

PRESS KIT

5 December 2017



**Official opening
Douala Bonamoussadi
CAMEROON**



Contents

- P3 **Editorial**
Xavier Desjobert, Chief Executive Officer, CFAO Retail
"Cameroon is a priority country in CFAO Retail's strategy"
- P4 **1. CFAO Retail opens a new chapter in its history in Cameroon**
- The emergence of the middle class, a retail growth driver in Africa
- CFAO Retail and Carrefour's partnership in Africa offers formats tailored to each market
- The promising Cameroonian market
- P7 **2. Carrefour Market Bonamoussadi, a core component of the local economy**
- Shopping centre profile
- The shopping centre
- Luc Demez, Managing Director, CFAO Retail Cameroon
- Employment and training: cornerstones of CFAO Retail's strategy in Cameroon
- The employees of CFAO Retail
- Local suppliers and industries, short distribution channels, and value chains form the core of CFAO Retail's approach in Cameroon
- Special guidance in developing bar codes
- CFAO partners with the development assistance organisation IECD to support Cameroonian agriculture
- P11 **3. The Carrefour Market Community**

"Cameroon is a priority country in CFAO Retail's strategy."

Xavier Desjobert,
Chief Executive Officer, CFAO Retail



"For our first site in Douala, we have assembled the ingredients that have driven the success of our offering in Africa over the past two years: strong local engagement and a significant economic footprint. The Douala opening is the first step in the broader CFAO Retail roll-out in Cameroon."

There are dates that stand out. 5 December 2017 will be remembered as a major milestone in the growth of our pan-African company, CFAO, and its Retail division, which I represent. Having served the local and regional economy for nearly a century, the company is already well known in Cameroon. The opening of the Bonamoussadi Carrefour Market in Douala marks the start of a crucial phase in the roll-out of our mass retail development plan, as we move into a second country.

Following our initial two openings in Côte d'Ivoire, it was only natural to offer Cameroonians the same high level of quality, with modern stores in line with the expectations of the middle class, which we estimate encompasses 6 million people in the country. Middle-class Cameroonians go shopping, set aside savings and make choices and decisions as rational consumers. They have high standards and are no longer willing to tolerate a substandard product selection.

Carrefour Market will work in order to keep its prices as low as possible in order to satisfy this urban, Internet-savvy population as best possible. Carrefour Market Bonamoussadi shopping center is then designed to satisfy these customers and will soon be deployed in Yaoundé and other major cities in the country.

I think that the opening will be remembered by the country as a whole. As with our two centres in Abidjan, PlaYce Marcory and PlaYce Palmeraie, we want Carrefour Market to be much more than a place to go shopping. It will be a community hub for spending time together, dining, have a stroll and enjoying oneself.

We want to develop the broadest range of agricultural industries possible in order to achieve this goal. We already offer 1,500 products from local channels, and Carrefour Market has formed partnerships with producers and cooperatives in order to promote the development of local agriculture.

Finally, Carrefour Market embodies our promise to make Cameroon a cornerstone of CFAO's Retail strategy. In 2019, we will continue to build on our initial achievement in Bonamoussadi – which officially opens today – with a new PlaYce shopping centre featuring several dozen shops.

We are laying the first stone in Bonamoussadi and many more will follow, not only in Cameroon but also in the other African nations we have selected.

The teams at CFAO Retail are moving closer to our goal of becoming a leader in distribution across West and Central Africa with each passing day.

1

CFAO Retail opens a new chapter in its history in Cameroon

CFAO Retail has been pursuing an ambitious strategy in sub-Saharan Africa since 2015, opening shopping centres in partnership with Carrefour brands. The goal is clear: provide a modern shopping experience that reflects consumers' new expectations in these markets. CFAO Retail's simple promise is to serve as a committed stakeholder in the local economy, by combining an international offering at the best prices with local and regional products, ensuring consumers have a wide range of choices from within their borders. CFAO Retail promise is simple: to be a committed player in the local economy.

The two PlayYce shopping centres in Côte d'Ivoire are perfect examples of this approach. Nearly two years on from its opening, PlayYce Marcory has already received 7 million visitors, and its younger sibling in Abidjan, PlayYce Palmeraie, opened in June 2017 and is already a success.



