
This document is important and should be read carefully. If you are in any doubt about its contents or the action to take, please consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately. Investors are advised to note that liability for false or misleading statements or acts in connection with this Rights Circular is provided in sections 85 and 86 of the Investments & Securities Act (No 29), 2007

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY SHAREHOLDERS, SEE "RISK FACTORS" COMMENCING ON PAGE 38.



LAFARGE AFRICA PLC
RC 1858

RIGHTS ISSUE

OF

7,434,367,256 ORDINARY SHARES OF ₦0.50 EACH

AT

₦12.00 PER SHARE

ON THE BASIS OF 6 NEW ORDINARY SHARE FOR EVERY 7 ORDINARY SHARES

HELD AS AT DECEMBER 04, 2018

PAYABLE IN FULL ON ACCEPTANCE

ACCEPTANCE LIST OPENS: DECEMBER 17, 2018

ACCEPTANCE LIST CLOSES: JANUARY 23, 2019

LEAD ISSUING HOUSE

CHAPEL HILL  DENHAM

ADVISORY LIMITED RC 1381308

JOINT ISSUING HOUSE

The logo for Stanbic IBTC Capital, featuring a blue shield with a white 'S' and 'I' inside, followed by the text 'Stanbic IBTC Capital' in blue. Below the text is the registration number 'RC 1031358'.

Stanbic IBTC
Capital
RC 1031358

THE RIGHTS BEING OFFERED IN THIS CIRCULAR ARE TRADEABLE ON THE FLOOR OF THE NIGERIAN STOCK EXCHANGE FOR THE DURATION OF THE RIGHTS ISSUE.

This Rights Circular and the Securities which it offers have been cleared and registered by the Securities & Exchange Commission. It is a civil wrong and a criminal offence under the Investments and Securities Act (No. 29) 2007 to issue a Rights Circular which contains false or misleading information. Clearance and Registration of this Rights Circular and the Securities which it offers do not relieve the parties from any liability arising under the Act for false and misleading statements contained herein or for any omission of a material fact.

This Rights Circular is dated December 10, 2018

IMPORTANT NOTICE

Notice to Shareholders outside Nigeria

The distribution of this Rights Circular and the offer of the Shares in certain jurisdictions may be restricted by law. No action has been taken by the Issuer or the Issuing House that would permit a public offer of shares or possession, publication or distribution of this Rights Circular (or any other offer or publicity material or application form relating to the Issue) in any jurisdiction where action for the purpose is required, other than in Nigeria. Persons into whose possession this Rights Circular comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Rights Circular does not constitute an offer of, or an invitation to subscribe or purchase, any shares being offered in any jurisdiction in which such an offer would be unlawful.

Notice to Residents of the United States

The securities to be offered have not been, and will not be, registered with the U.S. Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or with any securities regulatory authority of any state or other jurisdiction in the United States, in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Rule 801 thereunder. Neither the U.S. Securities and Exchange Commission nor any U.S. State Securities Commission has approved or disapproved of the securities to be offered or passed upon the adequacy or accuracy of this Rights Circular. Any representation to the contrary is a criminal offence in the United States.

The offer will be made for the securities of a limited liability company incorporated under the laws of the Federal Republic of Nigeria. The offer is subject to the disclosure requirements of the Federal Republic of Nigeria which are different from those of the United States. The financial statements included in this Rights Circular have been prepared in accordance with accounting standards applicable in Nigeria and thus may not be comparable to financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, since Lafarge Africa PLC is located outside the United States and some or all of its officers and directors may be resident outside the United States. You may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

**RIGHTS ISSUE OF 7,434,367,256 ORDINARY SHARES OF ₦0.50 EACH
AT ₦12.00 PER SHARE
PAYABLE IN FULL ON ACCEPTANCE
ACCEPTANCE LIST OPENS ON DECEMBER 17, 2018 AND CLOSSES ON JANUARY 23, 2019.**

This Rights Circular is issued in connection with the Rights Issue by Lafarge Africa PLC (“**Lafarge Africa**” or “**the Company**”) of 7,434,367,256 Ordinary Shares of ₦0.50 each (“**the Shares**”) at an issue price of ₦12.00 per share.

The Rights Circular and the Shares being offered have been cleared and registered with the Securities and Exchange Commission (the “**SEC**” or the “**Commission**”). Application has been made to the Council of The Nigerian Stock Exchange for admission of the Shares now being offered to the Daily Official List. It is expected that dealing in the Shares will commence immediately after the admission to the Daily Official List.

The Directors collectively and individually accept full responsibility for the information contained in this Rights Circular. To the best of the knowledge and belief of the Directors (having made all reasonable enquiries to ensure that such is the case), the information contained in this Rights Circular is in accordance with the facts and contains no omission likely to affect its import. Chapel Hill Denham Advisory Limited and Stanbic IBTC Capital Limited (“**the Issuing Houses**”) are duly registered with the SEC and are acting exclusively for the Company and no-one else in connection with the Rights Issue.

Investors are advised to note that liability for false or misleading statements made, or acts done in connection with the Rights Circular is provided in sections 85 and 86 of the Investments and Securities Act (No. 29) 2007 (“**ISA**”).

This Rights Circular relates to the Company’s Rights Issue and has been prepared in accordance with the ISA and the Rules and Regulations of the SEC.

The Issuing Houses and any of their affiliates, could become shareholders for their own accounts, by participating in the Rights Issue via the purchase of Traded Rights and in that capacity could retain, purchase, sell, offer to sell or otherwise deal in such Shares for their own account and may offer or sell such Shares other than in connection with the Issue.

No person has been authorised to give any information or make any representations other than those contained in this Rights Circular and if given or made, such information or representations must not be relied on as having been authorised by the Company and/or the Issuing Houses or any of their respective subsidiaries or affiliates.

The information contained in this Rights Circular has been provided by the Company and other sources duly identified herein. The Issuing Houses make no representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any information in this Rights Circular. Each Shareholder should read this Rights Circular in its entirety and determine by himself/herself the relevance of the information contained herein and each Shareholder’s acceptance of his/her rights should be based upon such investigation as is deemed necessary. In making an investment decision, Shareholders must rely upon their own examination of the Company and the terms of this Rights Circular, including the risks involved.

The distribution of this Rights Circular and the issuance of the Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Issuing Houses that would permit a public offer of shares or possession, publication or distribution of this Rights Circular (or any other offer or publicity material or application form relating to the Issue) in any jurisdiction where action for the purpose is required, other than in Nigeria. Persons into whose possession this Rights Circular comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Rights Circular does not constitute an offer of, or an invitation to subscribe or purchase, any shares being offered in any jurisdiction in which such an offer would be unlawful.

