Peter Kang'iri
.....
Director's Name:


.....
Director's Signature:

.....
Director's Signature:

REPORT ON EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION

To The Directors
Quick Mart Limited
Ruaka - Old Limuru Road
P.O. Box 2361-00621
Nairobi, Kenya

Subject Matter Information

We have been engaged by Quick Mart Limited (the "Company") to perform a 'limited assurance engagement', as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to obtain limited assurance about whether the prospective financial information (the "Subject Matter"), as of 31 December 2027 and for the period from 1 July 2026 to 31 December 2027 based on management's best estimate assumptions (the "Criteria"), in all material respects, and issue a written report setting out our conclusion.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Applicable Criteria

In preparing the prospective financial information, the Company applied management's best estimate assumptions (the "Criteria"). Such Criteria were specifically designed for use by the Company's management. As a result, the subject matter information may not be suitable for another purpose.

The Company's responsibilities

The Company's management is responsible for selecting the Criteria, and for presenting the prospective financial information in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to express a conclusion on the presentation of the subject matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the terms of reference for this engagement as agreed with the Company on 23 June 2026. Those standards require that we plan and perform our engagement to express a conclusion as to whether, based on the procedures performed and evidence obtained, we are aware of any material modifications that need to be made to the Subject Matter, in order for it to be based on the Criteria and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

REPORT ON EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

A limited assurance engagement in accordance with ISAE 3400, does not contemplate testing internal controls, assessing control risk or other procedures ordinarily performed during a reasonable assurance engagement (e.g., assessing fraud risk; testing company's records by obtaining sufficient appropriate evidence through inspection of source documents, observation or confirmation). A limited assurance engagement is substantially less in scope than a reasonable assurance engagement, the objective of which is to obtain reasonable assurance about whether the Subject Matter is based on the Criteria, in all material aspects, in order to express an opinion. Certain matters may not be identified during a limited assurance engagement that may be identified during a reasonable assurance engagement. Accordingly, we will not provide a reasonable assurance opinion as part of this Engagement.

A limited assurance engagement consists principally of applying analytical procedures, making inquiries of persons responsible for the Subject Matter and performing such other procedures as we consider necessary in the circumstances.

Our procedures included:

1. Analyse current performance (most recent month within the current financial year, i.e., 2026) and compare against the budgeted results for the period
2. Prepare adjusted Earnings Before Interest, Taxation, Depreciation and Amortization (EBITDA) for the last twelve months actual performance ("LTM to most recent month within the current financial year i.e. 2026") and compare to current full year budget
3. Calculate Year to Go ("YTG") results based on latest full year forecast less YTD results to analyse revenue and EBITDA to be achieved in the remainder of current year and compare against:
 - The same period in the prior year, and
 - The forecast for the remainder of the year
 - Recent historical events impacting volumes, pricing, mix and costs
4. Discuss the analysis (1-3) with management
5. Review accuracy of budgeting against actual performance for the last 5 years
6. Review the prospective information to be included in the Information Memorandum and report thereon, where applicable.



**Shape the future
with confidence**

REPORT ON EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

Conclusion

Based on the procedures performed and evidence obtained, we are not aware of any material amendments that need to be made to the assessment of key performance indicators for them to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of Quick Mart Limited, Capital Markets Authority, Nairobi Securities Exchange (NSE) and Potential Shareholders, and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in blue ink, appearing to read 'Allan Gichuhi', with a stylized flourish at the end.

For and on behalf of Ernst & Young LLP
Certified Public Accountants
Nairobi, Kenya

29 September 2026

QUICK MART LIMITED
PROSPECTIVE FINANCIAL INFORMATION
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	12 Months 1 January to 31 December 2027 KShs 000	6 Months 1 July to 31 December 2026 KShs 000
Revenue	67,435,723	30,937,646
Cost of sales	(52,127,814)	(23,940,139)
Gross profit	15,307,909	6,997,507
Other income	371,735	180,289
Operating Income	15,679,644	7,177,796
EXPENSES		
Employee benefits	(4,328,920)	(1,919,791)
Administration and general expenses	(3,575,018)	(1,782,272)
Depreciation of property and equipment	(944,100)	(418,724)
Depreciation of right of use assets	(1,205,798)	(558,065)
Amortisation of intangible assets	(38,758)	(18,211)
Allowance for expected credit losses	(15,859)	(15,450)
Operating expenses	(10,108,453)	(4,712,513)
Operating profit before finance costs and tax	5,571,191	2,465,283
Net finance charges	(1,671,085)	(766,880)
Profit before tax	3,900,106	1,698,403
Income tax expenses	(1,051,791)	(468,393)
Profit for the year	2,848,316	1,230,010
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	2,848,316	1,230,010

QUICK MART LIMITED
PROSPECTIVE FINANCIAL INFORMATION
STATEMENT OF FINANCIAL POSITION

	31 December 2027 KShs '000	31 December 2026 KShs '000
ASSETS		
<i>Non-current assets:</i>		
Property and equipment	7,030,227	6,209,149
Right-of-use assets	7,082,348	6,544,150
Intangible assets	90,436	89,195
Deferred tax asset	709,718	591,477
Long term deposits	<u>222,114</u>	<u>222,114</u>
Total non-current assets	<u>15,134,843</u>	<u>13,656,085</u>
<i>Current assets:</i>		
Inventories	5,032,939	4,507,862
Trade and other receivables	2,260,676	2,119,052
Term deposit	1,500,000	1,400,000
Cash and equivalents	<u>1,013,126</u>	<u>509,456</u>
Total current assets	<u>9,806,741</u>	<u>8,536,370</u>
TOTAL ASSETS	<u>24,941,584</u>	<u>22,192,455</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	130	130
Share premium	799,970	799,970
Retained earnings	<u>653,939</u>	<u>358,564</u>
Total equity	<u>1,454,039</u>	<u>1,158,664</u>
LIABILITIES		
<i>Non-current Liabilities:</i>		
Lease liabilities	<u>8,747,481</u>	<u>7,815,145</u>
Total non-current liabilities	<u>8,747,481</u>	<u>7,815,145</u>
<i>Current liabilities:</i>		
Lease liability	1,000,413	1,000,413
Trade and other payables	13,434,911	11,935,531
Income tax payable	<u>304,740</u>	<u>282,702</u>
Total current liabilities	<u>14,740,064</u>	<u>13,218,646</u>
TOTAL LIABILITIES	<u>23,487,545</u>	<u>21,033,791</u>
TOTAL EQUITY AND LIABILITIES	<u>24,941,584</u>	<u>22,192,455</u>

The financial statements were approved for issue by the board of directors on 29 September 2026 and signed on its behalf by:

Jacques Dome

Director's Name

Director's Signature

Peter Kang'iri

Director's Name

Director's Signature

QUICK MART LIMITED
PROSPECTIVE FINANCIAL INFORMATION
STATEMENT OF CHANGES IN EQUITY

	Share capital KShs'000	Share premium KShs'000	Retained Profit KShs'000	Total equity KShs'000
At 31 December 2026:				
At 1 July 2026	130	799,970	1,128,554	1,928,654
Profit for the year	-	-	1,230,010	1,230,010
Other comprehensive income for the year	-	-	-	-
Total comprehensive profit for the year	-	-	1,230,010	1,230,010
Dividend paid	-	-	(2,000,000)	(2,000,000)
At 31 December 2026	130	799,970	358,564	1,158,664
At 31 December 2027:				
At 1 January 2027	130	799,970	358,564	1,158,664
Profit for the year	-	-	2,848,316	2,848,316
Other comprehensive income for the year	-	-	-	-
Total comprehensive profit for the year	-	-	2,848,316	2,848,316
Dividend paid	-	-	(2,552,941)	(2,552,941)
At 31 December 2027	130	799,970	653,939	1,454,039

