



## SCANCEM INTERNATIONAL DA

(Incorporated in Norway)  
(Registration Number 943 513 716)  
("Scancem" or "Acquirer")

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### CONDITIONAL VOLUNTARY OFFER DOCUMENT

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in respect of a conditional voluntary offer by the Acquirer to any Eligible Shareholder of Tanga Cement PLC ("**Tanga Cement**" or "**Target Company**") to acquire a single block of 43,504,403 Shares in Tanga Cement, representing 68.33% of the issued and paid-up ordinary share capital, on the terms and subject to the conditions set out in this Offer Document, from such Eligible Shareholder. The procedures for acceptance of the Offer and other related information are set out on page 5 of this Offer Document and the accompanying Letter of Acceptance.

Offer opens: 31 October 2023

Offer closes: 21 November 2023

***THE OFFER IS NOT BEING MADE, AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION, IN ANY JURISDICTION OR TO ANY PERSON WHERE THE MAKING OR ACCEPTANCE OF THE OFFER OR SOLICITATION WOULD BE IN VIOLATION OF THE LAWS OR REGULATIONS OF SUCH JURISDICTION.***

The definitions and interpretations commencing on page 1 of this Offer Document apply to this entire document, including the cover page and all appendices, except where the context indicates a contrary intention.

**Date of this Offer Document: 31 October 2023**

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## **CAUTIONARY STATEMENT**

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A copy of this Offer Document has been delivered to the Capital Markets and Securities Authority for approval and the Registrar of Companies for Registration.

The securities have not been approved or disapproved by the Capital Markets and Securities Authority.

Approval of this Offer Document is not to be taken as an indication of the merits of this offer or recommendation by the Authority to the offeree's shareholders.

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## **DIRECTORS' DECLARATION**

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We, the Directors, whose names appear in section 6.4 of this Offer Document, have considered and made all reasonable enquiries of all statements of facts and opinion and individually and collectively accept responsibility for the accuracy of the information given in this Offer Document.

We, the Directors, confirm that to the best of our knowledge and belief there are no other facts, the omission of which would make any statements in this Offer Document misleading, and that the information contained in this Offer Document is true and correct in all material respects.

This Offer Document was signed in Heidelberg, Germany, on behalf of the Directors by Hakan Gurdal in terms of the authority afforded to him to do so by way of a board resolution of Scancem International DA dated 18 October 2021.

By order of the Board  
**SCANCEM INTERNATIONAL DA**



**Chairman of the Board**

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## IMPORTANT INFORMATION

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This document is an Offer Document by the Acquirer, offering to acquire a single block of 43,504,403 Shares of Tanga Cement from Eligible Shareholders, which Shares constitute 68.33% of the issued and paid-up capital of Tanga Cement, subject to the terms and conditions outlined in this Offer Document. The Offer is open to any Eligible Shareholder.

This Offer Document is important and should be read in its entirety. If, after reading this Offer Document, you are in doubt as to any aspect of the Offer, you should consult a licensed stockbroker, a bank manager, lawyer, accountant, licensed investment adviser or any other professional adviser.

If you have sold all your Shares in Tanga Cement, you should immediately hand this Offer Document and the accompanying Letter of Acceptance to the purchaser or to the bank or broker or other agent through whom the sale was affected for transmission to the purchaser.

The information contained in this Offer Document is provided in compliance with requirements of the Act and the Regulations.

This Offer Document contains certain forward-looking statements which may include reference to one or more of the following: the Acquirer's financial condition, results of operations, cash flows, dividends, financing plans, business strategies, expected cost savings, operating efficiencies or synergies, budgets, capital and other expenditures, competitive positions, growth opportunities for existing products, plans and objectives of management and other matters. Statements in this document that are not historical facts are hereby identified as "forward looking statements".

Generally, words such as "may", "could", "will", "expect", "intend", "aim", "estimate", "anticipate", "believe", "plan", "seek", "would", "continue" or similar expressions, or in each case, their negative or other variations, identify forward looking statements. They appear in a number of places throughout this Offer Document and include statements regarding the intentions, beliefs or current expectation of the Directors and/or the board of directors of Tanga Cement. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.








Such forward looking statements, including, without limitation, those relating to future business prospects, revenue, capital needs, interest costs and income, in each case relating to Tanga Cement, wherever they occur in this Offer Document, are necessarily based on assumptions reflecting the current views of Tanga Cement and involve a number of known and unknown risks, uncertainties and other factors, many of which are outside the control of Tanga Cement and are difficult to predict, that could cause actual results, performance or achievements to differ materially from those expressed or implied by the forward looking statements.

Such forward looking statements should, therefore, be considered in light of various important factors. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: economic and business cycles, foreign currency rate fluctuations, and competition in Tanga Cement's principal markets. Prospective investors should not place undue reliance on forward looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the control of Tanga Cement and the Acquirer.

