

PUBLIC ANNOUNCEMENT

BAMBURI CEMENT PLC

[Incorporated in the Republic of Kenya – Company No C.17/52]

THE CAPITAL MARKETS ACT

[CAP. 485A of the LAWS OF KENYA]

Announcement made pursuant to Regulation 6(1) of the Capital Markets (Take-overs and Mergers)

Regulations, 2002 [“the Take-over Regulations”]

Offer by Amsons Industries (K) Ltd For shares in Bamburi Cement Plc

1. Introduction

The Board of Directors of Bamburi Cement Plc [“**Bamburi**”] have on 24th July 2024, received an Offeror’s Statement pursuant to Regulation 4(4) of the Take-over Regulations from Amsons Industries (K) Ltd [“**Amsons**” or the “**Offeror**”], in respect of the proposed acquisition by Amsons of 100% of the ordinary shares of Bamburi with a par value of KES 5.00 each (the “**Offer Shares**”) for a cash consideration (the “**Take-over Offer**”).

The terms of the proposed Take-over Offer are that each shareholder of Bamburi will be offered Kenya Shillings sixty five (KES 65) for each ordinary share of Bamburi.

Further information on the Take-over Offer as contained in the Offeror’s Statement is set out in the sections that follow.

2. Information about the Parties

a. Incorporation and Registered Office

The proposed offeree is Bamburi Cement Plc, a public limited company incorporated under the laws of Kenya (company number C.17/52), listed on the Main Investment Market Segment of the Nairobi Securities Exchange [“**NSE**”], whose registered office is at LR NO 209/6208, Kitui Road, Industrial Area, P. O. Box 10921-00100, Nairobi, Kenya.

Amsons is a private limited company incorporated under the laws of Kenya (company number PVT-JZUAPPQ7), whose registered office is at ALN House, Eldama Ravine Close, Off Eldama Ravine Road, Westlands P.O. Box 764 – 00606, Nairobi, Kenya.

b. Summary of Offeror’s Principal Activities

According to the Offeror’s Statement, the Offeror is an investment vehicle that has been specifically incorporated by Amsons Industries (T) Limited for purposes of making the Offer.

The principal activities of Amsons Industries (T) Limited are the manufacture, storage and trading in Fast Moving Consumer Goods (FMCG) including fuel & lubricants, liquefied petroleum gas, and grain. Amsons Industries (T) Limited also operates 2 cement plants in Tanzania.

Further details on the Amsons Group can be found on its website at **www.amsonsgroup.net**.

c. Share Capital and Ownership of Amsons

According to the Offeror’s Statement:

- (i)

the Offeror’s nominal share capital amounts to Kenya Shillings one million (KES 1,000,000) divided into 1,000 ordinary shares of Kenya Shillings one thousand (KES 1,000) each, fully paid up; and
- (ii)

the Offeror is a subsidiary of Amsons Industries (T) Limited, with Amsons Industries (T) Limited holding 90% of the paid-up shares in the Offeror and Mr. Edhah Abdallah Munif holding 10% of the paid-up shares in the Offeror.

d. Board of Directors of Amsons

Name	Position	Address
Edhah Abdallah Munif	Managing Director	Plot No. 25, Laibon Oysterbay, Dar es Salaam, Tanzania
Ahmed Hassan Abdallah	Assistant Managing	Block 49C, Msasani Dar es Salaam, Tanzania
Bobby Summanth Thammadi	Director of Finance	Plot no. 2411/5, Block No. 186045, Richmond View Apartments, Road Sea View, Upanga, Dar es Salaam Tanzania

e. Amsons’ Subsidiaries and Associate Companies

The Offeror does not have any subsidiaries.

The following are companies related to and/or associated with the Offeror:

Name	Country of Incorporation	Percentage Shareholding	Principal Activities
Camel Oil (T) Ltd	Tanzania	i. Abdallah Munif Nahdi – 50% ii. Amsons Group Trading DMCC – 40% iii. Edhah Abdallah Munif – 10%	Wholesale of solid, liquid and gaseous fuels and related products.
Amsons Industries (T) Ltd	Tanzania	i. Edhah Abdallah Munif – 80% ii. Hassan Abdallah Nahdi – 10% iii. Yasser Abdallah Nahdi – 10%	Manufacturing of cement, lime plaster and of gain mill products.
East Africa Warehousing (T) Limited	Tanzania	i. Edhah Abdallah Munif – 80% ii. Hassan Abdallah Nahdi – 10% iii. Yasser Abdallah Nahdi – 10%	Freight transport by road.
Camel Oil Limitada –Mozambique	Mozambique	i. Abdallah Munif Nahdi – 70% ii. Edhah Abdallah Munif – 10% iii. Hassan Abdallah Nahdi – 10% iv. Yasser Abdallah Nahdi – 10%	Wholesale of solid, liquid and gaseous fuels and related products – Main Activity.
Kalahari Trans Zambia Limited	Zambia	i. Camel Oil (T) Ltd – 90% ii. Edhah Abdallah Munif – 10%	Freight transport by road and cargo handling.

The Offeror is a subsidiary of Amsons Industries (T) Limited, with Amsons Industries (T) Limited holding 90% of the paid-up shares in the Offeror and Mr. Edhah Abdallah Munif holding 10% of the paid-up shares in the Offeror.

The following are companies related to and/or associated with Mr. Edhah Abdallah Munif (and the Offeror):

Name	Country of Incorporation	Percentage Shareholding	Principal Activities
Amsons Industries (T) Ltd	Tanzania	i. Edhah Abdallah Munif – 80% ii. Hassan Abdallah Nahdi – 10% iii. Yasser Abdallah Nahdi – 10%	Manufacturing of cement, lime plaster and of gain mill products
Africa Energy Ltd	Tanzania	i. Camel Oil (T) Ltd – 90% ii. Edhah Abdallah Munif – 10%	Retail of Petroleum products– Fuel stations

Pan African Cement	Mauritius	Amsons Industries (T) Ltd – 100%	Investment holding company
Mbeya Cement Company Limited	Tanzania	i. Pan African Cement – 65% ii. National Social Security Fund – 10% iii. Treasury Registrar – 25%	Manufacture of cement, lime and plaster
Amsons Industries (K) Ltd	Kenya	i. Amsons Industries (T) Ltd – 90% ii. Edhah Abdallah Munif – 10%	Investment holding company
Camel Africa Oil (K) Limited	Kenya	i. Camel Oil (T) Ltd –90% ii. Walid Khalid Abdulkarim – 10%	Depot storage facility
Amsons Properties (T) Ltd	Tanzania	i. Edhah Abdallah Munif – 90% ii. Amsons Industries (T) Ltd – 10%	Real Estate
Camel Gas (T) Ltd	Tanzania	i. Edhah Abdallah Munif – 80% ii. Amsons Industries (T) Ltd – 20%	Wholesale of Gaseous fuels and related products
Amsons Group Trading DMCC	United Arab Emirates	i. Edhah Abdallah Munif – 90% ii. Amsons Industries (T) Ltd – 10%	Cement and Gypsum trading
Farion Trading Limited	Tanzania	i. Amsons Industries (T) Ltd – 95% ii. Edhah Abdallah Munif – 5%	Inland Container Depot– Vehicles
Amsons Haulage Limited	Tanzania	i. Amsons Industries (T) Ltd – 90% ii. East Africa Warehousing (T) Limited – 10%	Transportation
Camel Flour (T) Ltd	Tanzania	i. Amsons Industries (T) Ltd – 51 ii. Edhah Abdallah Munif – 49%	Manufacturing – Grains
Camel Concretes (T) Ltd	Tanzania	i. Amsons Industries (T) Ltd – 55% ii. Edhah Abdallah Munif – 45%	Production of ready-mix concrete
Cool Apartments Tanzania Limited	Tanzania	iii. Edhah Abdallah Munif – 80% iv. Amsons Industries (T) Ltd – 20%	Real Estate
Tanzania Clou Electronics Company Limited	Tanzania	v. Edhah Abdallah Munif – 95% vi. Shenzhen Clou Electronics Company Limited 5%	Manufacturing Electric Metres

Hassan Abdallah Nahdi and Yasser Abdallah Nahdi are Edhah Abdallah Munif’s brothers. Abdallah Munif Nahdi is Edhah Abdallah Munif’s father. Edhah Abdallah Munif is a director in a number of the companies set out above.

f. Summary of Financial Statements of the Offeror

According to the Offeror’s statement, the Offeror is an investment vehicle that was incorporated in July 2024 for purposes of undertaking the Offer and therefore does not have any audited financial statements.