QUICK MART LIMITED
PROSPECTIVE FINANCIAL INFORMATION
STATEMENT OF CASH FLOWS

	12 Months 1 January to 31 December 2027	6 months 1 July to 31 December 2026 (6 months)
	KShs '000	KShs '000
OPERATING ACTIVITIES		
Profit before tax	3,900,106	1,698,403
Adjustments for: -		
Depreciation - Property and equipment	944,100	418,724
- Right-of-use assets	1,205,798	558,063
Amortisation charge on intangible assets	38,758	18,211
Finance charges on capital leases	<u>1,331,414</u>	<u>616,151</u>
Operating profit before working capital changes	7,420,176	3,309,552
Working capital changes:		
- Inventories	(525,077)	(698,815)
- Trade and other receivables	(141,624)	(524,837)
- Trade and other payables	<u>1,499,382</u>	<u>2,551,823</u>
Cash generated from operating activities before tax	8,252,857	4,643,723
Income tax paid	<u>(1,147,993)</u>	<u>(408,039)</u>
Net cash flows generated from operating activities	<u>7,104,865</u>	<u>4,235,864</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,765,179)	(971,112)
Purchase of intangible assets	<u>(40,000)</u>	<u>(13,000)</u>
Net cash flows used in investing activities	<u>(1,805,179)</u>	<u>(984,112)</u>
FINANCING ACTIVITIES		
Repayment of bank borrowings	-	(6,776)
Payment of dividends	(2,552,941)	(900,000)
Repayment of lease liabilities	<u>(2,143,075)</u>	<u>(1,135,508)</u>
Net cash flows used in financing activities	<u>(4,696,016)</u>	<u>(2,042,284)</u>
Net increase in cash and cash equivalents	603,670	1,209,288
Cash and cash equivalents at start of year/period	<u>1,909,456</u>	<u>700,168</u>
Cash and cash equivalents at end of year/period	<u>2,513,126</u>	<u>1,909,456</u>

QUICK MART LIMITED
NOTES TO THE PROSPECTIVE FINANCIAL INFORMATION

1. Basis of preparation

The prospective financial information has been prepared by Management based on the assumptions set out below, and in accordance with the Company's accounting policies which are based on IFRS Accounting Standards. The accounting policies applied are consistent with those applied in the preparation of the Company's historical financial statements.

The financial information is presented in Kenya Shillings, and all values are rounded to the nearest thousand (KShs'000), except where stated otherwise.

2. Key assumptions used in deriving the prospective financial information

The prospective financial information is based on the approved Company's forecasts for the six months ending 31 December 2026 and the year ending 31 December 2027. The key assumptions used are as follows:

Revenue

Revenue in the forecast period is expected to increase by 16% Year on Year in FY27, primarily driven by store openings. Three stores are projected to open between July 2026 and December 2026 and a further 10 stores in 2027. Historically, Management has demonstrated a strong execution track record, with shortfalls largely attributed to store-specific challenges rather than broader external factors. The planned store rollout has received Board approval, with implementation already underway and funding supported by cash generated from operations. However, we note that lease agreements for the 10 planned store openings in FY27 are yet to be finalized.

Additionally, a growth of 6.0% monthly in like-for-like sales is expected in the forecast period. Management intends to achieve these targets primarily through increased market awareness driven by marketing initiatives and promotional campaigns.

Cost of sales

Cost of sales as a percentage of revenue for FY26 and FY27 is 77.4% and 77.3% respectively and gross profit margin is 22.6% and 22.7% respectively (and 22.0% in FY2025). This reflects Management's ability to negotiate favourable trading terms and improved margins with suppliers.

Other income

Management expects a modest increase in other income streams, supported by achievable sales team targets and continued growth in these categories. Promotional discounts are forecast at 5.0% of revenue, consistent with FY25 performance, reflecting Management's expectation of ongoing supplier support as sales volumes increase. Rebates are projected at 2.6% of revenue, slightly above the historical average of 2.3% recorded between FY21A and FY25A, while gondola income is forecast at 0.3% of revenue, compared to a historical average of 0.4%. Shrinkage is forecast at 0.5% of revenue, in line with historical performance, while wastage is projected at 0.2% of revenue, compared to a historical average of 0.1%.

Administrative costs

Administrative costs comprise employee benefits, administration, and general expenses. These costs are forecast at 11.8% of revenue, slightly above the FY21-FY25 historical average of 11.3%, reflecting continued business expansion.

Net finance charges

Management excluded finance income from the forecast, as it has historically been immaterial. Finance expenses are forecasted at 2.6% of revenue.

Inventories

Inventories are projected to grow by 32% from KES 4.4b (Dec25A) to KES 5.0b (Dec27F) driven by expansion of the business. Closing inventory is calculated as opening inventory plus purchases, less cost of sales and inventory adjustments for shrinkage and wastage. Inventory days are measured using closing inventory against annualised cost of sales for the preceding three months and are forecasted at an average of 29 days in FY27 against an average of 30 days in FY25.

Trade and other receivables

Trade receivables are forecasted to increase from KES 1.8b (Dec25A) to KES 2.3b (Dec27F) in line with increase in revenue. The closing receivables balance is derived from the opening receivables balance, net invoiced income projections and forecasted timing for collections based on contractual settlement terms.

QUICK MART LIMITED

NOTES TO THE PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

2. Key assumptions used in deriving the prospective financial information (Continued)

Trade and other payables

Trade payables are forecasted to increase by 30% from KES 11.2b (Dec25A) to KES 13.4b (Dec27F). The closing trade payables balance is derived from the opening payables, purchases and payment amounts. Payable days are determined based on annualised purchases for the last three months net of VAT and are forecasted at an average of 59 days in FY27, an improvement of 4 days from FY25. Management plans to leverage operational learnings to enhance supply chain planning and inventory management which is expected to support a gradual reduction in inventory days and payable days over time as observed historically.

QUICK MART LIMITED
Appendix

i) Historical EBITDA Analysis for the Financial Years Ended 2021 to 2025 and Six-Month Period Ended June 2026

	30 June 2026 (6 months) KShs '000	31 December 2025 KShs '000	31 December 2024 KShs '000	31 December 2023 KShs '000	31 December 2022 KShs '000	31 December 2021 KShs '000
Operating profit before finance costs and tax	1,948,568	3,450,784	2,966,079	1,979,098	1,641,105	1,097,318
Depreciation of property and equipment	354,848	696,767	739,760	773,055	660,951	540,409
Depreciation of right-of-use assets	497,954	897,467	872,602	845,256	745,535	554,601
Amortization of intangible assets	<u>17,343</u>	<u>30,575</u>	<u>33,408</u>	<u>38,003</u>	<u>28,162</u>	<u>24,128</u>
EBITDA	2,818,713	5,075,593	4,611,849	3,635,412	3,075,753	2,216,456
Management and consultancy fees*	147,611	264,730	214,006	218,985	292,276	220,181
Merger costs**	-	-	-	-	-	4,726
Impact of protests***	-	20,967	39,389	-	-	-
Covid expenses****	-	-	-	-	88,583	106,378
Consultancy fees*****	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,000</u>
Adjustments to EBITDA	147,611	285,697	253,395	218,985	380,859	379,286
Tax impact of adjustments	<u>44,283</u>	<u>85,709</u>	<u>76,019</u>	<u>65,696</u>	<u>114,258</u>	<u>113,786</u>
Net impact of adjustments to net income	<u>103,328</u>	<u>199,988</u>	<u>177,376</u>	<u>153,289</u>	<u>266,601</u>	<u>265,500</u>
Adjusted EBITDA	2,966,324	5,361,290	4,865,244	3,854,397	3,456,612	2,595,742
Net profit reported	872,793	1,508,574	1,134,807	449,611	274,958	182,637
Adjusted Net Profit	<u>976,121</u>	<u>1,708,562</u>	<u>1,312,183</u>	<u>602,900</u>	<u>541,559</u>	<u>448,137</u>

*This relates to management and consultancy fees paid to shareholders that are dividend-like. The contracts were terminated.