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## CORPORATE INFORMATION AND ADVISORS

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Acquirer	Joint legal advisors to Acquirer	Financial Advisor to Acquirer
 <p><b>SCANCEM</b>  <b>INTERNATIONAL DA</b>  (Incorporated in Norway)  (Registration Number 943 513 716)  Lilleakerveien 2A, 0283  Oslo, Norway</p>	 	
Target Company	Legal advisor to Target Company	Financial Advisor to Target Company
 <p><b>TANGA CEMENT PLC</b>  (Incorporated in Tanzania)  (Company Registration Number 5068)  (“Tanga Cement” or “Target Company”)</p>		

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## **SCANCEM MANAGING DIRECTOR'S STATEMENT**

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On behalf of Scancem, we are excited at the prospect of acquiring 68.33% of the issued share capital of Tanga Cement. The proposed acquisition will allow Heidelberg Materials, through its subsidiary Scancem, to further strengthen its long-standing presence in the cement industry in Tanzania, unlocking value for our present and future shareholders, our employees, customers and other stakeholders.

Scancem is part of the Heidelberg Materials group of companies. Through its subsidiaries and associates Scancem is one of the major cement producers in Sub-Saharan Africa and the market leader in most of these countries. Scancem is indirectly owned 100% by Heidelberg Materials, one of the world's largest integrated manufacturers of building materials and solutions, with leading market positions in aggregates, cement, and ready-mixed concrete. Heidelberg Materials' ownership of Scancem provides access to global best practices, operational excellence, knowledge transfer and access to global procurement.

This transaction illustrates Heidelberg Materials' commitment to the Tanzanian market. The ambition is to continue to provide innovative and affordable products and services to its customers, increase investments in the country as well as adhere to the highest standards of corporate governance.

**SCANCEM INTERNATIONAL DA**



**Managing Director**

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## 1. Definitions and Interpretations

<b>Acquirer or Scancem</b>	Scancem International DA (Registration Number 943 513 716), a partnership company duly incorporated under the laws of Norway;
<b>Act</b>	the Companies Act (Cap 212 R.E. 2002) of the laws of Tanzania (as amended);
<b>Board</b>	the board of directors of the Acquirer;
<b>Business Day</b>	any day in the week (other than a Saturday or Sunday or a day gazetted as a public holiday in Tanzania, including bank holidays) on which commercial banks are open for business in Tanzania;
<b>Closing Date</b>	the closing date of the Offer, being the last date and time for submission of a Letter of Acceptance, being 15:00 East African Time on 21 November 2023;
<b>CMSA or The Authority</b>	Capital Markets and Securities Authority, being the Regulator of capital markets in Tanzania, established under section 6 of the Capital Markets And Securities Act, 1994 (as amended);
<b>Directors</b>	the directors of the Acquirer, the details of whom are set out in Section 6.4 of this Offer Document;
<b>DSE</b>	Dar es Salaam Stock Exchange, a public listed company established pursuant to the Act and under which securities are listed and traded in Tanzania;
<b>DSE Dealing Member</b>	a person licensed by the Authority to deal in securities and admitted to DSE membership, as indicated by the list of licensed dealing members of the DSE (Appendix I);
<b>Eligible Shareholder</b>	any shareholder of Tanga Cement capable of selling 43,504,403 Shares to the Acquirer in a single block;
<b>Final Acquisition Price</b>	the final price to be paid by the Acquirer to the Eligible Shareholder for the Offered Shares, being the Offer Price after adjustments related to debt, working capital, other expenses and other potential adjustments post-closing of the sale by the Eligible Shareholder to the Acquirer, as agreed between the Acquirer and Eligible Shareholder and detailed in paragraph 3.4 of this Offer Document;
<b>Heidelberg Materials</b>	has the meaning ascribed to it in paragraph 3 of this Offer Document;
<b>Longstop Date</b>	means 16 January 2024 or such later date as agreed between the Acquirer and Eligible Shareholder;
<b>Offer</b>	the conditional voluntary offer constituted by this Offer Document, made by the Acquirer to acquire the Offered Shares from any Eligible Shareholder on the terms and subject to the conditions set out in the Offer Document and as agreed between the Acquirer and Eligible Shareholder;
<b>Offer Document</b>	this document issued by Scancem in relation to the Offer and dated 31 October 2023;
<b>Offer Price</b>	a provisional aggregate amount of US\$ 42,492,369 for all Offered Shares, which is subject to adjustment as agreed between the Acquirer and Eligible Shareholder and summarised in paragraph 3.4 of this Offer Document and which, following such adjustment, will be the Final Acquisition Price;



<b>Offered Shares</b>	a single block of 43,504,403 Shares to be acquired by the Acquirer from any Eligible Shareholder as contemplated in this Offer Document and as agreed between the Acquirer and Eligible Shareholder, and "Offered Share" shall be construed accordingly;
<b>Pre-arranged Block Trade</b>	a block trade where a buyer and seller have been identified prior to execution on the DSE's automated trading system (DATS) as contemplated in the Rules;
<b>Register</b>	the share register of Tanga Cement, which is maintained by the Registrar;
<b>Registrar</b>	CSD & Registry Company Limited (Company Registration Number 132530 a private limited company incorporated in Tanzania);
<b>Regulations</b>	the Capital Markets and Securities (Substantial Acquisition, Takeovers And Mergers) Regulations, 2006;
<b>Rules</b>	DSE Rules 2022;
<b>Shares</b>	ordinary shares of Tanga Cement, which shares are listed on the DSE;
<b>Tanzania</b>	United Republic of Tanzania;
<b>Target Company or Tanga Cement</b>	Tanga Cement PLC (Company Registration Number 5068), a public company duly incorporated under the laws of Tanzania and listed on the DSE;
<b>TPCC</b>	Tanzania Portland Cement Public Limited Company (Company Registration Number 2325), a public company incorporated under the laws of Tanzania and listed on the DSE;
<b>TZS</b>	Tanzanian Shilling, the lawful currency of Tanzania; and
<b>USD or US\$</b>	United States Dollars, the lawful currency of the United States of America.