The sections below set out extracts from Amsons Industries (T) Ltd’s audited financial statements for the three financial periods to 31 December 2021, 31 December 2022 and 31 December 2023. According to Amsons Industries (T) Ltd’s audited financial statements, Amsons Industries (T) Ltd adopts the International Financial Reporting Standards (IFRS) for the preparation and presentation of its financial statements and prepares its financial statements in Tanzanian Shillings (TZS).

Summary income statement

TZS	2021	2022	2023
Sales	156,014,018,122	188,839,367,535	184,319,808,142
Cost of Sales	(125,353,163,038)	(152,883,263,710)	(150,539,710,593)
Gross Profit	30,660,855,083	35,956,103,825	33,780,097,549
Administrative Expenses	(5,748,063,993)	(7,222,175,047)	(7,222,495,193)
Financial Expenses	(4,939,156,860)	(5,069,723,930)	(4,987,759,068)
Depreciation	(13,898,462,387)	(10,538,818,389)	(8,243,007,637)
Profit Before Tax	6,075,171,843	13,125,386,458	13,326,835,651
Tax Expense	(1,822,551,553)	(3,937,615,937)	(3,998,050,695)
Profit After Tax	4,252,620,290	9,187,770,521	9,328,784,956

Summary balance sheet

TZS	2021	2022	2023
Non-Current Assets	87,741,661,744	77,273,352,392	80,013,513,355
Current Assets			
Stock in trade	17,804,040,042	15,648,816,906	24,335,840,568
Cash & Cash Equivalent	9,956,009,569	48,672,315,844	9,263,633,476
Trade Receivables	11,074,430,861	11,574,726,122	34,596,451,326
Current Assets	38,834,480,472	75,895,858,872	68,195,925,370
Total Assets	126,576,142,216	153,169,211,264	148,209,438,724
Shareholders' Equity	35,002,590,824	44,190,361,345	53,519,146,301
Non-Current Liabilities	66,078,580,855	72,170,314,360	65,521,778,780
Current Liabilities			
Sundry Creditors	17,775,635,768	25,682,680,968	19,121,581,901
Borrowings	4,620,000,000	4,710,000,000	5,100,000,000
Other Liabilities	1,276,783,217	2,478,238,654	948,881,046
Current tax	1,822,551,553	3,937,615,937	3,998,050,695
Current Liabilities	25,494,970,537	36,808,535,559	29,168,513,643
Total Equity and Liabilities	126,576,142,216	153,169,211,264	148,209,438,724

Summary statement of changes in equity

TZS	Share Capital	Retained Earnings	Total
Start of the Year 2023	18,478,000,000	20,058,420,765	38,536,420,765
Profit for the Year		9,328,784,956	9,328,784,956
At the End of the Year	18,478,000,000	29,387,205,721	47,865,205,721
Start of the Year 2022	18,478,000,000	10,870,650,244	25,096,029,954
Profit for the Year		9,187,770,521	9,187,770,521
At the End of the Year	18,478,000,000	20,058,420,765	34,283,800,475

Summary cash flow statement

TZS	2021	2022	2023
Profit Before Tax	6,075,171,843	13,125,386,458	13,326,835,651
Adjusted for:			
Depreciation	13,898,462,387	10,538,818,389	8,243,007,637
Amortization	34,096,922	34,096,922	83,550,990
Operating Profit	20,007,731,152	23,698,301,769	21,653,394,278
Changes in Working Capital	(11,614,889,251)	34,461,730,282	(18,145,811,262)
Tax Paid	(1,138,747,860)	(1,822,551,553)	(3,937,615,937)
Net Cash from Operations	7,254,094,041	32,639,178,729	(22,083,427,199)
Net Cash from Investing	(18,535,320,000)	(104,605,959)	(11,066,719,590)
Net Cash from Financing	4,611,210,312	6,181,733,505	(6,258,535,579)
Increase in Cash Equivalents	(6,670,015,647)	38,716,306,275	(39,408,682,368)
Movements in Cash			
At Start of Year	16,626,025,218	9,956,009,570	48,672,315,844
Cash at End of Year	9,956,009,570	48,672,315,844	9,263,633,475

3. Current holdings in Bamburi

The Offeror does not currently own any shares in Bamburi.

Neither the Offeror, nor any related companies or any person associated with the Offeror, have acquired, held, controlled directly or indirectly or have an option to acquire any of the Offer Shares.