The emergence of the middle class, a retail growth driver in Africa

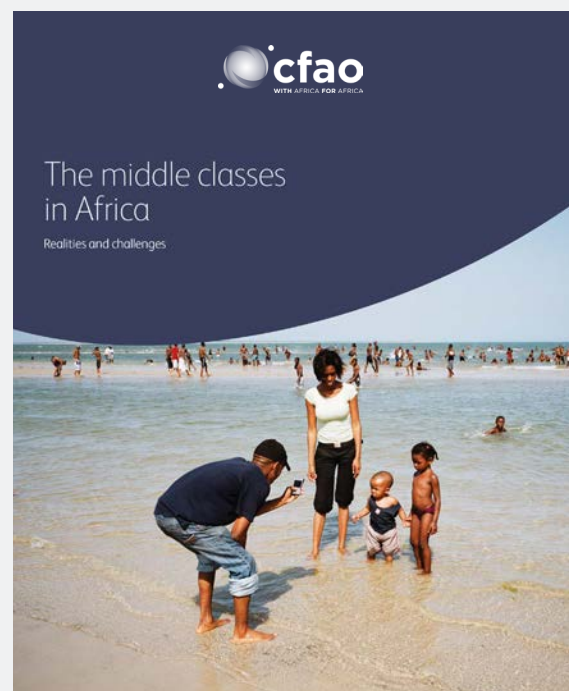
In 2015, CFAO launched an Africa-wide survey entitled "The Middle Classes in Africa: realities and challenges". During the survey, 4,000 interviews were conducted in five African countries, including Cameroon, which have enabled CFAO to move beyond a purely statistical approach based on evaluation of the income brackets of Africa's various social strata.

One characteristic of the Cameroonian middle class is a regular source of income earned from permanent employment – 55% in the private sector and 35% in the public sector. In addition to their fixed wages, many Cameroonians receive money from relatives, property and land rent, or temporary or seasonal work.

Some 70% say that they are able to set aside money, nearly all of which is deposited into banks – 84% have a bank account and 65% have a savings account.

The main expenses of the Cameroonian middle class are food, housing and transportation. Food products (often perishables: fruit, vegetables, dairy products, meat and fish) are typically purchased several times a week, personal care and beauty products twice a month, and alcohol more occasionally. Most purchases are from local

brands but international products and the search for quality also have their place. Some 47% of the Cameroonian households surveyed mainly buy local, but they do purchase international brands a third of the time (much more than in other sub-Saharan countries).



The results of the study "The middle classes in Africa: realities and challenges"

For grocery shopping in Cameroon, they visit ● weekly or ● monthly







Average importance of criteria when choosing a store, on a scale of 1 to 10








They often buy brands that are



| | | | |
|---|-----|-----|-----|
|  | 55% | 24% | 19% |
|  | 20% | 58% | 20% |
|  | 57% | 23% | 18% |
|  | 64% | 15% | 21% |
|  | 85% | 9% | 5% |

Most often, they prefer to buy



| | | | |
|---|-----|-----|-----|
|  | 28% | 31% | 40% |
|  | 11% | 23% | 65% |
|  | 32% | 40% | 27% |
|  | 36% | 35% | 28% |
|  | 38% | 24% | 38% |

Source : The middle classes in Africa : realities and challenges – CFAO, BearingPoint, Ipsos, 2015. The survey was conducted in Cameroon, Morocco, Côte d'Ivoire, Nigeria and Kenya.

CFAO Retail and Carrefour's partnership in Africa offers formats tailored to each market

Founded in 2013, the joint venture is rolling out several dozen shopping centres in eight nations in West and Central Africa: Côte d'Ivoire, Nigeria, Senegal, Gabon, Cameroon, Democratic Republic of Congo, Republic of Congo and Ghana.

CFAO Retail and Carrefour offer a unique promise: a modern, wide-ranging selection of products and international brands that reflect emerging consumption patterns. CFAO Retail and Carrefour offer a unique guarantee: a modern, wide-ranging selection of products – including an exclusive range of Carrefour brand products, local products and quality fresh products – that reflect emerging consumption patterns.



CFAO Retail and Carrefour have developed an offering tailored to their various consumer markets. From premium shopping centres to local shops, the retail outlets operated by CFAO Retail are designed to suit the local economy in the area in which they are located.

Each of the different formats represents a solution tailored to consumers' needs.

The promising Cameroonian market

Having operated in Cameroon since 1920 via its former businesses, CFAO has developed intricate knowledge of the country's distribution channels and consumption patterns. Buoyed by a dynamic private sector and key drivers of economic development (demography, urbanisation, etc.), Cameroon is one of the countries where all CFAO divisions are represented. Among the Group's past undertakings, CAMI and LOXEA (CFAO Automotive Equipment & Services), Laborex (CFAO Healthcare), Icrafton (CFAO FMCG & AGRI) and CFAO Technologies have all done business in Cameroon.

