

Spinneys
Q2 2025
EARNINGS
PRESENTATION

AUGUST 2025

Disclaimer



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Business Overview



Strong First-Half Performance and Interim Dividend Approved

Revenues continue to grow to AED 1.8b for H1 2025, up 13.7% YoY

Like-for-like sales growth of 12.1%, with adjusted EBITDA margin at industry-leading 20.1%

Ecommerce growth of 35.5% YoY, with participation at 16.2%, up 2.6% YoY

Profit after tax of AED 170m, up 16.2% YoY

Interim dividend of AED~120m, equivalent to 3.32 fils per share

H1Business Highlights





Transactions

18.3m → 20.6m

▲ 12.2%



Fresh Sales

63.8% 64.3%

▲ 0.5%



Private Label Penetration

▲ 1.9%



Average Basket Size

AED 88 → AED 88

▲ 0%



Store Footprint

▲ 5.1%



Ecommerce Participation



▲ 2.6%

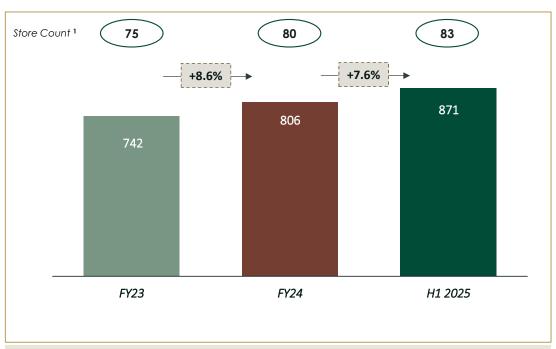


Strategy and Growth

Continued Growth in Gross Selling Area

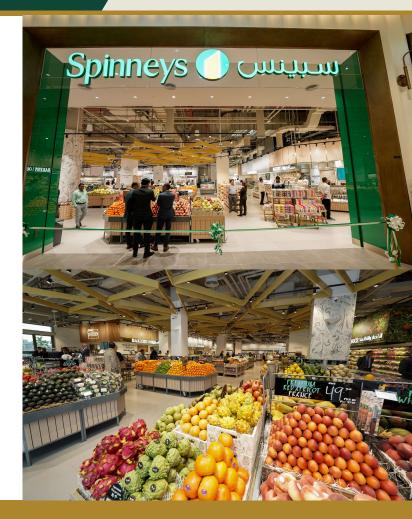


Gross Selling Area (k)



Inline with our strategy we have continued opening new stores and

expanding our Gross Selling Area



Notes: 1. Store count includes Abu Dhabi Stores while GSA does not.

Q2 2025 EARNINGS PRESENTATION

Discovery by Spinneys



Elevating private label premium credentials

Launch of Discovery by Spinneys top tier private label into selected categories

Drive premium quality credentials in private label as well as expanding margin

Further roll out and campaign planned for Q3/Q4 2025

Discovery Strawberries

Contributing **40%** of overall strawberries sales resulting in **30%** category growth

Discovery Tomatoes

Increased sales **3x** of previous premium offering and driving **10%** category growth



Continued Focus on Our Strategic Plan



KSA

Supply chain optimization

Store efficiencies and range curation

Growth in Ecommerce

Ecommerce

Expanding partnerships with Hungerstation (KSA) and Deliveroo (UAE)

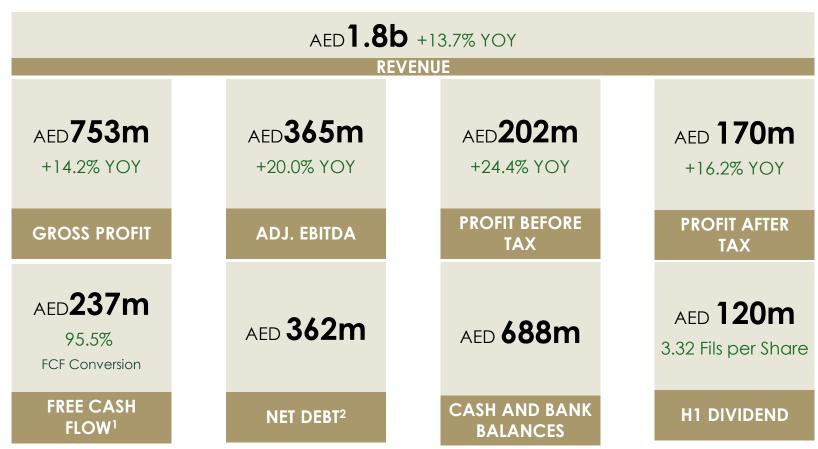
Continued roll out of Spinneys Swift in UAE





