FMCG and T&D State of Nation Q2'26

KSA & UAE

Period: MAT Jun'26 Data Ending

Key Takeaways - FMCG

Done with Q2'26

- Although Modern Trade remains the key and biggest channel, Ecom is the key driver of growth for both markets whereas TT managed to grow double digit in UAE
- Petcare witness the fastest growth in KSA followed by Snacking while Ambient Food and Beverages are top 2 for UAE with strong volume growths
- In KSA, we observe clearly a polarized move towards both value and premium players while UAE has a more balanced view across all tiers

Key Takeaways – T&D

Done with Q2'26

Consumer purchasing is steadily shifting online, with both KSA and UAE seeing online growth above 19%, reinforcing e-commerce as an increasingly important channel for T&D expansion.

Telecom and IT remain the key growth drivers across KSA and the UAE, with UAE leading on value growth and IT demand. CE continues to show strong momentum, while SDA and MDA deliver steady, positive growth, reflecting healthy upgrade and replacement demand across the region.

Premium segments continue to gain strength across KSA and UAE, reflecting consumer willingness to trade up, while mainstream brands are being squeezed by both premiumization and the rise of affordable players.

State of FMCG and Tech & Durables:

Challenges and Opportunities

NIQ

KSA market is slightly declining coming from consumption declines while UAE growth is driven by the same i.e volume increase at MAT level

Done with Q2'26

FMCG Trends – MAT Q2'26 vs MAT Q2'25

-1.0%

Value Change %

-1.2%

Volume Change %

+0.2%

Unit Value Change %

+5.4%

Value Change %

+4.0%

Volume Change %

+1.3%

Unit Value Change %

Source : NielsenIQ RMS, Total FMCG. Updated Jun 2026

Volume remains the key growth engine, contributing nearly all category value growth across both UAE and KSA.

Done with Q2’26

T&D Trends – MAT Q2’26 vs MAT Q2’25

KSA

+4.2%
Value Change %

4.1%
Unit Change %

-0.1%
Unit Value Change %

UAE

+9.5%
Value Change %

+9.0%
Unit Change %

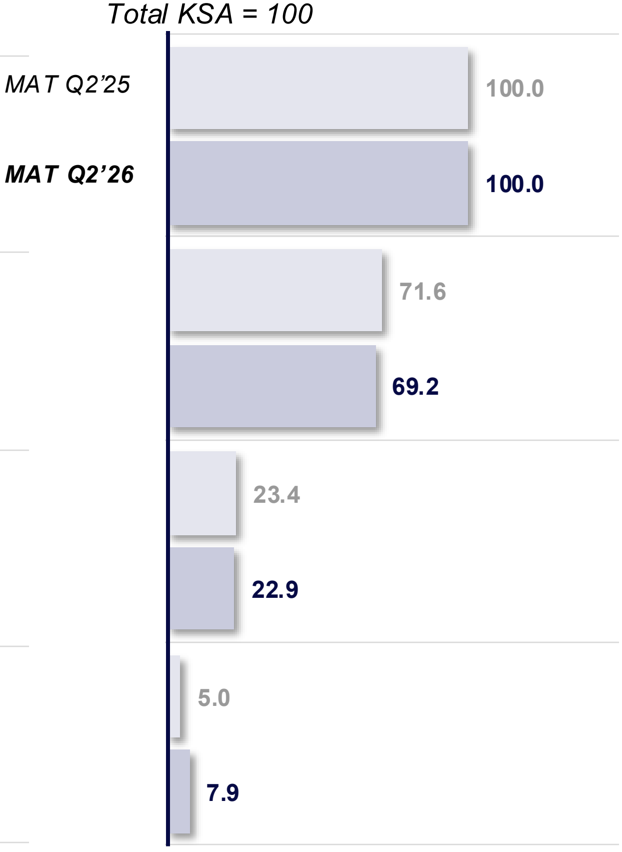
-0.5%
Unit Value Change %

Source : GfK, Total T&D. Updated Jun 2026

Although Modern Trade remains the key and biggest channel, Ecom is the key driver of growth for both markets whereas TT managed to grow double digit in UAE

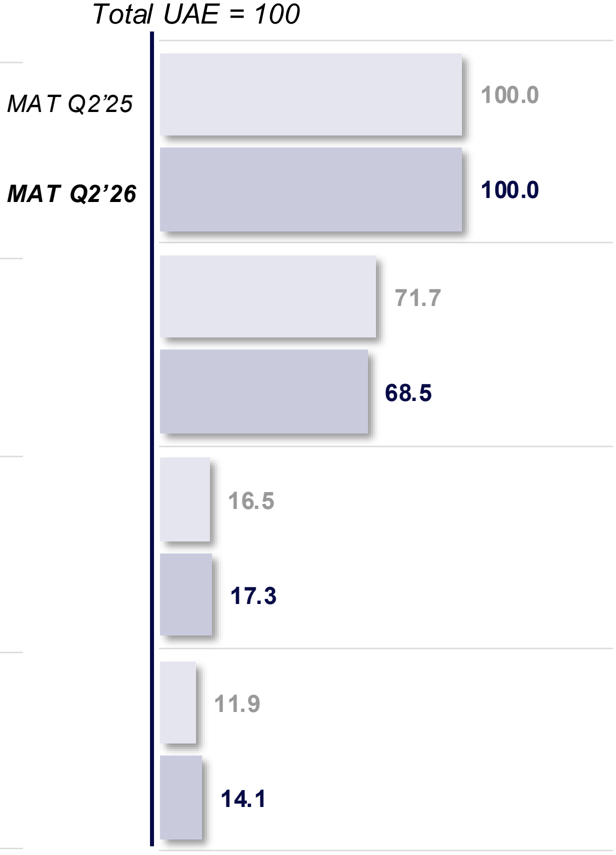
FMCG Value Change (%)
(MAT Q2'26 vs LY)

Value Split by Channel



FMCG Value Change (%)

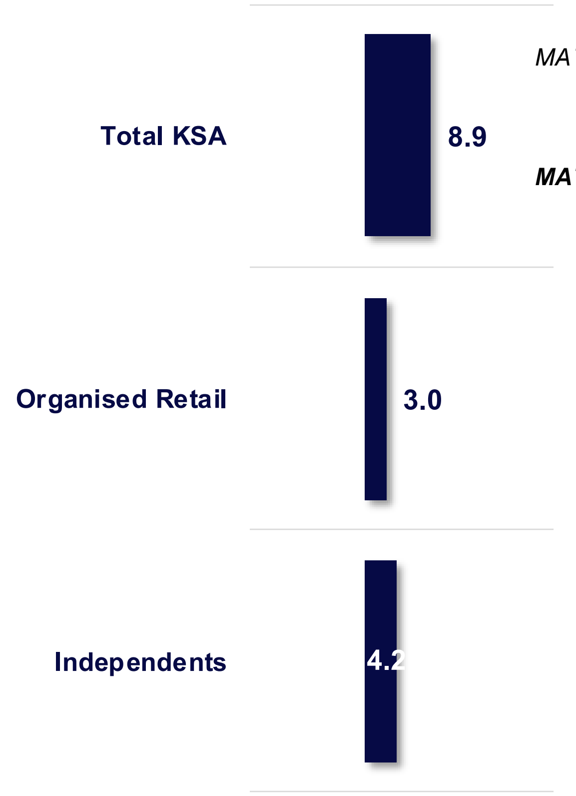
Value Split by Channel



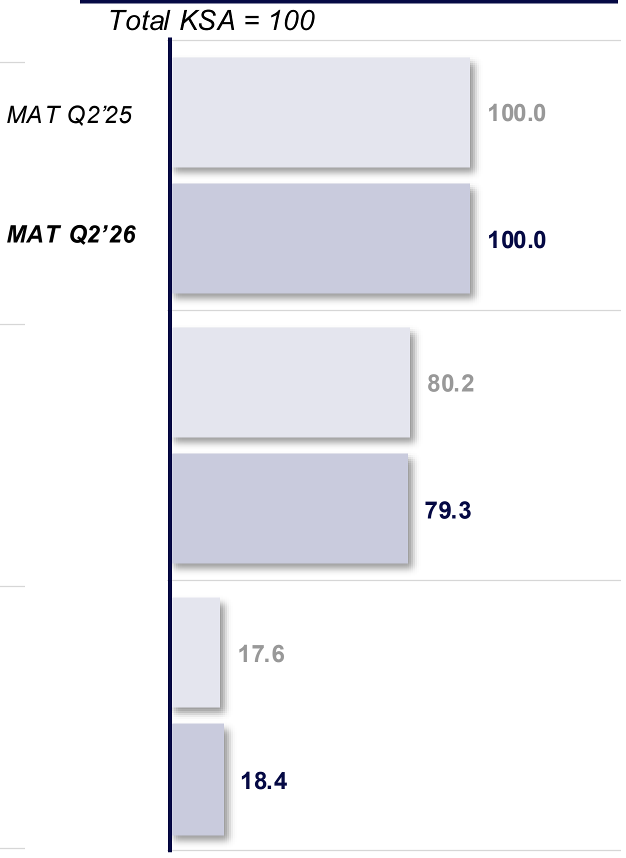
Source: NielsenIQ Retail Panel

Channel mix continues to evolve as Independents gain relevance, highlighting the need to strengthen execution beyond Organized Retail.