## 2. Timetable of the Offer and Offer Statistics

### 2.1 Offer Timetable

Announcement of the Offer and availability of the Offer Document	Tuesday, 31 October 2023
Availability of the Offer Document for shareholders who request a copy	Tuesday, 31 October 2023
Opening of the Offer	Tuesday, 31 October 2023
Latest time and date for acceptance of the Offer	Tuesday, 21 November 2023
Latest date for announcement of the results of the Offer	Wednesday, 22 November 2023

### 2.2 Statistics of the Offer

Offer Price for all Offered Shares	a provisional aggregate amount of US\$ 42,492,369 for all Offered Shares, subject to price adjustments as agreed between the Acquirer and Eligible Shareholder. This translates to TZS 2,442.4 per share at the US\$/ TZS exchange rate exchange rate as of 19 September 2023. Note that this price in TZS is indicative only as the price in TZS will be impacted by the applicable exchange rate on the relevant date and adjustments will be made post-closing, as contemplated in paragraph 3.4 of this Offer Document).
Total Number of Offered Shares	43,504,403

### 3. Offer Details

#### 3.1 Purpose of the Offer and details of Acquirer

Scancem is a company registered in Norway with its registered office at Lilleakerveien 2A, 0283 Oslo, Norway. Scancem is a subsidiary of Heidelberg Materials AG (“Heidelberg Materials”), a company registered in Germany with its registered office at Berliner Straße 6 69120 Heidelberg, Germany.

Heidelberg Materials has a long-standing presence in the cement industry in Tanzania through its subsidiary TPCC, which was established in 1966. Heidelberg Materials wishes to continue to deploy its global experience and technical expertise as a leading international cement producer and to grow its Tanzanian cement operations. Furthermore, Heidelberg Materials is committed to invest and develop the cement industry by increasing Tanzanian cement capacity and production. Scancem therefore wishes to acquire the Offered Shares in line with the stated objectives.

This Offer Document contains the detail of the offer by the Acquirer to acquire the Offered Shares from any Eligible Shareholder for a cash consideration equal to the Offer Price, on the terms and conditions as agreed between the Acquirer and Eligible Shareholder and this Offer Document.

#### 3.2 Eligibility

The Offer is open to any shareholder of Tanga Cement, including individuals, companies and institutions if it is permissible under the laws of their residency or location to receive this Offer Document and participate in the Offer.

#### 3.3 Conditions of Acceptance

The minimum and maximum number of Shares that the Acquirer will acquire from any Eligible Shareholder pursuant to this Offer is 43,504,403 Shares. Any Letter of Acceptance for a number of Shares that is less or more than 43,504,403 Shares will be invalid and of no effect.

An Eligible Shareholder is not permitted to revoke its acceptance of the Offer if it has completed and submitted a Letter of Acceptance.

Further, the Offer is subject to the fulfilment or waiver (if applicable) of a number of conditions precedent (“**Conditions**”) as agreed between the Acquirer and Eligible Shareholder on or before the Longstop Date. The Conditions include, *inter alia*, the following:

- (i) approval by the Fair Competition Commission of Tanzania for the sale of the Offered Shares as agreed between the Acquirer and Eligible Shareholder;
- (ii) approval by the Mining Commission of Tanzania for sale of the Offered Shares as agreed between the Acquirer and Eligible Shareholder;
- (iii) approval by the shareholders of Tanga Cement for the sale of the Offered Shares as agreed between the Acquirer and Eligible Shareholder, by way of special resolution passed at a duly convened extraordinary shareholders’ meeting of Tanga Cement, as required in terms of Regulation 9(5) of the Regulations;
- (iv) the Revenue Authority of Tanzania issuing a tax clearance certificate in relation to the sale of the Offered Shares as agreed between the Acquirer and Eligible Shareholder; and
- (v) approval by the Financial Surveillance Department of the South African Reserve Bank or, if permissible, the relevant authorised dealer, in respect of the obligations imposed upon AfriSam (South Africa) Proprietary Limited, a subsidiary of AfriSam, as guarantor in terms of the sale of the Offered Shares to the Acquirer, being obtained.

If all Conditions are fulfilled or, if applicable, waived on or before the Longstop Date, the acquisition by the Acquirer will become unconditional and be implemented. Although the Conditions detailed in (i), (ii) and (v) above have been fulfilled, the remaining Conditions have not yet been fulfilled or waived.