**These were legal and professional costs incurred to put in place the merged entity

***These were costs that resulted from the temporal business interruptions following the unusual protest experienced in the country

****These were costs experienced during COVID such as sanitisation of the stores, handwashing

*****This was a one-off consultancy for the post-merger integration project

QUICK MART LIMITED
Appendix

ii) Historical EBITDA Analysis for the last twelve months (LTM) to June 2026

	LTM 2026 (12 months) KShs '000	FY26F (12 months) KShs '000
Operating profit before finance costs and tax	3,443,911	4,413,851
Depreciation of property and equipment	684,765	773,572
Depreciation of right-of-use assets	946,686	1,056,019
Amortization of intangible assets	<u>32,631</u>	<u>35,554</u>
EBITDA	5,107,992	6,278,996
Management and consultancy fees	297,276	306,243
Impact of protests***	<u>8,594</u>	<u>-</u>
Adjustments to EBITDA	305,869	306,243
Tax impact of adjustments	<u>91,761</u>	<u>91,873</u>
Net impact of adjustments to net income	<u>214,108</u>	<u>214,370</u>
Adjusted EBITDA	5,413,861	6,585,239
Net profit reported	1,529,374	2,102,803
Adjusted Net Profit	<u>1,743,482</u>	<u>2,317,173</u>

***These were costs that resulted from the temporal business interruptions following the unusual protest experienced in the country.

QUICK MART LIMITED
Appendix

iii) Budget versus Actual Performance for the Six-Month Period Ended June 2026

	30 June 2026 Budget	30 June 2026 Actual
	KShs 000	KShs 000
Revenue	26,810,168	27,266,942
Cost of sales	<u>(20,918,254)</u>	<u>(21,120,797)</u>
Gross profit	5,891,914	6,146,145
Other income	<u>310,872</u>	<u>167,920</u>
Operating Income	<u>6,202,786</u>	<u>6,314,065</u>
EXPENSES		
Employee benefits	(1,823,791)	(1,758,232)
Administration and general expenses	(1,523,043)	(1,755,101)
Depreciation and amortisation	(818,757)	(870,145)
Allowance for expected credit losses	<u>17,983</u>	<u>17,981</u>
Operating expenses	<u>(4,147,608)</u>	<u>(4,365,497)</u>
Operating profit before finance costs and tax	2,055,178	1,948,568
Net finance charges	<u>(727,731)</u>	<u>(698,782)</u>
Profit before tax	1,327,447	1,249,786
Income tax expenses	<u>(477,779)</u>	<u>(376,993)</u>
Profit for the period	849,668	872,793
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the year, net of tax	<u>849,668</u>	<u>872,793</u>

QUICK MART LIMITED
Appendix

iv) STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (H1- 1 January 2026- 30 June 2026 Actual & 1 July 2026 - 31 December 2026 Projected)

	6 Months Actual 1 January to 30 June 2026 KShs 000	6 Months Projected 1 July to 31 December 2026 KShs 000	12 Months (6 Months Actual plus 6 Months Projected) 1 January to 31 December 2026 KShs 000
Revenue	27,266,942	30,937,646	58,204,588
Cost of sales	<u>(21,120,797)</u>	<u>(23,940,139)</u>	<u>(45,060,936)</u>
Gross profit	6,146,145	6,997,507	13,143,652
Other income	<u>167,920</u>	<u>180,289</u>	<u>348,209</u>
Operating Income	<u>6,314,065</u>	<u>7,177,796</u>	<u>13,491,861</u>
EXPENSES			
Employee benefits	(1,758,232)	(1,919,791)	(3,678,023)
Administration and general expenses	(1,755,101)	(1,782,272)	(3,537,373)
Depreciation of property and equipment	(354,848)	(418,724)	(773,572)
Depreciation of right of use assets	(497,954)	(558,065)	(1,056,019)
Amortisation of intangible assets	(17,343)	(18,211)	(35,554)
Allowance for expected credit losses	<u>17,981</u>	<u>(15,450)</u>	<u>2,531</u>
Operating expenses	<u>(4,365,497)</u>	<u>(4,712,513)</u>	<u>(9,078,010)</u>
Operating profit before finance costs and tax	1,948,568	2,465,283	4,413,851
Net finance charges	<u>(698,782)</u>	<u>(766,880)</u>	<u>(1,465,662)</u>
Profit before tax	1,249,786	1,698,403	2,948,189
Income tax expenses	<u>(376,993)</u>	<u>(468,393)</u>	<u>(845,386)</u>
Profit for the year	872,793	1,230,010	2,102,803
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year, net of tax	<u>872,793</u>	<u>1,230,010</u>	<u>2,102,803</u>



BOWMANS

THE VALUE OF KNOWING

LEGAL OPINION

Our Reference: 6265794
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Your Reference: N/A
Date: 1 October 2026

The Board of Directors

Quick Mart PLC

Quick Mart Building, Ruaka
Old Limuru Road
P.O. Box 2361-00621
Nairobi, Kenya

Dear Sirs,

Legal opinion issued pursuant to regulation 19(1)(b) of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023, in respect of the offer for sale of ordinary shares in Quick Mart Limited to the public and listing on the Main Investment Market Segment of the Nairobi Securities Exchange

1. BACKGROUND

- 1.1 We are the legal advisers to Quick Mart PLC (the "**Issuer**" or the "**Company**") in connection with the offer for sale of two billion (2,000,000,000) ordinary shares in the Company (the "**Offer Shares**") by Sokoni Retail Kenya Limited (the "**Selling Shareholder**") to members of the public (the "**Offer**") and the listing of the entire issued ordinary share capital of the Company on the Main Investment Market Segment of the Nairobi Securities Exchange ("**NSE**") (the "**IPO**").
- 1.2 Information on the Company and its operations is contained in the information memorandum dated on or about the date of this legal opinion (the "**Information Memorandum**"), which has been prepared for the purpose of the Offer.
- 1.3 The Offer is a secondary offering (offer for sale) pursuant to which the Selling Shareholder will sell Offer Shares to members of the public. No new shares are being issued by the Company in connection with the Offer.
- 1.4 The Information Memorandum includes particulars given in compliance with the requirements of the Capital Markets Act (Chapter 485A of the Laws of Kenya) (the "**Capital Markets Act**"), as well as the applicable regulations made thereunder, including, in particular, the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (the "**Public Offers, Listings and Disclosures Regulations**").
- 1.5 This opinion has been issued pursuant to Regulation 19(1)(b) of the Public Offers, Listings and Disclosures Regulation.
- 1.6 Unless otherwise defined herein, the definitions and interpretation applied in the Information Memorandum have the same meaning where used in this opinion.

