

Lulu Retail reports H1 2025 revenue of \$4.1 billion, +5.9% year-on-year
Net income increased by 9.1% YoY
Declares interim dividend of \$98.4 million (3.5 fils per share)

Abu Dhabi, UAE – 13 August 2025: Lulu Retail Holdings PLC (“Lulu” or the “Company”), the largest pan-GCC full-line retailer, today announced its financial results for the three-month period ended 30 June 2025 (“Q2 2025”).

Key highlights

- H1 2025 revenue of \$4.1 billion, up 5.9% YoY. Like-for-like sales increased 3.8% YoY
- In Q2 2025, the company reported revenue of \$2.0 billion, up 4.6% YoY, driven by Like-for-like growth of 2.1%
- EBITDA for H1 2025 recorded at \$418 million, up 7.0% YoY (\$204 million in Q2 2025, up 7.6% YoY). Margins improved by 28 bps during Q2 2025, reflecting strong operational performance
- H1 2025 Net profit of \$127 million, up 9.1% YoY, with net margin of 3.1%
- Dividend of \$98.4 million for H1 2025, equating to 3.5 fils per share
- Seven new stores opened in H1 2025, with four stores opened in July. On track to open nine more stores this year
- E-commerce continues its growth momentum in Q2 2025, with sales up 43% YoY to \$108 million, equating to 5.6% of retail revenue
- Private label, a higher-margin segment, recorded 3.5% YoY growth in Q2 2025, and accounted for 29.7% of retail revenue
- Addition of c.1 million Loyalty members during the quarter. Total membership reached 7.3 million

Saifee Rupawala, Chief Executive Officer of Lulu Retail, commented: *“Our steady and resilient H1 2025 performance is a testament of our well established growth pillars, that has helped us to deliver record sales and supported progression on margins. Average basket value, customer count and sales per square metre all increased positively over the first six months of the year, as 690,000 daily shoppers choose Lulu for our value to premium offering. Expansion continues in line with our strategy with seven stores opening in H1 2025 and further four in July, taking the total store count to 259. Our loyalty program continues to grow, with c.1 million new members joining during the second quarter, taking total count to 7.3 million”.*

“Our position as the largest pan-GCC full-line retailer makes us well-placed to continue our growth journey, with established growth levers i.e., driving growth in existing store network, opening new stores, driving operational efficiencies and delivering further upside through our private label and e-commerce offerings.”

Financial summary

Revenue growth from LFL sales and new store openings

Revenue grew 4.6% YoY to \$2.0 billion in Q2 2025, a function of like-for-like sales growth of 2.1% and new stores. Overall revenue increased by \$230m over the first half to \$4.1 billion, an increase of 5.9% YoY.

- Growth was led by continuing high demand in the higher margin Fresh Foods department, which grew at 11.2% during Q2 2025 and at 9.6% YoY for H1 2025.
- Electrical Goods grew at 10.6% YoY during Q2 2025 and 19.6% YoY for H1 2025, following the decision to pursue promotional activity to increase footfall in Q1.
- E-commerce continues to grow at a fast rate from a low base and revenues increased by 43.4% YoY in Q2 2025 and 34.4% YoY for H1 2025. The channel accounted for 5.6% of total retail revenue.
- Private Label, a high margin business grew 3.5% during the quarter and 6.4% YoY for the first half, increasing private label penetration from 29.3% in H1 2024 to 29.5% in H1 2025.

Revenue supported by growth in key markets

Lulu delivered revenue growth of 4.6% in Q2 2025. There was strong growth in the UAE and also good growth recorded in the key market of KSA.

- The UAE, Lulu's largest market, recorded Q2 2025 revenue growth of 9.4% YoY. A key component was the continuing strong demand for fresh food in the region, which was leveraged through Lulu's omni-channel offerings.
- In the Kingdom of Saudi Arabia, revenue rose by 3.8% YoY in Q2 2025. Amongst the existing portfolio there was particularly high growth in sales of electrical goods and revenue also benefitted from new store openings.