Carrefour Market Bonamoussadi is the first shopping mall operated by CFAO in Cameroon, making it CFAO Retail's first foray into the country.

As a nation of nearly 25 million, Cameroon is a strategic priority for CFAO Retail. Douala, the country's business capital, offers a major catchment area with 2.8 million residents and several defining developments that provide business prospects and ensure the city retains its status as a regional hub. Kribi Port, the new bridge on the estuary and various industrial and infrastructure projects all represent opportunities to further expand the country's mass retail market.

Located in Bonamoussadi, a residential neighbourhood in the north of Douala, Carrefour Market could not be closer to its customer base.

The Bonamoussadi Carrefour Market features a Club of Brands from its opening day: Brioche Dorée

The Club of Brands enables CFAO Retail to offer a full range of international products in its shopping centres, from brands specialised in fashion, apparel, beauty, leisure and dining, at the food court.

A Club of Brands member from the outset, Brioche Dorée is the leader in convenience food à la française, with turnover of €350 million, 7,500 employees worldwide and 300,000 customers served every day. The brand chose Douala for its 501st restaurant, which will be open for business at Carrefour Market Bonamoussadi on day one.



"For the first time in Central Africa, consumers will have access to a single location offering a full array of products and services in a shopping centre on a par with top international standards. The Club of Brands is a growth driver for the brands, which understand the needs of emerging Africa. These partnerships enable them to take advantage of CFAO's expertise in distribution and tap into the African consumer base," explains Xavier Desjobert, CEO of CFAO Retail.

2

Carrefour Market Bonamoussadi, a core component of the local economy

Shopping centre profile



Total floor area: **8,250 sqm**
(carpark and building)



Carrefour Market:
1,430 sqm sales floor



1 Carrefour Market
supermarket + **6** shops



2 Club of Brands restaurants,
one of which will open
in a few weeks



350 direct and indirect jobs
created at the centre



7,000 hours
of training provided



1,500 local products listed



180 Cameroonian
partners and suppliers



8 cashier checkout lanes
+ **4** basket lanes



100 parking spaces

The shopping centre

At Carrefour Market Bonamoussadi, customers enter the store through the market area. It's the 'central square' of the store.

This is the area where you find the traditional aisles as well as authentic gourmet sections: the bakery, catering department and butcher. Local and imported goods sit side by side on the shelves, changing with the seasons, so that consumers' daily shopping needs and freshness expectations are always met.



Luc Demez,

Managing Director, CFAO Retail Cameroon



1/ Why did you opt for this type of format for your Cameroon launch?

We are familiar with the unique features of the Cameroonian market because of CFAO's extensive experience in the country. Carrefour Market perfectly embodies this regional approach, which combines locations close to our consumer base with very strong involvement in the local economy. We aim to be like a local shop where customers come to do their shopping every day. We will fulfil that pledge by offering fresh products that stand out from the competition.

We aim to attract customers and build their loyalty through products like fruit, vegetables, fresh-baked bread and baguettes, pastries, fresh fish, meat and chicken.

2/ How will you keep this freshness pledge to your customers?

By developing close ties with the local economy here in Douala and in several other regions of Cameroon. We have bought nearly 3,000 products

from Cameroonian producers and suppliers, representing 1,500 "made in Cameroon" products. That's what is unique about our approach.

Our shopping centres are designed with local conditions in mind, as well as the urban environment in which they are located. In Bonamoussadi, for example, we noticed that there was strong demand for baked goods and pre-cooked dishes, so we expanded our selection of bread and ready-made food. The initial sales tests indicated that our bakery and catering aisle were on track to be a huge success. But it's also important to maintain high standards, a challenge with a simple set of ingredients: quality, freshness, expertise, local products and training for our artisan bakers and cooks.

Employment and training: cornerstones of CFAO Retail's strategy in Cameroon

Carrefour Market Bonamoussadi has created 350 jobs, including over 200 direct jobs – all operational from opening day in December 2017. CFAO Retail and Carrefour are focusing their efforts on jobs and training in order to maintain their growth in Cameroon and improve social conditions in the country. Employees at the centre enjoy a number of benefits, including formal employment, social security coverage, insurance and standardized employment conditions.