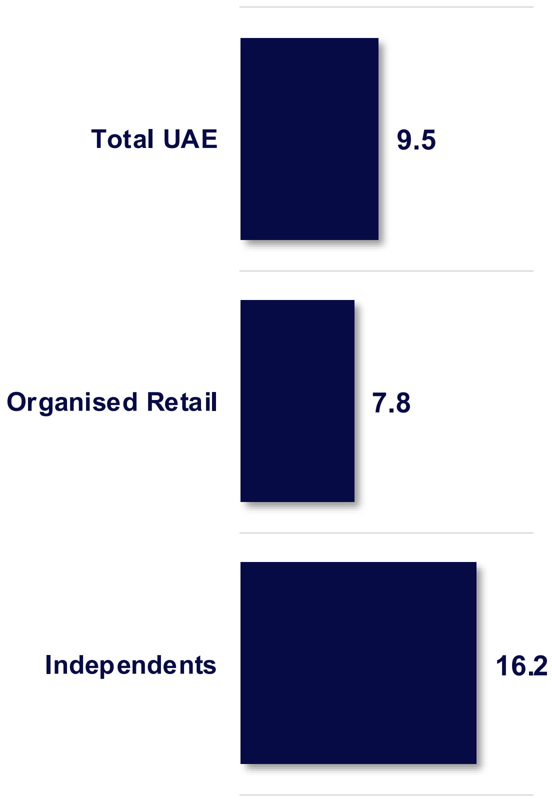
TCG Value Change (%)
(MAT Q2'26 vs LY)



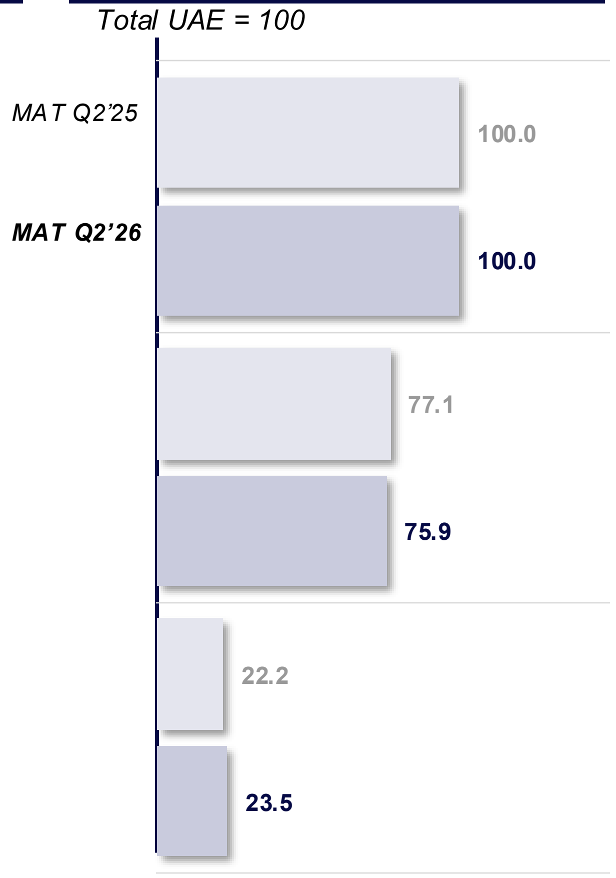
Value Split by Channel



TCG Value Change (%)



Value Split by Channel



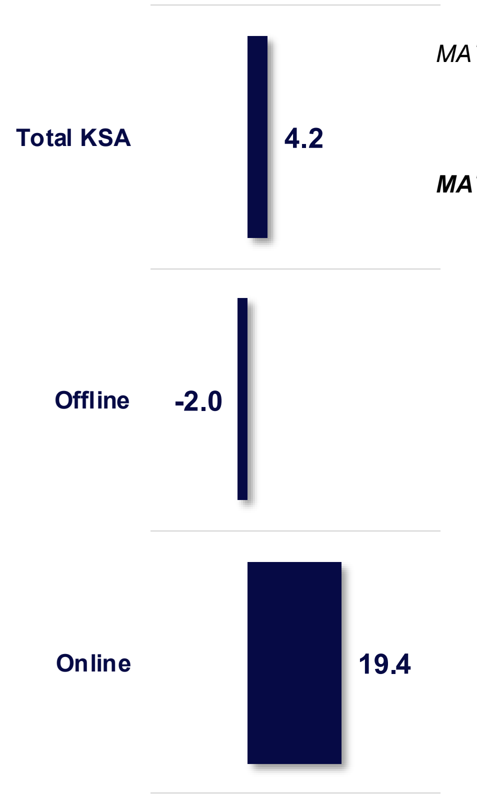
Source: GfK Panel

Consumer purchasing continues to move online, with both countries recording online growth above 19%, reinforcing the importance of e-commerce as a key growth channel.

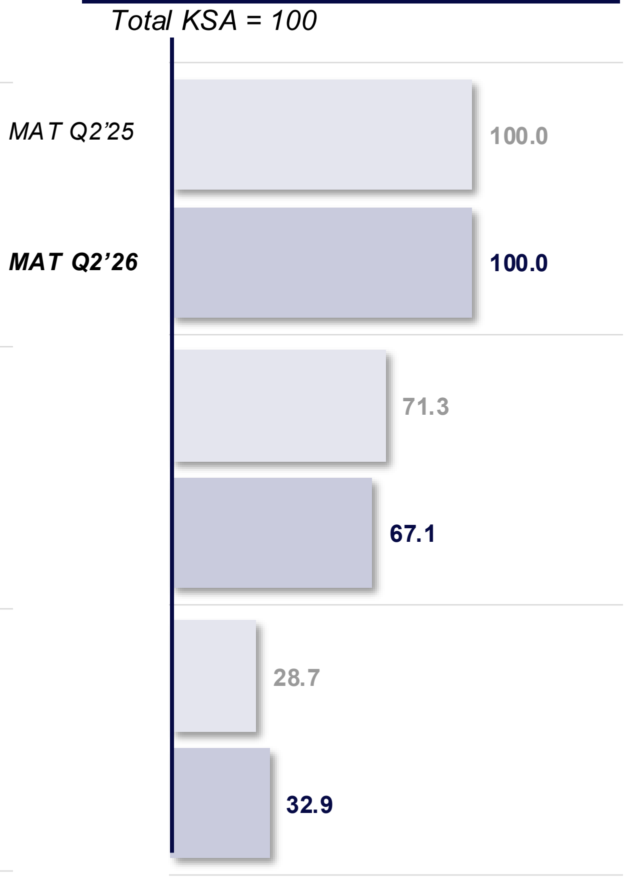
Done with Q2'26

e Change (%)

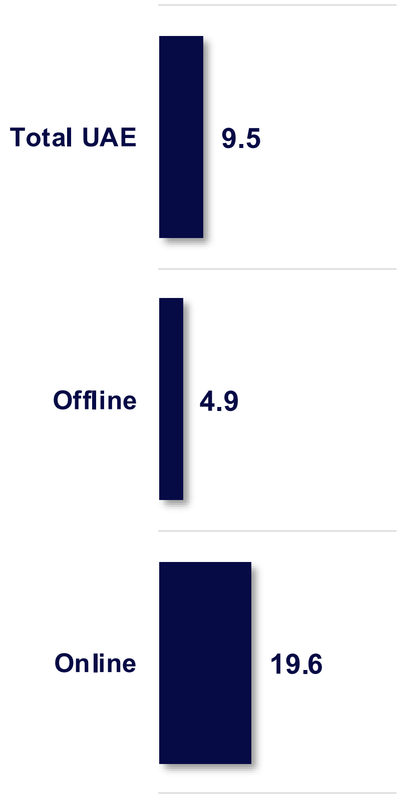
Q2'26 vs LY)