Financial Highlights





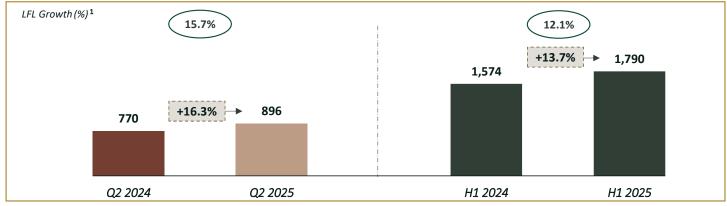
Notes: 1. FCF: Adjusted EBITDA +/- change in net working capital (NWC) +/- change in related party balances, minus purchase of property, plant and equipment, depreciation and impairment on right-of-use assets and interest on lease liabilities.

2. Total interest-bearing loans and borrowings plus lease liabilities minus cash and short-term deposits.

Q2 and H1 Financial Highlights – Retail Revenue



Retail Revenue (AED m)



Q2 2024 - Q2 2025 Retail Revenue Bridge (AED m)

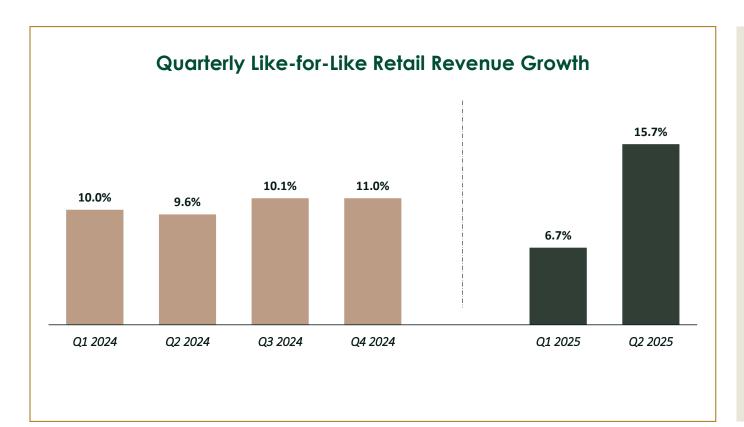


- 9 stores opened and 5 closed
 - 4 closed stores were temporary locations that were replaced by larger supermarkets
- Increase in Fresh Sales and Private Label penetration by 0.5% and 1.9%, respectively
- LFL growth of 12.1% from existing stores
- Online sales penetration increased to 16.2 %

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.

Financial Highlights – LFL Retail Revenue



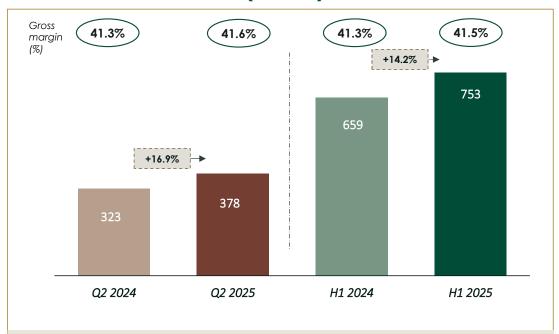


- Our LFL definition includes all stores which have traded for more than 12 months.
- La Strada (KSA) opened 24th of June 2024. This means in the LFL calculation it will include 7 days 2024 vs 6 months of trading 2025 resulting in a spike in Q2 2025 LFL.

