

Spinneys Launches First-Ever Food Hall Concept, “The Kitchen by Spinneys”

- *The Kitchen by Spinneys has opened its first location at Dubai Mall, with the next set to open at Creek Harbour in H2 2024 and additional sites already under discussion*
- *The Kitchen by Spinneys is the Company's latest innovative format, diversifying its revenue base and capitalizing on the high-growth opportunity presented by the UAE's burgeoning foodservice market*

Dubai, United Arab Emirates, 20 May 2024 – Spinneys, the UAE's leading premium fresh food retailer, announces the launch of The Kitchen by Spinneys, its first-ever standalone food hall concept, with the first location now open in Dubai Mall.

The Kitchen by Spinneys is a standalone dine-in format offering high-quality, healthy, ready-made food, focussed on the customer shopping missions of “food for now” and “food for later”, based on internationally successful concepts from the US to Europe and Asia Pacific. The new format will leverage the high-growth market opportunity in the UAE's foodservice sector, projected to grow at a compound annual growth rate of 6.8%¹ from 2022 to 2028. The Kitchen by Spinneys' second location is scheduled to open in Dubai's Creek Harbour in the second half of 2024, with as many as 15 locations planned to open in the UAE by 2028.

Sunil Kumar, CEO of Spinneys, said: “Today's launch of The Kitchen by Spinneys is the first major post-IPO milestone in the execution of our strategic roadmap, another important step in delivering on our commitment to innovation and customer-oriented growth. Our first-ever standalone dine-in concept is proof of our ambition to harness the dynamism of the UAE's foodservice sector, reinforcing our unique value proposition while expanding our high-quality, health-oriented offering. By incorporating this new experience into our growth strategy, we are diversifying our offering in our core UAE market and creating new and exciting ways to serve our communities. We've plenty to look forward to in the coming months, with four stores scheduled to open in Saudi Arabia by year-end as we expand to the Kingdom for the first time, and three more stores set to open in the UAE.”

The Kitchen by Spinneys concept is supported by 13.5% of the Company's 2023 retail revenue having been driven by sales from its in-store bakery, prepared meals and in-store café, and is positioned to capture favourable market trends towards eating away from home, the growing importance of convenience, and increasing consumer focus on health and wellness. The Kitchen by Spinneys follows the success of the proof-of-concept Waitrose & Partners store opened in ICD Brookfield Place in February 2022, the Spinneys store in Meydan opened in November 2019, and the Spinneys store in Dubai International Airport opened in April 2018.

Spinneys is committed to accelerating the profitable growth of its omni-channel business, strategically enhancing its offering and expanding its reach. This includes focusing on private label penetration, as well as e-commerce with hyperlocal delivery platform Spinneys Swift having successfully launched in a number of locations, and set to be rolled out across Dubai over the coming months.

Spinneys reported stellar financial results in Q1 2024, with revenue growth of c.11% to a record AED 815 million, including very strong growth in e-commerce sales, up c.27% to AED 110 million. Despite one-off IPO costs and the introduction of 9% corporate tax in the UAE in the first quarter, the Company recorded profit for the period of AED 75 million, up 13% year-on-year. Spinneys debuted on the Dubai Financial Market on 9 May 2024 after a historic IPO that raised AED 1.38 billion and was oversubscribed by approximately 64 times in aggregate.

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About Spinneys

¹ source: Kearney

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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