

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the Offers, you should consult, your stockbroker, investment bank, or other professional investment adviser.



SHAREHOLDERS CIRCULAR

(Pursuant to regulation 9 of the Capital Markets (Take-Overs and Mergers) Regulations, 2002)

to the shareholders of

BAMBURI CEMENT PLC

(Incorporated in Kenya under the Companies Act, chapter 486 of the Laws of Kenya)
(Company Registration Number C. 17/52)

in respect of

THE OFFER

by Amsons Industries (K) Ltd (Incorporated in Kenya, Company Registration Number PVT-JZUAPPQ7)
to acquire 100% of the ordinary shares of KES 5 each in Bamburi Cement Plc
by way of a cash offer of KES 65 per share

and

THE OFFER

by Savannah Clinker Limited (Incorporated in Kenya, Company Registration Number PVT- V7UE77V)
to acquire 100% of the ordinary shares of KES 5 each in Bamburi Cement Plc
by way of a cash offer of KES 76.55 per share

IMPORTANT NOTICES

SHAREHOLDERS MUST ACCEPT ONLY ONE OF THE TWO OFFERS. IF ANY SHAREHOLDER ACCEPTS BOTH OFFERS, BOTH ACCEPTANCES WILL BE REJECTED.

This Shareholders Circular (**Circular**) is being issued by Bamburi Cement PLC (**Bamburi**) and has been prepared pursuant to regulation 9(1) of the Capital Markets (Take-Overs and Mergers) Regulations, 2002 (the **Take-over Regulations**) and relates to:

- (i) the proposed acquisition by Amsons Industries (K) Ltd of all Bamburi Shares by way of a cash offer of KES 65 per share; and
- (ii) the proposed acquisition of all Bamburi Shares by Savannah Clinker Limited by way of a competing cash offer of KES 76.55 per share.

No person has been authorised to give any information or to make any representation other than those contained in this Circular and if given, or made, such information or representation must not be relied upon as having been authorized.

This Circular is available in English only and copies thereof may be obtained on the website of Bamburi accessible at <https://www.lafarge.co.ke>

Shareholders are advised to carefully consider the contents of this Circular, the Independent Adviser's Circular and the Offer Documents and to consult their professional advisers regarding the offers.

Approval has been obtained from the Capital Markets Authority (**CMA**) in respect of the compliance of this Circular with the Take-over Regulations. As a matter of policy, the CMA assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Circular. Approval of the Circular by the CMA is not to be taken as an indication of the merits of the Offer or of a recommendation by the CMA to the shareholders of Bamburi Cement PLC.

This Circular is dated 24 October 2024.

Legal Advisor	Independent Advisor
	
Kaplan & Stratton, Advocates 9 th Floor Williamson House 4 th Ngong Avenue Box 40111 – 00100 Nairobi, Kenya	Standard Investment Bank 16 th floor JKUAT Building Kenyatta Avenue PO Box 13714 – 00800 Nairobi, Kenya

TIMETABLE OF KEY EVENTS

Event	Date
Record Date for purposes of issuance of the Offer Documents	15 October 2024
Circulation of the Offer Documents	24 October 2024
Closing Date of the Offers	5 December 2024
Suspension of trading in Bamburi Shares to facilitate reconciliation	6 December 2024 for such period as CMA and NSE shall determine
Announcement of the results of the Offers	No later than 20 December 2024
Commencement of Transfer of Bamburi Shares to Offerors	With respect to Amsons Offer, within 14 days from the date on which the Amsons Offer becomes unconditional in all respects and with respect to the Savannah Clinker Offer, by 28 February 2025.
Dispatch of payments to Shareholders who have accepted an Offer	With respect to the Amsons Offer, within 14 days from the date on which the Amsons Offer become unconditional in all respects and with respect to the Savannah Clinker Offer, by 28 February 2025.

These dates have been approved by the Capital Markets Authority but may be subject to change. Any change in the timetable will be issued and published in two English-language daily newspapers with national circulation in Kenya.

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1. DEFINITIONS

In this Circular, unless otherwise stated and as the context allows, the words in the first column have the meaning stated opposite them in the second column. Words in the singular include the plural and vice versa, words signifying one gender include the other gender, and references to a person include references to juristic persons and associations of persons:

Term	Definition
Amsons	Amsons Industries (K) Ltd, a private limited liability company incorporated in Kenya under Company Registration Number PVT-JZUAPPQ7
Amsons Offer	the offer made by Amsons under the Amsons Offer Document to acquire all Bamburi Shares
Amsons Offer Document	the offer document dated 2 October 2024 issued by Amsons and amended on 22 October 2024
Amsons Offer Long Stop Date	23:59 hours EAT on 28 November 2025
Bamburi	Bamburi Cement Plc, a public limited liability company incorporated in Kenya on 20 July 1951 under the Companies Act (Cap 486, Laws of Kenya) which shares are listed on the NSE, with registration number C. 17/52 and having its registered address as LR NO 209/6208, Kitui Road, Industrial Area, P. O. Box 10921-00100, Nairobi, Kenya.
Bamburi Shares	the issued and fully paid-up ordinary shares with a par value of KES 5.00 each in the capital of Bamburi
Closing Date	the closing date of the Offers being 5 December 2024
Directors or Board	the persons named in this Circular as directors of Bamburi
Break Fee	has the meaning ascribed to it at paragraph 23.3.2 of the Amsons Offer Document.
Break Fee Event	has the meaning ascribed to it at paragraph 26.2 of the Amsons Offer Document.
CMA	the Capital Markets Authority a statutory corporation established under the Capital Markets Act
Capital Markets Act	the Capital Markets Act (Chapter 485A of the Laws of Kenya) as may be amended from time to time, and its regulations thereunder
Companies Act	the Companies Act (Chapter 486 of the Laws of Kenya)
Circular	this Shareholders Circular
EAT	East African Time