4. Compulsory acquisition and delisting of Bamburi

According to the Offeror’s Statement, should the Offeror achieve acceptances of 75% or more of the Offer Shares, the Offeror will evaluate the continued efficacy of Bamburi remaining listed and may then, subject to approval from the Capital Markets Authority (“CMA”), apply for Bamburi to be de-listed from the NSE. In accordance with the Take-over Regulations, if the Offer results in the Offeror acquiring 90% of the Offer Shares, the Offeror shall offer the remaining shareholders a consideration that is equal to the prevailing market price of the voting shares or the price offered to the other shareholders, whichever is higher, and the provisions of the Companies Act shall apply

5. The terms and conditions of the Take-over Offer

a. The Take-over Offer

Amsons proposes to acquire all the Offer Shares. Bamburi has 362,959,275 issued and listed shares.

The consideration for the Offer Shares is to be satisfied in whole in cash at the Take-Over Offer Price to all shareholders of Bamburi that submit their form of acceptance (to be defined in the Offer Document) on or before the Completion Date (to be defined in the Offer Document).

2023, Dividend, special dividend and enhanced value

The shareholders of Bamburi on the register on 24 May 2024 shall be entitled to the dividend of KES 5.47 per ordinary share (in respect of the financial year ending 31 December 2023) declared on 16 April 2024.

Bamburi may declare and pay a special dividend in relation to the proceeds received from the completed divestment of Bamburi’s shareholding in Hima Cement Limited, Uganda (“Special Dividend”). The Special Dividend will be a one-time payment. The Special Dividend shall be payable to all shareholders of Bamburi on record on the record date indicated in the Special Dividend announcement of Bamburi and shall not be for the account of the Offeror.

In all respects, the Offer Shares will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto save in relation to: (i) the right to receive any dividends, declared made or paid by Bamburi in respect of Bamburi’s financial year 2023; (ii) the Special Dividend; and if the Offer does not close by 23:59 hours Nairobi time on 30 June 2025, any dividends declared, made or paid by Bamburi in respect of Bamburi’s financial year 2024.

b. Offer Price

According to the Offeror’s Statement:

The price payable for each Offer Share is Kenya Shillings **sixty five (KES 65) (“Offer Price”)**.

The Offer Price represents:

- (i) a premium of 42.39% to the closing price of the ordinary shares of Bamburi on 9 July 2024 (noting that this price is already based on the anticipated Special Dividend being paid (see below);
- (ii) a premium of 52.94% to the volume weighted average price of KES 42.50 at which shares of Bamburi were traded on the NSE in the past 30 trading days from 28 May 2024 up to and including 9 July 2024;
- (iii) a premium of 58.15% to the volume weighed average price of KES 41.10 at which shares of Bamburi were traded on the NSE in the past 90 trading days from 27 February 2024 up to and including 9 July 2024; and
- (iv) a premium of 85.71% to the volume weighted average price of KES 35.00 at which shares of Bamburi were traded on the NSE in the six-month period from 9 January 2024 up to and including 9 July 2024.

c. Financing of the acquisition

According to the Offeror’s Statement, the total consideration for the Take-over Offer assuming Amsons receives acceptances from all the Bamburi shareholders is estimated to be approximately **KES 23,592,352,875**. The shareholders who accept the Offer shall be paid in cash in full in accordance with the timeline and details in the Offer Document.

According to the Offeror’s Statement, KCB Investment Bank Limited, being the transaction advisor and sponsoring stockbroker of Amsons has confirmed that Amsons has sufficient financial resources and credit facilities at its disposal to satisfy the consideration payable for all shares in Bamburi pursuant to a full acceptance of the Offer.

d. Conditions of the Offer

The Take-over Offer will be subject to fulfilment (or waiver at the sole discretion of Amsons to the extent legally capable) of, *inter alia*, the following conditions by no later than the closing date as may be set out in the offer document:

- (i) in respect of the Katani Mining Licence (Mining Licence Registration Number ML/2017/0011 issued by the Ministry of Petroleum and Mining to Bamburi on 8 October 2018 for a term of 25 years commencing on 8 October 2018 and ending on 7 October 2043), and, if the Ngurunga Mining Licence (Mining Licence Registration Number ML/2019/0056) is issued before the Completion of the Offer, the notification to and the granting by the Cabinet Secretary for the Ministry of Mining, Blue Economy and Maritime Affairs of its written approval to the change of control occurring in Bamburi in accordance with Section 51(6) and (7) of the Mining Act, Chapter 306, Laws of Kenya;
- (ii) the Offeror having received an approval to the Offer from the COMESA Competition Commission (whether it is conditional or unconditional); and
- (iii) the Offeror having received an approval to the Offer (whether it is conditional or unconditional) from the East African Competition Commission (EACC) only if both (x) the EACC becomes operational; and (y) required under applicable law.