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2. DEFINITIONS

The following definitions apply throughout this document except where otherwise stated:

Acceptance List	- A list of shareholders who subscribe to the offer during the issue period
AGM	- Annual General Meeting;
ASI	- All Share Index of The Nigerian Stock Exchange;
Auditors	- KPMG Professional Services;
Board	- The Board of Directors of Lafarge Africa Plc;
CAGR	- Compound Annual Growth Rate
CAMA	- Companies and Allied Matters Act, Cap C20, LFN 2004;
Chapel Hill Denham	- Chapel Hill Denham Advisory Limited;
CHN	- Clearing House Number;
Company	- Lafarge Africa Plc
CSCS	- Central Securities Clearing System; the securities depository operated by Central Securities Clearing System Plc
DPS	- Dividend Per Share;
Daily Official List	- Daily Official List of The Nigerian Stock Exchange;
EGM	- Extra-Ordinary General Meeting
EPS	- Earnings Per Share;
Existing Shareholders	- Ordinary shareholders of the Company whose names appear on the register of members as of the Qualification Date;
FCY	- Foreign currency
FGN or Government	- Federal Government of Nigeria;
Group	- Lafarge Africa Plc;
ISA	- the Investments and Securities Act (No. 29) 2007);
Issuing Houses	- Chapel Hill Denham Advisory Limited and Stanbic IBTC Capital Limited;
Lafarge Africa or the Company	- Lafarge Africa PLC;
LafargeHolcim	LafargeHolcim Group including its subsidiaries;
LCY	- Local currency
LFN	- Laws of the Federation of Nigeria;
LSAH	- Lafarge South Africa Holdings (PTY) Limited;
MPR	- Monetary Policy Rate
MTPA	- Metric Tonnes Per Annum
NEFT	- Nigeria Electronic Funds Transfer;
NIBOR	- Nigerian Inter-Bank Offered Rate;
Nigeria or FRN	- The Federal Republic of Nigeria;
The NSE or Exchange	- The Nigerian Stock Exchange;
Ordinary Shares	- Ordinary shares of 50 kobo each in the share capital of the Company;
Pari Passu	- Equally;
Person	- includes (a) an individual (b) a legal entity, including a partnership (whether or not a legal entity), a joint venture, a corporation, a trust, a limited liability company, or a limited liability partnership;

2. DEFINITIONS

PAT	- Profit After Tax;
PBT	- Profit Before Tax;
Qualification Date	- December 04, 2018, the date of filing the application with The NSE;
Qualifying Shareholders	- Ordinary shareholders of the Company whose names appear on the register of members as of the Qualification Date
Receiving Agents	- Institutions listed on page 52;
Receiving Banks	- Citibank Nigeria Limited, First Bank of Nigeria Limited and Zenith Bank Plc;
Registrar	- CardinalStone Registrars Limited;
Rights Circular	- this information circular which has been prepared for purposes of providing information on the Rights Issue of 7,434,367,256 Ordinary Shares of ₦0.50 each by Lafarge Africa, to be offered by the Company to Existing Shareholders;
Rights Issue	- the offer by the Company to Existing Shareholders to subscribe for 7,434,367,256 ordinary shares allotted in proportion to their existing shareholding, in the ratio of 6 new shares for every 7 shares held in the Company as at the Qualification Date;
RIN	- Registrar Identification Number allocated by the Registrar to shareholders who do not have CSCS accounts for the warehouse of their shareholding in public companies; under the Registrars custody at the CSCS;
SEC or the Commission	- Securities and Exchange Commission;
SEC Rules	- The rules and regulation of the SEC made pursuant to the ISA; and as may be amended from time to time;
Shares	- 7,434,367,256 new Ordinary Shares being offered in this Rights Issue
Stanbic IBTC Capital	- Stanbic IBTC Capital Limited;
Working Day	- Any day, other than a Saturday, Sunday or Official Public Holiday declared by the FGN, on which banks are open for general business in Nigeria.

3. INDICATIVE ABRIDGED TIMETABLE

DATE	ACTIVITY	RESPONSIBILITY
Monday, December 17, 2018	Acceptance Lists open/Trading in Rights begins	Issuing Houses/ Stockbrokers
Wednesday January 23, 2019	Acceptance Lists close/Trading in Rights ends	Issuing Houses/ Stockbrokers
Wednesday, February 06, 2019	Receiving Agents make returns	Receiving Agents/ Registrars
Monday, February 11, 2019	Forward allotment proposal and draft newspaper advertisement to The SEC	Issuing Houses
Monday, February 18, 2019	Receive SEC clearance of allotment proposal	Issuing Houses
Tuesday, February 19, 2019	Pay net proceeds of the Rights Issue to Lafarge Africa	Issuing Houses/ Receiving Bank
Monday, February 25, 2019	Publish Allotment Announcement	Issuing Houses
Monday, February 25, 2019	Forward Return Monies (Rejected Applications /Excess monies)	Issuing Houses/ Registrars/Receiving Bank
Wednesday, February 27, 2019	Credit CSCS accounts	Registrars
Friday, March 01, 2019	Forward Declaration of Compliance to The NSE	Stockbrokers
Monday, March 04, 2019	Listing of Shares/Trading Commences	Issuing Houses/ Stockbrokers
Monday, March 11, 2019	Forward Post Completion Report to the SEC	Issuing Houses

Important Notice: The dates given above are indicative only, and are subject to possible changes without prior notice. If any changes occur, the dates of key events in the timetable may be subject to corresponding adjustment.

4. THE ISSUE

The Board of Directors of Lafarge Africa individually and collectively accept full responsibility for the accuracy of the information contained in this Rights Circular. The Board of Directors have taken reasonable care to ensure that the facts contained herein are true and accurate in all respects and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no material facts, the omission of which would make any statement herein misleading or untrue.

LEAD ISSUING HOUSE

CHAPEL HILL  DENHAM

ADVISORY LIMITED

RC 1381308

JOINT ISSUING HOUSE



RC 1031358

ON BEHALF OF



LAFARGE AFRICA PLC

RC: 1858

ARE AUTHORISED TO RECEIVE ACCEPTANCES FOR THE

RIGHTS ISSUE

OF

7,434,367,256 ORDINARY SHARES OF ₦0.50 EACH

AT

₦12.00 PER SHARE

ON THE BASIS OF 6 NEW ORDINARY SHARE FOR EVERY 7 ORDINARY SHARES

HELD AS AT DECEMBER 04, 2018

PAYABLE IN FULL ON ACCEPTANCE

The Acceptance List for the Ordinary Shares now being issued will open on December 17, 2018 and close on January 23, 2019

SHARE CAPITAL AND RESERVES OF THE COMPANY AS AT SEPTEMBER 30, 2018	₦ MILLIONS
Authorised Share Capital*	10,000
Issued and Fully Paid Ordinary Shares: 8,673,428,465 Ordinary Shares of ₦0.50 each	4,337
Share premium:	350,946
Foreign Currency Translation Reserve	9,428
Other Reserves	(368,683)
Retained Earnings	136,871
Non-Controlling Interest	-
Total Equity	132,898

*The authorised share capital of Lafarge Africa was increased from ₦5 billion to ₦10 billion by a Special Resolution passed at an Extra-Ordinary General Meeting held on September 25, 2018.

As at the date of this Rights Circular, the authorised share capital of the Company is ₦10,000,000,000 comprising of 20,000,000,000 Ordinary Shares of ₦0.50 each, and the issued and fully paid up share capital is ₦4,336,714,233 comprising of 8,673,428,465 Ordinary Shares of ₦0.50 each.