Term	Definition
Fincem	Fincem Holding Ltd 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
Independent Committee	has the meaning ascribed to it at paragraph 2.5.1 of this Circular
Kencem	Kencem Holding Ltd, 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
Kenya	the Republic of Kenya
KES	Kenya Shillings, being the lawful currency of Kenya
NSE	the Nairobi Securities Exchange, a public company incorporated in Kenya with registration number CPU/2014/144920 and approved as an exchange under the Capital Markets Act.
Offers	both the Amsons Offer and the Savannah Clinker Offer
Offer Documents	Both the Amsons Offer Document and the Savannah Clinker Offer Document
Offerors	both Amsons and Savannah Clinker
Record Date	the close of trading on the NSE on 15 October 2024.
Savannah Clinker	Savannah Clinker Limited, a private limited liability company incorporated in Kenya under Company Registration Number PVT-V7UE77V
Savannah Clinker Offer	the offer made by Savannah Clinker to acquire all of the Bamburi Shares
Savannah Clinker Offer Document	the offer document dated 8 October 2024 issued by Savannah Clinker, and as amended on 22 October 2024
Savannah Clinker Offer Long Stop Date	means 28 February 2025
Shareholders	The shareholders of Bamburi as at the Record Date who are the recipients of the Offer
SIB	Standard Investment Bank Limited, the independent financial advisor appointed by the Board
Take-Over Regulations	The Capital Markets (Take-overs and Mergers) Regulations, 2002 issued under the Capital Markets Act

2. LETTER AND RECOMMENDATION OF THE DIRECTORS

Letter to Shareholders

To: All Shareholders

Date: 24th October 2024

Dear Shareholder

Offers by Amsons Industries (K) Ltd and Savannah Clinker Limited to acquire all the shares in Bamburi Cement Plc

Amsons has made a take-over offer in accordance with the Take-Over Regulations to purchase all the Bamburi Shares for KES 65 per share upon the terms set out in the Amsons Offer Document.

Savannah has made a competing take-over offer in accordance with the Take-Over Regulations to purchase all the Bamburi Shares for KES 76.55 per share upon the terms set out in the Savannah Clinker Offer Document.

The Offers will be open for acceptance from 9.00 a.m. EAT on 25 October 2024 until 5.00 p.m. EAT on 5 December 2024. The Closing Date may be extended with the approval of the CMA.

2.1 Overview of the Offers

2.1.1 The Offers are subject to the fulfilment or waiver (to the extent permitted by law) of the conditions specified in the Offer Documents.

2.1.2 The specific conditions which are applicable to the Amsons Offer are:

- (a) the notification to and the granting by the Cabinet Secretary for the Ministry of Mining, Blue Economy and Maritime Affairs of 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 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 to the Ngurunga Mining Licence (Mining Licence Registration Number ML/2019/0056) if the license is issued before the Closing Date;
- (b) Amsons having received an approval to the Offer from the COMESA Competition Commission (whether it is conditional or unconditional); and
- (c) Amsons having received an approval to the Offer (whether it is conditional or unconditional) from the East African Competition Commission (EACC) only if both the EACC becomes operational; and required under applicable law.

If all the above conditions are not satisfied by the Amsons Long Stop Date (or if legally capable of waiver, have not been waived by Amsons), the Amsons Offer will lapse.

2.1.3 The specific conditions which are applicable to the Savannah Clinker Offer are:

- (a) Savannah Clinker receiving acceptances of the Savannah Clinker Offer by holders of at least 60% of the Bamburi Shares. However Savannah Clinker may at its own discretion declare the Savannah Clinker Offer free of this condition at least 10 days prior to the Closing Date or such other date as the CMA may allow;
- (b) the written approval of the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs to the change in the ownership or control of Bamburi pursuant to sections 51 (6) and (7) of the Mining Act, No. 12 of 2016, Laws of Kenya with respect to all mining licenses held by Bamburi or its subsidiaries including, but not limited to, the Katani Mining Licence (Registration Number ML/2017/00110) issued to Bamburi on 8 October 2018 for a term of 25 years and the Ngurunga Mining Licence (Registration Number ML/2019/0056) if it is issued prior to Closing Date; and
- (c) receipt of applicable regulatory approvals including an approval of the take-over ensuing out of the Savannah Clinker Offer from the Competition Authority of Kenya.

If all the above conditions are not satisfied by the Savannah Clinker Long Stop Date (or if legally capable of waiver, have not been waived by Savannah Clinker), the Savannah Clinker Offer will lapse.