Shareholders of Tanga Cement are accordingly cautioned that there can be no certainty that all Conditions will be fulfilled or waived timeously.

### 3.4 Offer Price

The Offer is made at a provisional price of US\$ 42,492,369 (forty two million four hundred and ninety two thousand and three hundred and sixty nine United States Dollars) for all Offered Shares, which translates to TZS 2,442.4 per share at the US\$/ TZS exchange rate as of 19 September 2023 (although this price in TZS is indicative only as the price in TZS will be impacted by the applicable exchange rate on the relevant date).

The final price is subject to adjustments related to debt, working capital, other expenses and other potential adjustments post-closing of the sale by the Eligible Shareholder to the Acquirer, as agreed between the Acquirer and Eligible Shareholder ("**Final Acquisition Price**").

Shareholders of Tanga Cement are accordingly cautioned that material uncertainty exists on the Final Acquisition Price.

### 3.5 Acceptance Process

<b>Step 1</b>	An Eligible Shareholder has completed and signed the Letter of Acceptance, enclosed as Appendix 3.
<b>Step 2</b>	All Letters of Acceptance, accompanied by relevant supporting documents, must be submitted to the DSE Dealing Members of the DSE before the Closing Date of 21 November 2023.
<b>Step 3</b>	After submission of the Letter of Acceptance, a DSE Dealing Member of the DSE shall issue a written confirmation to the relevant Eligible Shareholder, acknowledging receipt of the Letter of Acceptance and supporting documents.

### 3.6 Allotment Policy

Subject to CMSA and DSE approvals, the Shares tendered pursuant to qualifying Letters of Acceptance shall be acquired by the Acquirer through a Pre-Arranged Block Trade on the DSE in accordance with DSE Rules.

### 3.7 Rights and Transferability

In accordance with the DSE Rules, the Offered Shares shall, following transfer to the Acquirer pursuant to the implementation of the Offer, be freely transferable and continue to be listed on the DSE. At the time this Offer is made, there is no explicit expression of intent, agreement, arrangement or understanding that exists which grants any rights or obligations to any other person with regard to the Offered Shares, other than as agreed between the Acquirer and Eligible Shareholder.

As at the date of this Offer Document, the Acquirer has no intention to transfer the Offered Shares, once acquired pursuant to the Offer, to any other person, nor is the Acquirer party to any such agreement, arrangement or understanding.

### **3.8 Mode of Payment**

Funds for the Final Acquisition Price shall be transferred by the Acquirer into a designated receiving account of the Eligible Shareholder on the settlement date (as agreed between the Acquirer and Eligible Shareholder) for the pre-arranged trade.

The Acquirer will finance the transaction through various sources, including internally generated cash flows and reserves. Standard Chartered Bank is satisfied that the Acquirer and its Shareholders have access to the required funds for the proposed transaction.

## **4. Procedures for and Terms and Conditions of application pursuant to Offer**

### **4.1 Timetable**

The Offer will open at 09:00 (East African Time) on Tuesday 31 October 2023 and will close at 15:00 (East African Time) on Tuesday 21 November 2023.

An Eligible Shareholder which has executed an irrevocable Letter of Acceptance must provide same, together with supporting documents, to the Acquirer. The acceptance shall be communicated to the relevant DSE Dealing Member of the DSE in the manner and form stipulated in this Offer Document.

The Letter of Acceptance shall be submitted by hand or courier and received by the Eligible Shareholder's designated DSE Dealing Members of the DSE, as per Appendix I below.

The submission must be made not later than 15:00 (East African Time) on the Closing Date.

Subject to receipt of a valid Letter of Acceptance, the Offer will be implemented once (and only if) all Conditions are fulfilled (or, if applicable, waived).

### **4.2 Distribution of Offer Documents**

Copies of this Offer Document may be obtained from the DSE Dealing Members, the details of whom are included as Appendix 1 to this Offer Document.

## **5. Actions subsequent to determination of Final Acquisition Price**

If the Acquisition becomes unconditional and is implemented, it will provide Scancem with control of Tanga Cement. After the Final Acquisition Price has been determined and as required by General Principle 2 of the Regulations, Scancem will make an offer to acquire the remaining shares in Tanga Cement at the Final Acquisition Price, which general offer will be subject to regulation by the CMSA.

## 6. Company Overview

### 6.1 About Scancem International DA

Heidelberg Materials, the ultimate holding company of the Acquirer, is one of the world's largest integrated manufacturers of building materials and solutions, with leading market positions in aggregates, cement, and ready-mixed concrete. Heidelberg Materials has around 53,000 employees across more than 3,000 locations in over 50 countries delivering long-term financial performance through operational excellence and openness for change. In Africa and the Eastern Mediterranean Basin, Heidelberg Materials operates in over 50 countries, of which 12 are on the African continent, and is firmly committed to contribute to the economic development of the African continent.

In Tanzania, Heidelberg Materials has a long-standing presence through its subsidiary TPCC, which was established in 1966. Heidelberg Materials plans to continue to deploy its global experience and technical expertise as a leading international cement producer to grow its Tanzanian cement operations. Furthermore, Heidelberg Materials is committed to invest and develop the cement industry by increasing Tanzanian cement capacity and production.