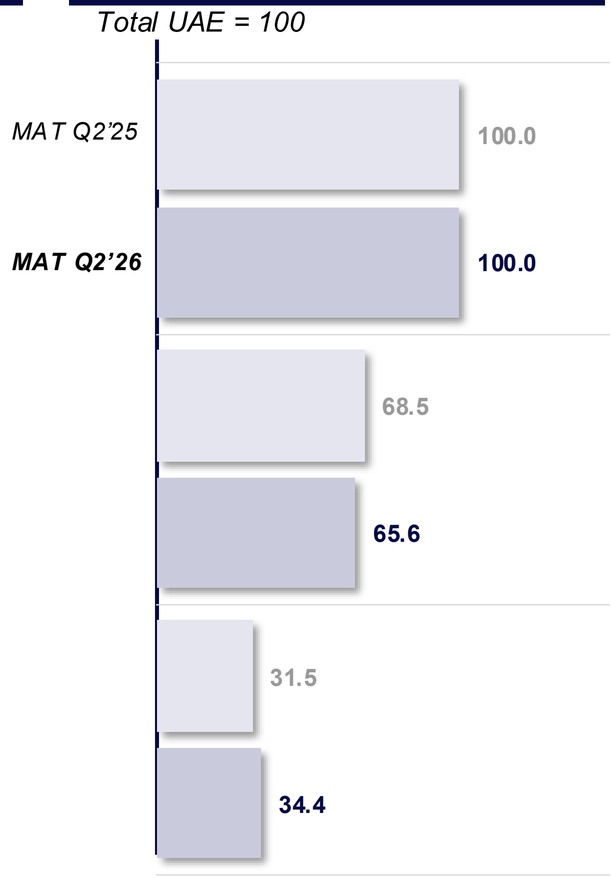
Value Split by Channel



TCG Value Change (%)



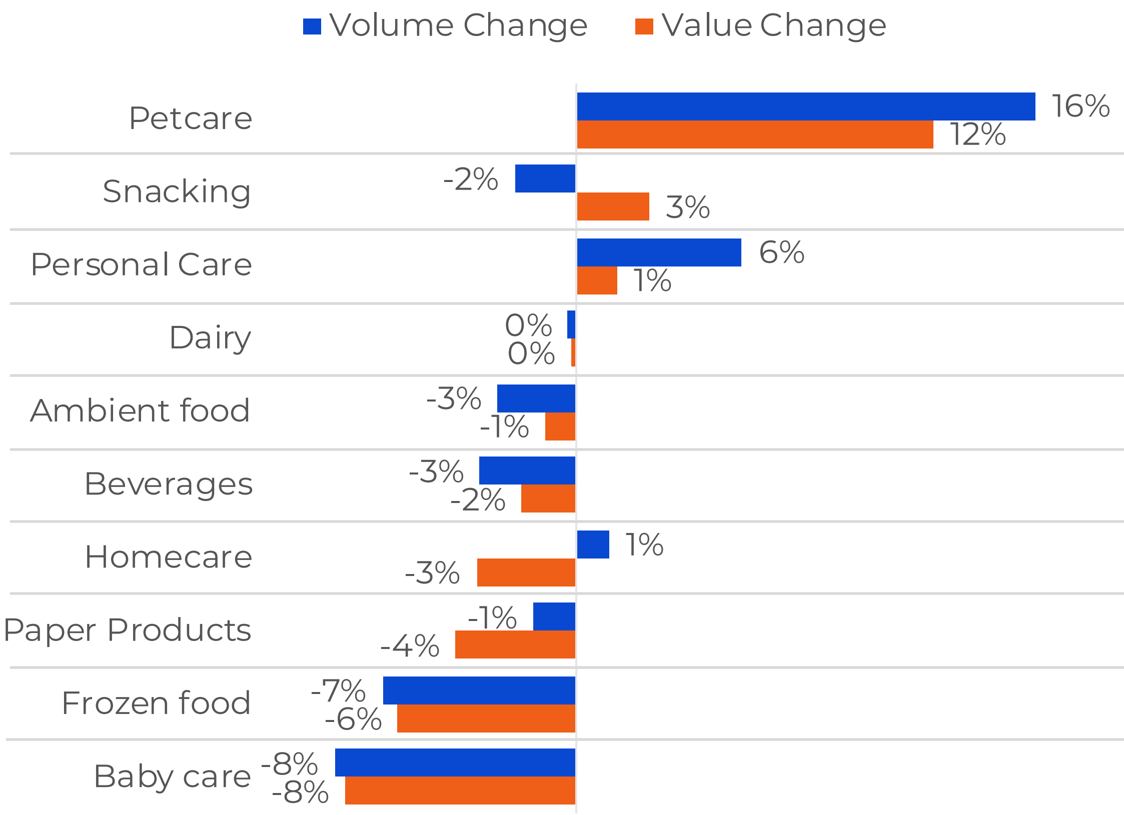
Value Split by Channel

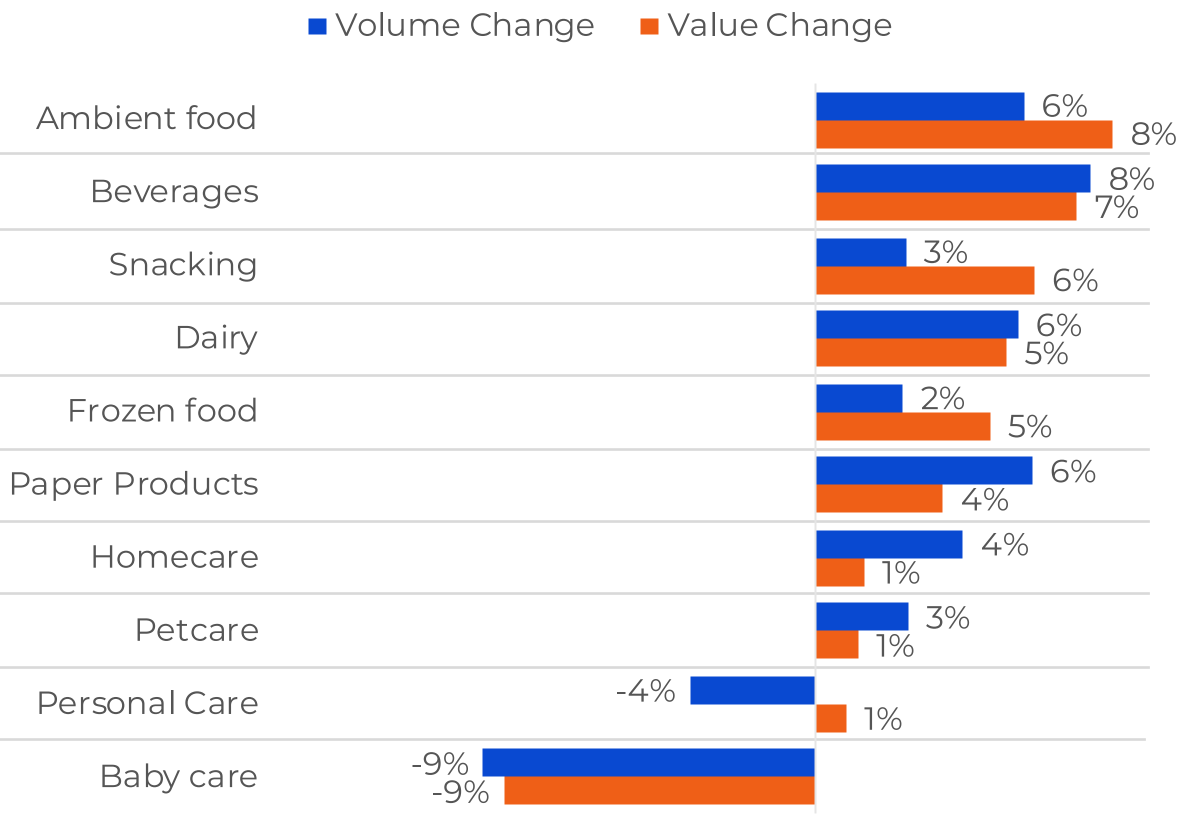


Source: GfK Panel

Petcare witness the fastest growth in KSA followed by Snacking while Ambient Food and Beverages are top 2 for UAE with strong volume growths