The Take-over Offer will also be subject to the delivery of acceptances within the Offer period, which will be set out in the Offer Document.

6. Undertakings and persons acting in concert, and agreements with directors

a. Irrevocable Undertakings

Amsons has confirmed that on 10 July 2024, it received an irrevocable undertaking (“Undertaking”) from the following existing shareholders of Bamburi as part of the Offer:

- (i) Fincem Holding Limited, a limited liability company (registration number 84480), incorporated in Jersey, whose registered address is P.O. Box 264, IFC 5, St Helier JE1 1ST, Jersey (“Fincem”) which holds 106,360,798 ordinary shares in Bamburi, which constitute 29.30% of the issued and fully paid up share capital of Bamburi (the “Fincem Shares”); and
 - (ii) Kencem Holding Limited, a limited liability company (registration number 84178) incorporated in Jersey, whose registered address is P.O. Box 264, IFC 5, St Helier JE1 1ST, Jersey (“Kencem”) which holds 106,360,797 ordinary shares in Bamburi, which constitute 29.30% of the issued and fully paid up share capital of Bamburi (the “Kencem Shares”), (the Fincem Shares and the Kencem Shares are collectively referred to as the “Subject Shares”).
- Under the terms of the Undertaking, each of Fincem and Kencem has irrevocably undertaken to Amsons to:
- (i) not solicit, entertain, negotiate or accept any offer to purchase the Subject Shares other than the Offer;
 - (ii) not effect an indirect transfer of the Subject Shares through a sale of any or all of the Subject Shares of either of Fincem and Kencem;
 - (iii) accept the Offer in respect of the Subject Shares and agrees to fulfil this undertaking by validly accepting the Offer in respect of the Subject Shares in accordance with the Offer Document, not later than 5 business days after receipt by Fincem and Kencem of the Offer Document (and to communicate such acceptance in the manner envisaged in the Offer Document);
 - (iv) not withdraw any acceptance of the Offer in respect of the Subject Shares (or any of them), notwithstanding that the Offer may contain rights for shareholders of Bamburi to withdraw acceptances and shall procure that no rights of Fincem and Kencem to withdraw any acceptance in respect of such Subject Shares are exercised;
 - (v) not sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all of any of the Subject Shares or any interest (whether actual or contingent) in the Subject Shares except under the Offer or the Undertaking;
 - (vi) not acquire any ordinary shares or any other interest in any other securities of Bamburi;
 - (vii) not exercise the voting rights attaching to the Subject Shares in any manner which is likely to be prejudicial to the Offer or its outcome;
 - (viii) deposit its completed and signed form of acceptance with Absa Bank Kenya PLC only and not to use any other stockbroker or investment bank or agent to process its form of acceptance;
 - (ix) until such time as the Offer becomes wholly unconditional or lapses or is withdrawn, Fincem and Kencem shall exercise by proxy or person the votes attaching to the Subject Shares in respect of any resolution (whether or not amended) which is proposed at any general meeting of Bamburi, or at any adjournment thereof;