5. SUMMARY OF THE ISSUE

The following information should be read in conjunction with the full text of this Rights Circular, from which it is derived:

The Issue: 7,434,367,256 Ordinary Shares of ₦0.50 each on the basis of 6 new Ordinary Share for every 7 existing shares held, at ₦12.00 per share

Issuer: Lafarge Africa Plc

Lead Issuing House: Chapel Hill Denham Advisory Limited

Joint Issuing House: Stanbic IBTC Capital Limited

Share Capital:

Authorised: ₦10,000,000,000 comprising of 20,000,000,000 Ordinary Shares of ₦0.50 each

Issued and fully paid: ₦4,336,714,233 comprising 8,673,428,465 Ordinary Shares of ₦0.50 each

Being Issued: 7,434,367,256 Ordinary Shares of ₦0.50 each at ₦12.00 per share

Purpose: The Rights Issue is being undertaken to enable Lafarge Africa optimise its Balance Sheet by repaying part of the Company's debt obligations, reduce financing costs and provide working capital support

Use of Proceeds: The estimated net proceeds of ₦87,874,399,106 - following the deduction of the estimated offer costs of ₦1,338,007,966 will be applied as stated below:

Use of Proceeds	Amount	%	Completion period
Repayment of part of FCY Loan ¹	7,992,000,000	9.1%	Immediately upon receipt of the Issue Proceeds
Repayment of part of LCY short term loans	51,379,370,098	58.5%	Immediately upon receipt of the Issue Proceeds
Working Capital	28,503,029,008	32.4%	September 2019
Total	87,874,399,106	100.0%	

Method of Issue: By way of a Rights Issue to Existing Shareholders

Provisional Allotment: 6 new Ordinary Shares for every 7 Ordinary Shares of ₦0.50 each held as at Qualification Date for those shareholders whose names appear on the Register of members and transfer books of the Company as at that date

Issue Price: ₦12.00

Gross Issue Proceeds ₦89,212,407,072

Net Issue Proceeds: ₦87,874,399,106

Payment Terms: In full on acceptance

Repayment of Foreign Currency Loan A portion of the proceeds of the Issue will be used for part payment of foreign currency loan owed to LafargeHolcim through Caricement B.V

Currency: Nigerian Naira (₦)

Qualification Date: December 04, 2018

¹ US\$22.2m, representing part payment of the FCY Loan of US\$315.2m will be repaid. ₦7,992,000,000 is at N360/US\$. Please note that the actual Naira amount will be based on prevailing NAFEX rate on the date of conversion and this Naira amount could be more or less than stated herein

5. SUMMARY OF THE ISSUE

Status: All the Shares to be issued shall rank pari-passu in all respects with the issued Ordinary Shares of the Company

Opening Date: December 17, 2018

Closing Date: January 23, 2019

Market Capitalisation at Issue Price (pre-issue): ₦116,223,941,431

Market Capitalisation at Issue Price (post-issue): ₦205,436,348,500

Application for Additional Shares: Shares that are not taken up by the date on which the Acceptance Lists close will be allotted on a pro-rata (proportional) basis in line with the SEC Rules to Shareholders who have applied and paid for additional shares over and above their provisional allotment.

Dilution: Shareholders who renounce their rights or do not accept their allotment in full may have their shareholding in the Company diluted.

Underwriting: At the instance of the Issuer, this Issue will not be underwritten

Financial Summary:

₦'m	9M 2018	FY-17	FY-16	FY-15	FY-14
Revenue	234,300	299,153	219,714	267,234	260,810
PBT	(14,361)	(34,032)	(22,819)	29,287	40,358
PAT	(10,373)	(34,601)	16,899	27,163	33,545
Total Assets	546,232	577,727	501,374	451,682	415,947
Net Assets	132,898	156,987	248,953	176,152	175,580
EPS (kobo)	(120)	(637)	315	574	767
DPS (kobo)	-	150	105	300	360

Quotation: Lafarge Africa's entire issued and paid-up share capital is listed on The NSE. An application has been made to The Council of The Exchange for the admission of the 7,434,367,256 Shares - being offered by way of the Rights Issue - to its Daily Official List

Capacity Utilisation: The Company's current capacity utilisation across its Nigerian cement plants is approximately 50%.

Indebtedness: As at September 30, 2018, the Company's total indebtedness stood at ₦254.52 billion. Apart from the foregoing, the Company had no outstanding debenture, mortgage, charges or other similar indebtedness other than in the ordinary course of business.

Claims and Litigation: As at the date of this Rights Circular, The Company in the ordinary course of business is presently involved in 41 (forty-one) cases. The total number of cases instituted against the Company are 36 (thirty-six), whilst 5 (five) cases have been instituted by the Company. The details of the total amounts claimed in the cases instituted by and against the Company can be found on page 48 of this Rights Circular.

² As at December 03, 2018

5. SUMMARY OF THE ISSUE

- Settlement:** The CSCS accounts of Shareholders (who have such accounts and have provided the details) will be credited not later than 15 Working Days from the date that the Allotment Proposal is cleared. Shareholders are hereby advised to indicate the names of their respective stockbrokers and their Clearing House Numbers in the relevant spaces on the Acceptance Form.
- In accordance with the SEC Directive on Dematerialization of Share Certificates, shareholders who do not provide valid CHN and CSCS account numbers will have their shares credited at the CSCS using a Registrar Identification Number ('RIN'). A Registrars Identification Number is a number allocated to shareholders who do not have valid CHN and CSCS account numbers and is used for the purposes of warehousing their shareholding in public companies under the Registrars custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided. Any shareholder who does not have a valid CHN and CSCS account number, is advised to open a stockbroking account with a stockbroker and obtain a valid CHN and CSCS account number from the stockbroker.
- Trading in Rights:** The Rights are tradable on The Floor of The NSE between December 17, 2018 and January 23, 2019

6. DIRECTORS, SECRETARY AND PARTIES TO THE ISSUE

Mr. Mobolaji Oludamilola Balogun (Chairman)
27B Gerrard Road
Ikoyi
Lagos

Mr. Michel Puchercos (Group Managing Director/Chief Executive Officer)
27B Gerrard Road
Ikoyi
Lagos

Mr. Adebode Adefioye (Director)
27B Gerrard Road
Ikoyi
Lagos

Dr. Shamsuddeen Usman CON (Director)
27B Gerrard Road
Ikoyi
Lagos

Mrs. Elenda Giwa-Amu (Director)
27B Gerrard Road
Ikoyi
Lagos

Mrs. Adenike Ogunlesi (Director)
27B Gerrard Road
Ikoyi
Lagos

Ms. Geraldine Picaud (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Christof Hassig
27B Gerrard Road
Ikoyi
Lagos

Mr. Grant Earnshaw (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Rossen Papazov (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Jean-Philippe Benard (Director)
27B Gerrard Road
Ikoyi
Lagos

Mrs. Adewunmi Alode (Company Secretary)
27B Gerrard Road
Ikoyi
Lagos

6. DIRECTORS, SECRETARY AND PARTIES TO THE ISSUE

LEAD ISSUING HOUSE

Chapel Hill Denham Advisory Limited
45 Saka Tinubu Street (1st Floor)
Victoria Island Lagos

JOINT ISSUING HOUSE

Stanbic IBTC Capital Limited
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos

