

Spinneys Reports Highest-Ever Q1 Revenue, Up 11.3% to AED 906 million, with Bottom Line Growing 14% as Three New Stores Open in First Quarter

- Q1 2025 revenue hit record high of AED 906 million, driven by like-for-like sales growth, new store openings, increase in Online sales and higher penetration of Fresh and Private Label sales
- Adjusted EBITDA of AED 182 million, up 20.6%, at an industry-leading margin of 20.1%
- Profit before tax grew 23.2% to AED 102 million, with profit for the period up 14% to AED 85 million
- 10 new stores opened across the UAE and Saudi Arabia over the last 12 months, with 10-12 new stores planned for the UAE and Saudi Arabia through 2025, strengthening Spinneys' presence in core markets

Dubai, UAE – 12 May 2025: Spinneys ("Spinneys" or the "Company"), the region's leading premium fresh food retailer, has announced its financial results for the three-month period ended 31 March 2025. First quarter revenue hit a record high of AED 906 million, increasing 11.3% vs. Q1 2024, driven by three new store openings during the quarter, increased Fresh and Private Label sales, strong like-for-like growth, and higher Online penetration. Profit before tax grew by 23.2% to AED 102 million, with profit for the period increasing by a healthy 14% to AED 85 million, after absorbing the impact of 6% additional tax on applicability of Pillar Two Rules which provides for a minimum tax of 15%, thus, reflecting Spinneys' industry-leading efficiency and margin profile.

Sunil Kumar, Chief Executive Officer at Spinneys, commented:

"We have carried the momentum we built in 2024 into 2025, and this is evident in our Q1 results. The continued execution of our growth strategy has again resulted in exceptionally strong financial performance. We have achieved robust growth in revenue driven by increased like-for-like sales coupled with the expansion of our store network in the UAE and Saudi Arabia. Three new store openings in Dubai in the first quarter demonstrate that there is still a significant white space opportunity available to us, even where our footprint is strongest."

"While the UAE remains the core of our operations, we continue to explore growth opportunities throughout the GCC and look forward to more store openings in Saudi Arabia. These will include our first store in Jeddah in the second half of the year, which comes on the back of exceptionally strong consumer demand for us to expand beyond Riyadh, where we opened our first two Saudi stores in 2024."

Financial Highlights

AED (m)	Q1 2025	Q1 2024	YoY (%)	Like-for-Like Growth (%)
Revenue	906	815	11.3%	6.7%
Gross Profit	375	336	11.7%	-
Adj. EBITDA ¹	182	151	20.6%	-
Profit Before Tax	102	83	23.2%	-
Profit for the Period	85	75	14%	-

Record Top-Line Growth with Best-in-Class Profitability

Revenue: Increased by 11.3% year-on-year, reaching AED 906 million in the first quarter. Top-line growth was driven by like-for-like sales growth of 6.7% and the opening of ten new stores across the UAE and Saudi Arabia

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

since April 2024, and particularly strong performance in Fresh and Private Label sales, with penetration growing by 1% and 1.2%, respectively. Online sales penetration grew to 15.6% during the year, as compared to 13.7% in Q1 2024.

Profitability: Gross profit increased by 11.7% year-on-year to AED 375 million, with a stable gross profit margin of 41.3% compared to 41.2% in 2024, achieved through efficient sourcing and supply chain management and Spinneys' highly successful Private Label strategy, which emphasizes high-margin products.

Adjusted EBITDA² totaled AED 182 million in the first quarter, up 20.6% year-on-year, with an adjusted EBITDA margin³ of 20.1%, compared to 18.5% in 2024.

Quarterly profit before tax grew by 23.2% to AED 102 million at an 11.2% profit before tax margin (up from 10.2% in Q1 2024), while profit for the period increased by 14% to AED 85 million at a 9.4% profit margin (up from 9.2% in Q1 2024).

Transaction growth: Transaction volume grew by 7.8% year-on-year to 9.9 million in the first quarter, reflecting growing customer demand on the back of supportive macroeconomic dynamics, while the average basket size increased to AED 92 as compared to AED 89 in Q1 2024, up 2.9%.

Continued Strategic Execution

Store network expansion: Spinneys continued to successfully execute its growth strategy through the expansion of its store footprint. From 1 April 2024 to 31 March 2025 the Company opened 8 new stores in the UAE and 2 in Saudi Arabia, resulting in a significant increase in gross selling area. In a post period event in April 2025, Spinneys opened one further store in Dubai's Nad Al Sheba Mall.

Digital transformation: In line with its digital transformation programme, Spinneys has widened coverage of the Spinneys Swift delivery option within its upgraded customer app, enhancing ordering convenience. Additionally, the Company has ensured that The Kitchen by Spinneys' range of high-quality, convenience-focused 'on-the-go' products is available on select online platforms.

Grocerant concept: Spinneys continued to evolve its 'grocerant' concept with the successful launch of The Kitchen by Spinneys at Dubai Mall in Q2, named by IGD as one of the '35 Global Must-See Stores in 2025,' followed by a second opening at Dubai's Creek Beach in Q4. The latest location combines The Kitchen by Spinneys and a small grocery section, elevating customer experience and are planning to open 2 locations during 2025.

Business Outlook

Management maintains a positive outlook for 2025, expecting to open 10-12 new stores across the UAE and Saudi Arabia by year-end. Annual revenue growth is expected to be between 9-11%, driven by new store openings coupled with like-for-like sales growth of 4-6%. The Company expects to maintain its industry-leading adjusted EBITDA margin of 19-20%.

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

³ Adjusted EBITDA margin: Adjusted EBITDA divided by revenue

About Spinneys

Spinneys' story started in 1961 when the first grocery opened in Al Nasr Square, Dubai. It has since grown to become the leading premium fresh food retailer in the region, with 81 stores (70 owned and 11 operated, including Waitrose) across the UAE, Oman and Saudi Arabia. Much loved by expats and locals in the region, Spinneys enjoys a well-deserved reputation for forward thinking, keeping pace with changes in cooking trends and the emergence of new products worldwide. Today, Spinneys has built a name for supplying top-quality produce and offering an elevated level of customer service. Food quality, safety and freshness have always been at the forefront of the Company's ethos – just one reason the Spinneys brand is defined as 'The fresher experience'. www.spinneys.com

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