- (a) in favour of any such resolution the passing of which is necessary to fulfil any condition of or otherwise assist in the implementation of the Offer and the take-over transaction contemplated by the Offer; or
 - (b) against any such resolution of Bamburi (including a shareholder resolution of Bamburi for an adjournment of a general meeting of shareholders of Bamburi, whose business relates to the Offer) which, if passed, might result in any condition of the Offer not being fulfilled or which might impede or frustrate the Offer in any way;
 - (x) take all necessary steps in relation to Bamburi, which, as a shareholder of the Subject Shares, it is legally able or entitled to take and which are required so that the Offer may be successfully implemented within the Offer Period set out by the Offer Document, including convening of all general meetings of shareholders and/or board meetings of Bamburi;
 - (xi) provide the Offeror with all such information about the Subject Shares, its account with CDSC and Fincem and Kencem and their ultimate beneficial owners, which may be reasonably required by the Offeror to comply with its internal compliance procedures and its regulatory obligations; and
 - (xii) use its best commercial endeavours, including (i) where possible, procuring that any directors appointed by Fincem and Kencem exercising their vote (provided that such directors shall at all times exercise their fiduciary duties to Bamburi), and (ii) exercising the voting rights attaching to the Subject Shares, to ensure that:
 - (a) the business of Bamburi is carried on prudently and in all material respects in the ordinary course of business in accordance with the business plans and forecasts approved by the Board of Bamburi on or before the date of this Deed, and in the best interests of Bamburi as a whole;
 - (b) Bamburi’s capital expenditure after the date of the Undertaking: (i) remains consistent with the business plans approved by the Board of Bamburi on or before the date of the Undertaking, and (ii) is consistent with Bamburi’s capital expenditure practice in the financial years 2022 and 2023; and
 - (c) any management fees paid to any Holcim group company do not materially exceed the management fees paid to any Holcim group company in the financial years 2022 and 2023.
- Pursuant to the terms of the Undertaking, the Undertaking shall terminate at the discretion of Fincem and Kencem if:

- (i) the Offer made by the Offeror is not made on the same or better terms to those contained in the Notice of Intention;
- (ii) the Notice of Intention is not served on Bamburi within 2 business days of the date of the Undertaking;
- (iii) if, after the issuance of the Notice of Intention, the Offeror fails to issue the Offer Document to the shareholders of Bamburi on the same or better terms than contained in the Notice of Intention on or before the date announced for the dispatch of the Offer Document (or such later date as may be permitted by the Capital Markets Authority (CMA) for publication); or
- (iv) the regulatory conditions set out in paragraph 5 d above, are denied in writing by the relevant governmental authority before 23:59 hours Nairobi time on 28 November 2025; or
- (v) the completion of the Offer (including payment, in cleared funds, of the Offer Price for all the Shares tendered by shareholders accepting the Offer) ("**Completion**") has not occurred by 23:59 hours Nairobi time on 28 November 2025.

Fincem and Kencem negotiated a break fee agreement dated 10 July 2024 ("**Break Fee Agreement**") on behalf of and for the benefit of, all the shareholders of Bamburi. Under the Break Fee Agreement, the Offeror has agreed to pay a break fee of USD 5,308,513.00 ("**Break Fee**") (being approximately 3% of the total consideration offered for 100% of the Offer Shares) to the shareholders of Bamburi who accept the Offer, on the occurrence of a break fee event (as defined below).

The Break Fee shall be held in an escrow account set up by ABSA Bank Plc acting as escrow agent (the "**Escrow Agent**") pursuant to an escrow agreement to be entered into between the Offeror, Fincem, Kencem and the Escrow Agent (the "**Escrow Agreement**").

The Escrow Agent shall hold the Break Fee and shall either pay the Break Fee to the shareholders of Bamburi who accept the Offer or return the Break Fee to the Offeror as follows:

- (i) upon the occurrence of a Break Fee Event (as defined below), the Break Fee shall become non-refundable and payable to all the shareholders of Bamburi who accept the Offer as per the terms set out in the Offer Document (the "**Accepting Shareholders**") on a pro rata basis; or
- (ii) if the Offer completes and the Offeror pays the Accepting Shareholders the purchase price for their respective Shares, which they validly tendered in the course of the Offer, the Offeror, Fincem and Kencem shall procure that the Escrow Agent refunds the Break Fee together with any interest that has accrued thereon, to such bank account of the Offeror as the Offeror shall notify in writing to the Escrow Agent within 5 business days of the Accepting Shareholders receiving payment of the purchase price for their shares from the Offeror; or
- (iii) if completion of the Offer has not occurred by 23:59 hours Nairobi time on 28 November 2025 (the "**Long Stop Date**") as a result of an award, decision, injunction, judgment, order, ruling or verdict of any court or tribunal of competent jurisdiction having been issued or made (the "**Action**"), which has the effect of making unlawful or otherwise prohibiting the purchase of the Offer Shares by the Offeror pursuant to the Offer, and which Action has not been vacated, withdrawn or dismissed by the Long Stop Date (provided that the Offeror has, to the extent it is able to, taken legal action to defend against such Action), the Offeror, Fincem and Kencem shall procure that the Escrow Agent refunds the Break Fee together with any interest that has accrued thereon, to such bank account of the Offeror as the Offeror shall notify in writing to the Escrow Agent within 5 business days.