RT St A Harney, SC JSP Coulson JW Karanja JN Syekei AG Njage CK Kigera PV Shah TA Mwango AN Mathini J Mbui DO Indokhomi
VS Shah CL Kuyo AA Tharani A Oduor CN Banja WM Gituro D Mwathe SN Kiriba E Baru D Opijah KO Evans A Deya SM Githanda
Directors R Field A Issaias

KENYA MAURITIUS NAMIBIA SOUTH AFRICA TANZANIA ZAMBIA

ALLIANCE FIRMS: ETHIOPIA NIGERIA

2. APPLICABLE LAWS AND DOCUMENTS

2.1 In arriving at the opinions expressed below, we have examined and relied on:

- 2.1.1 the Capital Markets Act;
- 2.1.2 the Public Offers, Listings and Disclosures Regulations;
- 2.1.3 the Nairobi Securities Exchange Listing Rules (the "**Listing Rules**");
- 2.1.4 the Central Depositories Act (Chapter 485C of the Laws of Kenya) (the "**Central Depositories Act**");
- 2.1.5 the Companies Act (Chapter 486 of the Laws of Kenya) (the "**Companies Act**");
- 2.1.6 the Competition Act (Chapter 504 of the Laws of Kenya);
- 2.1.7 the Data Protection Act (Chapter 411C of the Laws of Kenya);
- 2.1.8 the Employment Act (Chapter 226 of the Laws of Kenya);
- 2.1.9 the Income Tax Act (Chapter 470 of the Laws of Kenya);
- 2.1.10 the Stamp Duty Act (Chapter 480 of the Laws of Kenya);
- 2.1.11 the Information Memorandum;
- 2.1.12 the placing agreement dated 1 October 2026 between the Company, the Selling Shareholder, Stanbic Bank Kenya Limited, SBG Securities Limited and Dyer and Blair Investment Bank Limited (the "**Placing Agreement**");
- 2.1.13 such other agreements, undertakings and documents as may have been entered into or executed in connection with the Offer (together with the Placing Agreement, the "**Transaction Agreements**");
- 2.1.14 a copy of the Certificate of Incorporation of the Company dated 28 April 2006, pursuant to which the Company was initially incorporated under the name "Kids Supermarket Limited";
- 2.1.15 a copy of the Certificate of Change of Name dated 13 January 2008, pursuant to which the Company changed its name from "Kids Supermarket Limited" to "Quick Mart Limited";
- 2.1.16 a copy of the Certificate of Conversion dated 22 September 2026, pursuant to which the Company changed its name from "Quick Mart Limited" to "Quick Mart PLC";
- 2.1.17 a copy of the written special resolution of the sole member dated 25 August 2026, approving (i) the conversion of the Company from a private company to a public company (the "Conversion"), (ii) the change of name from "Quick Mart Limited" to "Quick Mart PLC", and (iii) the adoption of the new Articles of Association of the Company;
- 2.1.18 the Company's auditor's unqualified report dated 10 September 2026, issued in relation to the Conversion, pursuant to the provisions of section 72 of the Companies Act;
- 2.1.19 a copy of the Articles of Association of the Company dated 25 August 2026 (certified as a true and up-to-date copy);

- 2.1.20 a copy of the written special resolution of the sole member of the Company dated 10 August 2026, approving the increase in share capital of the Company from KES 1,000,000 to KES 50,000,000, and subsequent allotment of 498,700 ordinary shares to the Selling Shareholder;
- 2.1.21 a copy of the written resolutions of the directors of the Company dated 10 August 2026, (i) recommending that the sole shareholder approve the increase in the Company's share capital from KES 1,000,000 to KES 50,000,000, and (ii) approving the conditional allotment of 498,700 ordinary shares to the Selling Shareholder;
- 2.1.22 the duly stamped statement of increase of nominal capital dated 7 August 2026, in relation to the increase in the Company's share capital from KES 1,000,000 to KES 50,000,000;
- 2.1.23 the stamp duty payment receipt dated 17 August 2026, in relation to the increase in the Company's share capital from KES 1,000,000 to KES 50,000,000
- 2.1.24 the Form 204 (*Notice of Increase in Nominal Capital*) dated 26 August 2026, in relation to the increase in the Company's share capital from KES 1,000,000 to KES 50,000,000, together with the accompanying filing receipt dated 26 August 2026;
- 2.1.25 Form CR 20 (*Return of Allotment*) dated 26 August 2026, in relation to the allotment of the 498,000 shares to the Selling Shareholder, together with the accompanying filing receipt dated 26 August 2026;
- 2.1.26 a copy of the written ordinary resolution of the sole member of the Company dated 9 September 2026, approving the subdivision of the Company's 500,000 ordinary shares of KES 100 each into 250,000,000 ordinary shares of KES 0.20 each (a 500-for-one stock split);
- 2.1.27 a copy of the written resolutions of the directors of the Company dated 9 September 2026, (i) recommending that the sole shareholder approve the stock split, and (ii) conditionally approving the stock split subject to the completion of the bonus issue and the shareholder resolution being passed;
- 2.1.28 a copy of the written ordinary resolution of the sole member of the Company dated 9 September 2026, approving (i) the increase in share capital of the Company from KES 50,000,000 to KES 800,000,000, (ii) the application of KES 750,000,000 from the Company's share premium in paying up the new ordinary shares in full at par, and (iii) the allotment and issue of 3,750,000,000 ordinary shares, credited as fully paid, to the Selling Shareholder;
- 2.1.29 a copy of the written resolutions of the directors of the Company dated 9 September 2026, (i) recommending that the sole shareholder approve the increase in the Company's share capital from KES 50,000,000 to KES 800,000,000, (ii) the application of KES 750,000,000 from the Company's share premium account, and (iii) the conditional allotment of 3,750,000,000 ordinary shares to the Selling Shareholder;
- 2.1.30 the duly stamped statement of increase of nominal capital dated 16 September 2026, in relation to the increase in the Company's share capital from KES 50,000,000 to KES 800,000,000;
- 2.1.31 the stamp duty payment receipt dated 16 September 2026, in relation to the increase in the Company's share capital from KES 50,000,000 to KES 800,000,000;
- 2.1.32 the Form 204 (*Notice of Increase in Nominal Capital*) dated 16 September 2026, in relation to the increase in the Company's share capital from KES 50,000,000 to KES 800,000,000, together with the accompanying filing receipt dated 16 September 2026;

- 2.1.33 Form CR 20 (*Return of Allotment*) dated 16 September 2026, in relation to the allotment of the 3,750,000,000 ordinary shares to the Selling Shareholder, together with the accompanying filing receipt dated 16 September 2026;
- 2.1.34 a copy of a letter dated 28 September 2026 from the Company Secretary confirming that all corporate records of the Company are complete and up-to-date and that all notifications, returns and other filings required under the Companies Act have been duly filed;
- 2.1.35 a copy of the certified extract of the minutes of the meeting of the Board of Directors of the Company held on 25 August 2026, pursuant to which the Board of Directors of the Company approved (i) in principle, the Company proceeding with the preparatory steps required for the IPO, (ii) the appointment of Ms. Jennifer Kinyoe and Ms. Disha Copreaux as independent non-executive directors with effect from 1 October 2026, (iii) the creation of the audit and risk management committee, the nomination, remuneration and governance committee and the strategy and investment committee, and (iv) the adoption of the board charter and the terms of reference for the board committees;
- 2.1.36 a copy of the certified extract of the minutes of the Board of Directors of the Company held on 22 September 2026 and dated on 24 September 2026, approving *inter alia* (i) the Offer, (ii) the Information Memorandum, (iii) the listing of the Company's ordinary shares on the Main Investment Market Segment of the NSE, and (iv) the execution and delivery of the Transaction Agreements;
- 2.1.37 a copy of the certified extract of the minutes of the sole member (Sokoni Retail Kenya Limited) held on 22 September 2026 and dated 24 September 2026 approving *inter alia*, (i) the Offer, (ii) the Offer for Sale, and (iii) the listing of the Company's ordinary shares on the Main Investment Market Segment of the NSE;
- 2.1.38 a copy of the approval issued by the Capital Markets Authority (the "**Authority**" or "**CMA**") dated 30 September 2026, in connection with the Offer, the Information Memorandum, and the listing of the Company's shares on the NSE;
- 2.1.39 a copy of the approval of the NSE dated 1 October 2026 for the listing and admission to trading of the Company's shares on the Main Investment Market Segment;
- 2.1.40 the declarations by the Directors and the senior management of the Company, confirming that they are not subject to any bankruptcy or insolvency proceedings, have not been convicted of any criminal offence within the preceding two years, and are not subject to any court order or ruling disqualifying them from acting as employees or professionals;
- 2.1.41 searches conducted at the Companies Registry and the Collateral Registry on 23 September 2026; and
- 2.1.42 such other documents, records and confirmations as we have considered necessary or appropriate for the purpose of this opinion.