### 6.2 Vision and Mission

Heidelberg Materials is firmly committed to its presence on the African continent in general and Tanzania as a country. Through its subsidiary TPCC, the Acquirer is already present in Tanzania and through its acquisition of the Offered Shares from the Eligible Shareholder, is aiming at further expanding its presence in the country.

A profitable and healthy Tanga Cement will be able to produce more cement, enabling further growth of the Tanzanian economy through infrastructure, commercial and private projects.

As of the date of this Offer Document, the Acquirer does not intend to effect major changes to the business of Tanga Cement or its subsidiaries, whether in respect of the redeployment of fixed assets or its employees. Certain non-executive directors of Tanga Cement may resign. The Acquirer's focus will be on restoring Tanga Cement to a profitable and healthy business. It will be supported in this objective through its access to the wealth of knowledge and experience within the Heidelberg Materials group.

### 6.3 Shareholding in Acquirer

Partners	Partnership Interest	Percentage
Heidelberg Materials Norway AS	99% interest (no shares as the Acquirer is a Partnership)	99%
Scancem Holding AS	1% interest (no shares as the Acquirer is a Partnership)	1%

### 6.4 The Board of the Acquirer

As at the date of this Offer Document, the Board consists of 3 Directors, whose detail, date of appointment and function are provided below.

Name	Nationality	Function	Date of Appointment
Mr Hakan Gurdal	Turkish	Chairman of the Board	29.06.2016



Mr Dominik Michel	German	Board member	06.10.2021
Mr Arne-Jørg Selen	Norwegian	Board member	08.12.2005

## 6.5 Board Meetings

The Board meets whenever required and has a formal schedule of matters referred to it for decision, and also delegates specific responsibilities to the General Manager.

The Board retains overall responsibility for the activities of the Acquirer, including the implementation of its corporate strategy. The non-executive directors of the Acquirer contribute their extensive experience and knowledge to the Acquirer's management.

## 6.6 Risk Management

As a subsidiary of Heidelberg Materials, Scancem must adhere to the risk management framework of the Heidelberg Materials group. The risk management system at Heidelberg Materials is the responsibility of the board of Heidelberg Materials, and such system enables the early detection of potential risks at all levels of the organization, drawing on the requirements of norm ISO 31000 as well as the German Law for Control and Transparency in the Corporate Sector (KonTraG). The effectiveness of the risk management system is constantly monitored, thereby ensuring that threatening developments are identified early, and that suitable measures are taken to mitigate risks.

## 6.7 Going Concern

The Board regularly reviews the facts and assumptions on which it relies to determine whether the business of the Acquirer is a going concern and, based on these reviews, the Board remains of the view that the Acquirer is a going concern with sufficient working capital for its normal operational needs for the foreseeable future. The Directors have no reason to believe that the Acquirer would not be a going concern in the foreseeable future based on forecasts and available cash resources.

## 6.8 Environmental, Social and Governance Goals

Heidelberg Materials together with all its subsidiaries (which includes the Acquirer) wants to continue to grow profitably. This is achievable in the long term if it is also able to generate value for society. Therefore, targets relating to sustainability and social responsibility are key components of Heidelberg Materials' business strategy and remuneration policy, in addition to profit targets.

- **Health & Safety**

As a company active in cement production, the health & safety of employees is Heidelberg Materials' top priority. Heidelberg Materials improves the technical and organizational safety standards of its production through targeted measures and through continuously creating consciousness for safe operations of all its assets.

- **Sustainability**

Doing business sustainably is a core component of Heidelberg Materials' strategy. At the core of its activities lies the responsibility towards the environment. It is Heidelberg Materials' goal to be the industry leader on the path to carbon neutrality—CO2 reduction strategy, which has a solid foundation through individual measures on plant and product level, is continuously being implemented.

- **Social responsibility**

For Heidelberg Materials, being a good neighbour means to jointly target favourable business and social developments. It attaches high value to the fact that the community in the vicinity of its plants (i) profits through its product offering and (ii) benefits through the employment that Heidelberg Materials offers. In that way it targets win-win situations for the local community and all of its country operations.

- **Governance**

Heidelberg Materials has high governance standards for managing and operating all of the companies comprising the Heidelberg Materials group, including the Acquirer specifically. No payment has been made to any Director in the three years preceding the date of this Offer Document to induce or qualify them to become a Director or otherwise for services rendered in connection with the promotion or formation of the Acquirer. Except for employment contracts with executive Directors, there are no existing or proposed contracts between any of the Directors and the Acquirer.

No options to purchase any securities of Acquirer have been granted to or exercised by a Director of the Acquirer within the year preceding the date of this Offer Document.

There were no material acquisitions or disposals of share capital of Acquirer by a Director within the year preceding the date of this Offer Document.