2.1.4 Under the Offers, Bamburi Shares will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto except, in the case of the Amsons Offer, any dividends declared, made or paid by Bamburi in respect of Bamburi's financial year 2024 in the event that the Amsons Offer does not close by 23:59 hours Nairobi time on 30 June 2025.

2.1.5 None of the Offerors nor their respective related entities have options to acquire any Bamburi Shares.

2.2 Irrevocable Undertaking to Amsons and Break Fee Agreement

2.2.1 On 10 July 2024, Amsons received an irrevocable undertaking from Fincem and Kencem, each holding 29.30% of Bamburi Shares. Amsons, Fincem and Kencem also entered into a Break Fee Agreement, committing to pay the Break Fee of USD 5,308,513 on a *pro rata* basis to Shareholders that accept the Amsons Offer if any Break Fee Events occur.

2.2.2 According to the Amsons Offer Document, on 2 October 2024, Amsons, Kencem and Fincem terminated the irrevocable undertaking arrangement and the Break Fee Agreement by mutual agreement and on the same date entered into an Escrow Agreement with Absa Bank Kenya Limited (as escrow agent).

2.2.3 Despite termination of the Break Fee Agreement, the Escrow Agreement when taken together with the Amsons Offer Document comprise an agreement to pay the Break Fee to all Shareholders that accept the Amsons Offer upon occurrence of any of the Break Fee Events.

2.3 Interim Dividends

2.3.1 In view of the ongoing Offers, the Board of Bamburi has made no recommendation for an interim dividend in respect of Bamburi's financial year 2024. If both Offers do not close by 30 June 2025 or are concluded leaving a substantial body of minority shareholders, it would be the intention of the Board to declare a final dividend in respect of Bamburi's financial year 2024 which would be consistent with prior practice.

2.4 Independent Advisor Circular

- 2.4.1 Pursuant to the requirements of the Take-Over Regulations, the Directors appointed an independent financial advisor, SIB, to prepare a circular containing the information required under the Take-Over Regulations. The circular prepared by SIB will be circulated to Shareholders with this Circular and accessible at the website of Bamburi <https://www.lafarge.co.ke/investor-relations>. The SIB circular contains independent advice for the purpose of making an informed assessment as to the merits of accepting or rejecting the Offers and the extent of the risks involved in such action.
- 2.4.2 Based on its assessment of the value of Bamburi, the accounting and financial information of Bamburi and assumptions made, SIB has expressed the view that there is nothing to indicate that any of the Offers are not fair and reasonable.

2.5 Directors' Recommendation

- 2.5.1 The following Directors (**Independent Committee**) have no declared conflict in connection with the Offers and are the only Directors that have been involved in deliberations concerning the Offers and in giving the recommendation of the Board that follows:
- (a) Dr. John Simba – Chairperson and Non-Executive Director;
 - (b) Dr Helen Gichohi – Independent Non-Executive Director;
 - (c) Rita Kavashe – Independent Non-Executive Director;
 - (d) Mbuvi Ngunze – Independent Non-Executive Director;
 - (e) Alice Owuor – Independent Non-Executive Director; and
 - (f) Tito David Koros – Non-Executive Director.
- 2.5.2 The Directors, pursuant to their obligations under the Take-Over Regulations and having taken into account the advice provided by SIB, consider the Offers to be reasonable and recommend that the Shareholders accept either one of the Offers. The decision to accept a particular Offer should be made by each Shareholder by reference to their own investment objectives and having taken professional advice as considered necessary.
- 2.5.3 The following is the assessment of the Directors of key terms of the Offers which Shareholders should consider carefully before deciding which Offer they wish to accept:

Key Terms	Amsons Offer	Savannah Clinker Offer	Directors' Remarks
Price	KES 65 per share	KES 76.55 per share	Savannah Clinker is offering an additional KES 11.55 per share over the Amsons Offer.

Key Terms	Amsons Offer	Savannah Clinker Offer	Directors' Remarks
Acceptance Conditions	None	More than 60%. However, Savannah Clinker may at its sole discretion waive this condition at least 10 days before the Closing Date or a later date as the CMA may allow.	<p>If Savannah Clinker does not waive this condition and does not achieve 60% acceptance Shareholders who have accepted the Savannah Clinker Offer may not then be able to accept the Amsons Offer.</p> <p>Neither Savannah Clinker nor the Directors of Bamburi provide any assurance that this condition will be waived.</p>
Financing Arrangements	Confirmation of funding in respect of the Amsons Offer are set out in Appendix 2 of the Amsons Offer Document.	Confirmation of funding in respect of the Savannah Clinker Offer are set out in Appendix 2 of the Savannah Clinker Offer Document.	Shareholders should take note of the funding confirmations by the Offerors and obtain professional advice as necessary on the confirmations.
Lapsing of the Offers	28 November 2025 at 23:59 hours EAT.	28 February 2025	<p>The respective conditions of the Offers must be fulfilled or waived (if possible) by the relevant long stop dates of the Offers failing which, the relevant Offer shall lapse. If an Offer lapses, all applications accepting the Offer shall be null and void, and any submitted documents shall be returned.</p> <p>Shareholders should note that these dates may be revised before the Closing Date with the approval of the CMA.</p>
Irrevocable Undertakings	<p>None.</p> <p>The irrevocable undertaking received by Amsons from Fincem and Kencem was terminated on 2 October 2024.</p>	<p>None.</p> <p>Savannah Clinker has not received any irrevocable undertakings from any of the Shareholders.</p>	Shareholders should note that there are no irrevocable undertakings in place in respect of the Offers.