3. **ASSUMPTIONS**

3.1 We have assumed:

- 3.1.1 that all the information, representations, statements and documents supplied to us by the Company, its directors, officers, employees and professional advisors for purposes of this opinion are true, accurate and up to date as at the date of the Information Memorandum;
- 3.1.2 that documents submitted as originals are authentic and documents submitted as copies conform with the corresponding original documents and that such corresponding original documents are authentic;
- 3.1.3 that all the documents are within the capacity of, and have been validly authorised, executed and delivered by each party;
- 3.1.4 that the signatures and stamps of each relevant party on all documents are genuine and authentic;
- 3.1.5 that the resolutions passed pursuant to the certified extract of the minutes of the meeting of the Board of Directors of the Company or the sole shareholder of the Company as examined by us, were duly passed at a properly convened meeting of the duly appointed Board of Directors of the Company or the sole shareholder of the Company, that the correct procedure was carried out at the board meeting, including that there was a valid quorum and all relevant interests of directors were declared;
- 3.1.6 that all information contained in the Information Memorandum is true, accurate and is up to date as of the date hereof, and that the Information Memorandum we examined is in the final form;
- 3.1.7 that there are no facts or circumstances in existence and no events have occurred which would render the Information Memorandum void or voidable or capable of rescission for any reason;
- 3.1.8 that each of the parties to the Transaction Agreements (other than the Company) has neither taken any corporate action, nor have any steps been initiated against it for bankruptcy, administration, liquidation, dissolution or company reorganisation, or for the appointment of a liquidator, receiver or similar officer;
- 3.1.9 that all directors of the Company are duly appointed;
- 3.1.10 that any resolutions referred to in this opinion have not been amended or rescinded and are in full force and effect;
- 3.1.11 that the directors of the parties to the Transaction Agreements acted in good faith and the Transaction Agreements are entered into in the best interests of the parties thereto;
- 3.1.12 that each of the parties to the Transaction Agreements (other than the Company) has the capacity, power and authority to enter into, execute and deliver the Transaction Agreements to which they are a party;
- 3.1.13 that each of the parties to the Transaction Agreements (other than the Company) have been duly incorporated and are validly existing under the laws of the jurisdiction in which they are incorporated;

- 3.1.14 that there is no other fact, matter or document which would, or might, affect this opinion and which was not revealed by examining the documents provided to us by the Company, and the searches and enquiries we made;
- 3.1.15 all licences, permits, approvals and consents (including any regulatory approval in connection with the Offer) referred to in this opinion were validly issued, remain in full force and effect as at the date of this opinion, and have not been revoked, suspended, terminated, or modified or made subject to any conditions which have not been disclosed to us;
- 3.1.16 given that the Company does not own any freehold or leasehold interest in real property and its entire store network is located in premises leased from third-party landlords, we have not conducted searches at the Kenyan Lands Registry in respect of the underlying title to any leased premises, nor have we independently verified the title of any landlord to the premises demised to the Company. Accordingly, we express no opinion and assume no responsibility with respect to the title of any landlord or any defects, errors, omissions or inconsistencies in the Kenyan Lands Registry; and
- 3.1.17 that the information disclosed by the searches conducted at the Companies Registry, the Collateral Registry and any other public office or registry are accurate and complete, and that such information has not changed since the date of the relevant search.
- 3.2 With respect to matters of fact, we have relied on the representations contained in the Information Memorandum, the Transaction Agreements and the representations of the Company, the Selling Shareholder, and their respective officers and advisers.
- 3.3 This opinion is given on the basis of all documents and confirmations provided to us by the Company and the Selling Shareholder in respect of the Company.
- 3.4 The Transaction Agreements have not been amended or varied, and there are no other arrangements between the parties to the Transaction Agreements which have not been disclosed to us, and which modify or supersede any of the terms of the Transaction Agreements.
- 3.5 There are no facts or circumstances in existence, and no events have occurred, which would by reason of fraud or misrepresentation on the part of any of the parties to them render the Transaction Agreements void or voidable or repudiated or frustrated or capable of rescission.
- 3.6 The Transaction Agreements are not void, voidable or unenforceable by reason of:
- 3.6.1 *non est factum* (that is, circumstances in which one party executes an agreement believing it to be an essentially different agreement and that party was not careless in so doing); or
- 3.6.2 by a party thereto having been induced to enter into it by duress, fraud or misrepresentation or on the basis of a mistake of fact or law.

4. **OPINION**

- 4.1 Based upon and subject to the foregoing, and to the qualifications set out below, we are of the opinion that:
- 4.1.1 **Corporate Status**
- 4.1.1.1 The Company was incorporated on 28 April 2006 under the Companies Act (Cap 486 of the Laws of Kenya) as a private limited liability company under the name "Kids Supermarkets Limited" with registration number C.124537.

- 4.1.1.2 The Company changed its name to "Quick Mart Limited" on 13 January 2008, as evidenced by a Certificate of Change of Name issued by the Registrar of Companies.
- 4.1.1.3 Pursuant to a special resolution of the sole member dated 25 August 2026, the Company has been converted from a private company limited by shares to a public company limited by shares and has changed its name to "Quick Mart PLC", as evidenced by a Certificate of Conversion dated 22 September 2026 with registration number PLC-6DPTZPBBA.
- 4.1.1.4 The Company's registered office address is at Quick Mart Building, Ruaka, Old Limuru Road, P.O. Box 2361-00621, Nairobi, Kenya.
- 4.1.1.5 The Company is duly incorporated and validly existing under the laws of Kenya and has the corporate power and capacity to own its assets and to carry on its business as presently conducted.
- 4.1.1.6 The Company is not entitled to claim any immunity from legal action or proceedings, execution, attachment or other legal process in Kenya.
- 4.1.1.7 As at the date of this opinion, the Company does not have any subsidiary undertakings.
- 4.1.1.8 As at 30 June 2026, the Company operates sixty-eight (68) retail stores across sixteen (16) counties in Kenya.
- 4.1.1.9 The Company has the power, capacity and authority to carry on its business as presently conducted.
- 4.1.2 **Legal Status of the Selling Shareholder**
- 4.1.2.1 The Selling Shareholder is a private company incorporated in the Republic of Mauritius under registration number 158508 and whose address is c/o Rogers Capital Corporate Services Limited, No. 5 President John Kennedy Street, 3rd Floor, Rogers House, Port Louis, Mauritius.
- 4.1.2.2 The Selling Shareholder is the sole shareholder of the issued share capital of the Company.
- 4.1.2.3 By written resolution dated 30 September 2026, the Selling Shareholder has approved the sale of the Offer Shares, and therefore, the Selling Shareholder has the requisite corporate power, capacity and authority to sell the Offer Shares pursuant to the Offer, and to undertake the Offer and all other transactions contemplated thereby and in the Information Memorandum.
- 4.1.3 **Share Capital**
- 4.1.3.1 Prior to (i) the increase in the Company's share capital, and (ii) the subdivision (share split) undertaken in connection with the Offer (as set out below), the authorised share capital of the Company was Kenya Shillings one million (KES 1,000,000) divided into ten thousand (10,000) ordinary shares of Kenya Shillings one hundred (KES 100) each, of which one thousand three hundred (1,300) ordinary shares of Kenya Shillings one hundred (KES 100) each, were issued and fully paid up.

