



# **Q1 2025 EARNINGS PRESENTATION**

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MAY 2025

# Disclaimer



No statement in this document is intended to be nor may be construed as a profit forecast.

Any statements made in this document which could be classed a "forward-looking" are based upon various assumptions, including, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant risks, uncertainties and contingencies.

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## **Maintaining Momentum in 2025**



## Carrying powerful momentum into 2025 with strong Q1 results

Revenues hit record high of AED 906m for Q1 2025, up 11.3% YoY

Like-for-like sales growth of 6.7%, with adjusted EBITDA margin at industry-leading 20.1%

Ecommerce growth of 26% YoY, with participation at 15.6%, up 1.9% YoY

Profit before tax of AED 102m, up 23.2% YoY

Profit after tax of AED 85m, up 14% YoY

# Maintaining Momentum in 2025



Transactions

9.2m → 9.9m

▲ 7.8%



Fresh Sales

63.0% → 64.0%

▲ 1%



Private Label Penetration

43.0% → 44.2%

▲ 1.2%



Average Basket Size

AED 89 → AED 92

▲ 2.9%



Store Footprint

75 → 81

▲ 8%



Ecommerce Participation

13.7% → 15.6%

▲ 1.9%



## Financial Highlights



# Financial Highlights



AED **906m**

+11.3% YOY

REVENUE

AED **375m**

+11.7% YOY

GROSS PROFIT

AED **182m**

+20.6% YOY

ADJ. EBITDA

AED **102m**

+23.2% YOY

PROFIT BEFORE  
TAX

AED **85m**

+14% YOY

PROFIT AFTER  
TAX

AED **120m**

96.9%

FCF Conversion

FREE CASH  
FLOW<sup>1</sup>

AED **387m**

NET DEBT<sup>2</sup>

AED **660m**

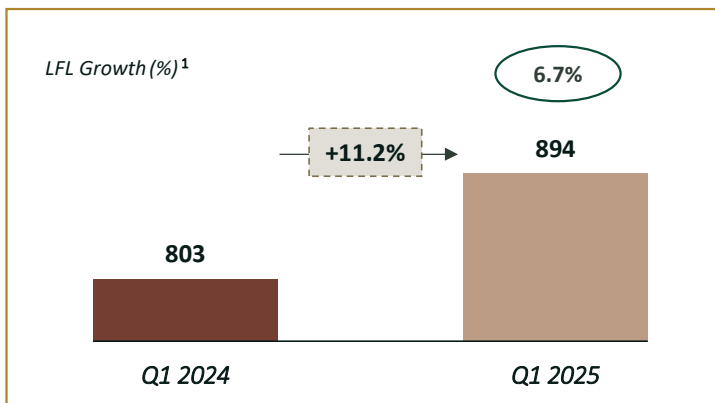
CASH AND BANK  
BALANCES

**Notes:** 1. FCF: Adjusted EBITDA +/- change in net working capital (NWC) +/- change in related party balances, minus purchase of property, plant and equipment, depreciation and impairment on right-of-use assets and interest on lease liabilities.  
2. Total interest-bearing loans and borrowings plus lease liabilities minus cash and short-term deposits.