Financial Highlights – Gross Profit



Gross Profit (AED m) and GM %



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

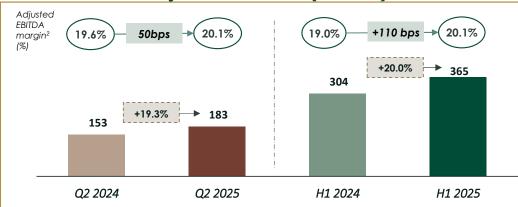
Spinneys' Secret Recipe for Bestin-Class Profitability

- 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

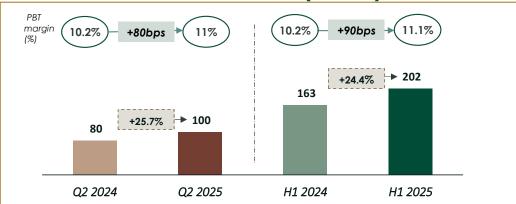
Financial Highlights – Adjusted EBITDA and Profit



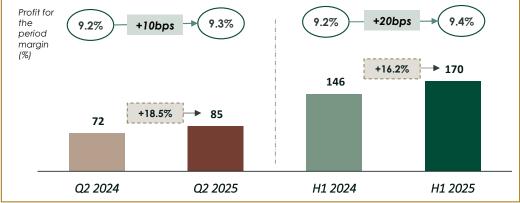




Profit Before Tax (AED m)



Profit for the Period (AED m)



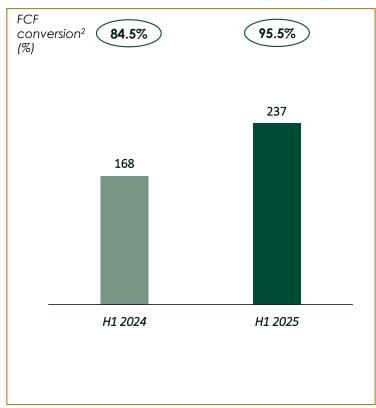
- Impact on comparative period of one-off IPO related costs incurred in H1 2024 amounting to AED 4m, and preopening expenses in Saudi Arabia amounting to more than AED 10m
- Impact of 6% additional tax on applicability of Pillar Two Rules which provides for a minimum tax of 15%, effective from January 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.

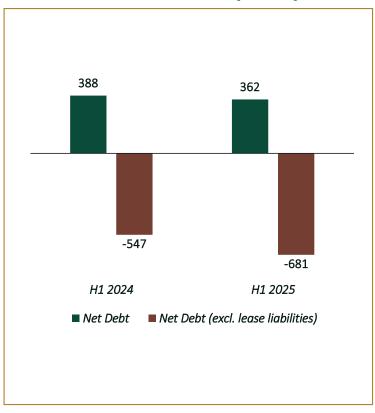
Financial Highlights – Free Cash Flow and Net Debt



Free Cash Flow¹ Evolution (AED m)



Net Debt Evolution³ (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 688m

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.



2025 Outlook and Strategic Focus



UAE

 Continue the roll out plan for 2025 totalling 12 new stores, of which will 2 stores feature 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

SPINNEYS SWIFT

- We are continuing to widen our delivery coverage in UAE while upgrading the customer app and enhancing ordering convenience
- The role out to 26 stores will be completed during Q3 2025 providing substantial coverage of Dubai