Key Terms	Amsons Offer	Savannah Clinker Offer	Directors' Remarks
Break Fee	On 2 October 2024, Amsons, Fincem, Kencem and Absa Bank Kenya Plc entered into an Escrow Agreement which, according to the Amsons Offer Document, when taken together with the Amsons Offer Document adequately covers the agreement by Amsons to pay the Break Fee (being approximately 3% of the total consideration offered for 100% of the Bamburi Shares under the Amsons Offer) to all Shareholders that accept the Amsons Offer on a pro rata basis upon the occurrence of any of the Break Fee Events.	None	The Board provides no assurance to Shareholders that the Break Fee would be paid in the event of the occurrence of any of the Break Fee Events and advises Shareholders to carefully note the terms of the Amsons Offer Document relating to payment of the Break Fee.
De-listing	Should Amsons receive acceptances of 75% or more of Bamburi Shares, Amsons will evaluate the continued efficacy of Bamburi remaining listed and may then, subject to compliance with the Capital Markets Act, and approval from the CMA, apply for Bamburi to be de-listed from the NSE.	Savannah Clinker does not intend to de-list Bamburi from the Nairobi Securities Exchange. However, if Savannah Clinker receives acceptances of 90% or more of Bamburi Shares, the squeeze out provisions set out below shall apply.	Shareholders to note.

Key Terms	Amsons Offer	Savannah Clinker Offer	Directors' Remarks
Squeeze Out	If the Amsons Offer results in the Amsons acquiring 90% or more of the Bamburi Shares, Amsons shall offer the remaining shareholders a consideration that is equal to the prevailing market price of the voting shares or the Amsons Offer Price, whichever is higher, and Amsons shall run the squeeze out process in accordance with the provisions of the Companies Act.	If Savannah Clinker secures 90% or more of Bamburi Shares, it shall offer the remaining shareholders the higher of the prevailing market price or the price offered to other Bamburi shareholders. Savannah Clinker shall also run the squeeze out process per the Companies Act provisions.	Shareholders to note.

2.6 Information pursuant to regulation 9(4) of the Take-Over Regulations

In relation to the Offers:

- 2.6.1 Amsons and Savannah Clinker intend to continue carrying on the business of Bamburi as a cement and concrete producer.
- 2.6.2 Amsons stated intention on major changes to the business of Bamburi is to pursue regional expansion through ongoing investments, focusing on plant modernization and potentially constructing a clinker plant at Matuga, subject to market conditions, to facilitate raw material self-sufficiency. Savannah Clinker's stated intention is to maintain and continue to operate the business of Bamburi in the same way without any significant disruption to Bamburi's business following completion of the Savannah Clinker Offer.
- 2.6.3 Neither Amsons nor Savannah Clinker have indicated that they have any plans to liquidate Bamburi, sell its assets, re-deploy its assets or otherwise effect any other major change in the structure of Bamburi.
- 2.6.4 Amsons stated long-term justification for the Amsons Offer is that its takeover is in line with its strategic initiative to expand its regional footprint into Kenya, increase Bamburi's access to regional markets, enhance its productive capacity and capitalize on opportunities within the East African Community while promoting responsible and sustainable growth. Savannah Clinker's stated long-term justification for the Savannah Clinker Offer is to expand its business by increasing Bamburi's clinker and cement production capacity, unlocking operational synergies, modernizing plants, expanding markets beyond Africa, and positioning the combined group as a regional leader in carbon mitigation efforts.
- 2.6.5 On intentions regarding the continued employment of the employees of Bamburi, Amsons and Savannah Clinker intend 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 and Savannah Clinker aim to invest further prudently, and provide avenues for employee growth and retention, for Kenyan employees.

2.6.6 No profit forecasts for Bamburi have been included by Amsons and Savannah Clinker in the Offer Documents.

2.7 Disclosures pursuant to the Third Schedule to the Take-Over Regulations

The Directors confirm the following:

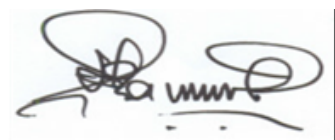
- 2.7.1 Save as set out in paragraph 3.6, there are no marketable securities in Bamburi held by or on behalf of any Director.
- 2.7.2 The Director who holds Shares as described in paragraph 3.6 below is currently undecided regarding acceptance of the takeover Offers.
- 2.7.3 No marketable securities of Amsons or Savannah Clinker are held by, or on behalf of, any director of Bamburi.
- 2.7.4 No payment or other benefit is proposed to be made or to be given to any director of Bamburi or of any other company related to Bamburi in connection with the Offers as consideration, or in connection with their retirement from office.
- 2.7.5 No other agreement or arrangement has been made between any Director or Bamburi and any other person in connection with, or conditional upon, the outcome of the Offers.
- 2.7.6 No Director has any direct or indirect interest in any contract entered into by Amsons or Savannah Clinker.
- 2.7.7 There has been no material change in the financial position of Bamburi since the last balance sheet reported under the audited accounts of Bamburi as at 31 December 2023 or since the published half year results of Bamburi as at 30 June 2024.