SOLICITOR TO THE ISSUE

Udo Udoma & Belo-Osagie
St Nicholas House (12th Floor)
Catholic Mission Street
Lagos-Island
Lagos

REGISTRARS

CardinalStone Registrars Limited
358 Herbert Macaulay Road
Yaba
Lagos

RECEIVING BANK

Citibank Nigeria Limited
27 Kofo Abayomi Street
Victoria Island
Lagos

RECEIVING BANK

Zenith Bank Plc
Plot 84 Ajose Adeogun Street
Victoria Island
Lagos

LEAD STOCKBROKERS

Pilot Securities Limited
No 3 Strong Tower Terraces
41a Sobo Arobiodu Street
Ikeja Lagos

JOINT STOCKBROKERS

Santrust Securities Limited
314B Akin Ogunlewe
Off Ligali Ayorinde
Victoria Island
Lagos

JOINT STOCKBROKERS

Finmal Finance Services Limited
Ground Floor, Wing D
Millennium Builders Plaza
Herbert Macaulay Way
Central Business District
Abuja

External Auditors

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
Lagos

RECEIVING BANK

First Bank of Nigeria Limited
Samuel Asabia House
35 Marina
Lagos

7. LETTER FROM THE CHAIRMAN

The following is the text of a letter received by the Issuing Houses from Mr. Mobolaji Balogun, the Chairman of Lafarge Africa PLC.



Lafarge Africa PLC
27B Gerrard Road
Ikoyi, Lagos

December 10, 2018

To: All Shareholders of Lafarge Africa PLC

Dear Sir/Madam:

RIGHTS ISSUE OF 7,434,367,256 ORDINARY SHARES OF ₦0.50 EACH AT ₦12.00 PER SHARE

1. Introduction

At the 59th Annual General Meeting ("AGM") of Lafarge Africa Plc ("Lafarge Africa" or "the Company") which was duly convened and held on May 16, 2018, the Company was authorised by Shareholders ("the Shareholders") to raise capital up to the sum of up to ₦100,000,000,000 (One Hundred Billion Naira) through an offer of debt and/ or equity in the domestic and /or international capital markets.

Further to the Company's Extra-Ordinary Meeting - which held on September 25, 2018 - the Shareholders approved a Rights Issue of up to ₦90,000,000,000 (Ninety Billion Naira), having ratified their approval of the Company's capital raising.

Following your authorisation to raise capital and after careful deliberations by the Directors, I am delighted to inform you that the Board of Directors, at its meeting held on December 3, 2018 has approved the issuance of 7,434,367,256 Ordinary shares of 50k each by way of a Rights Issue to the Existing Shareholders on the basis of 6 new Ordinary shares for every 7 Ordinary shares held as at the Qualification Date, at a price of ₦12.00 per share. Requisite approvals have been sought from the Securities & Exchange Commission ("SEC") and The Nigerian Stock Exchange ("The NSE") for the registration and subsequent Listing of the shares being issued.

This letter sets out the strategic rationale for the Rights Issue and outlines the basis on which your Board of Directors have taken the view that the proposed transaction is in the best interest of Lafarge Africa and its Shareholders as a whole.

Despite the challenging economic and regulatory operating environment, the Company has continued to make significant progress on a number of fronts, thereby ensuring solid operating performance. EBITDA margins in the Nigeria operations stood at 32.2% resulting from a stable pricing environment, steady industrial operations, the use of alternative energy and the execution of our commercial and logistics performance improvement plan. The South African operations is currently undergoing a turnaround plan to deliver profitability by Q1-2019. This is a clear demonstration of your Company's commitment to sustained operational excellence.

2. Rationale for the Rights Issue

LafargeHolcim ("LafargeHolcim" or "Holcim "Group"), the parent company of Lafarge Africa, has a 76.32% shareholding in the Company. LafargeHolcim is invested in Lafarge Africa through the following wholly owned subsidiaries: Associated International Cement Ltd (UK), Caricement B.V. and Lafarge Associated Nigeria Limited.

Lafarge Africa was indebted to LafargeHolcim in the sum of US\$659.2m, prior to the Rights Issue which was launched in 2017. This outstanding sum largely represented the balance of the short term

7. LETTER FROM THE CHAIRMAN

intercompany loans advanced by LafargeHolcim to the former United Cement Company of Nigeria Limited (“Unicem”) (now dissolved, having merged with Lafarge Africa), prior to the global merger with Lafarge S.A.

A Rights Issue of up to ₦131.65 billion (approximately US\$375 million) was concluded in March 2018, which resolved the equivalent of c.\$262 million of the debt, effectively reducing the FCY exposure.

Lafarge Africa is now desirous of further deleveraging its Balance Sheet by way of a Rights Issue. The balance of the FCY exposure after the proposed Rights Issue is concluded will be hedged and restructured to reduce the impact on the cash flows of the Company.

The Rights Issue also presents Shareholders with the opportunity to increase their investments in the Company and provides the Company with the opportunity to prepare and position for future capacity expansion.

3. Use of Proceeds

The net proceeds of the Rights Issue will be applied by Lafarge Africa to (i) repayment of part of the company’s foreign currency denominated shareholder loans; (ii) repayment of part of the company’s short term local debt obligations and (iii) provide working capital support.

4. Principal terms of the Rights Issue

The Company is offering 7,434,367,256 new Ordinary Shares by a way of a Rights Issue at ₦12.00 per Share. The ratio of the Rights is 6 new Ordinary Shares for every 7 Ordinary Share as at the Qualification Date. These shares are being offered to Qualifying Shareholders only and it is anticipated that the Company will raise ₦89,212,407,072 (Eighty Nine Billion, Two Hundred and Twelve Million, Four Hundred and Seven Thousand and Seventy Two Naira); and receive ₦87,874,399,106 net of offer expenses.

The Rights Issue Price represents a discount of approximately 17.47% to the 30-Day Volume Weighted Average Price and a 10.45% discount to the Closing Price of ₦13.40 on December 03, 2018.

The Rights Issue will result in 7,434,367,256 new Ordinary Shares being issued, representing 46% of the share capital.

The Shares will rank pari passu (equally) with other Ordinary Shares of the Company in all respects, including the right to receive dividends declared after the date of issue, provided that the Qualification Date for the dividend (or any other distribution) declared is after the allotment of the Shares issued by way of a Rights Issue.

The Shares are tradable on The Floor of The NSE between December 17, 2018 and January 23, 2019. Shareholders of Lafarge Africa (including LafargeHolcim) and the other shareholders of Lafarge Africa will be able to purchase additional Rights through The Floor of The Exchange. Shareholders who wish to trade their Rights should seek advice from their respective stockbrokers who will guide them regarding the process.

5. Conclusion

By accepting your Rights, you will be making a strong statement regarding your commitment at ensuring that the Company is well-positioned to achieve its strategic growth objectives.

The Board of Directors strongly recommends that shareholders take up their Rights in full. This Rights Circular contains an Allotment Letter on page 56, detailing full instructions for acceptance, payment and renunciation of your Rights.