Scancem does not currently hold any Shares in Tanga Cement and no director of Scancem holds any Shares in Tanga Cement or has had any dealings in Tanga Cement's Shares during the period beginning 6 months before the date of this Offer Document. Further, no concert party arrangement exists between Scancem and any other person in relation to the Acquisition, and no formal or informal arrangement between Scancem and any other person exists in relation to an indemnity or option, which arrangement might be an inducement to deal or refrain from dealing in Shares of Tanga Cement.

## **7. Documents available for inspection**

**7.1 The following documents shall be made available for inspection at the offices of DSE Dealing Members and the DSE:**

- (A) Memorandum and Articles of Association of Tanga Cement; and
- (B) the Offer Document

## **8. Estimated Offer Expenses**

The estimated expenses of the Offer will be TZS 2,02Bn. These expenses include fees for the CMSA, printing and publishing, legal advisors and transaction advisors. The Target Company will bear only the costs of its legal and transaction advisors, with the Acquirer carrying the remaining costs.

## Appendix 1: Licensed DSE Dealing Members

<p><b>Tanzania Securities Limited</b>          IPS Building, Seventh (7th) Floor          Samora Avenue/Azikiwe Street          P.O. Box 9821          Dar es Salaam          Tanzania          Tel: +255 22 2112807          Email: <a href="mailto:info@tanzaniasecurities.co.tz">info@tanzaniasecurities.co.tz</a></p>	<p><b>TIB RASILIMALI LIMITED</b>          P.O. Box 9154,          Ohio /Ghana Street,          Plot number 223/50 Opposite Gymkana          Grounds          Dar es Salaam          Tel: 255 22 2111711          Mob: +255 0744 777818          Email: <a href="mailto:rasilimali@africaonline.co.tz">rasilimali@africaonline.co.tz</a></p>
<p><b>Solomon Stockbrokers Limited</b>          Ground Floor, PPF House          Samora Avenue/Morogoro Road          PO Box 77049          Dar es Salaam          Tanzania          Tel: +255 22 2124495 / 2112874          Email:  <a href="mailto:solomonstockbrokers@solomon.co.tz">solomonstockbrokers@solomon.co.tz</a></p>	<p><b>Orbit Securities Company Limited</b>          4 th Floor, Golden Jubilee Towers,          Ohio Street,          P.O. Box 70254          Dar es Salaam          Tanzania          Tel: +255 22 2111758 / 2120863          Email: <a href="mailto:orbit@orbit.co.tz">orbit@orbit.co.tz</a></p>
<p><b>Vertex International Securities Limited</b>          Zambian High Commission, Annex Building          Sokoine /Ohio Street          P.O. Box 13412          Dar es Salaam          Tanzania          Tel: +255 22 2116382/0743 033223          Email: <a href="mailto:vertex@vertex.co.tz">vertex@vertex.co.tz</a></p>	<p><b>CORE Securities Limited</b>          1st Floor, Karimjee Jivanjee          Building 18, Sokoine Drive          P O Box 76800          Dar es Salaam          Tanzania          Tel: +255 22 2123103          Email: <a href="mailto:info@coresecurities.co.tz">info@coresecurities.co.tz</a>,  <a href="mailto:ceo@coresecurities.co.tz">ceo@coresecurities.co.tz</a></p>
<p><b>Zan Securities Limited</b>          2nd Floor, Viva Tower, Al Hassani Mwinyi          Road,          P. O. Box 5366, Dar es Salaam          Tanzania          Tel: +255 22 2103433          Mobile: +255 755 898425          Email: <a href="mailto:info.dsm@zansec.co.tz">info.dsm@zansec.co.tz</a></p>	<p><b>E. A. Capital Ltd</b>          3rd Floor, (Office # 305), Plot 84 Kinondoni          Acacia Estates, Kinondoni Road (Off          Kinondoni Makaburini).          P.O Box 20650, Dar es Salaam          Mob: +255 (0)779 740818          Fax: 255 (0)784 461759          Email: <a href="mailto:ec@eacapital-tz.com">ec@eacapital-tz.com</a></p>
<p><b>Optima Corporate Finance Limited</b>          1st Floor, Togo Tower, Kinondoni Road,          Manyanya          P.O Box 4441, DAR ES SALAAM          Tel: +255 22 266 6031          Mob: +255 684 856648/+255 787 670359          Email: <a href="mailto:info@optimacorporate.co.tz">info@optimacorporate.co.tz</a></p>	<p><b>ARCHo FINANCIAL &amp; INVESTMENT          ADVISORY LTD</b>          NIC Life House, 2nd Floor, Wing C.          P.O. Box 38024, DAR ES SALAAM          Tel: +255 (0)222 112844,          Mob: 0732 922396, 0683 101087          Email: <a href="mailto:info@archfia.or.tz">info@archfia.or.tz</a>,  <a href="mailto:archfia@gmail.com">archfia@gmail.com</a>,  <a href="mailto:info@archofinancial.co.tz">info@archofinancial.co.tz</a>,  <a href="mailto:archfia@gmail.com">archfia@gmail.com</a>,  <a href="mailto:semboja@archofinancial.co.tz">semboja@archofinancial.co.tz</a></p>

