

Spinneys Expands to Saudi Arabia with First Store Opening in Riyadh

- First-ever Saudi store at La Strada Yard, An Nuzha, Riyadh, will be followed by three more stores in Riyadh and Jeddah in 2024, with 12 stores expected to be opened in the Kingdom by 2028
- New 43,520 sq.ft. location will benefit from on-site production capability, which will serve wider Riyadh areas as new stores open
- Spinneys is capitalizing on the compelling retail opportunity in Saudi Arabia, a significant “whitespace” opportunity across the Kingdom, and structural tailwinds supporting sector growth

Riyadh, Kingdom of Saudi Arabia, 24 June 2024: Spinneys, the leading premium fresh food retailer, has announced the opening of its first store in Saudi Arabia, located in the vibrant new mixed-use development La Strada Yard in the popular and affluent An Nuzha district of Riyadh. La Strada Yard is an emerging hub for residential and commercial activities, making it an ideal location for Spinneys’ first-ever opening in the Kingdom. The new 43,520 sq.ft. store offers a comprehensive range of premium products, including imported goods, locally sourced items, and branded and private label products.

The La Strada store will feature an extensive selection of bakery, meats and meal solutions that are all produced on-site, with in-house production capability critical to Spinneys’ commitment to the freshness and quality that it is known for in the UAE and Oman. By establishing local production capabilities in Saudi Arabia, Spinneys aims to drive economies of scale, a key component of its fresh food proposition and margin profile. The production facilities at La Strada will also serve other Spinneys stores scheduled to open in Riyadh this year.

Sunil Kumar, CEO of Spinneys, said: “We are delighted to be launching our unique premium offering in Saudi Arabia, a rapidly growing market with a diverse consumer base and a keen appetite for fresh, high-quality products. Our entry into Saudi Arabia, a historic moment for a homegrown UAE brand, is driven by strong demand and positive market fundamentals, bolstered by the transformative Saudi Vision 2030, which has created an ideal environment for retail sector growth. Our track record in the GCC, coupled with best-in-class insights and partnerships in the Kingdom, give us a robust platform and we look forward to becoming a trusted name in the market.”

Spinneys has a well-advanced store pipeline, with further openings planned in Riyadh and Jeddah, the Kingdom’s most affluent and populous cities. The Company expects to open up to 12 new stores in Saudi Arabia by 2028.

The “whitespace” opportunity in Saudi Arabia offers a unique opportunity for Spinneys’ international expansion, with whitespace in the Kingdom projected to increase to 86 million sq.ft. by 2033, equivalent to nearly 1,200 Spinneys stores. Growth in whitespace in the Saudi market is supported by structural tailwinds including a projected 6.4% CAGR in the Kingdom’s affluent population between 2022 and 2028¹.

Spinneys’ entry into Saudi Arabia comes at a time when the Kingdom continues to pursue growth and diversification, supported by ambitious government initiatives including Vision 2030 and upcoming global events such as Riyadh Expo 2030 and the FIFA World Cup 2034. The government aims to increase the expatriate population to 50% by 2030², boost household incomes and drive consumer spending. These changes create an ideal environment for expansion of the retail sector, and Spinneys is well-positioned to capitalize by bringing its unique high-quality and fresh offering to the Saudi market.

The La Strada Yard store will mirror the product mix and high standards that Spinneys is known for across its other locations, ensuring that customers in Saudi Arabia enjoy the same quality and variety. Located just off King Abdullah Road, the La Strada store is easily accessible from all directions, with plentiful parking available for all customers.

Spinneys remains focused on strategic growth by enhancing its offering and expanding its reach. This includes store expansion; increased private label penetration; The Kitchen by Spinneys, a standalone food

¹ Source: Kearney Research

² Source: Kearney Analysis

hall concept that recently opened its first location at Dubai Mall; and e-commerce penetration, with hyperlocal delivery platform Spinneys Swift currently rolling out across the UAE. Spinneys' online channel will launch in Saudi Arabia shortly after the opening of the La Strada Yard store.

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About Spinneys

Spinneys' story started in 1961 when the first supermarket opened in Al Nasr Square. It has since grown to be one of the leading premium supermarket retailers in the UAE, with 75 stores (64 owned and 11 under management, including Waitrose) across the UAE and Oman. 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 is majority owned by UAE national Mr. Ali Albwardy, has built a strong 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'.

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