Conclusion

In the circumstances, the Board recommends that, in the event that the Offers become unconditional, Shareholders accept either of the Offers.

Shareholders are urged to consult their tax, legal and/or financial advisers regarding the consequences of accepting the Offer.

On Behalf of the Independent Committee



Dr. John P. N. Simba EGH, MBS, OGW
Chairperson
Bamburi Cement PLC

3. STATUTORY AND GENERAL INFORMATION ON BAMBURI

3.1 Corporate Information

Item	Particulars
Registered Office	LR No 209/6208, Kitui Road, P. O. Box 10921 - 00100 Nairobi, Kenya
Share Registrar	Custody & Registrars Services Limited IKM Place, 1st Floor, Tower B Fifth Ngong Avenue P. O. Box 8484 - 00100 Nairobi, Kenya
Auditors	Ernst & Young LLP Kenya-Re Towers Off Ragati Road Upper Hill P. O. Box 44286 – 00100 Nairobi, Kenya

3.2 Share Capital

The share capital of Bamburi is KES 1,814,796,375 divided into 362,959,275 issued and fully paid ordinary shares of KES 5 each. Each of the fully paid ordinary shares carries a right of one vote and a right to dividends.

3.3 Board of Directors

The Board of Bamburi consists of eleven (11) directors, five of whom are non-executive directors (including the chairperson) and two executive directors. The Board of Directors of Bamburi as at the date of this Circular are:

Name	Role	Profile
Dr. John P. N. Simba EGH, MBS, OGW	Chairperson	John is an Advocate of the High Court of Kenya and Senior Partner at Simba & Simba, Advocates. Currently, he is Chairman of Sanlam Kenya Plc., Coca-Cola Beverages Kenya Limited, Choice Tea Brokers Limited, Funguo Investments Limited and Seta Holdings Limited. He also serves as a director in other companies including Almasi Beverages Limited, Carbacid Investments Limited and Africa Energy Group Ltd. John is a member of the Law Society of Kenya, East African Law Society, and the Institute of Directors, Kenya. He is the chairperson of the Board of Bamburi.

Name	Role	Profile
Dr. Helen Gichohi	Independent Non-Executive Director	Helen is an accomplished conservation and development leader who until December 2023 was the Conservation Ambassador for Africa for Fauna and Flora International. She previously served as the Managing Director of Equity Group Foundation and President of the African Wildlife Foundation. She is a fellow of the Aspen Institute's Energy and Environment Program and also a Fellow of the Yale School of Forestry and Environmental Studies. Her current board positions include Equity Group Holdings, Equity Group Foundation, Olpejeta Conservancy and Nawiri Group. She is also a member of the Advisory Board of Liz Claiborne and Art Ortenberg Foundation.
Rita Kavashe	Independent Non-Executive Director	Rita is a captain of the automotive industry with over 20 years' experience and the Managing Director of Isuzu East Africa Limited (formerly General Motors East Africa), the largest motor vehicle assembler in East Africa. She is the currently a member of the Advisory Council of the Kenya Private Sector Alliance (KEPSA), Advisory Board Member of the Palmhouse Foundation, member of the University of Eldoret Endowment Trust Board of Trustees and Chair of the Board of British American Tobacco Kenya plc.
Mbuvi Ngunze	Independent Non-Executive Director	Mbuvi is currently an Advisor to a PE fund where he sits on one of the funds Boards. He is Chairman of Safarilink Aviation Limited, Cannon General Insurance (K) Limited, and Sustainable Power Solutions (a Pan African solar company). He is a director of Lewa Wildlife Conservancy and Northern Rangeland Trust. He is also Chair of the board of St Andrews School Turi, Chair of the Kenya Association of Air Operators, and provides mentorship to scale up entrepreneurs with Endeavor Kenya.
Alice Owuor	Independent Non-Executive Director	Alice is a career tax administrator having served the Kenya Revenue Authority for 31 years. She is a Fellow of the Kenya Institute of Management. She is a director of the Centre for Corporate Governance, Prudential Life Assurance Kenya, and Crown Paints Kenya PLC.
Claudia Albertini	Non-Executive Director	Claudia, an Italian national, has over 26 years' experience in Finance and Accounting and is currently the Holcim Group's Chief Financial Officer Asia Middle East Africa Region. She has held a broad spectrum of senior positions within the Holcim Group Services over the past 23 years, including Head of Business Services & Corporate Projects, Holcim Belgium's CEO and CFO, Lead Regional Controller Europe (excl UK), Regional Controller - UK, Spain, and Trading and Affiliates, among others.