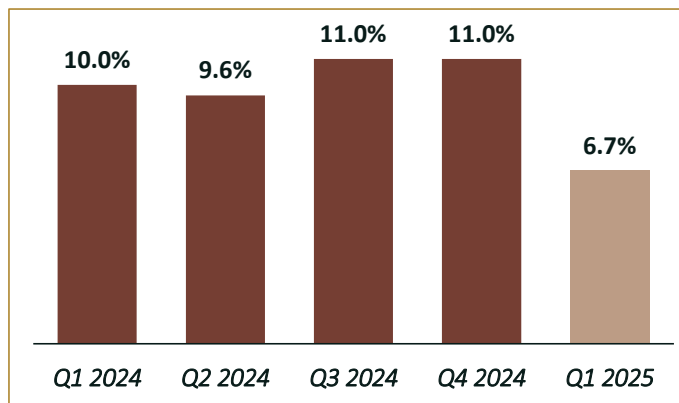
# Financial Highlights – Retail Revenue



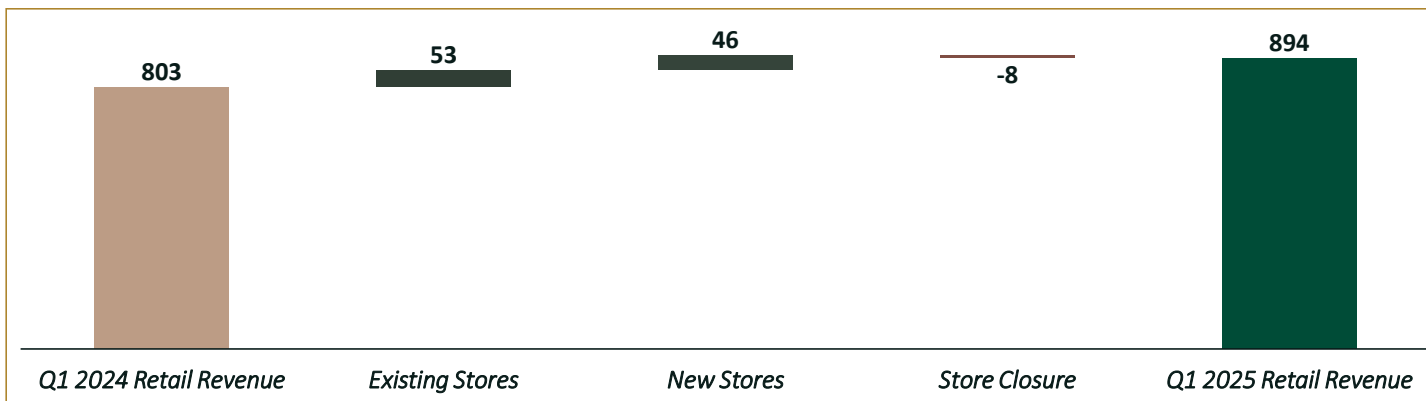
## Retail Revenue (AED m)



## Like-for-Like Growth



## Q1 2024 - Q1 2025 Retail Revenue Bridge (AED m)



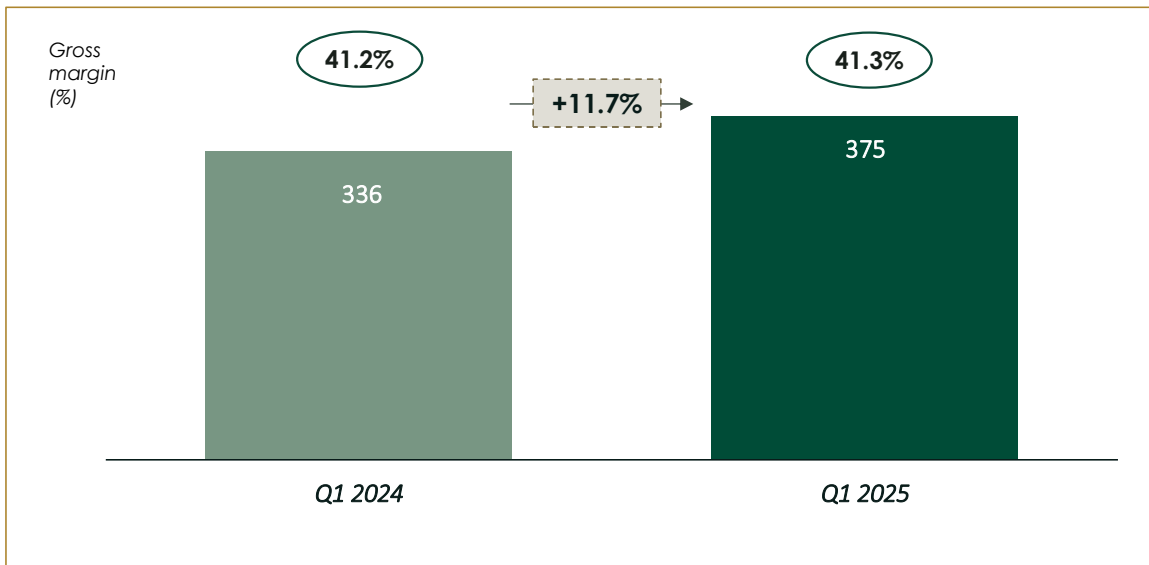
**Notes:** 1 LFL: % change in revenues for stores generating monthly revenues over the 12 months in a given financial year, excluding stores closed during the period.