The following events constitute a "**Break Fee Event**" for purposes of the Break Fee Agreement:

- (i) the Notice of Intention is not served on Bamburi within 2 business days of the date of the Undertaking; or
- (ii) after the issuance of the Notice of Intention, the Offeror fails to issue the Offer Document to the shareholders of Bamburi on the same or better terms to those contained in the Notice of Intention on or before the date announced for the dispatch of the Offer Document (or such later date as may be permitted by the CMA for publication);
- (iii) any regulatory conditions of the Offer as set out in the Notice of Intention and paragraph **Error! Reference source not found.** are denied in writing by the relevant governmental authority before the Long Stop Date and any final appeal from such denial has also been adversely concluded or not been determined by the Long Stop Date; or
- (iv) the Offeror withdraws the Offer; or
- (v) the Offeror fails to provide the proof of funding for the Offer in accordance with the requirements of the Take-over Regulations; or
- (vi) the Completion of the Offer has not occurred by the Long Stop Date (except where the Completion of the Offer has not occurred by the Long Stop Date because an Action which has the effect of making unlawful or otherwise prohibiting the purchase of Offer Shares by the Offeror pursuant to the Offer, has not been vacated, withdrawn or dismissed by the Long Stop Date, provided that the Offeror has, to the extent it is able to, taken legal action to defend against such Action); or
- (vii) the Offeror amends the terms of the Offer (other than increasing the Take-over Offer Price or increasing any other monetary benefit to the Accepting Shareholders of the Offer (as contemplated by the Notice of Intention)) without the written consent of Fincem and Kencem.

Upon the occurrence of a Break Fee Event:

- (i) the Accepting Shareholders shall be entitled to payment of the Break Fee (on a pro rata basis) as pre agreed liquidated damages which amount constitutes a genuine pre-estimate of the anticipated loss to be suffered, and costs incurred, by the Accepting Shareholders, and the Offeror shall not have any claim to any part of the Break Fee. The Escrow Agreement shall contain clear provisions of how the Break Fee is released to the Company's registrar to facilitate the payment of the Break Fee to the Accepting Shareholders; and
- (ii) the Offeror, Fincem and Kencem shall issue a notice in writing to the Escrow Agent within 5 business days of the occurrence of the Break Fee Event, instructing the Escrow Agent to procure payment of the Break Fee to the Accepting Shareholders (on a pro rata basis in proportion to the number of shares in Bamburi owned and validly tendered by the respective Accepting Shareholder in the course of the Offer divided by the total number of shares in Bamburi validly tendered by the Accepting Shareholders in the course of the Offer).

Fincem and Kencem may, at their sole discretion, waive any portion or all of the Break Fee that they are entitled to.

The Undertaking and Break Fee Agreement will be available for inspection.

b. Persons acting in concert

According to the Offeror's Statement, Amsons is not acting in concert with any person in relation to the acquisition of the Offer Shares.

7. Agreements with directors

According to the Offeror's Statement, save for the Undertaking to Amsons from Fincem and Kencem as set out above, there is no other agreement or arrangement made between Bamburi and any of the directors of Bamburi in connection with or conditional upon the outcome of the Offer.

8. Documentation and timetable

Details of the Offer will be set out in an offer document (the "**Offer Document**") prepared in accordance with the Take-Over Regulations.

9. Miscellaneous

- a. According to the Offeror's Statement, Amsons, which already operates cement plants in Tanzania, respects Bamburi's vision and team and believes it has the experience to strengthen Bamburi's position as a leading player in the East African cement market. Amsons intends to operate the business of Bamburi in a similar manner to which it currently operates, with a view to enhancing its operations based on its experience in the industry and the region. In order to do so, Amsons aims to invest further prudently, and provide avenues for employee growth and retention, for Kenyan employees.
- b. According to the Offeror's Statement, save for the Undertaking to Amsons from Fincem and Kencem, there is no existing or proposed agreement, arrangement or understanding relating to the Offer Shares between the Offeror or any related company or person associated with the Offeror and the holders of the voting shares to which the Offer relates.
- c. No part of the Offer Price will be in the form of a share swap with Amsons and there is no agreement or arrangement by which the shares acquired by Amsons in pursuance of the take-over scheme will or may be transferred to any other person.

Dated 24th July 2024

By order of the Board

For and on behalf of Bamburi Cement Plc