Name	Role	Profile
Grant Earnshaw	Non-Executive Director	Grant is the Region Head responsible for Middle East & Africa at Holcim Group. Grant has held several positions at Holcim over the last 25 year, including Senior Vice President; Head of Integration, CEO of Lafarge Iraq, Group Vice President Strategy, Development, Mergers & Acquisitions and Managing Director, Lafarge Middle East. Prior to joining LafargeHolcim group Grant worked in infrastructure project management for 10 years with Balfour Beatty Plc in the UK. He is the Chairman of Holcim Liban S.A.L, Board member of Jordan Cement P.S.C, LafargeHolcim Morocco, Lafarge Africa PLC and is a Fellow of the Institute of Directors (UK).
Kaspar Theiler	Non-Executive Director	Mr. Theiler is Holcim Group's Regional General Counsel, Asia, Middle East and Africa (AMEA). Prior to his current role, Mr. Theiler served as Holcim Group's Regional General Counsel for Middle East and Africa, Senior Legal Counsel and Holcim Trading General Counsel. Before joining the Holcim Group, Mr. Theiler worked as a Corporate/Mergers & Acquisitions Associate for two Switzerland law firms, as well as at the District Court of Zug and Firmenich SA in Geneva. Mr. Theiler is a member of the Board of Lafarge Africa Plc, Nigeria and MTE Meter Test Equipment Ltd, Switzerland.
Tito David Koros	Non-Executive Director	Mr. Koros is the current Managing Trustee/Chief Executive Officer of the National Social Security Fund (NSSF). Prior to that, he was the Chief Executive Officer of the Local Authorities Provident Fund (LAPFUND), which handles retirement funds for all county government and water company employees. He also worked in investment management at Stanbic Investment Management (EA) Services Limited, CFC Financial Services, the Retirement Benefits Authority, and the Kenya Tourist Development Corporation.
Mohit Kapoor	Group Managing Director	Mohit has a track record of driving consistent business growth and harnessing increased value through sustainable cost and operational efficiencies. He has over 20 years corporate leadership experience having held several high-level management positions within the Holcim Group including Country CEO Holcim Qatar, Head of Growth and Innovation, Holcim India, Managing Director of Readymix Projects, Lafarge India, Vice President, Health & Safety-APAC, Vice President, Logistics & Supply Chain, Lafarge India, Senior Project Manager Lafarge Group Audit.

Name	Role	Profile
Eugene Antera	Group Chief Finance Officer	Eugene Antera is a dynamic business leader, with strong management and finance experience spanning over 15 years in manufacturing, transportation, and banking. His wealth of expertise encompasses among others strategy development, business performance, operations & project management, internal controls management, process improvement, financial reporting, budgeting, and forecasting. Prior to his appointment, Eugene Antera was the Operations Controller of the Company. He joined Holcim Group in 2007 and has held several roles including Business Analyst, Sub Sahara Africa (Lafarge Middle East & Africa), Growth Controller, Supply Chain Controller, and overall Country Controller (Kenya). Prior to that he worked with Rift Valley Railways as the Financial Planning & Analysis Manager and also at East African Portland Cement PLC as a Business Controller.
Joyce Munene	Company Secretary	Joyce is an accomplished Governance, Legal and Compliance professional with broad career expertise in the Financial Services sector and Fast-Moving Consumer Goods (FMCG) industry, as well as an Independent Corporate Governance Consultant. She was previously the Senior Legal Manager and Company Secretary at East African Breweries Limited, the Legal Services Manager & Assistant Group Company Secretary at Equity Bank Group, and Legal Officer at United Insurance Company.

3.4 Principal Shareholders

The top 10 shareholders of Bamburi Cement Plc as at the Record Date were as follows:

Rank	Name	Number of Shares	Percentage Shareholding
1.	Fincem Holding Limited	106,360,798	29.30%
2.	Kencem Holding Limited	106,360,797	29.30%
3.	Standard Chartered Nominees RESD A/C KE11396	56,906,640	15.68%
4.	Aksaya Investment Holdings Limited	40,361,890	11.12%
5.	Standard Chartered Nominees RESD A/C KE11443	10,147,700	2.80%
6.	SIB A/C Mansa-X Fund	4,024,700	1.11%
7.	Kestrel Capital Nominee Services Limited A/C 6	3,089,350	0.85%
8.	Standard Chartered Nom A/C KE 11993	2,607,700	0.72%

Rank	Name	Number of Shares	Percentage Shareholding
9.	Kestrel Capital Nominee Services Limited A/C 13	1,250,000	0.34%
10.	APA Insurance Limited	1,059,300	0.29%
	Total	332,168,875	91.52%
	Others (4,599 Shareholders)	30,790,400	8.48%
	GRAND TOTAL	362,959,275	100.00

3.5 Financial Information

A summary of financial information for Bamburi Cement Plc as at 31 December 2023 is set out in Appendix I to this Circular.

3.6 Directors' Interests

At the date of this Circular Mr. Mbuvi Ngunze, a Director, holds 1,000 Bamburi Shares. No other Bamburi Shares are held by or on behalf of any other Directors of Bamburi.

At the date of this Circular, there were no existing or proposed contracts between any of the Directors and Bamburi, other than employment contracts for those Directors who are employed in the ordinary course of business.

3.7 Governing Law

This Circular is governed by and construed in accordance with Kenyan law.

3.8 Advisor's consents

SIB has given and not withdrawn its consent to the issue of this Circular and the inclusion of its report and name and the references thereto, in the form and context in which they appear.

