

**AMSONS INDUSTRIES (K) LTD**  
**Incorporated in the Republic of Kenya on 29 June 2024 under the Companies Act Chapter 486,**  
**Laws of Kenya**  
**(company registration number PVT-JZUAPPQ7)**

**THE CAPITAL MARKETS ACT**  
**(Chapter 485A, Laws of Kenya)**

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**Regulation 4(1) of**  
**The Capital Markets (Take-overs & Mergers) Regulations, 2002**

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**Notice of Intention**

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From: Amsons Industries (K) Ltd  
ALN House,  
Eldama Ravine Close, Off Eldama Ravine Road,  
Westlands,  
P.O. Box 764 - 00606,  
Nairobi, Kenya

To: Bamburi Cement Plc  
Kitui Road, Off Kampala Road  
Industrial Area,  
P.O. Box 10921 GPO  
Nairobi, Kenya

Date: 10 July 2024

**NOTICE OF INTENTION TO ACQUIRE UP TO 100% OF THE ORDINARY SHARES OF BAMBURI CEMENT PLC ISSUED PURSUANT TO REGULATION 4(1) OF THE CAPITAL MARKETS (TAKE-OVER & MERGERS) REGULATIONS 2002**

**1. Introduction**

- 1.1 Pursuant to regulation 4(1) of The Capital Markets (Take-overs & Mergers) Regulations, 2002 (**Take-Over Regulations**), we, Amsons Industries (K) Ltd (**Offeror**), hereby notify the shareholders of Bamburi Cement Plc (**Bamburi**) of our intention to make a take-over offer (the **Offer**) to acquire up to 100% of the ordinary shares with a par value of KES 5.00 each in Bamburi (the **Offer Shares**) for a cash consideration in accordance with the terms of this notice and the terms and conditions of the document setting out the Offer by the Offeror for the purchase of the Offer Shares, which will follow in due course (the **Offer Document**).
- 1.2 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 the right to receive certain dividends for the financial year 2023, and if the Offer does not Complete by 23:59 hours Nairobi time on 30 June 2025, for the financial year 2024.

## 2. The Offeror

2.1 The Offeror is an investment vehicle that has specifically been incorporated by Amsons Industries (T) Limited for the purpose of making the Offer. The Offeror is registered in the Republic of Kenya with registration number PVT-JZUAPPQ7 under the Companies Act, Chapter 486, Laws of Kenya.

2.2 The following are companies related to and 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.

- 2.3 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.
- 2.4 The following are companies related to and associated with the Mr. Edhah Abdallah Munif:

Name	Country of Incorporation	Percentage Shareholding	Principal Activities
Pan African Cement	Mauritius	i. Amsons Industries (T) Ltd – 100%	Investment holding company
Mbeya Cement	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

- 2.5 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.
- 2.6 The Offeror does not own any shares, directly or indirectly or through nominees in Bamburi. Additionally, none of the directors of the Offeror hold any shares in Bamburi.

### 3. The Offeree

- 3.1 Bamburi is a public limited liability company, incorporated in the Republic of Kenya on 20 July 1951, with registration number C.17/52 under the Companies Act, Chapter 486, Laws of Kenya and whose registered address is LR NO 209/6208, Kitui Road, Industrial Area, P. O. Box 10921-00100, Nairobi, Kenya.
- 3.2 The shares of Bamburi are listed and traded on the Main Investment Segment of the Nairobi Securities Exchange (**NSE**) under the ticker BAMB.
- 3.3 Bamburi is a subsidiary of Holcim Ltd, a global leader in innovative and sustainable building solutions.
- 3.4 Bamburi owns and operates an aggregate of 2 cement plants in Kenya (an integrated plant in Mombasa and a grinding plant in Athi River).
- 3.5 Bamburi has a long history of working with the local communities in the areas in which it operates via its corporate social responsibility activities. Notable initiatives include the rehabilitation of disused limestone quarries into nature parks and the introduction of affordable housing solutions.
- 3.6 As set out in Bamburi's annual report for the year 2023, Bamburi owns 100% of:

- 3.6.1 Diani Estate Limited (registration number C.964), a private limited company incorporated in Kenya on 8 May 1943, whose registered address is Plot No. MN/I/1095, Felix Mandle Avenue, P.O. Box 90202, Mombasa, Kenya;
- 3.6.2 Binastore Limited (registration number PVT-3QUVEE), a private limited company incorporated in Kenya on 16 April 2017, whose registered address is L.R. No. 209/6208, Kitui Road, Industrial Area, P.O. Box 10921, Nairobi, Kenya;
- 3.6.3 Lafarge Eco Systems Limited (registration number C.15480), a private limited company incorporated in Kenya on 17 March 1977, whose registered address is L.R. No. 209/6208, Kitui Road, Industrial Area, P.O. Box 81995, Mombasa, Kenya;
- 3.6.4 Bamburi Special Products Limited (registration number C.80755), a private limited company incorporated in Kenya on 28 April 1998, whose registered address is L.R. No. 209/6208, Kitui Road, off Kampala Road, Industrial Area, P.O. Box 10921-00100, Nairobi, Kenya;
- 3.6.5 Himcem Holdings Limited (registration number 73687), a private restricted liability company incorporated in Jersey, whose registered address is P.O. Box 264, Forum 4, Grenville Street, LE67 9PJ, St Helier, Jersey; and
- 3.6.6 Bamburi Cement Plc Uganda, (registration number 37294), a private restricted liability company incorporated in Uganda, whose registered address is Center Court Plot 4, Ternan Avenue, P. O. Box 7230 Kampala.
- 3.7 As set out in Bamburi's annual report for the year 2023, Bamburi owns:
- 3.7.1 50% of Kenya Cement Marketing Limited with its registered address at P.O. Box 14267-00800, Nairobi, Kenya; and
- 3.7.2 50% of Portland Mines Limited with its registered address at P.O. Box 40101, Nairobi, Kenya which is a dormant entity with no trading operations.

Bamburi also owns a non-controlling interest comprising of 12.5% in East African Portland Cement PLC (registration number C. 15/54), a public limited liability company incorporated in Kenya in 1993 and listed on the NSE and whose registered address is at L.R. No. 337/113/1, P.O. Box 40101-00100, Nairobi, Kenya.

- 3.8 Details of Bamburi's current top-ten largest shareholders reported as at 30 June 2024 are set out below:

#### **TOP 10 SHAREHOLDERS OF BAMBURI**

<b>S/N</b>	<b>Name of Shareholder</b>	<b>Number of Shares held</b>	<b>Percentage</b>
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	30,518,490	8.41%



5.	Standard Chartered Nominees RESD A/C KE11443	10,147,700	2.80%
6.	Kestrel Capital Nominee Services Limited A/C 6	3,089,350	0.85%
7.	Standard Chartered Nominees Non-resident A/C 9661	2,768,400	0.76%
8.	Standard Chartered Nom A/C KE 11993	2,607,700	0.72%
9.	Stanbic Nominees Limited Ac R7551918	1,732,772	0.48%
10.	Standard Chartered Kenya Nominees Ltd A/C KE002333	1,539,590	0.42%
	<b>Total for the Top Ten Shareholders</b>	<b>322,032,237</b>	<b>88.72%</b>
	<b>Others (4,426 Shareholders)</b>	<b>40,927,038</b>	<b>11.28%</b>
	<b>Total</b>	<b>362,959,275</b>	<b>100.00%</b>

#### 4. Offer, persons acting in concert, irrevocable undertakings and options to acquire the Offer Shares

4.1 The Offer will be set out in the Offer Document that complies with the Take-Over Regulations and will include a timetable for the Offer, according to which shareholders of Bamburi will be able to accept the Offer within 30 days of the issue of the Offer Document or such longer period as may be approved by the Capital Markets Authority (**CMA**).

4.2 The Offeror intends to make the Offer for the entire issued share capital of Bamburi.

4.3 The issued share capital of Bamburi comprises of 362,959,275 ordinary shares with a par value of KES 5.00 per share as at 30 June 2024. All issued ordinary shares are fully paid up.

#### 4.4 Offer Price

The Offer shall be for a total cash consideration of KES 23,592,352,875 for the Offer Shares which amounts to KES 65.00 per Offer Share (the **Offer Price**). This represents:

4.4.1 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);

4.4.2 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;

4.4.3 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

4.4.4 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

#### 4.5 Special Dividend and Enhanced Value

The Offeror understands that 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.