- **10** stores opened and **4** closed
  - 3 closed stores were temporary locations that were replaced by larger supermarkets
- Increase in Fresh Sales and Private Label penetration by **1%** and **1.2%**, respectively
- LFL growth of **6.7%** from existing stores
- Online sales penetration increased to **15.6 %**

# Financial Highlights – Gross Profit



Gross Profit (AED m) and GM %



- Overall margin increased due to **increase in Fresh and Private Label penetration** offset by lower margins in Saudi Arabia and higher wastage in new stores.

## Spinneys' Secret Recipe for Best-in-Class Profitability

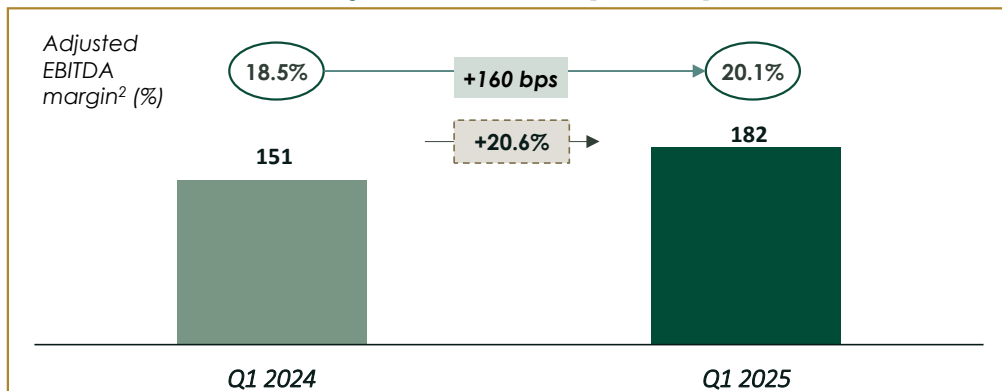
- Efficient sourcing and supply chain**, achieved through proximity to suppliers providing significant cost advantage
- "Fresh premium" offering** targeting affluent customers belonging to mid-high income socio-economic group – no comparable peer in the market
- Successful private label strategy**, underpinned by a strategic shift towards high margin products
- Strong and unique brand reputation** securing favorable supplier terms, optimizing both front- and back-end margins



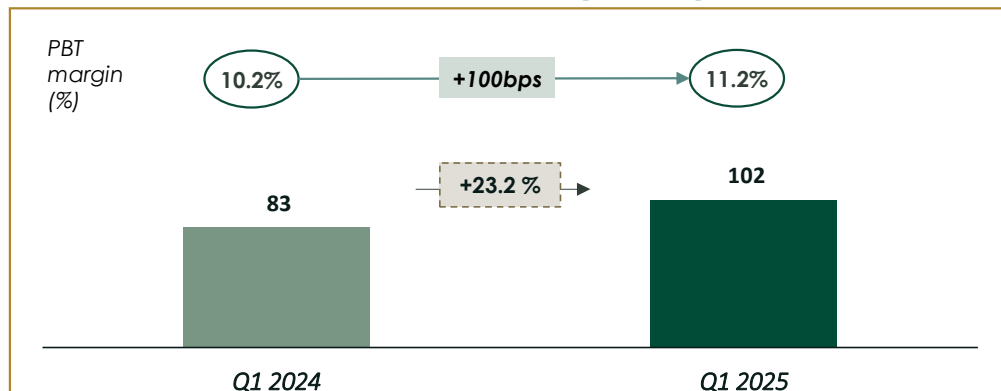
# Financial Highlights – Adjusted EBITDA and Profit