Yours faithfully,



Mobolaji Balogun

Chairman, Lafarge Africa PLC

8. CORPORATE DIRECTORY

8.1. HEAD OFFICE AND REGISTERED ADDRESS

27B, Gerrard Road

Ikoyi, Lagos

(+234)-1-2713990

<https://www.lafarge.com.ng/>

8.2. SUBSIDIARIES

Company Name	Country Incorporation	Nature of Business	Address
AshakaCem Limited	Nigeria	Cement	Ashaka Works, Near Gombe, Gombe State
Lafarge South Africa Holdings (PTY) Limited	South Africa	Building Materials	35 Westfield Rd, Longmeadow Business Estate, Johannesburg
Lafarge ReadyMix Nigeria Limited	Nigeria	Aggregates & Concrete	Plot 38, Kudirat Abiola Way, Oregun, Ikeja

9. DESCRIPTION OF THE GROUP

9.1. HISTORY AND OVERVIEW OF THE COMPANY

Lafarge Africa Plc (formerly known as Lafarge Cement WAPCO Nigeria Plc) (“Lafarge Africa” or “the Company”) was incorporated on February 24, 1959. The Company emerged from the asset consolidation – in June 2014 – of Lafarge S.A.’s Nigerian and South African assets, namely Lafarge South Africa Holdings (Proprietary) Limited (“LSAH”), United Cement Company of Nigeria Limited (“Unicem”) (now dissolved), AshakaCem Plc (“AshakaCem”) (now AshakaCem Limited) and Atlas Cement Company Limited (“Atlas Cement”) (now dissolved).

On December 22, 2017, Unicem and Atlas were merged with Lafarge Africa. The operating integration of the entities has been finalised.

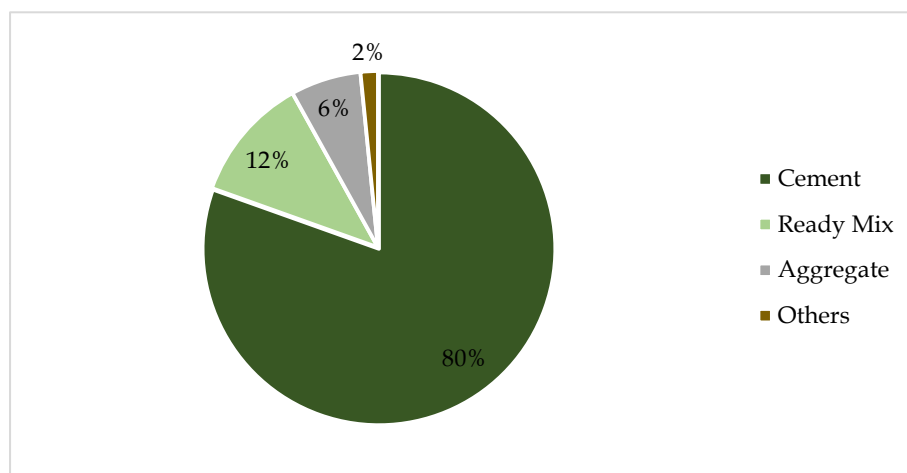
The asset consolidation of Lafarge Africa Plc has grown the cement capacity of the firm from c.4.5 MTPA to c.14 MTPA. Moreover, the firm’s range of products is more diversified with additional production in ReadyMix, fly ash and aggregates.

The Company’s primary business activity is the manufacturing and marketing of cement products and providing business solutions. Lafarge is one of the market leaders in the Nigerian cement industry with its core brand, Elephant Cement, continuing to assert itself as a superior product. Elephant Cement has consistently won the Nigerian Standard Organisation’s Certificate of Product Quality. Lafarge Africa has a wide range of product and services, positioning it strongly to meet the growing and changing demand for building materials in Sub Saharan Africa including installed cement production capacity of 14 MTPA, aggregates 5 MPTA, ReadyMix concrete 3.5 million cubic meter and a market leading position in pulverized fly ash. The Company’s brands include Elephant Cement, Supaset Cement, Powermax, Sulphate Resisting Cement and ReadyMix.

9.2. DESCRIPTION OF BUSINESS

Lafarge’s 9M-2018 Group revenue increased by 4.8% relative to 9M-2018, largely driven by a rise in Nigerian cement output and an increase in price in South Africa.

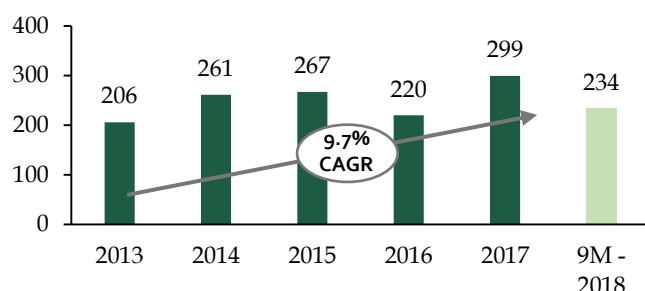
The figure below gives a breakdown of Lafarge Africa’s 9M-2018 revenue by operations



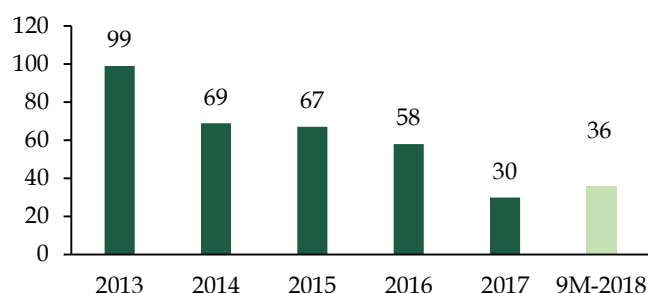
³ Lafarge Africa Plc 9M-2018 Results

9. DESCRIPTION OF THE GROUP

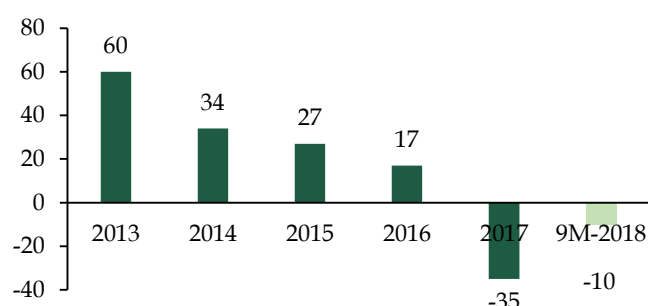
Five-year Historical Revenues (Nbn)



Five-year Historical EBITDA (Nbn)



Five-year Historical PAT (Nbn)



- The Company's revenue grew at a CAGR of 9.7% between 2013 and 2017, driven by higher prices, increased production, and operational consolidation.
- 26.7% revenue growth in 2014 from N206 billion in 2013 to N261bn in 2014 was due to increased production from Eweroko II cement plant.
- Cement capacity was also boosted to 14 million MT in 2014 as a result of the consolidation.
- Revenues dropped to c.N220 billion in 2016 from c.N267 billion in 2015; largely due to a decline in cement demand that was driven by recession and disruption to gas supply in Nigeria and depressed selling prices.
- However, revenue rebounded in 2017 due to higher cement prices in the Nigerian market.
- EBITDA declined to N30 billion before impairment in 2017 from N57.6 billion in 2016 in line with general market conditions.
- An income tax credit was recognised in 2016, which resulted from deferred tax assets in Unicem. Pioneer tax status from Unicem line two should support future earnings.
- The Company has robust cash flow generating capability, as evidenced by operating cash flow of N30 billion in 9M-2018
- In the first nine months of 2018, Lafarge's free cash flow position was supported by core operations.