Operating a shopping centre requires individuals from some 20 different professions, each with their own area of expertise, who have to work together to meet very stringent standards. Employees with a number of different backgrounds cross paths in the aisles of Carrefour Market, from sales, to logistics, technical butchery skills, baking, merchandising, checkout and security.

About fifteen Cameroon managers took part in a training course at the CFAO Retail training centre in Abidjan, which lasted over three weeks. Once back in Douala, they passed on what they learnt to their teams. A total of nearly 7,000 hours of training have been provided – an average of 35 hours per employee. Several Carrefour International experts were also on hand to supervise the Douala staff as they prepared the supermarket and got it up and running.

CFAO Retail Cameroon is now seeking to further boost support for its staff by developing certificate training programmes in partnership with Cameroonian authorities.

KEY FIGURES

44% women

69% young people under 35

48% young people in their first formal job

66% have completed secondary or post-secondary studies

The employees of CFAO Retail

Julie AGBOR KEFFIE

Department Staff, Carrefour Market Bonamoussadi

Julie is a young woman from south-west Cameroon who has passed her A-levels. Following several office secretary training courses, she completed business traineeships in human resources and staff management. A friend told her that Carrefour Market was hiring, so she decided to apply and was taken on as a Department Staff.

Julie sees Carrefour Market as the start of a journey. She knows that opportunity will come knocking, which is why she plans to go back to school at night, so that she will be ready for the



responsibility when the time comes to become a manager. *"I know that I have many years ahead of me at Carrefour Market," she says with a smile, "I'm ready to work my way up the ladder."*

Aurélien NGUE

Baker at Carrefour Market Bonamoussadi

Born in Douala, Cameroon's business capital, Aurélien attended primary and secondary school in Yaoundé, passing his A-levels in 2005. He had dreams of becoming a football player, but fell victim to a serious accident that forced him to abandon his fledgling career. A European television show about pastry making sparked his curiosity about the profession and he found work at a bakery in Yaoundé. He began his apprenticeship in 2006 and was hired as an employee in 2008.

Aurélien heard about the opening of Carrefour Market in Douala from one of his older brothers.



He jumped at the opportunity and submitted his CV. He is currently a baker at Carrefour Market Bonamoussadi. For Aurélien, *"Carrefour Market is a great project. There will surely be opportunities for promotion at the supermarket and I hope to become a manager later down the road."*

Natacha NJANKOUO

Chilled Food Aisle Manager,
Carrefour Market Bonamoussadi

Natacha holds a bachelor's degree in business and distribution and a master's degree in logistics and procurement. Prior to joining Carrefour Market, she worked for two years in e-commerce.

"My position as aisle manager is a challenge and I'm determined to rise to it. I take the learning process very seriously." When asked how she saw her future at Carrefour Market, Natacha replied, *"I'm delighted to be here at the very start of the*



journey and hope I will be able to work my way up the rungs very quickly, all the way to the top – a store manager in Cameroon."

Local suppliers and industries, short distribution channels, and value chains form the core of CFAO Retail's approach in Cameroon

Building on the industrial and agricultural successes produced by the Playce shopping centres in Côte d'Ivoire, CFAO Retail is rolling out a series of agreements and partnerships with various producers, industries, collectives and cooperatives in Cameroon. The goal is to develop efficient value chains in line with international standards, and to offer consumers fresh, high-quality products.

The industries are becoming more structured to ensure Carrefour Market maintains a stable selection and short distribution channels, by fine-tuning products, shoring up their resources and adhering to the cold chain and the logistics chain, as well as by improving yields, procurement and delivery.

Several partnerships have been formed to develop and promote local industries. Providing products made in Cameroon is a source of pride for the partners and a symbol of the country's economic transformation. A total of over 3,000 products have been purchased from local suppliers and producers.

- Working with "**Le Panier de Bintou**" Cooperative (CAFADEC-KLO SERVICES), Carrefour Market has

been distributing fresh products from several regions of Cameroon since opening day. Several Cameroonian women joined forces to create the cooperative, which produces corn, squash seeds, macabo, gombo and plantain bananas.

The cooperative expanded its operations for the new shopping centre and now processes products including ginger, hot peppers, corn, soy and manioc. The initiative has developed a very high level of expertise by managing the entire process, from production to distribution.