Value & Volume Change % in FMCG – MAT Q1’26 vs MAT Q1’25





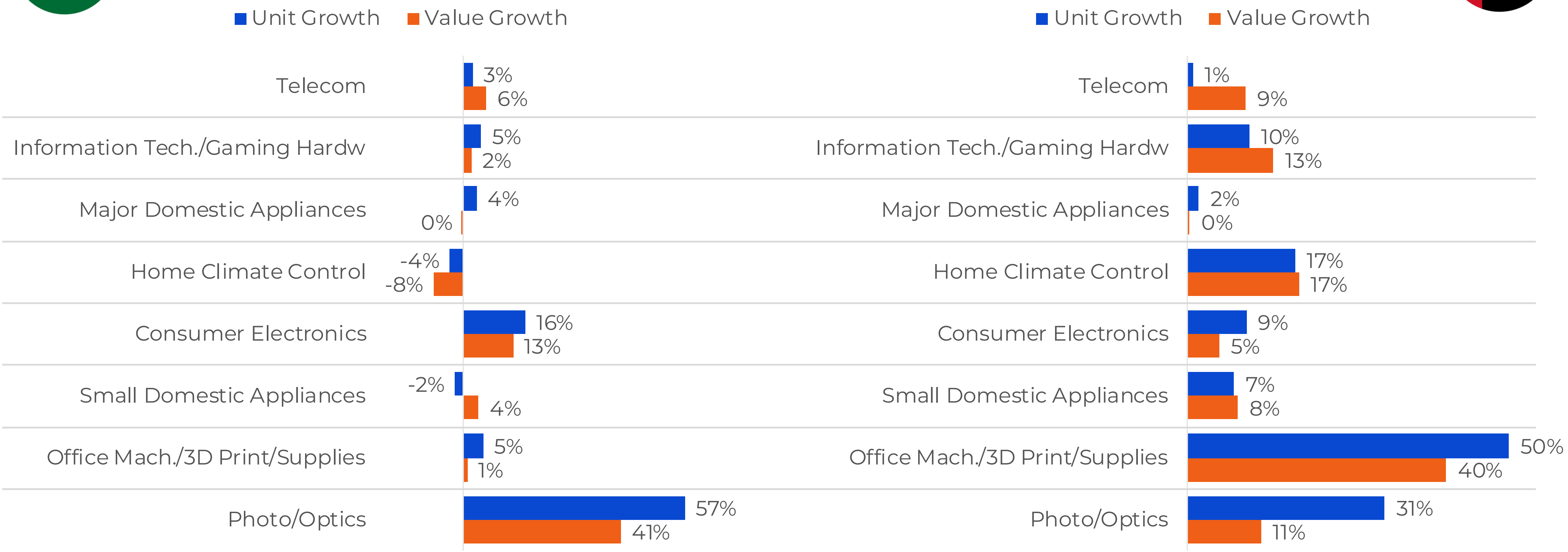
Source : NielsenIQ RMS, Total FMCG, Updated Jun 2026

NIQ

Technology & Durables markets in both Saudi Arabia and the UAE continue to expand. Most sectors show positive unit and value growth, indicating demand expansion rather than price-driven growth alone.

Done with Q2’26

Value & Volume Change % in T&D – MAT Q2’26 vs MAT Q2’25 Across Sectors

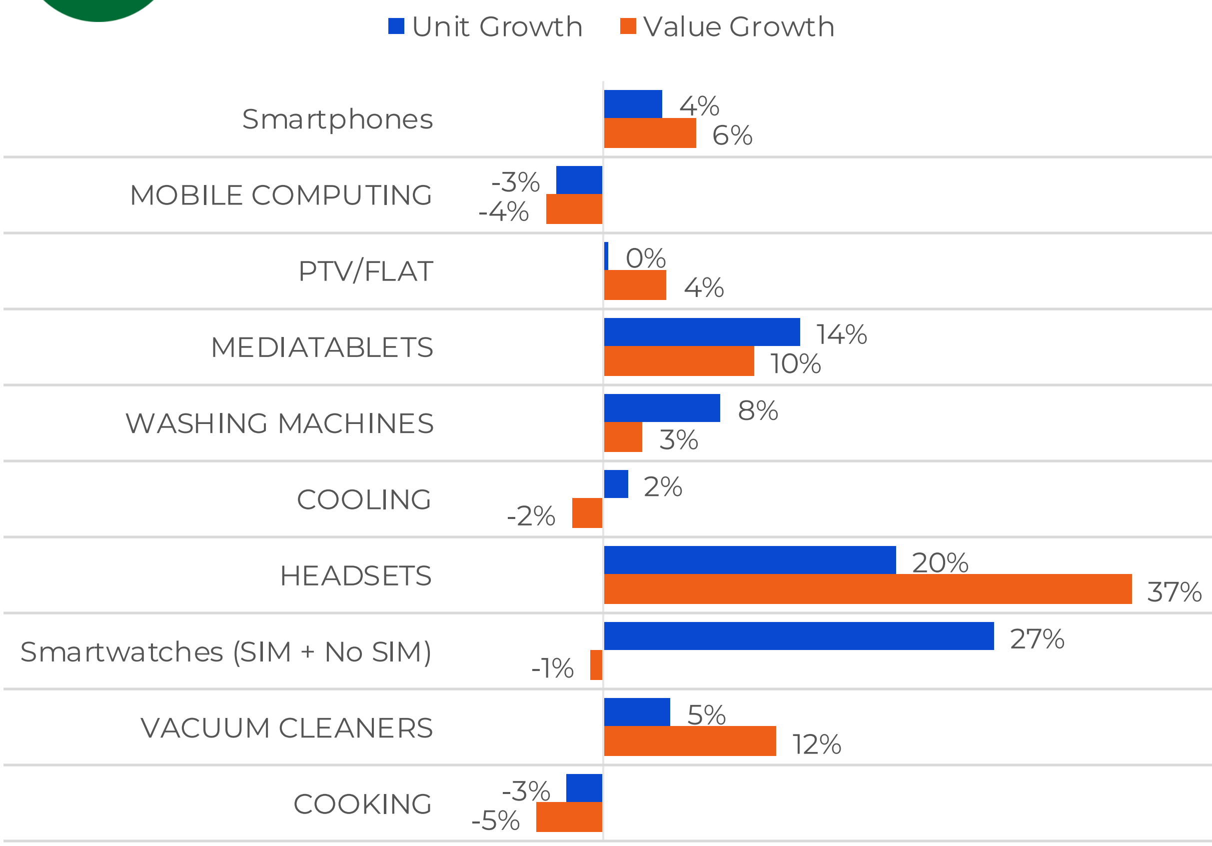


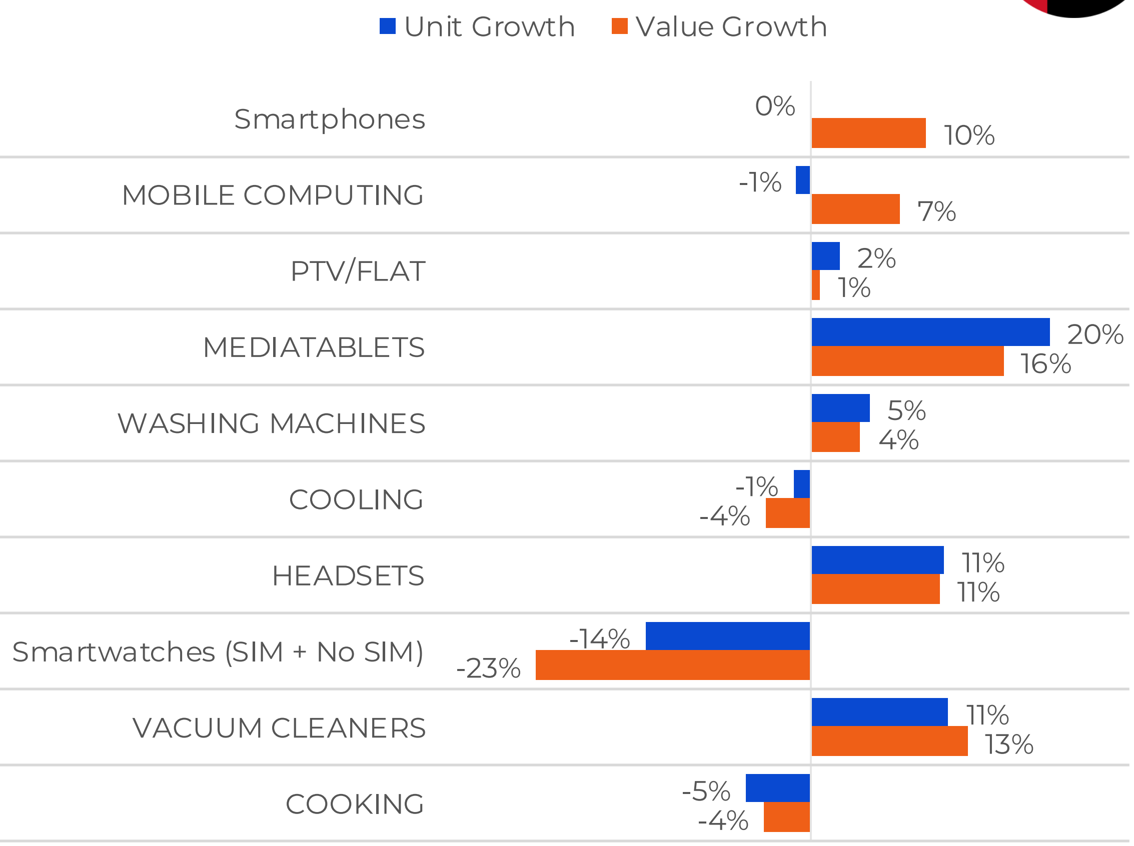
Source : GfK, Total T&D, Updated Jun 2026