9. DESCRIPTION OF THE GROUP

9.3. PRODUCTS AND SERVICES

Portland Limestone Cement

Portland Limestone Cement is a Nigerian Industry Standard Certified product and is widely used in Northern Nigeria. Portland is a greyish powder made from a burned mixture of limestone and shale. It is used in many building and civil engineering works in the North.

Elephant Cement

Spanning a period of over five decades, Elephant Cement has become a formidable brand of impeccable standards and quality. Elephant Cement backs solution provision with power, maturity, resilience, durability and reliability, which explains why it has consistently won the NIS Certificate for product quality by the Standards Organisation of Nigeria (SON) for over two decades.

Elephant Cement is suitable for construction activities involving plastering, concrete casting, screeding, rendering and grouting. It also serves as raw material for manufacturers of blocks and tiles, shingles, pipes, beams, fibre cement sheet (roofing sheet), railroad ties, and other cement products. A mixture of cement, soil and other coarse materials also serve as a base for road construction.

ReadyMix

ReadyMix concrete mixed to project specifications and delivered to construction sites when needed. A product of Lafarge Africa's commitment to innovation, the solution is specifically designed to meet construction needs.

Supaset Cement

Supaset Cement is cement specifically formulated to meet the requirements of the block making and precast segment of the construction industry in Nigeria and South Africa. The solution driven brand was borne out of customer research and desire to satisfy the need of this segment of the industry for specialised cement. Elephant Supaset combines three key value propositions of early setting, early strength and the unique latter strength for which the Company's flagship Elephant Cement has been known for over the years.

Powermax

Lafarge Powermax is a premium technical cement that combines excellent strength performance at all ages with versatility and enhanced durability benefits. Its characteristics of superior workability and good early strength, in particular, positions the brand as the effective solution to the productivity demands of large construction projects while also satisfying the needs of homeowner building projects.

Sulphate Resisting Cement

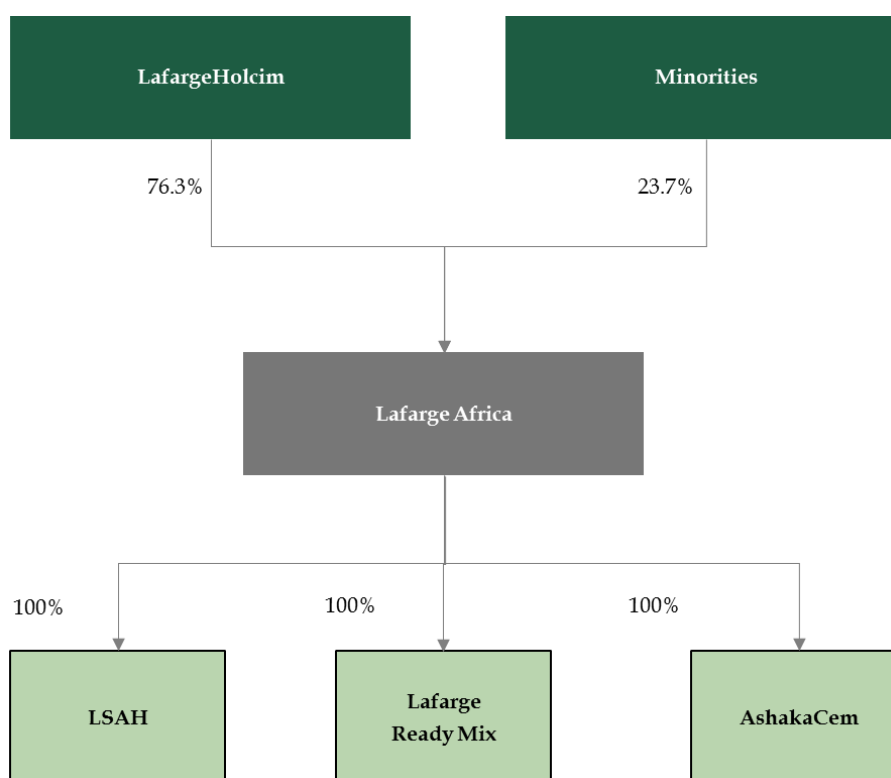
Developed to provide high sulphate resistance and a moderate heat of hydration, Sulphate Resisting Cement is used to reduce damage to concrete, mortar and grout that are exposed to sulphate attack, minimize the risk of alkali silica reaction, and for marine concrete. It has the benefits of excellent durability, high early and final strength and low alkali.

The Company has demonstrated that its skills and technical resources are deployed to achieve effectiveness in meeting all building needs, a tradition it has practiced for over 50 years.

9. DESCRIPTION OF THE GROUP

9.4. CORPORATE STRUCTURE

The corporate structure of Lafarge Africa as at the date of this Rights Circular is detailed below:



Following the merger of Lafarge Africa, Unicem and Atlas Cement in December 2017, both Unicem and Atlas Cement were dissolved

9.5. SUBSIDIARIES

9.5.1 LAFARGE SOUTH AFRICA HOLDINGS (PTY) LIMITED

LSAH is a holding company through which Lafarge S.A. holds interests in several South African entities. LSAH is a leading building materials platform with significant scale and a balanced portfolio of assets across cement, aggregates, ReadyMix concrete and pulverised fly ash (collectively referred to as sub-segments). LSAH's subsidiaries are strategically located, with exposure to key economic centres including the provinces of Limpopo, Mpumalanga, North West, Free State and KwaZulu-Natal.

Through its subsidiaries, LSAH has market leading positions in all the sub-segments. LSAH controls the third largest cement manufacturer in South Africa, with the largest cement production plant in a single location in South Africa and current total installed capacity of 3.6 MTPA.

Lafarge Africa currently owns 100% of LSAH, which represents an indirect average holding of 72.40% in the underlying principal operating companies in South Africa, including Lafarge Industries South Africa, Lafarge Mining South Africa and Ash Resources. In line with the objectives of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) the remaining shares in Lafarge Industries South Africa and Lafarge Mining South Africa are (or will be) held by the employees of these companies and Sinako Holdings (one of LSAH's Black Economic Empowerment Partners) and in the case of Ash Resources by its employees and Peotona Group Holdings (one of LSAH's Black Economic Empowerment Partners).

9. DESCRIPTION OF THE GROUP

9.5.1.1 LAFARGE READYMIX SOUTH AFRICA LIMITED

Through LSAH, Lafarge Africa Plc controls one of the three largest national aggregates producers in South Africa, operating a total of 21 aggregates quarries across 6 provinces. In the ReadyMix Concrete segment LSAH controls one of two national operators, with 53 ReadyMix Concrete plants and 6 ReadyMix Concrete mobile plants, which have combined capacity in excess of 3million m3. Ash Resources comprises an estimated “run of station” production capacity of c.4.1 MTPA, by far the largest in South Africa.

9.5.2 LAFARGE READYMIX NIGERIA LIMITED

Lafarge ReadyMix Nigeria Limited, a market leader in quality concrete solutions began operations in September 2011.