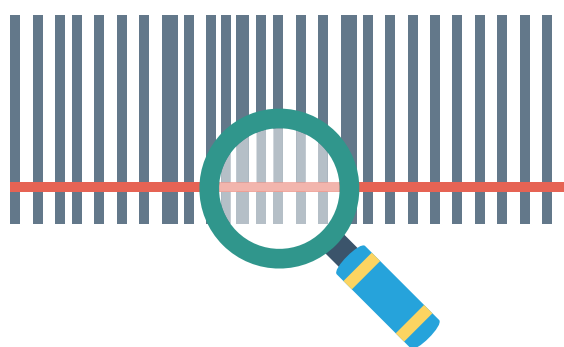
- In cosmetics and natural products, Carrefour Market has established a partnership with **Sanzo'o**, a Douala-based family business that specialises in the processing and sale of organic products. The eight-person team is passionate about what they do and find inspiration in the treasures of Cameroon and Africa as a whole. The journey of the small business began with palm kernel oil, known locally as manyanga. The company now produces an extensive range of cosmetics, as well as mango, papaya and passion fruit jams. Initially marketed on social networks, Sanzo'o successfully scaled up to become a Carrefour Market partner and supplier – a prime example of how the local economic fabric is becoming more structured.

Special guidance in developing bar codes

Bar codes serve as 'ID cards' that can be used to track products using a standardised, international system of codes that provides information such as batch number, weight, ingredients, date of manufacture, etc. The codes also offer inventory management solutions for suppliers and distributors while minimising check-out times. Yet another advantage for suppliers is access to a greater number of markets – bar codes are vital when exporting or working internationally.

Recognising this real potential to crack new markets, CFAO Retail decided to hold an initial meeting in April 2017 to provide information on bar codes to producers and suppliers in Cameroon.

ANOR, the Cameroonian standards agency, and GS1 France, a company specialised in creating bar codes, explained the concept and how it works to the businesses invited, as well as the steps they need to take to implement their own codes.



Laure Krans, Quality, Safety and Food Safety Manager at CFAO Retail in Cameroon, guides and assists our local partners with the codes, which are a key component of becoming listed at Carrefour Market and Brioche Dorée. "I sit down with them and explain the steps in detail. When they receive their codes, I check them together with the partners and sign off on the printing. Each product then has to display the code, which opens the door to a listing with CFAO Retail." About thirty partners have joined the bar-code system since the meeting and others are in the process of doing so.

CFAO partners with the development assistance organisation IECD to support Cameroonian agriculture

THE TRANSFORM project (TRANSferring capacities to Small entrepreneurs in Food-processing, Research and Management), developed by IECD, helps structure local agri-food sectors through training and support for farmers and local entrepreneurs.

The project provides backing to agricultural producers and manufacturers of processed products by organising sales channels and assisting agri-food stakeholders individually at their workplace to improve product and sales practices, as well as business management. Over 130 farmers are currently receiving guidance via the TRANSFORM project, 20 of whom are already listed as suppliers at Carrefour Market.

In 2017, 42 entrepreneurs in Cameroon joined the incubation process and were assisted in starting up their company.

CFAO is a backer of the initiative.



Carrefour Cameroun **FIER** DE TRAVAILLER AVEC DES PRODUCTEURS CAMEROUNAIS

PRODUITS ISSUS DU PROJET TRANSFORM* !

TRANSFORM est un programme qui vise à structurer et développer de nouvelles filières agricoles à travers la formation et l'accompagnement de producteurs camerounais.

*Programme RSE du groupe CFAO mené par IECD.



3 The Carrefour Market Community



 Carrefour Cameroun



 Brioche Dorée Cameroun



About WITH AFRICA FOR AFRICA

CFAO is a key player in specialised distribution in Africa and in French overseas territories, and a partner of choice for major international brands. The Group is a market leader in Automotive and Pharmaceutical distribution, and continues to grow in consumer goods and new technologies. CFAO has a direct presence in 36 African countries and provides a gateway to 53 of the 54 countries that make up the African continent. The Group is also active in seven French overseas territories and in Asia. CFAO employs 15,200 people. In 2017, CFAO generated consolidated revenue of € 4,228 million. CFAO is a subsidiary of the TTC Group (Japan).

Find out more at www.cfaogroup.com
Learn more about CFAO Retail at www.cfao-retail.com

Contacts

CFAO Retail Cameroon

Florence Etong
fetong@cfao.com
Tel : +237 690 701861

CFAO

Communication Department
Bénédicte Guillien
bguillien@cfao.com
Tel : +33 1 46 23 59 91

Press agency

35°Nord
Romain Grandjean
rg@35nord.com
+33 6 73 47 53 99