- 4.1.3.2 Pursuant to the written resolution of the sole member of the Company dated 10 August 2026, the sole member of the Company approved the increase of the Company's share capital from Kenya Shillings one million (KES 1,000,000) to Kenya Shillings fifty million (KES 50,000,000), in order to comply with the minimum share capital requirements for listing on the Main Investment Market Segment of the NSE as set out in the Public Offers, Listings and Disclosures Regulations.
- 4.1.3.3 Pursuant to the written resolution of the sole member of the Company dated 9 September 2026, the sole member of the Company approved the subdivision (stock split) of the Company's ordinary shares, whereby (i) the nominal value of each ordinary share was reduced from Kenya Shillings one hundred (KES 100) per ordinary share to Kenya Shillings twenty cents (KES 0.20) per ordinary share, and (ii) consequently, the number of ordinary shares in the capital of the Company increased from five hundred thousand (500,000) ordinary shares to two hundred and fifty million (250,000,000) ordinary shares.
- 4.1.3.4 Pursuant to the written resolution of the sole member of the Company dated 9 September 2026, the sole member of the Company approved:
- 4.1.3.4.1 a further increase of the Company's share capital from Kenya Shillings fifty million (KES 50,000,000) to Kenya Shillings eight hundred million (KES 800,000,000); and
- 4.1.3.4.2 the allotment and issue of 3,750,000,000 ordinary shares, credited as fully paid, to the Selling Shareholder. Accordingly, as at the date of this opinion the Company's issued and fully paid-up share capital is Kenya Shillings eight hundred million (KES 800,000,000), divided into four billion (4,000,000,000) ordinary shares of Kenya Shillings twenty cents (KES 0.20) each.
- 4.1.3.5 The existing share capital of the Company has been duly authorised, and the existing ordinary shares in the Company (including the Offer Shares) were validly issued, in each case in accordance with the Companies Act and the Company's articles of association, and all necessary corporate and regulatory approvals in connection therewith have been obtained. The existing ordinary shares are fully paid up and are not subject to any calls for further payment.
- 4.1.4 **Licences and Consents**
- 4.1.4.1 All material licences, consents, approvals and authorisations required by the Company to carry on its business as presently conducted have been duly obtained and are in full force and effect.
- 4.1.4.2 The Company maintains other trading and operational licences include, without limitation, Single Business Permits, Fire Clearance Certificates, Occupational Safety and Health Act certificates, Liquor Licences (where applicable), Food Hygiene Licences, NEMA clearance permits, and such other permits and licences as are required by applicable laws. Where any such licence, permit, consent, approval or authorisation has expired by effluxion of time or is due to expire, the Company is in the process of, or is actively taking the necessary steps to, renew or update such licences that have expired or are due to expire within the ordinary course of business.
- 4.1.4.3 Based on representations made by senior management of the Company has implemented appropriate policies, procedures and compliance programmes to ensure ongoing regulatory compliance across its operations and to ensure that all licences, permits, consents, approvals and authorisations are renewed in a timely manner.

4.1.5 **Assets, Land and Property**

Real Property

4.1.5.1 The Company does not own any freehold or leasehold interest in any real property. The Company's entire retail store network is operated through various lease arrangements with third parties (the **Lease Arrangements**). We are satisfied, after such enquiry as we have deemed necessary for the purpose of this opinion, that the Company has, or where applicable upon renewal will have, good and valid rights to occupy such leased real property for the purposes of the business carried on by the Company as at the date hereof.

4.1.5.2 Where any lease has expired by effluxion of time or is due to expire, the Company is in the process of, or is actively taking the necessary steps to, renew such leases in the ordinary course of business.

4.1.5.3 In respect of any long-term leases that are pending stamping pursuant to the provisions of the Stamp Duty Act (Chapter 480 of the Laws of Kenya) or registration pursuant to the provisions of the Land Registration Act, 2012, the Company is taking the necessary steps to ensure that such leases are duly stamped and registered.

Other Material Assets

4.1.5.4 The Company validly and legally owns or leases (as applicable) all other material assets required for the purpose of the Company's business. The Company has good and valid title or rights to or in such material assets for the purposes of the business carried on by the Company as at the date hereof.

4.1.5.5 The Company's assets are encumbered pursuant to an all asset debenture dated 11 January 2021 granted by the Company in favour of Family Bank Limited securing substantially undrawn facilities of up to KES 2,000,000,000, which creates fixed and floating charges over all of the Company's undertaking, property and assets. Save for the encumbrance imposed by the said debenture, the Company's material assets are not subject to any other material encumbrances.

4.1.6 **Material Contracts**

4.1.6.1 As at the date of the Information Memorandum, save for the Facility Agreement between the Company and Family Bank PLC dated 18 February 2026 and various commercial contracts which are in the ordinary course of the Company's business and are material to the Company's operations as set out below in paragraph 4.1.6.2 the Company has not entered into any material contracts that are outside the ordinary course of its business.

4.1.6.2 In the ordinary course of the Company's business, the Company enters into various categories of commercial contracts which are material for the operations of the Company's business and are summarised below.

4.1.6.2.1 **Supplier Agreements** – The Company has entered into joint business plans and trading terms agreements with a number of suppliers for the supply of goods which the Issuer sells through its retail store and online network. These agreements generally govern the commercial relationship between the Company and its suppliers, including payment terms, supply arrangements and performance-related incentive structures. The majority of these agreements have a term of one year, with a small number having a term of two years.

- 4.1.6.2.2 **E-Commerce Agreements** – The Company has entered into e-commerce partnership agreements with third-party delivery platforms, pursuant to which the Company's products are made available for purchase and delivery to customers through such platforms. These arrangements enable the Issuer to extend its retail reach and offer convenient delivery options to its customers.
- 4.1.6.2.3 **Lease Agreements** – The Company is party to various lease agreements in respect of its retail store network, distribution centres and other operational premises.
- 4.1.6.2.4 **Employment Outsourcing Agreements** – The Company has entered into employment outsourcing arrangements with third-party service providers for the provision of labour and staffing solutions. These arrangements enable the Issuer to supplement its workforce with personnel engaged through specialist employment service providers.
- 4.1.6.2.5 **Information Technology and Software Agreements** – The Company has entered into a number of information technology and software agreements to support its retail operations and technology infrastructure. These include agreements for the licensing of proprietary software products used in the Company operations, agreements for the provision of software integration and middleware services (including services enabling mobile payment notification transmission), agreements for the licensing of mobile-based customer loyalty platforms, and agreements for the development and proof of concept of store management systems. In this regard, the Issuer has entered into the following contracts:

Agreement	Parties	Date	Term and Termination	Key Terms
Service Agreement (TRF Retail Proof of Concept)	Hpertrade Consulting Company Limited (Thailand), as agent for SC Méthodes (France), the publisher and owner of the TRF Retail solution, and Quick Mart Limited	11 March 2021	Initial Proof of Concept period of three (3) months from the date of execution. Terminable by the Issuer on one (1) month's prior written notice. The agreement contemplates a subsequent twelve (12) month subscription with SC Méthodes upon successful completion of the Proof of Concept phase.	Subject matter: Provision of the "TRF Retail" business intelligence and store-management software solution on a Proof of Concept basis, covering 36 stores. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence to use the TRF Retail software for its own business purposes. All intellectual property rights in the software remain vested in SC Méthodes.