Leveraging on the Group's experience in the ReadyMix business, Lafarge Africa Plc, through its ReadyMix arm, produces quality and innovative concrete and aggregates solutions from its various locations in Nigeria. ReadyMix operations are currently in Lagos, Abuja and Port-Harcourt and will spread to other states of Nigeria in the near future.

With an aggregates quarry located in South-West Nigeria, ReadyMix Nigeria is set to provide the best aggregates-based solutions to meet industry and market needs in Nigeria.

Lafarge ReadyMix Nigeria has a clear strategy as a project enabler, driving quality and innovation forward and promoting a sustainable environment for generations to come. It aims to achieve this by working closely with its valued customers and partners.

9.5.3 ASHAKACEM LIMITED (“ASHAKACEM”)

AshakaCem Limited is a cement manufacturing company focused on providing creative, qualitative solutions to meet the needs of stakeholders. The company has been participating in the economic growth and development of North-East in particular and Nigeria for over four decades and operates in the manufacturing, sales and marketing sectors. The company is proud of its commercial expertise, efficiency and technical skills and has achieved good results by conducting its business with unwavering commitment to its customers, employees, shareholders and communities.

AshakaCem was incorporated in August 1974 and commenced production in 1979, as a cement manufacturing and marketing company under the name Ashaka Cement Company Limited. The company was initiated by the defunct Nigerian Industrial Development Bank Limited and the Government of the then North-Eastern State (now Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe States).

AshakaCem was delisted from the daily official list of The Nigerian Stock Exchange on July 4, 2017 and has been re-registered as AshakaCem Limited. Today, AshakaCem Limited is a subsidiary of Lafarge Africa Plc.

AshakaCem has announced plans to add an additional 3 MPTA capacity over the next three years and has performed a ground-breaking ceremony for its new line. AshakaCem is committed to a strategy of profitable growth and value creation for its customers and other stakeholders by being a preferred supplier of cement in Nigeria.

Impact of Unicem Merger and asset consolidations on Lafarge Africa

The attributable benefits of Lafarge Africa’s asset consolidations are summarised as follows:

9. DESCRIPTION OF THE GROUP

Capacity and Utilisation

The consolidation of assets has made Lafarge Africa Plc a leading building materials operator in the African market with a strong market position in cement production and marketing. Lafarge Wapco's cement capacity has grown from c.4.5MTPA to 14MTPA as Lafarge Africa Plc with a market capitalisation of c.US\$665 million, which implies a value of US\$45/tonne. Moreover, Lafarge Africa Plc plans to increase its capacity to 17.5 MTPA at a lower cost due to benefits of the consolidation. The Company's current capacity utilisation across its Nigerian cement plants is approximately 50%, a reflection of the depressed demand for cement which has only began to rise after 2 years.

The table below shows the Company's current production capacity by subsidiary and product type as at December 2017:

Company	No. of Plants	Cement	Aggregates	ReadyMix	Fly Ash
LSAH	2	3.6			
Lafarge Africa	4	9.5	1		
AshakaCem	1	1.0	-	-	-
Lafarge ReadyMix	8	-	-	3.5m m ³	-
Total	15	14			

Product Offerings

Lafarge Africa Plc has expanded its range of products, adding products such as "ReadyMix" with a capacity of 3.5mn m³, "Fly Ash" with a capacity of 4.1MT and "aggregates" with a capacity of over 5MT. Importantly, each of the consolidated assets are strong operators in their respective markets and there is considerable scope for economies of scale gains and innovation between the entities.

Cross-bridging of Ideas

As Nigeria and South Africa are the two largest economies in Africa, Lafarge Africa Plc stand to gain a significant competitive advantage in the market due to its exposure in the two markets. The increased range of expertise and skills are expected to flow between the two countries and bring about improved development and growth.

Geographical Expansion

Increased capacity as well as the widespread location of the cement plants has enabled Lafarge Africa Plc to expand its presence in the cement market as well as extend its products to a larger number of customers.

9. DESCRIPTION OF THE GROUP

9.6. BOARD AND MANAGEMENT

BOARD OF DIRECTORS

Mr. Mobolaji Oludamilola BALOGUN – Chairman

Mr. Mobolaji Balogun is the Chief Executive Officer of Chapel Hill Denham Group, a leading independent investment banking firm in Nigeria. Prior to this, he worked at First City Group for eleven years in investment banking and was an Executive Director and Chief Operating Officer at CSL Stockbrokers Limited (part of First City Group) and an Executive Director at FCMB Capital Markets Limited, where he led advisory teams in major corporate and complex financial transactions.

He is an Economics (Honours) graduate of the London School of Economics, University of London (1989).

Mr. Balogun left FCMB to become co-founder and Director of Econet Wireless Nigeria (now Airtel Nigeria). He was pioneer Chief Business Development and Strategy Officer and in October 2001, he was appointed Chief Marketing Officer. He left the business and mobile telecommunications in 2005 and returned to investment banking. He was appointed to the Johannesburg Stock Exchange, Africa Board Advisory Committee in September 2009.

He joined the Board of Lafarge Africa Plc on the 1st of March 2005 and was elected as the Chairman on the 22nd of May, 2015.

Mr. Michel PUCHERCOS – Group Managing Director/CEO

Mr. Michel Puchercos started his career in 1982 at the French Ministry of Agriculture. He later served as a Director of Orsan, a subsidiary of Lafarge from 1989 to 1992. Following his stint at Lafarge, he worked in senior executive positions in a number of Agro-Food and Chemical Industries in Europe; Executive President in Jungbunzlauer SA (1992 to 1994), General Manager, Cana Group (1994 to 1996) and Executive Vice President of the French food processing company, Groupe Doux (1996 to 1998). He returned to Lafarge in 1998 when he was appointed as Director, Strategy and Information Systems of the Gypsum division. In 2003, he moved to the Cement Division as Director of Cement Strategy, until his re-assignment to Bamburi Cement as Managing Director in September 2005. In 2009, he was appointed the President and CEO of Lafarge South Korea and Japan Operations.

Mr. Puchercos received a bachelor degree of engineering from Ecole Polytechnique (1976).

He was appointed as the GMD/CEO of Lafarge Africa Plc on the 1st of April, 2016.

Mr Adebode ADEFIOYE – Director

Mr. Adebode Adefioye is the Chief Executive Officer of IBK Services Limited and currently holds directorship positions on the Board of Wema Bank Plc and Ceerem Investment Nigeria Limited. He is a member of the Institute of Directors and also a member of the Institute of Public Analysts of Nigeria.

Mr. Adefioye is a Chemistry graduate from University of Lagos (1983) and holds a Master of Science degree in Analytical Chemistry from the University of Lagos (1985).

He was appointed to the Board of Directors of the Company in December 2012.

Dr. Shamsuddeen USMAN – Director

Dr. Shamsuddeen Usman, CON, OFR is an Economist and a Banker. He is currently the Chairman/CEO of SUSMAN & Associates, an economic, financial and management consulting firm headquartered in Nigeria. Dr Usman was Nigeria's Minister of Finance (June 2007 to January 2009) and Minister of National Planning (January 2009 to September 2013). He was responsible for the development of Nigeria's long-term development strategy and the Country's 30 year Infrastructure Master Plan. Dr. Usman was also, at various times, Executive Director of United Bank of Africa Plc (1991-1993) and Union Bank of Nigeria Plc (1993-1995); Managing Director NAL Merchant Bank (1995 - 1999) and Deputy Governor, Central Bank of Nigeria (1999-2007).

