

Lulu Retail posts 16% rise in Q1 net profit, beats estimate

The jump was supported by growth in e-commerce sales in the UAE and plans to open 20 new stores in 2025.

Lulu Retail has announced its Q1 2025 financial results, reporting a solid 15.8% year-on-year increase in net profit to \$69.7 million. Revenues rose to \$2.1 billion, up 7.3% YoY, driven by strong performance across key categories.

The hypermarket operator is on track with its expansion plans, targeting 20 new store openings this year. In Q1 2025 alone, five new locations were launched.

Key Highlights:

- **Revenue:** \$2.1 billion, up 7.3% YoY, driven by strong volume and category growth.
- **EBITDA:** \$214.1 million, up 6.4% YoY.
- **Net Profit:** \$69.7 million, up 15.8% YoY.
- **Store Expansion:** Five new stores opened in Q1 2025, including in Makkah and Madinah; full-year target of 20 new stores on track.
- **E-commerce:** Sales rose 25.3% YoY to \$93.4 million.
- **Private Label Growth:** Revenue up 9.5% YoY, contributing 29.3% to total retail revenue.
- **Loyalty Program:** Happiness loyalty program membership reached approximately 6.3 million in Q1, up from 5.5 million in FY24.

E-commerce continues to play a vital role in Lulu's growth strategy.

"We expect our growth momentum to continue as we remain focused on several initiatives, including expanding our existing store network, launching new stores, enhancing operational efficiencies, and unlocking further potential through our private label and e-commerce offerings," said Saifee Rupawala, CEO of Lulu Retail.

In the **UAE**, revenues rose by 5.2%, with the fresh food segment delivering a standout 15.6% growth. This performance was bolstered by robust e-commerce sales, which grew 40.1%, supported by increased transactions through aggregators. In **Saudi Arabia**, revenues increased by 10.3%, primarily driven by new store openings over the past 12 months and strong like-for-like growth.