3.9 Documents Available for Inspection

Copies of the following documents will be available for inspection by shareholders of Bamburi free of charge on the Company's website: <https://www.lafarge.co.ke/investor-relations>

- 3.9.1 The Amsons Offer Document;
- 3.9.2 The Savannah Clinker Offer Document;
- 3.9.3 A signed copy of this Circular (available in English only);
- 3.9.4 The circular prepared by SIB addressed to the Directors dated 23 October 2024;
- 3.9.5 The audited financial statements of Bamburi for the financial year ended 31 December 2023;
- 3.9.6 The approvals by the CMA relating to the Offer Documents;
- 3.9.7 The approval of the CMA relating to the issue of this Circular; and
- 3.9.8 The consents referred to in paragraph 3.8 above.

APPENDIX I

FINANCIAL INFORMATION FOR BAMBURI AS AT 31 DECEMBER 2023

The historical information set out below has been extracted from financial statements of Bamburi for the year ended 31 December 2023. The full audited financial statements prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act are available on Bamburi's website accessible at <https://www.lafarge.co.ke/financial-results>.

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2023	2022
	KES 'million	KES 'million
Continuing operations		
Revenue from contracts with customers	22,027	20,726
Cost of goods sold	(16,969)	(16,636)
Cost of transport service	(1,928)	(1,646)
Gross profit	3,130	2,444
Other income	58	20
Other gains/(losses)	(190)	95
Marketing and selling expenses	(314)	(373)
Administration expenses	(1,604)	(1,379)
Impairment of property, plant and equipment	(33)	(85)
Net impairment losses on financial assets	(25)	(33)
Operating profit	1,022	689
Finance income	89	37
Finance costs	(51)	(67)
Finance income/(cost) - net	38	(30)
Profit before income tax	1,060	659
Tax charge	(390)	(401)
Profit for the year from continuing operations	670	258
Discontinued operations		
Loss after tax from discontinued operations	(1,069)	(77)
(Loss)/Profit for the year	(399)	181
Other comprehensive income		
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Actuarial gains/(losses)	61	(22)
Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI	13	2
Gain on revaluation of property, plant and equipment	-	5,049

	2023	2022
Other comprehensive income from discontinued operations	731	-
Income tax on comprehensive income not be reclassified to profit or loss	123	(1,364)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	928	3,665
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of discontinued operations	3,042	477
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	3,042	477
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	3,970	4,142
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3,571	4,323
Profit for the year attributed to:		
Owners of the parent Company	(78)	204
Non-controlling interest	(321)	(23)
	(399)	181
Total comprehensive income attributed to:		
<i>Owners of the parent Company</i>	2,760	4,203
Non-controlling interest	811	120
	3,571	4,323
Earnings per share – basic and diluted	(0.21)	0.56
Earnings per share – Continuing operations	1.85	0.71

SUMMARY OF COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2023	2022
Continuing operations	KES 'million	KES 'million
Revenue from contracts with customers	21,178	20,103
Cost of goods sold	(16,263)	(16,039)
Cost of transport service	(1,885)	(1,618)
Gross profit	3,030	2,446
Other income	563	252
Other losses	(86)	(17)
Marketing and selling expenses	(291)	(336)
Administration expenses	(1,548)	(1,323)
Impairment of property, plant and equipment	(26)	(84)
Net impairment losses on financial assets	(35)	(22)
Operating profit	1,607	916
Finance income	98	30
Finance costs	(43)	(36)
Finance income/(cost) - net	55	(6)
Profit before income tax	1,662	910
Tax charge	(362)	(301)
Profit for the year from continuing operations	1,300	609
Discontinued operations		
Loss after tax from discontinued operations	(1,069)	(77)
(Loss)/Profit for the year	(399)	181
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Fair value gain on investments in equity instruments designated as at FVTOCI	13	2
Actuarial gains/(losses)	53	(18)
Revaluation of property, plant and equipment	-	5,049
Income tax on other comprehensive income not to be reclassified to profit or loss in subsequent periods	125	(1,364)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	191	3,669
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	191	3,669
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,491	4,278

SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2023	2022
	KES 'million	KES 'million
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	23,525	39,407
Prepaid operating lease rentals	-	110
Right-of-use assets	-	721
Intangible assets	12	24
Equity investments	90	77
Limestone reserves	-	625
Goodwill	-	217
	23,627	41,181
CURRENT ASSETS		
Inventories	3,244	6,832
Trade and other receivables	1,374	2,964
Corporate tax recoverable	112	827
Cash and cash equivalents	4,372	4,283
	9,102	14,906
Disposal group's assets held for sale	28,439	-
	37,541	14,906
TOTAL ASSETS	61,168	56,087
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,815	1,815
Asset revaluation reserve	14,649	14,839
Translation reserve	1,655	(475)
Retained earnings	18,125	17,865
Equity attributable to owners of the Company	36,244	34,044
Non-controlling interests	5,042	4,231
Total equity	41,286	38,275
NON-CURRENT LIABILITIES		
Deferred tax liability	3,051	6,437
Provisions	86	454
Employees' defined benefit liabilities	202	354
Lease liabilities	-	742
	3,339	7,987

