



## **The Abraaj Group to acquire Java House from ECP**

- **The Abraaj Group agrees to acquire 100% of Java House Group from Emerging Capital Partners**
- **Java House is the largest casual dining / food services chain in East Africa with 60 outlets**
- **Abraaj to expand Java House across Africa by building on Java House's strong market position**

**Nairobi, Kenya, 3 July 2017:** The Abraaj Group ("Abraaj" or the "Group"), a leading investor operating in growth markets, announced today it has entered into a definitive agreement to purchase, through its Funds, 100% of Java House Group ("Java House" or the "Company"), East Africa's leading coffee-led casual dining chain, from private equity firm Emerging Capital Partners (ECP), and the Company's founder and chairman, Kevin Ashley.

Java House Group was established in Nairobi in 1999. In 2012, Emerging Capital Partners acquired a majority stake in the Company, with the founder retaining a minority stake. ECP has helped Java House grow from 13 shops in Nairobi into East Africa's largest casual dining brand, building an 'eat-out' culture. Today, it has an unrivalled regional footprint of 60 stores across 10 cities in Kenya, Uganda and Rwanda.

The Company has three flagship brands: Java House, the largest coffee-led, all-day casual dining concept; Planet Yogurt, the region's first self-service frozen yogurt chain; and 360 Degrees Artisan Pizza, an upmarket Italian pizzeria concept. Java House also operates commercial coffee roasteries, providing quality coffee and bean sales to its own stores and to supermarkets, hotels, restaurants and wholesale buyers.

Java House prides itself on the value it offers customers, from the quality of its service and products to the breadth and convenience of its locations. Java House currently serves over 320,000 guest checks per month, offering food and drinks covering 25 different food categories, and employs 2000 people.

Abraaj, in partnership with the management team, will leverage Java House's market leadership position and strong heritage to grow the Company into the leading pan-African casual dining / food services platform, expanding into new markets and through acquisitions. Together, they will

build a leading home-grown African casual dining and foodservice group across East, West and North Africa.

**Commenting on the transaction, Mustafa Abdel-Wadood, Managing Partner and Global Head of Private Equity at The Abraaj Group, said:** “This landmark transaction, which showcases our ability to source outstanding assets across our target markets, is a compelling opportunity to build on Java House’s success story across sub-Saharan Africa, to create a true regional champion. Africa’s rapidly expanding middle class, sustained population growth and increasing urbanization is creating compelling investment opportunities in multiple sectors, and we believe Java House is ideally positioned to benefit from these trends.”

**Bryce Fort, a Founding Partner of ECP and head of the pan-African firm’s Nairobi office added,** “In partnership with Java’s founder Kevin Ashley and a talented management team, we have taken the business from one city and just 13 locations when we originally identified the deal and scaled it across East Africa to 3 countries and 60 sites today. Abraaj is taking over the reins of a powerhouse African brand at an exciting time in its growth trajectory with enormous potential to further expand a successful formula across the continent.”

**Ken Kuguru, Chief Executive Officer of Java House said,** “As Java House aims to accelerate into its next phase of growth, we were seeking a partner that has the scale, platform and sector expertise to enable us to achieve our aspirations. The Abraaj Group is that partner of choice and we look forward to working closely with their team to extend our market leadership position across the continent.

“Java House has had an extraordinary journey since its founding in 1999 and we are passionate about creating unique and innovative experiences for our customers everywhere. Emerging Capital Partners has been a critical catalyst in our growth story and we extend them our sincere thanks as we look ahead to an exciting future with our new partner.”

The transaction builds on Abraaj’s local knowledge, on the ground experience and strong networks in Africa where the Group has deployed US\$3.2 billion in 80 transactions. It further leverages Abraaj’s strong and diversified experience in the food and beverage sector gained through partnerships with leading businesses across Asia, MENA and Latin America.

ECP is a dedicated Africa growth investor, whose teams focus on originating unique opportunities by living and working in the markets they serve. Their hands-on partnership style helps entrepreneurs to grow companies that are attractive to acquirers who look for companies with both strong financial performance and international best practice standards in all measures.

Freshfields Bruckhaus Deringer LLP and Bowmans Kenya acted as legal advisors, while PwC acted as financial and tax advisors to Abraaj on the transaction.

The transaction will close once customary closing conditions and regulatory approvals are obtained.

**For more information on Abraaj please contact:**

Iain Gibson

Finsbury

T: +971 (0)55 338 748

E: [iain.gibson@finsbury.com](mailto:iain.gibson@finsbury.com)

**For more information on Emerging Capital Partners, please contact:**

Nicole Dobianer

Gong Communications

T: +44 207 935 4800

E: [nicole@gongcommunications.com](mailto:nicole@gongcommunications.com)

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**About The Abraaj Group**

The Abraaj Group (“Abraaj”) is a leading investor, purpose-built for operating in the growth markets of Africa, Asia, Latin America, the Middle East, and Turkey. Employing over 300 people, Abraaj has over 17 offices spread across five regions with hubs in Dubai, Istanbul, Mexico City, Nairobi and Singapore. The Group currently manages c. US\$ 10 billion across targeted investment strategies.

Abraaj has realized c.US\$ 6.7 billion from over 100 full exits, and Funds managed by the Group have made over 190 investments across a range of sectors including consumer, energy, financials, healthcare and utilities. The Group is committed to the highest environmental, stakeholder engagement and corporate governance standards and is a signatory to the United Nations-backed Principles for Responsible Investment and the United Nations Global Compact. Abraaj’s founder, Arif Naqvi, was appointed to the United Nations Global Compact Board by UN Secretary-General Ban Ki-moon in 2012 and to the Interpol Foundation Board in 2014.

This publication is issued by Abraaj Capital Limited (“ACLD” or the “Firm”), a member of The Abraaj Group that is authorised and regulated by the Dubai Financial Services Authority (“DFSA”). Several Group members are regulated by a number of international regulatory authorities including the DFSA under whose rules ACLD has issued this publication.

**About Emerging Capital Partners**

Emerging Capital Partners (ECP) is a Pan-African private equity firm that has raised over US\$2.5 billion for growth capital investing in Africa. Founded in 2000, ECP was one of the first firms dedicated to Africa which today, translates into over 60 investments and over 30 exits through seven funds. With 70% of investment professionals living and working in six countries throughout Africa, ECP's investment team has a deep reach into African markets and insight into the regions' local economies.

ECP has a diversified set of investments with capital deployed in over 40 African countries and in various sectors including consumer businesses, financial services, telecommunications, infrastructure, natural resources, and agriculture. ECP is a signatory to the United Nations Principles for Responsible Investment (UNPRI).

For more information, please see: [www.ecpinvestments.com](http://www.ecpinvestments.com)