Agreement	Parties	Date	Term and Termination	Key Terms
				Governing law: Laws of Kenya; disputes to be resolved by arbitration.
Software Sale and Licensing Agreement	Aspire Software Limited and Quick Mart Limited	25 March 2015	No fixed term; the agreement continues until terminated in accordance with its provisions. Automatic termination applies if force majeure incapacity exceeds six (6) months. Aspire may terminate the licence if the Issuer fails to comply with the terms of the End-User Licence Agreement.	Subject matter: Sale and licensing of Aspire's proprietary point-of-sale and ERP software, together with delivery, installation, training and first-level support services. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence for the software. Copyright and all proprietary rights remain vested in Aspire. Liability: Neither party is liable for special, indirect, incidental or consequential damages. Governing law: Laws of Kenya.
Agreement for Provision of Software Integration Notification Services for MPESA	Asprime Software Limited and Quick Mart Limited	1 July 2019	Initial term of one (1) year, renewing automatically on a year-to-year basis until terminated by either party on thirty (30) days' prior written notice. Either party may terminate immediately upon written notice if	Subject matter: Provision of a Software Integration Notification Service for MPESA, enabling mobile payment notifications from Safaricom's

Agreement	Parties	Date	Term and Termination	Key Terms
			the other party ceases or threatens to cease to carry on business, enters administration or receivership, makes arrangements for creditors' benefit, or enters liquidation (other than for genuine amalgamation or reconstruction).	MPESA API to be transmitted to the Issuer's systems. Intellectual property: The Issuer is granted a non-exclusive, non-transferable licence to use the service. All proprietary rights remain vested in Asprime Software Limited. Governing law: Laws of Kenya; disputes to be resolved by arbitration.

4.1.6.3 Based on our review of the material contracts provided to us, such contracts have been duly entered into and constitute valid, binding and enforceable obligations of the parties thereto, enforceable in accordance with their respective terms (except as the same may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and by the general principles of equity), and are in full force and effect. Where any such contract has expired by effluxion of time or is due to expire, the Company is in the process of, or is actively taking the necessary steps to, renew such contracts in accordance with the applicable notice periods, renewal mechanisms and other procedural requirements set out therein. Based on the representations from the senior management of the Company, the Company has implemented appropriate policies and procedures to monitor and manage contract renewal dates to ensure the smooth and uninterrupted operation of its business.

4.1.7 **Transaction Agreements Regarding the Proposed Offer**

4.1.7.1 The Company has the corporate capacity, power and authority to enter into, execute and deliver the Transaction Agreements and to perform its obligations thereunder.

4.1.7.2 The Transaction Agreements have been duly authorised, executed and delivered by the Company and constitute valid, legally binding and enforceable obligations of the Company, enforceable against the Company in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and by the general principles of equity.

4.1.7.3 The execution, delivery and performance of the Transaction Agreements do not and will not violate, conflict with, or result in a breach of (i) any provision of the Company's articles of association, (ii) any Applicable Law, or (iii) any material agreement to which the Company is a party.

4.1.7.4 With the exception of the Transaction Agreements and the contracts entered into by the Company with various advisers for purposes of the Offer, there are no other contracts in respect of the Offer, which have not been disclosed in the Information Memorandum.

4.1.7.5 The choice of Kenyan law to govern the Transaction Agreements would be recognised and upheld as a valid choice of law in any proceedings in the courts of Kenya and applied by such courts in proceedings in relation to the Transaction Agreements as the governing law thereof.

4.1.8 **Material Litigation**

4.1.8.1 To the best of our knowledge, information and belief after due enquiry, there are no legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Company is aware) which have had, in the past twelve (12) months preceding the date of this opinion, a significant adverse effect on the financial position or the operations of the Company, or which if adversely determined are reasonably likely to have a significant adverse effect on the obligations of the Company in connection with the Offer.

4.1.8.2 Notwithstanding that the legal proceedings to which the Company is a party are not considered to be material in the context of the Offer, brief details of such proceedings are set out below:

Parties	Description of the Matter	Potential Liability
Civil Case No. E5048 of 2020 - Susan Mwende vs Quick Mart Ltd	This is a defamation claim brought by a customer of the Company whose payment card was declined at the point of sale during a retail transaction. The matter is awaiting allocation of a hearing date by the Court.	The claim does not specify a quantified amount. The remedies sought include: • damages for breach of contract; • aggravated damages for defamation; and • costs of the suit.
Succession 763/2018 - Estate of James Njomo Kamore	The Company has been joined as an interested party in succession proceedings relating to the estate of the deceased landlord of one of its leased premises (i.e., the Kamaki's store). Certain claimants to the estate have alleged that the Company's tenancy at the relevant store is irregular and unauthorised. The matter is awaiting further directions from the Court.	Potential risk of eviction from the premises.
Civil Suit No. E012/2023 - Leonard Onyancha	This is a defamation claim in which the plaintiff alleges that he was publicly	The claim does not specify a quantified amount. The remedies sought include:

Mokua Vs. Quick Mart Ltd.	embarrassed by the conduct of the Company staff. The matter is scheduled for hearing on 12 October 2026.	• general and exemplary damages for malicious defamation; • damages for breach of contract; • aggravated damages for defamation; and • costs of the suit.
ELRC Cause No. E2437 of 2024 – George Mawira Gituma v Quick Mart Limited & Retail Management Solution Limited	This is an employment-related claim brought against the Company and Retail Management Solution Limited. The Company denies that any employer-employee relationship existed between it and the claimant. Retail Management Solution Limited employed the claimant. The Company relies on the human resource supply contract with Retail Management Solution Limited and the claimant's employment documents to support its misjoinder argument. The Company has filed a response and an application to strike out its name from the proceedings on the grounds of misjoinder. The matter is awaiting determination of the Company's application to strike out its name from the proceedings on the grounds of misjoinder.	The total quantified monetary claim is KES 453,600. The Company maintains that the claim should not succeed against it in the absence of an employer-employee relationship, and that any employment-related liability should properly rest with Retail Management Solution Limited.

- 4.1.8.3 To the best of our knowledge, information and belief, and after due enquiry, there has been no material prosecution or criminal legal action in which the Company or any of its directors is involved in the past twelve (12) months preceding the date of this opinion.
- 4.1.8.4 To the best of our knowledge, information and belief after due enquiry, there are no legal investigations (including any investigations which are pending or threatened of which the Issuer is aware) which have had, in the past twelve (12) months preceding the date of this opinion, a significant adverse effect on the financial position or the operations of the Company, or which if adversely determined are reasonably likely to have a significant adverse effect on the obligations of the Company in connection with the Offer.
- 4.1.8.5 As at the date of this opinion, and for a period of two (2) years prior thereto, no director of the Company has:
- 4.1.8.5.1 had any petition under bankruptcy or insolvency laws in any jurisdiction pending against them;

4.1.8.5.2 been convicted for any criminal offence in Kenya (other than minor traffic offences or other non-committal offences not involving dishonesty or moral turpitude); and

4.1.8.5.3 been the subject of any ruling of a court of competent jurisdiction or any government body in any jurisdiction or any professional body to which they may belong, that disables them from acting as a director or employee or a professional in the relevant field or engaging in business practice or activity in that jurisdiction.