- 4.6 The Offeror does not currently own any shares in Bamburi.
- 4.7 The Offeror confirms that on 10 July 2024, it received irrevocable undertakings (**Undertakings**) from the following existing shareholders of Bamburi as part of the Offer:
- 4.7.1 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 and any other shares in Bamburi issued or unconditionally allotted to, or otherwise acquired by Fincem; and
- 4.7.2 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 and any other shares in Bamburi issued or unconditionally allotted to, or otherwise acquired by Kencem.
- 4.8 Pursuant to the terms of the Undertakings, they shall or may terminate, as the case may be, if:
- 4.8.1 this Notice of Intention is not served on Bamburi within 2 Business Days of the date of the Undertakings;
- 4.8.2 if, after the issuance of this 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 this 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
- 4.8.3 the regulatory conditions set out in paragraph 6.1 below, are denied in writing by the relevant governmental authority before 23:59 hours Nairobi time on 28 November 2025; or
- 4.8.4 the completion of the Offer (including payment, in cleared funds, of the Offer Price for all the Shares tendered by shareholders accepting the Offer) (the **Completion**) has not occurred by 23:59 hours Nairobi time on 28 November 2025.
- 4.9 The Offeror, Fincem and Kencem have entered into a break fee agreement (**Break Fee Agreement**), under which 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), which shall become payable to all the shareholders of Bamburi who accept the Offer (on a pro rata basis) in accordance with the terms of the Offer Document, if the Completion of the Offer has not occurred by 23:59 hours Nairobi time on 28 November 2025, except if the Completion has not occurred by 23:59 hours Nairobi time on 28 November 2025 because there is outstanding as at such date an award, decision, injunction, judgment, order, ruling or verdict of any court or tribunal of competent jurisdiction (the **Action**) having been issued

or made, (provided that the Offeror has, to the extent it is able to, taken legal action to defend against such 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 has not been vacated, withdrawn or dismissed by 23:59 hours Nairobi time on 28 November 2025, in which case the break fee together with any interest that has accrued thereon, shall be returned to the Offeror. The details of the Break Fee Agreement will be disclosed in the Offer Document.

## **5. Agreement, arrangement and understanding regarding the Offer Shares**

Save for the Undertakings referred to in paragraph 4.7 above and the Break Fee Agreement referred to in paragraph 4.9 above, there is no other 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.

## **6. Conditions of the Offer**

- 6.1 The Offer will be subject to the fulfilment or waiver (to the extent legally capable of being waived at the sole discretion of the Offeror) of the following conditions:
  - 6.1.1 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;
  - 6.1.2 the Offeror having received an approval to the Offer from the COMESA Competition Commission (whether it is conditional or unconditional) ; and
  - 6.1.3 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.
- 6.2 The Offer will also be subject to the delivery of acceptances within the Offer period, which will be set out in the Offer Document.

## **7. Continued Listing**

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 CMA, apply for Bamburi to be de-listed from the NSE.

## **8. Other**

The Offeror, who already operates cement plants in Tanzania, respects Bamburi's vision and team and believes it has the experience to strengthen the Bamburi's position as a leading player in the East African cement market. The Offeror 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 the Offeror's experience in the industry and the region. In order to do so, the Offeror aims to invest further prudently, and provide avenues for employee growth and retention, for Kenyan employees.

## **9. Offer Documentation and Timetable**

- 9.1 The Offer Document will be sent to shareholders of Bamburi together with a Form of Acceptance prepared by the Offeror and a shareholders' circular prepared by the Board of Directors of Bamburi containing an independent financial advisor's report regarding the Offer.
- 9.2 The Offer Document will include a transaction timetable, instructions to shareholders of Bamburi on how to deal with the Offer and arrangements for payment of the cash consideration by the Offeror, to shareholders of Bamburi who accept the offer.

**By order of the Board**



For and on behalf of:

**AMSONS INDUSTRIES (K) LTD**

- c.c. The Chief Executive, The Capital Markets Authority  
The Chief Executive, The Nairobi Securities Exchange  
The Director-General, The Competition Authority of Kenya