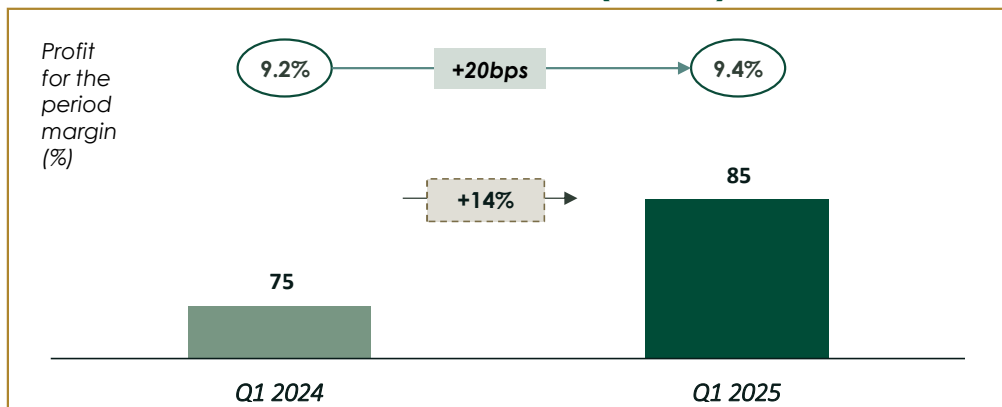
## Adjusted EBITDA<sup>1</sup> (AED m)



## Profit Before Tax (AED m)



## Profit for the Period (AED m)



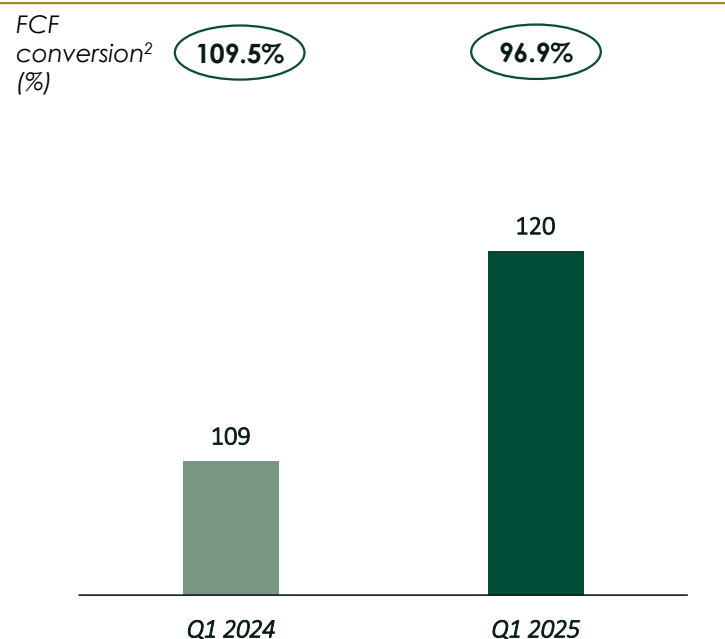
- Impact on comparative period of **one-off IPO** related costs incurred in Q1 2024 amounting to **AED 10m**, and **preopening expenses in Saudi Arabia** amounting to more than **AED 3m**
- Impact of **6% additional tax on applicability of Pillar Two Rules** which provides for a minimum tax of **15%**, effective from January 2025, affects profit for the period vs. 2024

**Notes:** 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.  
2. Adjusted EBITDA divided by revenue.

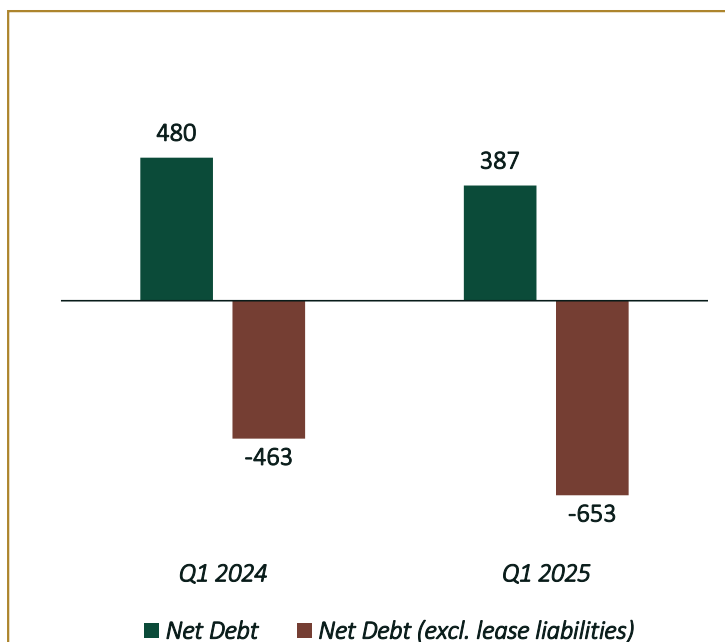
# Financial Highlights – Free Cash Flow and Net Debt