4.1.9 **Approvals**

4.1.9.1 The Board of Directors of the Company has duly approved: (i) the Offer; (ii) the Information Memorandum; (iii) the listing of the Company's shares on the Main Investment Market Segment of the NSE; and (iv) the execution and delivery of the Transaction Agreements.

4.1.9.2 The sole member of the Company (Sokoni Retail Kenya Limited) has, by special resolution dated 25 August 2026, approved: (i) the conversion of the Company from a private company to a public company; (ii) the change of name from "Quick Mart Limited" to "Quick Mart PLC"; (iii) the adoption of new articles of association appropriate for a public company; and (iv) the Offer for Sale.

4.1.9.3 The Selling Shareholder has duly authorised and approved the sale of the Offer Shares pursuant to the Offer.

4.1.9.4 The Authority has granted approval of: (i) the Offer; (ii) the Information Memorandum; and (iii) the listing and admission of the Company's shares on the NSE.

4.1.9.5 The NSE has approved the listing and admission to trading of the Company's shares on the Main Investment Market Segment.

4.1.9.6 The ordinary shares, when listed on the Main Investment Market Segment of the NSE, will be prescribed as a dematerialised security under the Central Depositories Act.

4.1.9.7 Save for: (i) stamping of the Transaction Agreements with stamp duty; and (ii) the approvals of the Authority and the NSE referred to in paragraphs 4.1.9.4 and 4.1.9.5 above, there are no governmental or regulatory consents, approvals, authorisations or orders, registration, filing or similar formalities required to be carried out in Kenya by the Company in connection with the Offer and the performance by the Company of its obligations under the Transaction Agreements.

4.1.10 **The Offer Shares**

4.1.10.1 The Offer Shares are existing ordinary shares in the capital of the Company which have been validly issued, are fully paid up, and, prior to being credited to each applicant's central depository securities account, shall be free from all liens, charges and encumbrances

4.1.10.2 The Offer Shares rank *pari passu* in all respects with all other issued ordinary shares in the capital of the Company, including as regards the right to receive dividends and other distributions and the right to attend and vote at general meetings of the Company.

4.1.10.3 Upon listing, the Offer Shares will be freely transferable in dematerialised form through the Central Depository and Settlement Corporation Limited and will be held in Central Depository System accounts in accordance with the Central Depositories Act.

4.1.10.4 No holder of Offer Shares will be deemed to be resident, domiciled or carrying on business in Kenya by reason only of its holding of such shares.

- 4.1.10.5 No stamp duty will be payable in Kenya in respect of the issue, or on transfers, of the Offer Shares once they are listed on the NSE.

5. **QUALIFICATIONS**

- 5.1 If any provision of the Information Memorandum or the Transaction Agreements is held to be illegal, invalid or unenforceable by the Kenyan courts, severance of such provision from the remaining provisions of the Information Memorandum or the Transaction Agreements would be subject to the exercise of the discretion of the Kenyan courts.
- 5.2 The Transaction Agreements must be stamped in accordance with the Stamp Duty Act (Chapter 480 of the Laws of Kenya) within thirty (30) days of their execution in order to be admissible in evidence in a Kenyan court. We will attend to stamping within the prescribed period.
- 5.3 Any provision to the effect that certain calculations or certificates will be conclusive and binding will not be effective if such calculations or certificates are fraudulent or erroneous on their face and will not prevent judicial enquiry by the Kenyan courts into the merits of any claim by an aggrieved party.
- 5.4 If any party is vested with any discretion or may determine a matter in its opinion, the Kenyan courts may require that such discretion be exercised reasonably or that such opinion be based on reasonable grounds.
- 5.5 Nothing in this opinion is to be taken as indicating that the remedy of an order for specific performance or the issue of an injunction would be available in a Kenyan court in respect of the obligations arising under any agreement since such remedies are available only at the discretion of the court. Specific performance is not usually granted and an injunction is not usually issued where damages would be an adequate alternative.
- 5.6 A Kenyan court may refuse to give effect to a provision to pay the costs of another party in respect of any successful action brought against that party before a Kenyan court and the Kenyan court may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court.
- 5.7 Service of legal process on the Company by post in connection with any proceedings in the Kenyan courts would be effective only if made in accordance with the applicable court rules or with the leave of the court.
- 5.8 The opinions expressed herein as to the enforceability of the Transaction Agreements are subject to the qualification that enforcement may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in equity or at law).

6. **LIMITATION OF LIABILITY**

- 6.1 The opinions given in this opinion are given strictly on the basis that all and any claims of any nature (whether arising in contract or in tort) arising as a result of reliance on such opinions shall only be capable of being brought and/or instituted, and may only and exclusively be brought and/or instituted, against Coulson Harney LLP (the "**Firm**"). No director, partner, professional with similar status, consultant, associate or other employee of the Firm or any of its affiliates shall be liable in their personal capacity, whether jointly or severally with the Firm or otherwise, for any claim whatsoever arising, directly or indirectly, in connection with the opinions given in this opinion, and no such claims shall be enforceable against their respective personal estates. Accordingly, by placing reliance on this opinion, the Company, the Selling Shareholder, and the initial purchasers of the Offer Shares waive any claim or claims which they may have for any

damages, loss, interest, cost, expenses or the like (other than those resulting from fraud, gross negligence or wilful misconduct) against any of our present or past directors and which arise directly or indirectly from placing reliance on this opinion. All such claims may be satisfied only from the assets of the Firm including (but not limited to) the Firm's professional indemnity cover.

- 6.2 The Firm shall not have any liability for any indirect, special or consequential loss or damage (including without limitation any loss of profit or bargain) in respect of this opinion.

7. **MISCELLANEOUS**

- 7.1 This opinion relates to the laws of Kenya in force at the date hereof. No opinion is expressed as to the laws of any other jurisdiction.
- 7.2 This opinion is given as of the date hereof. No opinion is expressed in relation to facts or circumstances arising after the date hereof.
- 7.3 To the extent any opinion expressed in this letter and the opinions given in it relates to a future event, it is expressed on the assumption that Kenyan law will remain the same on any relevant future date as that in existence as at the date of this letter and, accordingly, no opinion is given that the future or continued performance of the obligations of any of the parties to the Transaction Agreements or the consummation of the transactions contemplated in the Transaction Agreements will not contravene Kenyan law if such law is altered.
- 7.4 This opinion is strictly limited to the matters stated in paragraph 4 (Opinion) and does not extend to any other matters. The statements in this letter do not purport to be an analysis of all the rights and obligations of the parties to the Transaction Agreements under Kenyan law, but are merely opinions regarding the effectiveness of, and the limitations Kenyan law imposes on, the express terms of the Transaction Agreements.
- 7.5 This opinion is addressed to the Company and may be relied upon for the purposes of the Offer by: (i) the Company; (ii) the Selling Shareholder; (iii) Stanbic Bank Kenya Limited in its capacity as Lead Transaction Advisor and Lead Arranger; (iv) SBG Securities Limited in its capacity as Lead Transaction Advisor, Lead Placing Agent, Lead Arranger and Sponsoring Broker; (v) Dyer and Blair Investment Bank Limited in its capacity as Co-Placing Agent, and (vi) the initial purchasers of the Offer Shares. It may not be relied upon by any other person or used for any other purpose.

8. **CONSENT**

We confirm that we have given, and as at the date of issue of the Information Memorandum, have not withdrawn, our consent to its issue and to the inclusion of our legal opinion therein.

Yours faithfully,



COULSON HARNEY LLP (trading as BOWMANS)



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