Elsewhere, Kuwait continued to trade strongly with Q2 2025 revenue growth of 4.9%. In other markets, revenue in Qatar grew 0.1% YoY with growth in the fresh food segment offset by softer department store sales. Revenue in Oman declined 1% on account of flat supermarket sales which was driven by price declines although volumes were up.

Profit margins supported by operational gearing

Gross profit increased 6.5% YoY to \$468 million, with gross margins of 23.2% in the period. This was a 40 basis points improvement compared to the prior year and a significant improvement on the 22.3% achieved in Q1 2025. EBITDA grew 7.6% YoY to \$204 million. EBITDA margin growth of 28 basis points YoY was a function of higher gross margins and support from stable operating expenses. Net income for Q2 2025 totaled \$57 million, leading to a total of \$127 million for H1 2025, with margins broadly in line with the prior year periods.

Healthy balance sheet maintained

Net debt remained broadly flat compared to 2024-year end at \$2.5 billion. The Company remains comfortable with the overall Net debt/EBITDA position of 3.0x. Excluding lease liabilities, leverage

ended H1 at 1.1x and is expected to fall organically in the coming years.

Interim dividend declared

The Board has declared interim dividend of \$98.4 million, equating to 3.5 fils per share. This equates to a payout ratio of 78% of H1 2025 distributable profits, in line with the dividend policy announced at IPO. The dividend timetable is as follows:

Event	Date
Last Entitlement Date	20 August 2025
Ex-Dividend Date	21 August 2025
Record Date	22 August 2025
Payment Date	Within 30 days of Board Meeting

Strategic progress

Lulu continues to deliver on its strategy through its pillars of driving growth in existing store network, opening new stores, driving operational efficiencies and delivering further upside through private label and e-commerce offerings.

During Q2 2025 Lulu opened one hypermarket and one express store which were both in the UAE. This added total retail space of 9,245 square meters which takes Lulu's total retail space to 1.35 million square meters. This comprises 120 hypermarkets, 112 express stores and 24 mini markets. One small Express store in Dubai was closed during the quarter. The roll out plan for the year remains on track, with the Company expecting to open a total of 20 stores in 2025.

Lulu continues to expand digital and value-focused retail strategy through multiple initiatives, increasing our category presence on aggregator platforms to grow e-commerce share, launching Quick Commerce to enhance speed and convenience and introducing the LOT store-in-store value format to tap into the fast-growing home product, value fashion and lifestyle segments.

The Company continues to drive growth through private label expansion and e-commerce enhancements via new product launches, stronger in-store visibility, exclusive promotions and a broader delivery footprint via rollout of Quick Commerce.

Earnings conference call

A conference call to present earnings, followed by a Q&A session with management will be held on Wednesday 13th August 2025 at 14.00 (GST) / 11.00 (BST). Interested parties are invited to join the call by clicking [here](#).

Summary financials and store portfolio

\$ million	Q2 2024	Q2 2025	YoY	H1 2024	H1 2025	YoY
Revenue	1,928	2,017	4.6%	3,868	4,098	5.9%
Gross profit	440	468	6.5%	887	933	5.2%
EBITDA	190	204	7.6%	391	418	7.0%
Profit before tax	63	66	4.5%	128	144	13.2%
Net income	56	57	1.8%	116	127	9.1%

Country	Q1 2025	Q2 2025	Change
UAE	109	110	+1
KSA	61	61	-
Oman	32	32	-
Qatar	24	24	-
Kuwait	16	16	-
Bahrain	13	13	-
Total	255	256	+1

About Lulu Retail

Founded in 1974, Lulu Retail, together with its subsidiaries, is the largest pan-GCC full-line retailer by selling space, sales and number of stores, operating 256 hypermarket, express and mini-market stores across the six GCC countries. The Group also operates a growing e-commerce presence through its mobile app, webstore and partner channels. To serve more than 690,000 daily shoppers from 130 nationalities every day, the Group sources products from 85 countries, enabled by an on-the-ground sourcing presence in 19 countries. The Group's strong brand recognition and trust among consumers in the GCC is enabling the growth of its existing stores, expansion of its store network and elevated loyalty across its customer base.

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