NIQ

Innovation-led categories continue to fuel growth, led by Media Tablets, Headsets and Smartphones, reflecting sustained consumer investment in connected device

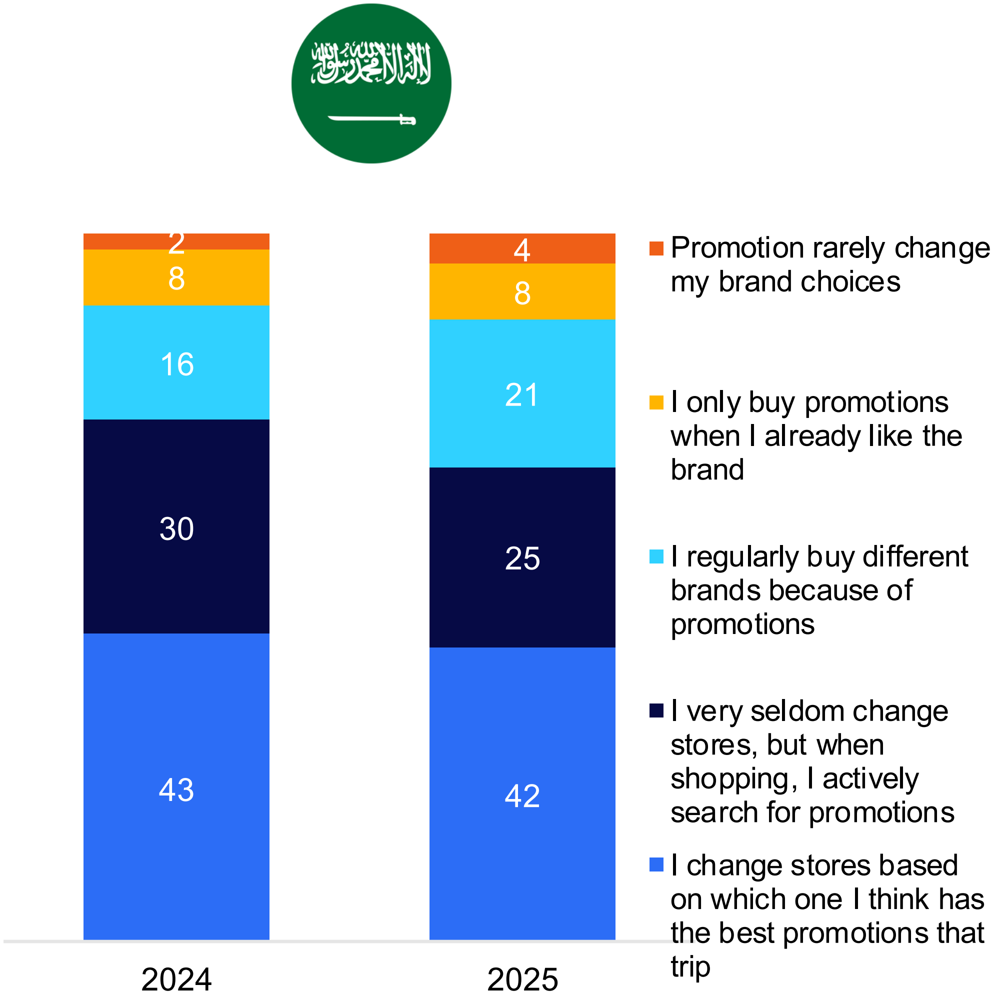
Value & Volume Change % in T&D – MAT Q2'26 vs MAT Q2'25 Across Top 10 Categories

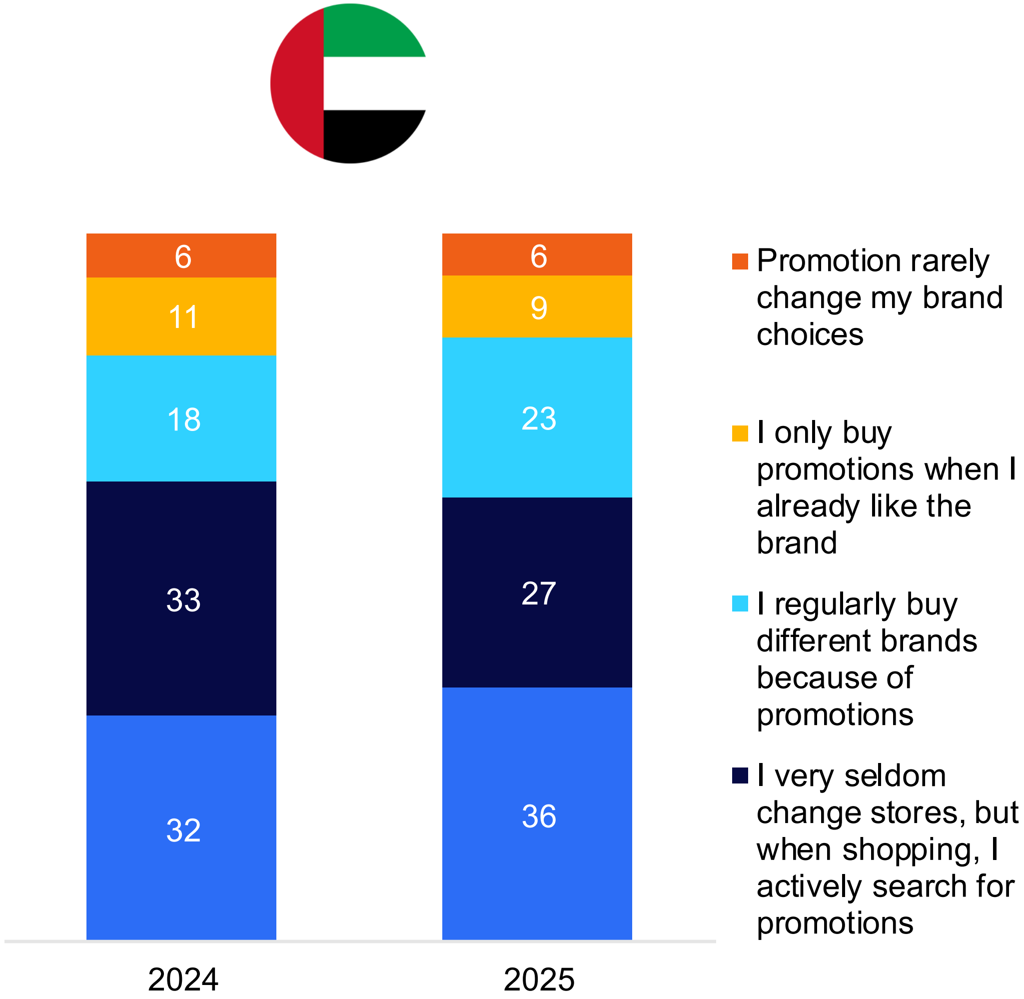




Source : GfK, Total T&D, Updated Jun 2026

Promotion sensitivity has always been high in both markets, but the percentage of shoppers claiming they regularly buy different brands due to promotion is increasing



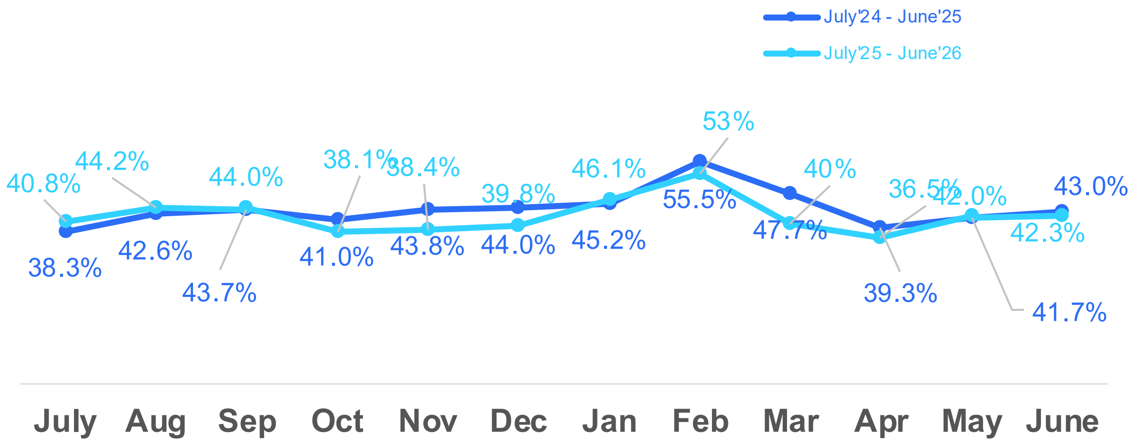


Ref Q23 Which of the following best describes how promotions affect your supermarket/hypermarket shopping?
Base: All HM/SM shoppers2020 (n=583), 2021 (n=752), 2022 (n=721), 2023 (n=778) , 2024 (n=770)