	2023	2022
CURRENT LIABILITIES		
Bank overdrafts	-	316
Short term borrowings	-	2,508
Lease liability	-	42
Provisions	84	149
Employees' defined benefit liabilities	89	50
Trade and other payables	3,335	6,760
	3,508	9,825
Liabilities directly associated with Disposal group's assets held for sale	13,035	-
	16,543	9,825
TOTAL EQUITY AND LIABILITIES	61,168	56,087

SUMMARY OF COMPANY STATEMENT OF FINANCIAL POSITION

	2023	2022
	KES 'million	KES 'million
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	22,899	23,405
Intangible assets	12	18
Investments in subsidiaries	1,809	1,809
Loan to subsidiary	350	-
Equity investments	90	77
	25,160	25,309
CURRENT ASSETS		
Inventories	3,244	3,145
Trade and other receivables	1,986	2,606
Corporate tax recoverable	-	458
Loan to subsidiary	105	-
Cash and cash equivalents	3,693	2,344
	8,898	8,553
TOTAL ASSETS	34,058	33,862
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,815	1,815
Asset revaluation reserve	13,058	13,646
Retained earnings	12,432	10,625
Total equity	27,305	26,086
NON-CURRENT LIABILITIES		
Deferred tax liability	3,109	3,549
Provisions	86	259
Employees' defined benefit liabilities	194	320
	3,389	4,128
CURRENT LIABILITIES		
Provisions	82	110
Employees' defined benefit liabilities	85	42
Trade and other payables	3,197	3,496
	3,364	3,648
TOTAL EQUITY AND LIABILITIES	34,058	33,862

SUMMARY OF CONSOLIDATED STATEMENT OF CASHFLOWS

	2023	2022
	KES 'million	KES 'million
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from/(used) in operations	2,896	(340)
Interest received	89	37
Interest paid on borrowings	(6)	(29)
Net foreign exchange	(74)	(58)
Tax paid	(259)	(817)
Net cash generated from/(used in) operating activities	2,646	(1,207)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,087)	(946)
Proceeds from disposal of property, plant and equipment	278	306
Dividend received from disposal group	425	-
Net cash used in investing activities	(384)	(640)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders	(272)	(1,301)
Principal repayment of principal portion lease liabilities	-	(3)
Net cash used in financing activities	(272)	(1,304)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	1,990	(3,151)
MOVEMENT IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the year	2,387	5,530
Net increase/(decrease) in cash and cash equivalents during the year	1,990	(3,151)
Effects of exchange rate changes on cash held in foreign currencies	(5)	8
Cash and cash equivalents at end of the year	4,372	2,387

SUMMARY OF COMPANY STATEMENT OF CASHFLOWS

	2023	2022
	KES 'million	KES 'million
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from/(used) in operations	2,774	(71)
Interest received	93	30
Net foreign exchange losses	(74)	(3)
Tax paid	(208)	(775)
Net cash generated from/(used in) operating activities	2,585	(813)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,064)	(946)
Loan to subsidiary	(500)	-
Dividends received from subsidiary and disposal group	505	232
Proceeds from disposal of property, plant and equipment	55	60
Net cash used in investing activities	(1,004)	(654)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders	(272)	(1,301)
Loan repayments	45	-
Net cash used in financing activities	(227)	(1,301)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	1,354	(2,768)
MOVEMENT IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the year	2,344	5,103
Net increase/(decrease) in cash and cash equivalents during the year	1,354	(2,768)
Effects of exchange rate changes on cash held in foreign currencies	(5)	9
Cash and cash equivalents at end of the year	3,693	2,344

Chief Executive's Office

Our Ref: CMA/CMD/108

Your Ref: JMN/BA/28/55

October 23, 2024

Board of Directors
Bamburi Cement Plc
Corporate Office
Kitui Road, Off Kampala Road
Industrial Area
NAIROBI.

Dear Directors,

RE: TAKEOVER OFFER BY AMSONS INDUSTRIES (K) LIMITED AND THE COMPETING OFFER BY SAVANNAH CLINKER LIMITED OF UP TO 100% OF THE SHARES IN BAMBURI CEMENT PLC


We refer to the above application and the shareholders' circular submitted by your legal advisers through a letter dated October 23, 2024.

The Authority has considered the Shareholders' Circular and is satisfied that the same makes adequate disclosures on material information in accordance with the Third Schedule to the Capital Markets (Take Overs and Mergers) Regulations 2002, that shareholders of Bamburi Cement Plc and their independent professional advisers would reasonably require or expect to be informed about in order to make an informed decision on the merits of accepting or rejecting the offer by Amsons Industries (K) Limited and the competing offer by Savannah Clinker Limited.

Consequently, and in accordance with Regulation 9 of the Capital Markets (Take Overs and Mergers) Regulations 2002, as well as Regulation 80 (1) of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023, the Authority has no objection to issuance of the Shareholders' Circular to the shareholders of Bamburi Cement Plc.

Please ensure that the approved Shareholder Circular is circulated to shareholders as per the agreed and approved offer timetable.

Yours Sincerely,



FCPA, Wyckliffe Shamiah
CHIEF EXECUTIVE OFFICER

Cc Kenneth Kamaitha
Partner
Kaplan & Stratton Advocates
Williamson House
4th Avenue Ngong
NAIROBI.