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PRESS RELEASE: VETIVA FORECASTS STRONG GROWTH PROSPECTS FOR KENYAN CEMENT PRODUCER, BAMBURI CEMENT

Bamburi Cement is the leading cement manufacturer in Kenya, and the company also has business operations in Uganda through its subsidiary Hima Cement. The company, which is known for its high-quality cement products in the East African region, is a subsidiary of LafargeHolcim, a global leader in building materials and with a rich history spanning over 70 years. In its SSA Initiation of Coverage report "Infrastructure boom spurs long term outlook", Vetiva Research ("Vetiva") projects strong growth prospects for Bamburi Cement. The SSA Industrial Goods Analyst at Vetiva, Abigail Alabi mentioned that this projection is hinged on the dearth of infrastructure and rising cement demand by the private and public sector, which creates an opportunity for Bamburi Cement and the entire cement industry.

Additionally, she noted that the Kenya government's initiative to improve and bridge the infrastructure deficit has caused cement demand to trend higher. Accordingly, Bamburi Cement has been able to leverage its position as the market leader to benefit from the increased infrastructure investments in the country. Abigail also noted that with Kenya's infrastructure development plans set to continue, Bamburi Cement is well-positioned to maintain its market dominance and revenue growth.

Speaking on Bamburi Cement's sustainability strategy, Abigail outlines the company's commitment to sustainability through the reduction of its carbon footprint, by producing low-carbon and environmentally friendly cement products and switching from costly fossil fuels and gas which are affected by FX fluctuations to alternative fuels and renewable energy sources. The Kenya government has also made concerted efforts to promote the adoption of renewable energy.

Abigail also noted the strategic positioning of Bamburi Cement in the growing East African market amid the regional infrastructure boom and trade agreements which are expected to increase cement consumption and facilitate exports from the Kenyan market to other African countries respectively. That said, Bamburi Cement's strong presence in Kenya and Uganda, allows it to cater to neighbouring countries in the region.

For the long-term outlook for Bamburi Cement, Abigail highlights that it is predicated on the low cement per consumption and the growing middle-class in Kenya which poses strong growth opportunities for Bamburi Cement. Furthermore, Bamburi Cement is also planning to increase capacity and expand its product offerings to cater to the constant demand for infrastructure in growing regional markets.

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