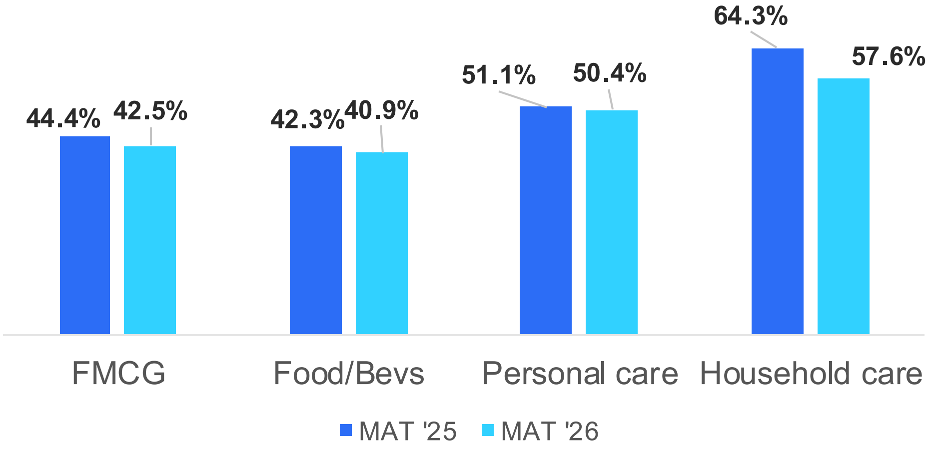
Compared to last year, promo intensities declined especially in Home Care in KSA

Done with Q2'26

Total FMCG % Value Sold on Deal



Saudi Arabia



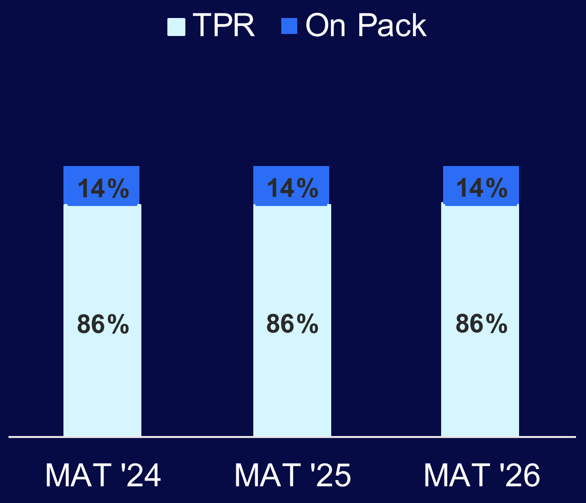
Source: NIQ Scantrack, Analytics modeling

NIQ

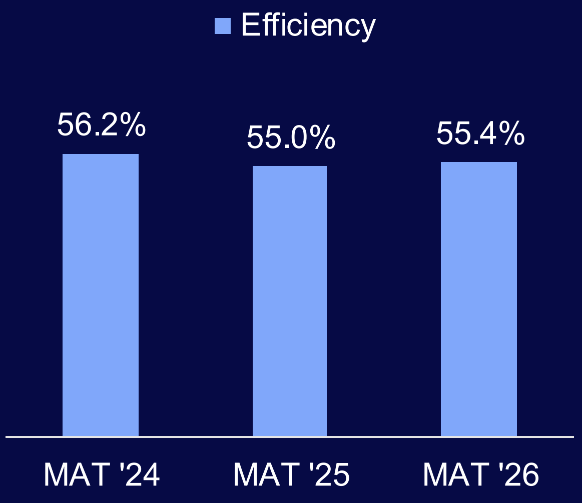
More Price discounting (TPR) promotions

TPR/On Pack = Type of promotion; Efficiency = % Incremental sales from promotion

Promo Type



Promo Efficiency

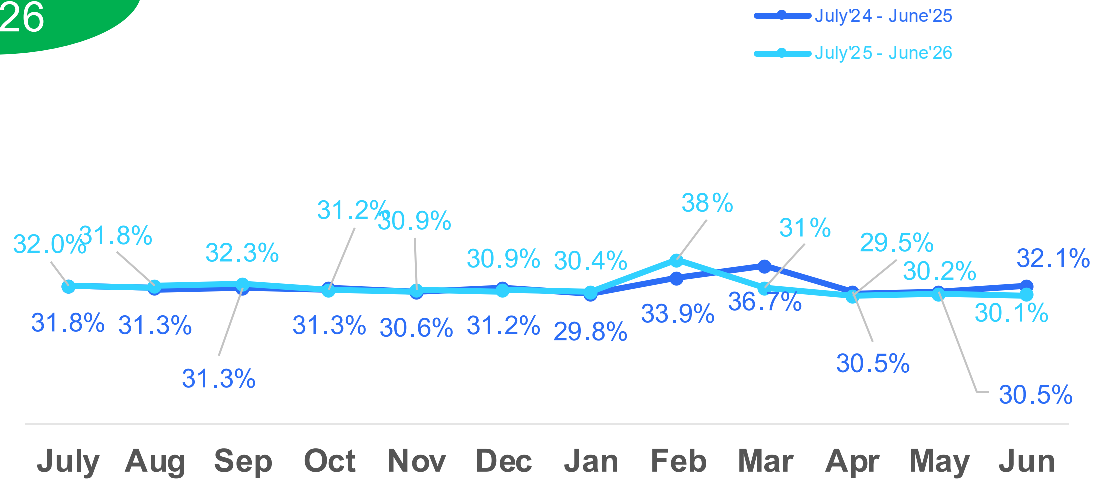


- *Promotions for June'26 have declined slightly compared to previous year*
- *Declining trend for Promotions in FMCG vs PY and across baskets*
- *Temporary Price Discounts (TPR) dominate promotions and remained same vs LY*
- *Promotion Efficiency has increased slightly compared with LY.*

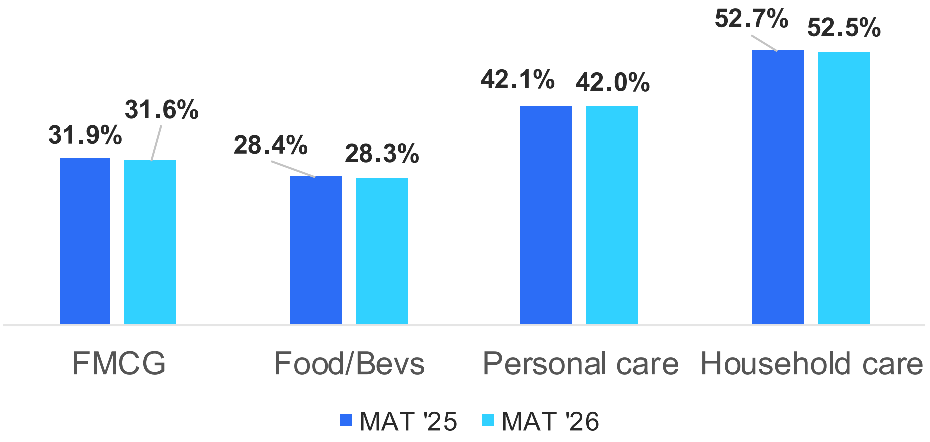
In UAE, promo intensities are almost flat compared to last year but efficiency dropped