<p><b>SMART STOCK BROKERS (T) LTD</b>  1st Floor, Masdo House, Samora Avenue,  P. O. Box 1056878, Dar es Salaam  Tel: +255 22 2133607  Mob: 0754 787678  Email: <a href="mailto:info@smartstockbrokers.co.tz">info@smartstockbrokers.co.tz</a></p>	<p><b>VICTORY FINANCIAL SERVICES LIMITED</b>  Ground Floor, ATC Building, Ohio Street  P.O Box 8706, Dar es Salaam  Tel: +255 (0)222 112691 / +255 788 284540  Email: <a href="mailto:info@vfsl.co.tz">info@vfsl.co.tz</a></p>
<p><b>EXODUS ADVISORY SERVICES LIMITED</b>  10th Floor, Mwangi Tower,  Plots No1&amp;50 Block 45A,  New Bagamoyo Road,  P.O Box 80056, Dar Es Salaam.  Email: <a href="mailto:info@easl.co.tz">info@easl.co.tz</a></p>	<p><b>Alpha Capital Limited</b>  8th Floor, Millenium Tower I, Makumbusho,  P.O Box 70166, Dar es Salaam  Tel: +255 763 631 999, +255 784 786 188  Email: <a href="mailto:info@alphacapital.co.tz">info@alphacapital.co.tz</a></p>
<p><b>FIMCO LIMITED</b>  Office 205, 2<sup>nd</sup> Floor Jangid Plaza  Chabruma Street  P.O Box 31709  Dar es salaam Tanzania  Email: <a href="mailto:abdul@fimco.co.tz">abdul@fimco.co.tz</a></p>	

## Appendix 2: Licensed Investment Advisors

<p><b>Orbit Securities Company Limited</b> Orbit Securities Company Limited 4th Floor, Golden Jubilee Tower, Ohio Street, P.O. Box 70254 Dar es Salaam Tanzania Tel: +255 22 2111758 / 2120863 Email: <a href="mailto:orbit@orbit.co.tz">orbit@orbit.co.tz</a></p>	<p><b>Standard Chartered Bank Tanzania Limited</b> International House Shaaban Robert St/Garden Avenue P.O. Box 9011 Dar es Salaam. Tel: +255 22 2122160 / 2122162</p>
<p><b>TIB RASILIMALI LIMITED,</b> 7th Floor, Samora Tower, Samora Avenue/Bridge Street, P.O. Box 9154, DAR ES SALAAM. Tel: 255 - 22 - 2111711/255 0744777818 Email: <a href="mailto:invest@rasilimali.tib.co.tz">invest@rasilimali.tib.co.tz</a></p>	<p><b>CORE SECURITIES LIMITED</b> 4th Floor, Elite City Building P.O. Box 76800, DAR ES SALAAM. Tel. 255 - 22 – 2123103 Fax. 255 - 22 - 2122562 Email: <a href="mailto:info@coresecurities.co.tz">info@coresecurities.co.tz</a>, <a href="mailto:nkundeshoo@yahoo.com">nkundeshoo@yahoo.com</a></p>
<p><b>SOLOMON STOCK BROKERS LIMITED</b> PPF House, Ground Floor Morogoro Rd./Samora Avenue P.O. Box 77049 DAR ES SALAAM. Tel. 255 - 22 - 2124495/2112874 Email: <a href="mailto:Solomonstockbrokersltd@gmail.com">Solomonstockbrokersltd@gmail.com</a>, <a href="mailto:Solomon@simbanet.net">Solomon@simbanet.net</a></p>	<p><b>NATIONAL BANK OF COMMERCE PLC.</b> Sokoine Drive &amp; Azikiwe Street P.O. Box 6826, Dar es Salaam, Tanzania Tel: +255 22 2199793, +255768980191 Email: <a href="mailto:contact.nbc@nbctz.com">contact.nbc@nbctz.com</a></p>
<p><b>EQUITY FOR TANZANIA LTD. (EFTA)</b> 1st Floor, New NSSF Building, Agakhan Road, P.O. Box 7293 Moshi. Tel. +255 27 275065</p>	<p><b>STANBIC BANK (T) LTD</b> Stanbic Centre, 99A Kinondoni Road P. O. Box 72647, DAR ES SALAAM. Tel: +255 22 266 6430/480 Direct line: +255 22 219 6467 Website: <a href="http://www.stanbicbank.co.tz">www.stanbicbank.co.tz</a></p>
<p><b>ZAN SECURITIES</b> Mezzanine Floor, Haidery Plaza, Kisutu/Upanga Street, PO Box 5366, DAR ES SALAAM. Tel: +255 22 212.6415 Email: <a href="mailto:info@zansec.com">info@zansec.com</a></p>	<p><b>TANZANIA MORTGAGE REFINANCE COMPANY</b> 15th Floor, Golden Jubilee Tower, P.O. Box 7539 DAR ES SALAAM</p>
<p><b>SMART STOCK BROKERS LIMITED</b> 1st Floor, Masdo House, Samora Avenue, P.O. Box 105678, DAR ES SALAAM Phone: +255 22 2138607 Email: <a href="mailto:info@smartstockbrokers.co.tz">info@smartstockbrokers.co.tz</a> Web: <a href="http://www.smartstockbrokers.co.tz">www.smartstockbrokers.co.tz</a></p>	<p><b>NMB BANK PLC</b> Ohio/Ali Hassan Mwinyi Rd, P.O. Box 9213, DAR ES SALAAM</p>