## Free Cash Flow<sup>1</sup> Evolution (AED m)



## Net Debt Evolution<sup>3</sup> (AED m)



- > 99% of gross debt relates to **lease liabilities**
- **Self-funded growth** with minimal financial debt on balance sheet
- Cash and bank balances of **AED 660m**

**Notes:** 1. FCF: Adjusted EBITDA +/- change in net working capital (NWC) +/- change in related party balances, minus purchase of property, plant and equipment, depreciation and impairment on right-of-use assets and interest on lease liabilities. 2. FCF conversion: FCF divided by Adjusted EBITDA (post lease related expenses). 3. Total interest-bearing loans and borrowings plus lease liabilities minus cash and short-term deposits.



## Outlook and Strategic Focus



# 2025 Outlook and Strategic Focus



## UAE

- Launch 10 new stores, with 2 stores featuring the Kitchen concept

## KSA

- Continue to grow Saudi business at a steady pace, with 1 new store opening in Riyadh, and 1 store in Jeddah

## REFURBISHMENTS

- Planning to refurbish 6 supermarkets
- Adding 3 Spinneys Cafés
- Continue to invest in existing stores to deliver outstanding in-store experience

## FOOD TECH VALLEY FACTORY

- Plot lease signed and master plan design under progress, first phase planned to launch in 2027

## SPINNEYS SWIFT

- We are continuing to widen our delivery coverage in UAE while upgrading the customer app and enhancing ordering convenience

Building our store portfolio



Upgrading our customer experience



Improving our production and logistics capabilities



## SELF SUFFICIENCY

Key to our success has been our ability to source products direct from growers and manufacturers



### INTERNATIONAL SOURCING

- Leverage strategic relationships to strengthen direct sourcing capabilities and exploring international food trends in new territories
- This enables higher on-shelf availability and higher margins



### PRIVATE LABEL

- Continue to drive private label strategy to sustain market share and higher margins, as well as brand equity



**2025 Guidance**



# 2025 Guidance



	<i>FY2024 (A)</i>	<i>Q12025 (A)</i>	<i>FY2025 (E)</i>
Store openings	7	3	10-12
Store closures	2	2	2
Revenue Growth %	12.3%	11.3%	9-11%
LFL Revenue Growth %	11.3%	6.7%	4-6%
Adj. EBITDA Margin %	19.5%	20.1%	19-20%
Capex as % of Revenue	3.5%	2.4%	3.5-4.5%



Q&A



## Appendix



# Our Purpose



Mr. Ali Saeed Juma Albwardy  
Chairman

***"We don't want to be the biggest retailer, we want to be the best retailer"***

# Consolidated Statement of Profit and Loss



AED '000	Q1 2025	Q1 2024
Revenue from contracts with customers	893,647	803,391
Rental income	12,812	11,365
<b>Revenue</b>	<b>906,459</b>	<b>814,756</b>
Cost of sales	(531,743)	(479,160)
<b>Gross profit</b>	<b>374,716</b>	<b>335,596</b>
Other income	5,842	3,048
Selling, general and administrative expenses	(198,571)	(187,804)
Depreciation and impairment of right-of-use assets	(44,326)	(39,822)
Depreciation and impairment of property, plant and equipment	(27,140)	(18,050)
Finance income	5,307	1,827
Finance costs	(13,948)	(12,095)
<b>Profit before tax</b>	<b>101,880</b>	<b>82,700</b>
Income tax expense	(16,692)	(7,995)
<b>Profit for the period</b>	<b>85,188</b>	<b>74,705</b>
<b>Earnings per Share*</b> (AED per share)	<b>0.025</b>	<b>0.021</b>