Done with Q2'26

Total FMCG % Value Sold on Deal



United Arab Emirates

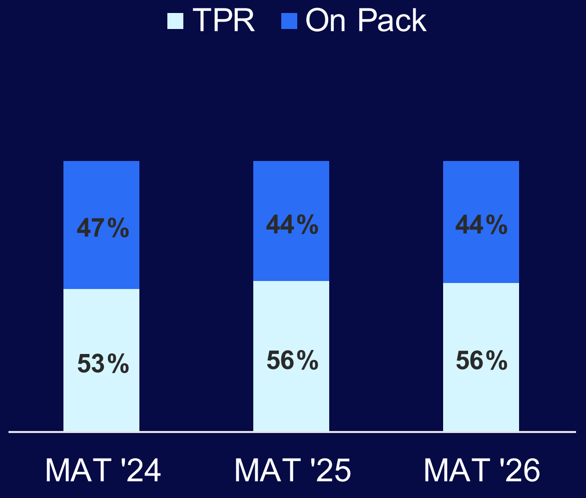


Source: NIQ Scantrack, Analytics modeling

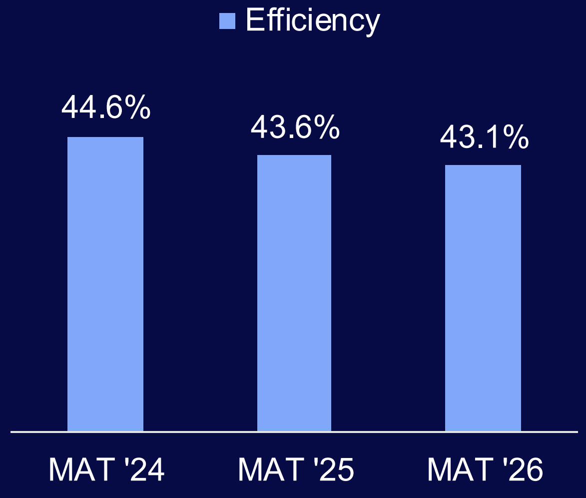
More Price discounting (TPR) promotions

TPR/On Pack = Type of promotion; Efficiency = % Incremental sales from promotion

Promo Type



Promo Efficiency



- *More Promotions within FMCG vs PY and stable across baskets*
- *Temporary Price Discounts (TPR) remained the same vs LY*
- *Promotion Efficiency in June'26 has declined slightly vs LY*

Although value for money offerings are important…

70% Vs 2023: 66%

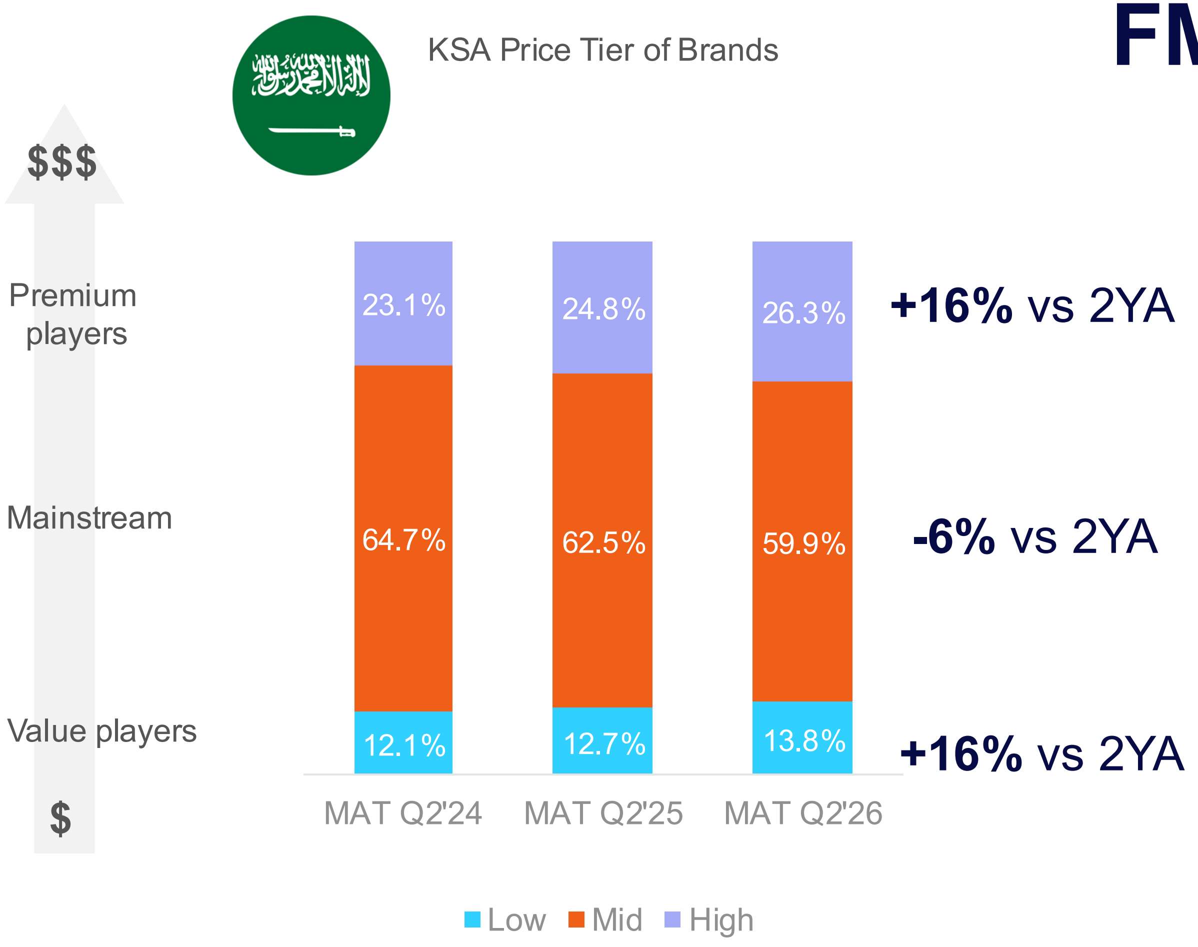
Of shoppers in UAE claim that they are willing to pay more for quality products as they care about quality

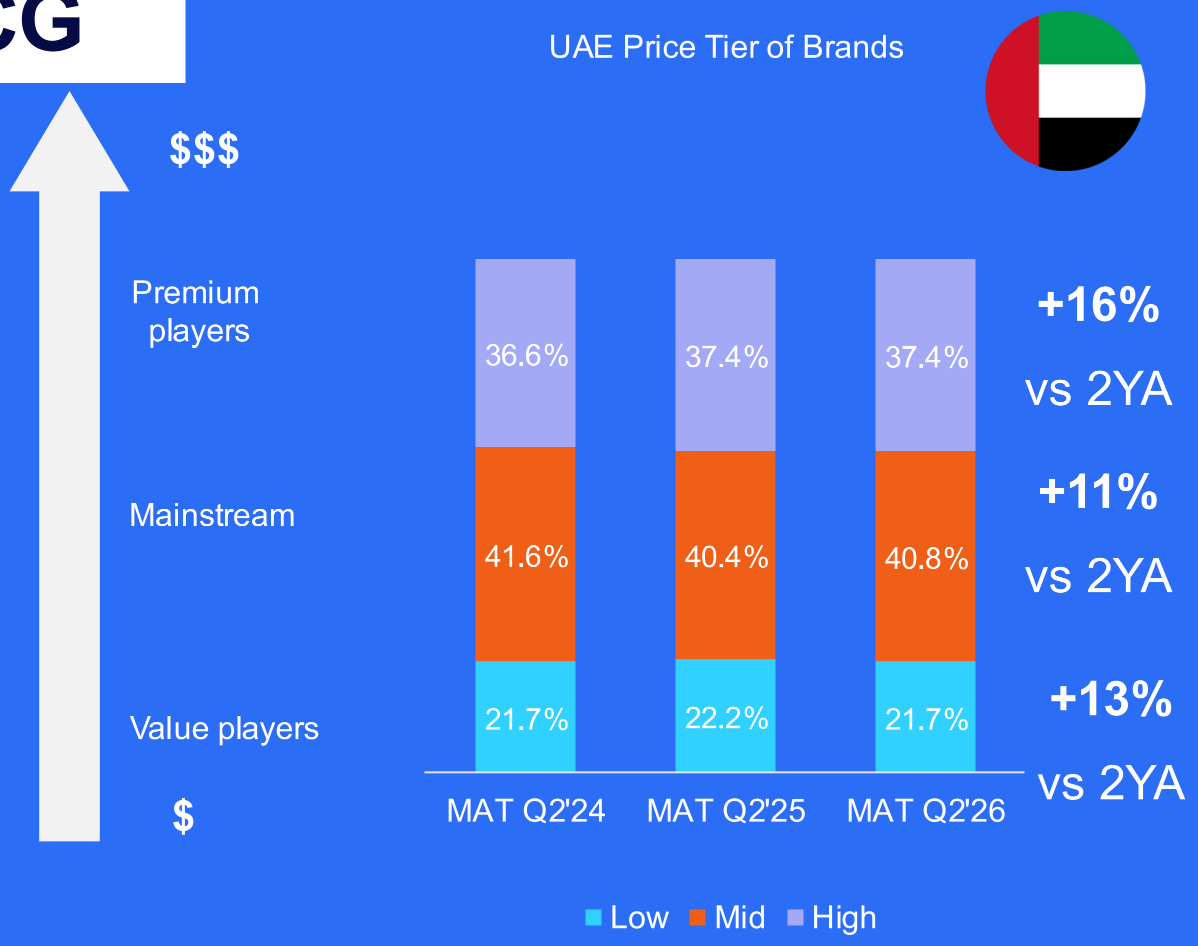
Ref. Q132 We have a few questions about your attitudes towards grocery shopping.
In general when shopping, to what extent do you agree or disagree with the following statements?
Base: All HM/SM shoppers, 2025 (n=778), 2024 (n=770)