PRIVATE LABEL

Further category expansions under the Discovery by Spinneys brand

Building our store portfolio





Delivered in 60 minutes



Expanding private label range

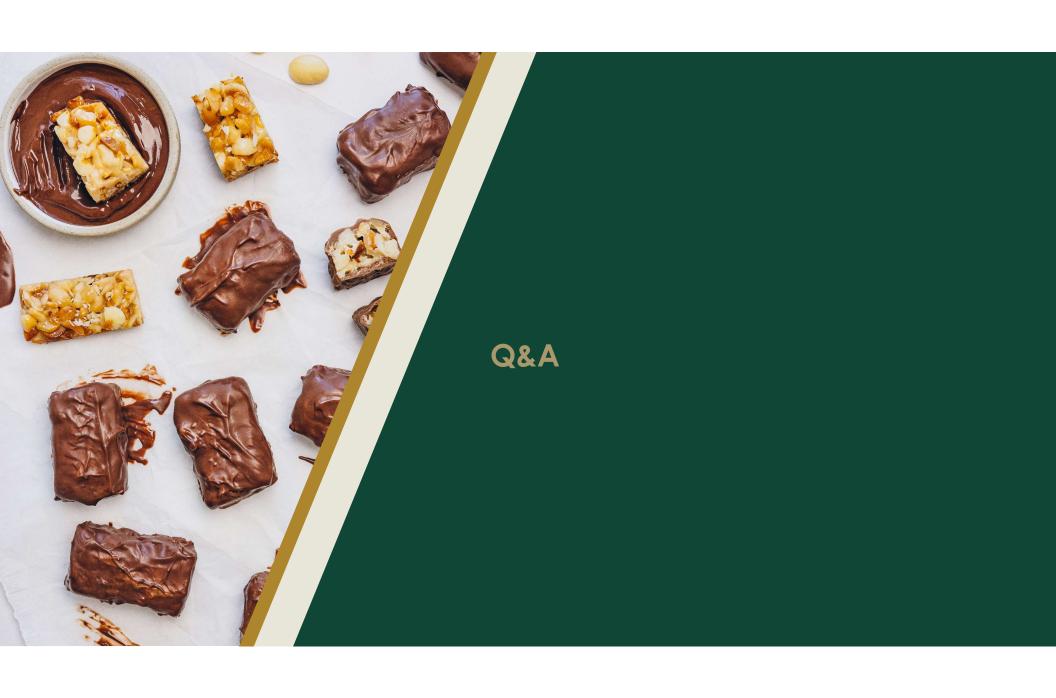




2025 Guidance



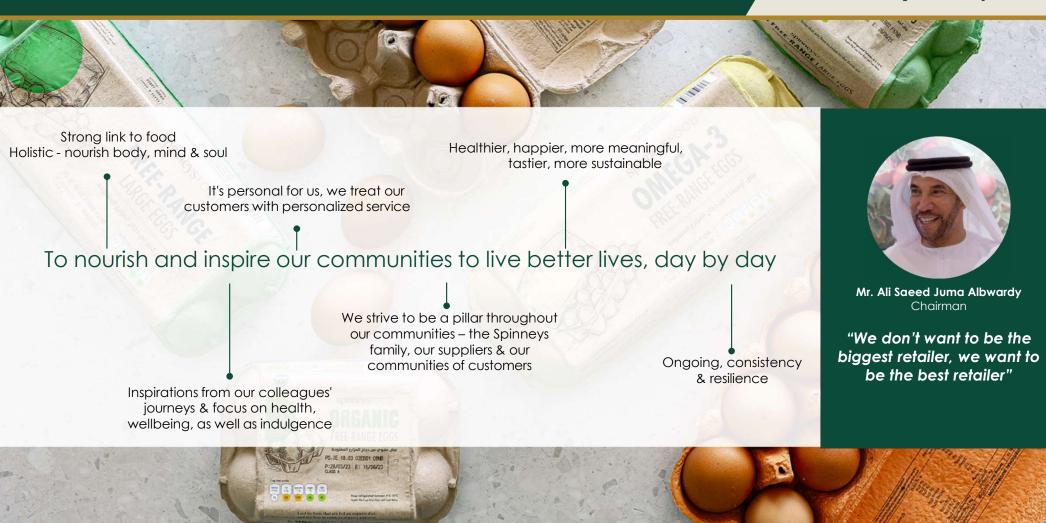
	FY2024 (A)	H12025 (A)	FY2025 (E)
Store openings	7	6 (and 2 post reporting period)	10-12
Store closures	2	3	2
Revenue Growth %	12.3%	13.7%	9-11%
LFL Revenue Growth %	11.3%	12.1%	4-6%
Adj. EBITDA Margin %	19.5%	20.1%	19-20%
Capex as % of Revenue	3.5%	2.9%	3.5-4.5%





Our Purpose





Consolidated Statement of Profit and Loss



AED '000	Q2 2025	Q2 2024	H1 2025	H1 2024
Revenue from contracts with customers	896,086	770,241	1,789,733	1,573,632
Rental income	13,583	12,511	26,395	23,876
Revenue	909,669	782,752	1,816,128	1,597,508
Cost of sales	(531,559)	(459,365)	(1,063,302)	(938,525)
Gross profit	378,110	323,387	752,826	658,983
Other income	1,100	1,256	6,942	4,304
Selling, general and administrative expenses	(196,120)	(171,194)	(394,691)	(358,998)
Depreciation and impairment of right-of-use assets	(45,039)	(41,969)	(89,365)	(81,791)
Depreciation and impairment of property, plant and equipment	(29,986)	(22,945)	(57,126)	(40,995)
Finance income	6,239	3,560	11,546	5,387
Finance costs	(13,825)	(12,152)	(27,773)	(24,247)
Profit before tax	100,479	79,943	202,359	162,643
Income tax expense	(15,427)	(8,152)	(32,119)	(16,147)
Profit for the period	85,052	71,791	170,240	146,496
Earnings per Share* (AED per share)	0.024	0.021	0.048	0.042

