

# Coca-Cola Beverages Africa acquires Kenya's Equator Bottlers

Coca-Cola Beverages Africa (CCBA), Africa's largest Coca-Cola bottler which is headquartered in South Africa, has acquired Equator Bottlers, the third largest Coca-Cola bottler in Kenya. The Competition Authority of Kenya has now approved the acquisition, as all of the conditions precedent were either fulfilled or waived and the deal was completed on 30 June 2017.



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Equator Bottlers Limited is now owned by CCBA (via wholly-owned subsidiary Coca-Cola Sabco East Africa Limited (CCSEAL)), with effect from 1 July 2017.

Equator Bottlers, previously a subsidiary of Kretose Investments owned by the Shah family, has been one of several authorised Coca-Cola bottlers, which supplies products in the Western regions of Kenya. It was established in 1966 and is based in Kisumu. Equator Bottlers brings to CCBA one plant and three manufacturing production lines, which supply thousands of outlets in Kisumu and surrounding areas in Western Kenya, including the counties of Kisumu, Kakamega, Kericho, Bomet, Siaya, Busia and Vihiga.

Commenting on the transaction, South Africa-based CCBA's MD for the International Division, Jacques Vermeulen said, "The acquisition makes sense both for us and for consumers in Kenya. We see a compelling long-term growth opportunity for non-alcoholic ready-to-drink (NARTD) beverages in Kenya and we believe that this is a more efficient model that supports the growth potential."

"This acquisition of Equator will allow us to share best practice and improve our service for both the formal and informal markets and at the same time, encourage greater innovation. It will also allow us to achieve enhanced efficiencies which, in turn, will mean an improved and more seamless service for customers."

## Driving long-term sustainable growth

The creation of CCBA last year was designed to provide a stronger, more successful Coca-Cola system in Africa and create greater shared value for the business and communities served across the value-chain, including local suppliers and retailers.

CCBA bottles and distributes trademarked beverages owned by The Coca-Cola Company. It is Africa's largest Coca-Cola bottler and the world's 10th largest. With over 14,000 employees in Africa and 30 bottling plants in 10 countries, CCBA

services over 450,000 customers with a host of international and local brands.



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“The company’s aim remains to drive long-term sustainable growth, leverage our scale and build capabilities to accelerate sustainable growth. We believe this acquisition aligns very well with that ambition,” said Vermeulen.

Daryl Wilson, country MD for Nairobi Bottlers, said, “With a population of over 45 million and a rapidly urbanising population 72% of whom are under 30, Kenya offers opportunities for growth and investment. That said, disposable income pressure consumers requires of us that we become both more efficient and effective in what we do to bring affordable products to Kenyan consumers. The purchase of Equator Bottlers will see us work together to do just that, offering more to our customers while capturing growth opportunities in one of Africa’s most dynamic economies.”

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