NIQ

In KSA, we observe clearly a polarized move towards both value and premium players while UAE has a more balanced view across all tiers

FMCG





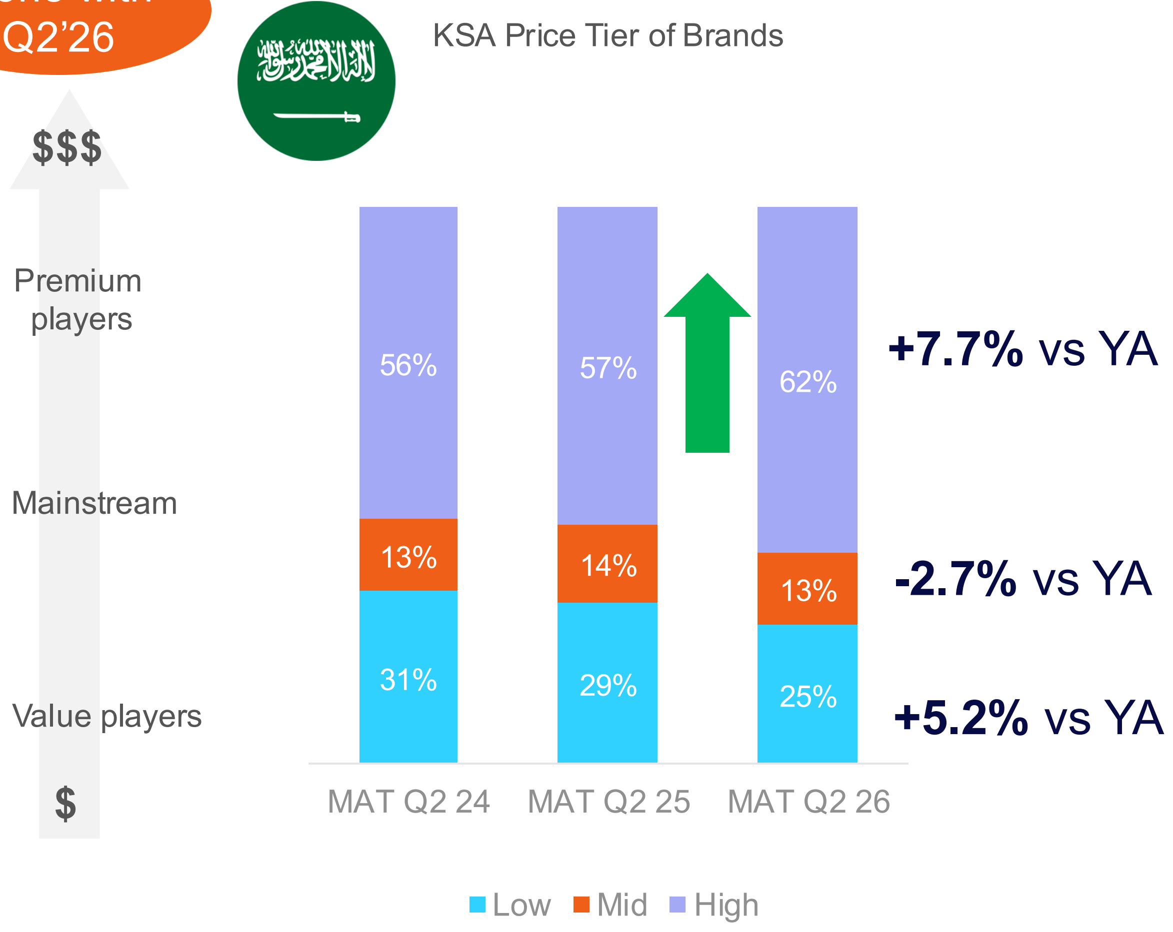
Source: NIQ RMS Data Ending Jun'26
Low: Brands with 0-80% price index to their respective category
Mid: Brands with 80-120% price index to their respective category
High: Brands with 120+% price index to their respective category

NIQ

Premium brands continue to grow across KSA and UAE, signaling stronger consumer appetite for higher-value T&D products, while mainstream brands remain relatively pressured.

Done with Q2’26

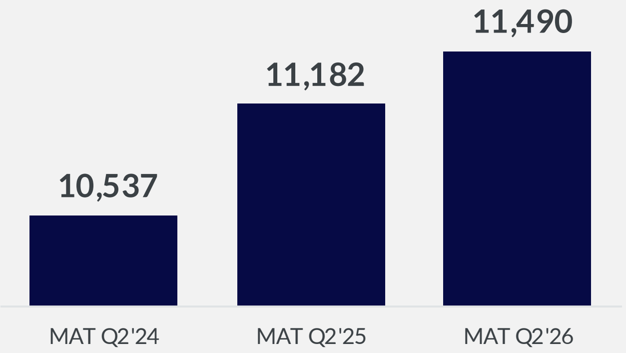
T&D



Source: GfK T&D Data Ending Jun ‘26
Low: Brands with 0-80% price index to their respective category
Mid: Brands with 80-120% price index to their respective category
High: Brands with 120+% price index to their respective category

We have seen more and more brands in KSA and UAE over the last 3 years. In line with Ecommerce strong growth, we start to see more SKUs and brands in FMCG portfolio

Number of Brands in FMCG

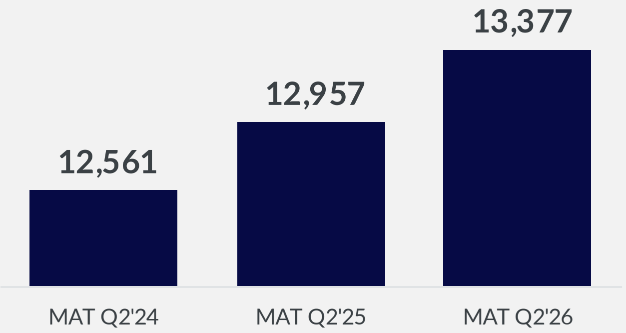


+9% vs 2YA

103,487 active SKUs in MAT Q2’26

+8,123 SKUs vs 2YA

Number of Brands in FMCG



+6% vs 2YA

135,141 active SKUs in MAT Q2’26

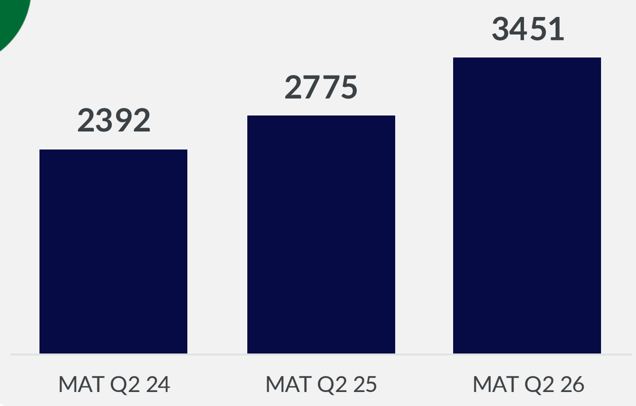
+3,624 SKUs vs 2YA

Source : NielsenIQ RMS, Total FMCG, Updated Jun 2026

TCG brand and SKU expansion is accelerating across KSA and the UAE, largely driven by the rise of affordable brands and broader product availability.

Done with Q2'26

Number of Brands in T&D

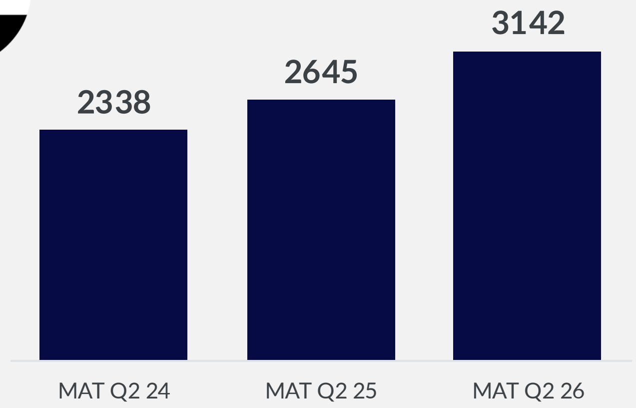


+24% vs YA

54,978 active SKUs in MAT Q2 '26

+21,794 SKUs vs YA

Number of Brands in T&D



+19% vs YA

44,981 active SKUs in MAT Q2 '26

+15,878 SKUs vs YA

Source : GfK Market Intelligence | Total TCG | Updated Jun 2026

Thank You