^{*}Basic and diluted, profit for the period attributable to equity holders of the Company

Consolidated Statement of Financial Position



AED '000	30 June 2025	31 December 2024
ASSETS		
Non-current assets		
Property, plant and equipment	422,939	425,792
Intangible assets	34,000	34.000
Right of use assets	894,257	923,749
Other non-current assets	56,333	56,045
Deferred tax assets	1,108	1,099
Total Non-current Assets	1,408,637	1,440,685
Current assets		
Inventories	136,352	157,111
Trade receivable, prepayments and other receivables	73,562	55,086
Amounts due from related parties	6,168	3,765
Bank balances and cash	687,867	536,168
Total Current Assets	903,949	752,130
TOTAL ASSETS	2,312,586	2,192,815
EQUITY AND LIABILITIES		
Share capital	36,000	36,000
Restricted reserve	4,778	4,778
Retained earnings	341,338	267,825
Actuarial reserve	6,144	6,144
Foreign currency translation reserve	1,434	788
Equity Attributable to equity holders of the company	389,694	315,535
Non-controlling interest	(20,454)	(16,316)
Total Equity	369,240	299,219
LIABILITIES		
Non-current liabilities		
Interest-bearing loans and borrowings	5,613	5,507
Other non-current liabilities	18,246	14,591
Lease liabilities	865,607	886,736
Employees EOS benefits	83,465	79,172
Total Non-current Liabilities	972,931	986,006
Current liabilities		
Trade payable, accruals and other payables	707,459	677,666
Lease liabilities	178,241	173,657
Interest bearing loans and borrowings	821	751
Amounts due to related parties	20,822	23,632
Income tax payable	63,072	31,884
Total Current Liabilities	970,415	907,590
TOTAL LIABILITIES	1,943,346	1,893,596
TOTAL EQUITY AND LIABILITIES	2,312,586	2,192,815
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Q1 2025 EARNINGS PRESENTATION

Consolidated Statement of Cash Flows



AED '000	30 June 2025	30 June 2024
OPERATING ACTIVITIES		
Profit before tax	202,359	162,643
Adjustments to reconcile profit before tax to net cash flows:		
Net gain on disposal of property, plant and equipment	(47)	(406)
Finance income	(11,546)	(5,387)
Finance costs	27,773	24,247
Depreciation and impairment of PPE	57,126	40,995
Depreciation and impairment of ROU	89,365	81,791
(Gain) / loss on change in fair value of forward exchange contracts	(6,782)	3,009
Provision for old and obsolete inventories	2,931	3,310
(Gain)/ loss on lease modifications and termination of leases	(378)	831
Provision for employees' end of service benefits	8,270	9,506
	369,071	320,539
Working capital Adjustments:		
Inventories	17,828	(6,999)
Trade receivable, prepayments and other receivables	(13,859)	(17,889)
Related parties' balances	(5,058)	6,386
Trade payable, accruals and other payables	37,207	52,507
	405,189	354,544
Employees' end of service benefits paid	(4,135)	(3,571)
Interest paid	(205)	(266)
Income tax paid	(931)	(710)
Net cash flows from operating activities	399,918	349,997
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(52,391)	(58,465)
Proceeds from disposal of property, plant and equipment and intangible assets	238	713
Proceeds from redemption/ (investment in) short-term deposits	44,000	(36,000)
Interest received	9,664	5,387
Net cash flows from/ (used in) investing activities	1,511	(88,365)
FINANCING ACTIVITIES		
Dividends paid	(100,800)	-
Repayment of lease liabilities	(103,624)	(97,898)
Repayment of loans and borrowings	(390)	(250)
Net cash flows used in financing activities	(204,814)	(98,148)
NET INCREASE IN CASH AND CASH EQUIVALENTS	196,615	163,484
Cash and cash equivalents at 1 January	60,168	354,061
Net foreign exchange difference	(916)	(54)
CASH AND CASH EQUIVALENTS AT 30 JUNE	255,867	517,491

Q1 2025 EARNINGS PRESENTATION



Thank you

