

Cenomi Retail achieves yet another record by opening 14 Subway stores in one day across Saudi Arabia



The continued focus on driving the growth of Tier 1 Champion Brands is strongly aligned with the solid potential growth of the Food & Beverage sector in the Kingdom of Saudi Arabia

10 December 2024 - Riyadh, Saudi Arabia – Cenomi Retail, the exclusive master franchisee for Subway in Saudi Arabia, has achieved an extraordinary milestone by recently opening 14 new Subway stores on a single day. This achievement surpasses the previous record of 12 store openings in one day, highlighting Cenomi Retail's rapid expansion program and commitment to meeting the growing demand for high-quality, fresh food across the Kingdom.

The strategic openings of these 14 stores are part of Cenomi Retail's ongoing endeavors to strengthen its position in Saudi Arabia's rapidly expanding Food and Beverage market, which is expected to witness a Compound Annual Growth Rate (CAGR) of 9% from 2022 to 2026. With the Kingdom of Saudi Arabia being the largest country in the MENA region, boasting an average market size of \$22 billion, Cenomi Retail continues to capitalize on key growth opportunities in this highly promising sector.

In September 2024, Cenomi Retail's fully owned Subway stores—28 locations at that time—contributed 14.8% to the revenue of Tier 1 Champion Brands in the Food and Beverage segment. By the end of 2024, the total number of Cenomi Retail-owned Subway stores in the kingdom of Saudi Arabia is expected to rise to 57, a significant increase that is expected to boost Subway's contribution to approximately 25% of Tier 1 F&B revenue for the company in 2025. This growth is driven by an enhanced marketing strategy, a more diverse menu offering, and a continued focus on providing the best customer experience in the Kingdom.

Salim Fakhouri, CEO of Cenomi Retail, commented, "The opening of 14 new Subway stores in one day is a remarkable achievement that reflects the strong growth potential of the Saudi market. As the largest Food and Beverage market in the MENA region, the Kingdom of Saudi Arabia offers tremendous opportunities, and Cenomi Retail is committed to leveraging this potential with an expanding footprint and a continued focus on exceptional customer service."

The 14 new Subway stores include 8 traditional stores in high-traffic, prime locations—12 stores in Riyadh alone—as well as 6 non-traditional stores located in strategic venues including hospitals, banks, high ranking universities, and government entities. These non-traditional locations are designed to cater to unique customer experiences, ensuring that Subway's fresh and customizable offerings are available to a wider range of consumers.

The total payback period for the 14 new stores is estimated at just 2.7 years, significantly outperforming the sector benchmark. This rapid return on Investment further reflects the strength of the Subway brand as well as Cenomi Retail's focus on operational excellence in everything we do.

"By diversifying our store locations and expanding into both traditional and non-traditional venues, we are able to cater to an even wider consumer base, providing them with the opportunity to enjoy Subway's fresh, and nutritious food options," **added Salim Fakhouri, CEO of Cenomi Retail**. "This diverse strategy enables us to tap into a number of consumer segments, delivering an exceptional experience across various locations within the Kingdom."

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About Cenomi Retail:

Cenomi Retail, formed as Fawaz A. Alhokair & Co in 1990 by Fawaz, Salman and Abdulmajeed Alhokair. The company has since become the leading franchise retailer in the KSA and the only listed business of its type in the Middle East. Since the opening of its first store in 1991, Cenomi Retail has grown considerably and now trades in over 900 stores across 326 shopping malls in 9 countries, with a retail platform operating on a total GLA of more than 326 thousand square meters. All of this is managed by a workforce numbering more than 7,000. Cenomi Retail currently represents over 55 brands, spanning womenswear, menswear, kids and baby, department stores, shoes and accessories, cosmetics in addition to operating a series of restaurants and coffee shops. For more information, please visit www.cenomiretail.com

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