



HACO INDUSTRIES KENYA LTD TRANSFERS ITS STATIONERY MANUFACTURING AND DISTRIBUTION TO BIC

Clichy (France) – Nairobi (Kenya), 31 August 2018.

Haco Industries Kenya Ltd and SOCIETE BIC have today formally announced their agreement for the transfer of manufacturing facilities and distribution of BIC products to BIC.

The definitive agreement will result in the transfer of the manufacturing facilities in Kenya and the distribution of Stationery, Lighters, and Shavers in East Africa from HACO Industries to BIC. Subject to the Kenyan Competition Authority approval, the transfer is expected to be completed by 1st January 2019.

This transaction is in line with BIC's continued growth strategy in Africa, and the long-term growth plans of HACO Industries, which aims to diversify its portfolio and presence in Western & Southern Africa.

HACO Industries Ltd Chairman Dr. Chris Kirubi described the transfer as a positive move for both the company and Kenya, as manufacturing remains in the country and HACO gets the opportunity to diversify and expand its business.

"My success is Kenya's success and after nearly forty years of fruitful collaboration with BIC, and having built the business to become Kenya's number one Stationery manufacturer and distributor, this transaction is tangible proof of BIC's confidence and belief in Kenya and the growth potential of the region," said Dr. Kirubi.

"Until the completion of the transfer, BIC and HACO will continue to work together for the mutual benefit of all stakeholders and the respective businesses to achieve a smooth transition" he added.

The partnership between HACO Industries Kenya Ltd and BIC spans nearly 40 years when Dr. Kirubi invested in the future of the Stationery business in East Africa putting education at the forefront of all markets.

Commenting on the move, SOCIETE BIC Chief Executive Officer, Gonzalve Bich noted: *"This is a tremendous opportunity to strengthen BIC's position in one of the most promising markets for BIC products in the world. BIC has a strong historical presence in Africa; with a solid industrial and distribution footprint, this continent is a key asset for BIC's development. Building on our strong brand awareness in the region, thanks to Dr. Chris Kirubi's & HACO Industries stewardship over the last 40 years, I am confident that this agreement will reinforce BIC's long-term growth prospects in the region and generate value for all our stakeholders as we fully integrate the business into the BIC Group"*.

He added: *"We estimate the regional Stationery market to be around 1.5 billion units annually and growing mid to high single digit. With a strong focus on education, Kenya will be a driving force in the deployment of BIC's "Writing the Future, Together" sustainable development program, which commits to improving the learning conditions of 250 million children globally, by 2025."*

HACO Industries upscaled production facilities from a small assembly plant based in Mombasa to the current semi-automated production plant located in Kasarani; with a market presence in the entire East African region including Uganda, Rwanda, Burundi, Ethiopia, and Tanzania.

The partnership between HACO Industries and BIC has also enabled collaboration and engagement with various governments in the region to fight counterfeit products, allowing BIC to retain and strengthen its leadership position in East Africa.

About BIC

BIC is a world leader in Stationery, Lighters and Shavers. For more than 70 years, BIC has honored the tradition of providing high-quality, affordable products to consumers everywhere. Through this unwavering dedication and thanks to everyday efforts and investments, BIC has become one of the most recognized brands and is a trademark registered worldwide for identifying BIC products which are sold in more than 160 countries around the world. In 2017, BIC Net Sales were 2,041.4 million euros. The Company is listed on “Euronext Paris” and is part of the SBF120 and CAC Mid 60 indexes. BIC is also part of the following Socially Responsible Investment indexes: CDP’s “Leadership Level” (A-) and “Leadership Level” for the additional “Supplier” module, Euronext Vigeo – Eurozone 120, Euronext Vigeo – Europe 120, FTSE4Good indexes, Ethibel Pioneer and Ethibel Excellence Investment Registers, Ethibel Sustainability Index (ESI) Excellence Europe, Stoxx Global ESG Leaders Index.

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About HACO Industries Kenya Ltd

HACO Industries is one of the region’s leading FMCG manufacturers, supplying a wide range of products to the 21 countries in the entire East African and COMESA Markets. HACO Industries was established in the early 1970’s as single-product manufacturer. Over time, HACO Industries has grown from strength to strength and is now one of the region’s leading FMCG manufacturers, supplying a wide range of products to the entire East African and COMESA Markets. The portfolio includes Personal Care Products (Amara Lotion & Petroleum Jelly, Miadi, Palmers), Homecare (So Soft Fabric Softener & Conditioner, Sparkle Dishwashing Liquid, Ace Liquid Toilet Cleaner) & Foods Products (Chummy Pasta – Spaghetti and Macaroni). HACO’s objective is to build legacy brands that satisfy consumer needs through innovation, high-performance talent, sustainable growth and wealth creation. HACO Industries prides itself on its continued investment in market development.

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