\*Basic and diluted, profit for the period attributable to equity holders of the Company

# Consolidated Statement of Financial Position



AED '000	31 March 2025	31 December 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	421,064	425,792
Intangible assets	34,000	34,000
Right of use assets	895,482	923,749
Other non-current assets	55,451	56,045
Deferred tax assets	1,100	1,099
<b>Total Non-current Assets</b>	<b>1,407,097</b>	<b>1,440,685</b>
<b>Current assets</b>		
Inventories	158,257	157,111
Trade receivable, prepayments and other receivables	55,768	55,086
Amounts due from related parties	8,320	3,765
Bank balances and cash	659,561	536,168
<b>Total Current Assets</b>	<b>881,906</b>	<b>752,130</b>
<b>TOTAL ASSETS</b>	<b>2,289,003</b>	<b>2,192,815</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	36,000	36,000
Restricted reserve	4,778	4,778
Retained earnings	255,633	267,825
Actuarial reserve	6,144	6,144
Foreign currency translation reserve	968	788
<b>Equity Attributable to equity holders of the company</b>	<b>303,523</b>	<b>315,535</b>
Non-controlling interest	(19,761)	(16,316)
<b>Total Equity</b>	<b>283,762</b>	<b>299,219</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Interest-bearing loans and borrowings	5,488	5,507
Other non-current liabilities	14,636	14,591
Lease liabilities	860,076	886,736
Employees EOS benefits	79,929	79,172
<b>Total Non-current Liabilities</b>	<b>960,129</b>	<b>986,006</b>
<b>Current liabilities</b>		
Trade payable, accruals and other payables	793,182	677,666
Lease liabilities	180,495	173,657
Interest bearing loans and borrowings	775	751
Amounts due to related parties	22,862	23,632
Income tax payable	47,798	31,884
<b>Total Current Liabilities</b>	<b>1,045,112</b>	<b>907,590</b>
<b>TOTAL LIABILITIES</b>	<b>2,005,241</b>	<b>1,893,596</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,289,003</b>	<b>2,192,815</b>



# Consolidated Statement of Cash Flows



AED '000	31 March 2025	31 March 2024
<b>OPERATING ACTIVITIES</b>		
Profit before tax	101,880	82,700
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Net gain on disposal of property, plant and equipment	(223)	(189)
Finance income	(5,307)	(1,827)
Finance costs	13,948	12,095
Depreciation and impairment of PPE	27,140	18,050
Depreciation and impairment of ROU	44,326	39,822
(Gain) / loss on change in fair value of forward exchange contracts	(6,255)	4,143
Provision for old and obsolete inventories	1,978	(1,729)
Gain on termination of leases	(217)	-
Provision for employees' end of service benefits	2,816	6,691
	<b>180,086</b>	<b>159,756</b>
<b>Working capital Adjustments:</b>		
Inventories	(3,124)	9,325
Trade receivable, prepayments and other receivables	2,408	3,692
Related parties' balances	(5,220)	(1,500)
Trade payable, accruals and other payables	18,520	18,813
	<b>192,670</b>	<b>190,086</b>
Employees' end of service benefits paid	(2,167)	(1,040)
Interest paid	(104)	(127)
Income tax paid	(778)	(316)
<b>Net cash flows from operating activities</b>	<b>189,621</b>	<b>188,603</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(21,695)	(22,375)
Proceeds from disposal of property, plant and equipment and intangible assets	223	417
Proceeds from/ (investment in) short-term deposits	59,000	(100,000)
Interest received	5,307	1,827
<b>Net cash flows from/ (used in) investing activities</b>	<b>42,835</b>	<b>(120,131)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(49,517)	(53,071)
Repayment of loans and borrowings	(194)	(100)
<b>Net cash flows used in financing activities</b>	<b>(49,711)</b>	<b>(53,171)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>182,745</b>	<b>15,301</b>
Cash and cash equivalents at 1 January	60,168	354,061
Net foreign exchange difference	(352)	221
<b>CASH AND CASH EQUIVALENTS AT 31 March</b>	<b>242,561</b>	<b>369,583</b>



**Thank you**

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