<p><b>TANZANIA SECURITIES LIMITED</b>  2nd Floor, Office 201, Jangid Plaza  Ali Hassan Mwinyi Road,  P.O. Box 9821  Dar es Salaam  Tel: 255 (22) 292657  Email: <a href="mailto:info@tanzaniasecurities.co.tz">info@tanzaniasecurities.co.tz</a></p>	<p><b>VICTORY FINANCIAL SERVICES LIMITED</b>  P.O. Box 8706,  DAR ES SALAAM.  Tel: +255 22 2112691  info@vfsl.co.tz  Website: <a href="http://www.vfsl.co.tz">www.vfsl.co.tz</a></p>
<p><b>ABSA BANK (T) LTD</b>  Absa House, Ohio Street,  P.O. Box 5137,  DAR ES SALAAM.  Tel: +255 746 882 400  Website: <a href="http://www.absa.co.tz">www.absa.co.tz</a></p>	<p><b>Vertex International Securities Limited</b>  Zambian High Commission, Annex Building  Sokoine /Ohio Street  P.O. Box 13412  Dar es Salaam  Tanzania  Tel: +255 22 2110392  Email: <a href="mailto:vertex@vertex.co.tz">vertex@vertex.co.tz</a></p>
<p><b>CRDB BANK PLC</b>  Azikiwe Street,  P.O. Box 268,  Dar es Salaam</p>	<p><b>GLOBAL ALPHA CAPITAL LIMITED</b>  PSSSF Millenium Tower1,  Ali Hassan Mwinyi Road,  P. O. Box 70166,  DAR ES SALAAM  Tel: +255784786188 / +255763631999  Email: <a href="http://www.alphacapital.co.tz">www.alphacapital.co.tz</a></p>
<p><b>FIMCO LIMITED</b>  Office 205, 2<sup>nd</sup> Floor Jangid Plaza  Chabruma Street  P.O Box 31709  Dar es salaam, Tanzania  Email: <a href="mailto:abdul@fimco.co.tz">abdul@fimco.co.tz</a></p>	



## Appendix 3: Letter of Acceptance

### LETTER CONFIRMING ACCEPTANCE

To:

Scancem International DA

C/o Standard Chartered Bank Tanzania Limited

International House

Shaaban Robert St/Garden Avenue

P.O. Box 9011

Dar es Salaam.

Dear Sir/Madam

#### **SUBJECT: IRREVOCABLE ACCEPTANCE OF OFFER TO PURCHASE SHARES OF TANGA CEMENT PLC (“TANGA CEMENT”)**

We the undersigned [.....] (an “**Eligible Shareholder**”) refer to the Offer Document dated 31 October 2023 (“**Offer Document**”) and published by Scancem International DA (the “**Acquirer**”) with respect to the proposed acquisition by the Acquirer of 43,504,403 Shares in Tanga Cement (representing 68.33% of the total issued and paid up ordinary share capital of Tanga Cement), from ourselves, an Eligible Shareholder, at a purchase price of US\$ 42,492,369 for all Offered Shares, which translates to TZS 2,442.4 per share at the US\$/ TZS exchange rate as of 19 September 2023 (although this price in TZS is indicative only as the price in TZS will be impacted by the applicable exchange rate on the relevant date). The final price is subject to adjustments (“**Offer Price**”) as agreed between the Acquirer and Eligible Shareholder, on the terms and conditions as agreed between the Acquirer and Eligible Shareholder and summarized in the Offer Document.

We, the undersigned, hereby confirm our irrevocable acceptance with respect to the sale, to the Acquirer, of the Shares in Tanga Cement held by us and detailed below (“**sold shares**”) at the Offer Price and on the terms and conditions as agreed between the Acquirer and Eligible Shareholder, and, subject to fulfilment, or waiver, as the case may be, of all the conditions precedent, we request you to kindly process the sale of the sold shares on the terms and conditions as agreed between the Acquirer and Eligible Shareholder, as read with the Offer Document, and the Capital Markets and Securities Act, 1994 and the Regulations.

We request that you process our acceptance letter as per the terms and conditions as agreed between the Acquirer and Eligible Shareholder, as read with the Offer Document.

#### **SHAREHOLDER DETAILS**

<b>Individual Shareholders only</b>	
Name (including joint Registered holders recorded in the certificate/CSD Register (if any):	

Address:		
Telephone:		
CDS A/C no:		
Email:		
<b>For Corporate Shareholders Only</b>		
Name of Shareholder		
Authorised Officer	Name:	Designation:
Address:		Copy to:
Telephone:		
CDS A/C no:		
Email:		

**SHARE DETAILS**

Total no. of sold shares	Certificate Serial Numbers (Attach Original):	Date:
43,504,403		

**SIGNATURES** (signatures of individuals or Director/Secretary along with company stamp for companies)

1	seal/stamp
2	
3	
4	