9. DESCRIPTION OF THE GROUP

Dr. Usman holds a BSc (Economics) from Ahmadu Bello University, Zaria (1973), and both MSc (1976) and PhD (1980) in Economics, from the London School of Economics and Political Science, UK.

He was appointed a Director of the Company on the 11th of March, 2015.

Mrs. Elenda GIWA-AMU- Director

Mrs. Elenda Giwa-Amu is the CEO of Chandrea Lifestyle Limited, an interior design company. Mrs Giwa-Amu is the former Executive Secretary, Cross River State Carnival Commission and also Former, Acting MD, Cross River State Tourism Bureau. She is the prime driver of Calabar Carnival, which is regarded as Cross River State's most enduring brand. Prior to her stint in government, she was Head (Private Banking), Chartered Bank Limited (now Stanbic IBTC Plc).

She holds a BSc (Hons) (Microbiology/Zoology) from the University of Maiduguri (1988) and an Associate Degree in Design Technology from Fashion Institute of Technology, New York (1995).

She was appointed to the Board of Lafarge Africa Plc on the 11th of March, 2015.

Mrs. Adenike OGUNLESI - Director

Mrs. Adenike Ogunlesi is the founder of Ruff 'n' Tumble, a children's clothing line in Nigeria. From a tiny shop, Mrs Ogunlesi has turned Ruff 'n' Tumble into an instantly recognizable brand and has built a reputation for being one of the best manufacturers of children's clothing in Nigeria. She is a winner of numerous awards including the City People Awards - Female Achiever in the Children's Fashion sector (2001), The Glam Awards (2014) Special Honour (Female Game Changer in the Children's Fashion Industry), The Nigerian Entrepreneur Awards (2014) - Award for Creativity and Excellence. She is also a mentor at the Mara Foundation and a finalist at the CNBC (All Africa Business Leaders Awards) in the category of the Business Woman of the year 2014.

She was appointed to the Board of Lafarge Africa Plc on the 11th of March, 2015.

Ms. Geraldine PICAUD - Director

Ms. Geraldine Picaud is a trained auditor with 20 years of experience leading and transforming Finance teams in complex, multinational companies in the United Kingdom, United States of America, France and Switzerland. Prior to joining LafargeHolcim Group in 2018, she was Group CFO and member of the Executive Committee, Essilor International, Paris, France, CFO, Volcafe Holdings Limited (ED & F Man Coffee Division), Zurich, Switzerland, Head of Corporate Finance in Charge of M&A, ED & F Man, London, UK and CFO, Safic Alean SAS, Paris France. She is currently the Chief Financial Officer of LafargeHolcim.

She holds a Master's degree in Business Administration from Reims Superior School of Commerce (1992)

She was appointed to the Board of Lafarge Africa Plc on the 7th of April 2018.

Mr. Christof HASSIG - Director

Mr. Christof Hassig joined LafargeHolcim in 1999. Previously, he worked for 25 years at UBS performing in many different functions, including global relationship manager and investment banker for multinational corporates in Switzerland and abroad. He currently heads the Corporate Strategy, Mergers & Acquisitions function at LafargeHolcim.

Mr. Hassig started his career with a three year apprenticeship in Banking followed by a Master's degree in Banking and the Advanced Management Program at Harvard Business School (2006)

He was appointed to the Board of Lafarge Africa Plc on the 7th of April 2018.

9. DESCRIPTION OF THE GROUP

Mr. Grant EARNSHAW - Director

Mr. Grant Earnshaw has held several positions at LafargeHolcim, prior to this appointment, he held several positions as Senior VP & Head of Integration, CEO of Lafarge Iraq, Group Vice President Strategy, Development, mergers & Acquisition EMEA Region - Lafarge (UK & France) and Managing Director, Lafarge Middle East and Project Engineer at BalfourBeatty Plc. Grant is a Fellow of the Institute of Directors (UK) and is currently the Area Manager for MiddleEast at LafargeHolcim.

He holds a Postgraduate Diploma in Business Administration from Edinburgh Business School (2008), and is a certified Building and Civil Engineer from Peterborough Technical College with trainings in Concrete Technology & Construction from UK Construction Industry Training Board (1996).

He was appointed to the Board of LafargeAfrica Plc on the 7th of April 2018.

Mr. Rossen PAPAZOV - Director

Mr. Rossen Papazov is the Country Chief Executive Officer of Lafarge South Africa Holdings. He joined LafargeHolcim Group in year 2000 as a Business Development Manager. Before then, he worked at the World Bank as a Financial Management Specialist in Sofia, Bulgaria and as a Senior Associate at Arthur Anderson.

Mr. Rossen Papazov holds a Master in Finance from the University of National and World Economy, Sofia, Bulgaria (1996) and an MBA from the International Institute for Management Development, Lausanne, Switzerland (2008). He is a fellow of the Association of Certified Chartered Accountants, Glasgow, UK.

He was appointed to the Board of Lafarge Africa Plc on 21st of July, 2018.

Mr. Jean-Philippe BENARD- Director

Mr. Jean-Philippe Benard is currently the Chief Procurement Officer (CPO) of LafargeHolcim. He joined LafargeHolcim in 2012 as the Vice-President, Energy Group. Before then, he worked at Sain-Gobain Glass as a Chief Procurement Office, and as an International Energy Manager at Arcelor.

Mr. Benard holds an Msc. degree in Mathematics and Mechanics from the Universite Paris VI Pierre et Marie Curie, France. He was appointed to the Board of Lafarge Africa Plc on 31st of October 2018.

MANAGEMENT

The management team at Lafarge Africa is led by Mr. Michel Pucheros, who is the Group Managing Director/CEO, and the team includes the following:

Mr. Bruno BAYET- Chief Financial Officer

Mr. Bayet was a Manager specialized in Corporate Finance with PricewaterhouseCooper (1998 to 2005). He then joined the investment teams of Groupe Bruxelles Lambert (2005 to 2011), where he was also the Treasurer. Prior to joining Lafarge, he was CFO and an Executive Committee Member of Enterprise Generale Malta Forrest (2011 to 2013). He specialized in the mining and construction industries and has gained over 16 years' experience in the materials and construction Industry. He was appointed a Director on the Board of Ashakacem in December 2013 and CFO for Lafarge Africa in October 2016. Bruno Bayet holds a degree in Business and Administration from Saint-Louis University, Brussels (1996), an Engineering degree and a Masters of Business Administration from the Catholic University of Louvain-la-Neuve, Belgium (1998), a postgraduate degree in Financial Risk Management with Honours from Saint-Louis University, Brussels (2000).

9. DESCRIPTION OF THE GROUP

Mr. Olusegun Shoyoye - Cement Industrial Director

Mr. Shoyoye is a Cement Industry expert offering 20 years of proven manufacturing experience in the following areas: production management, product development, cement application and process audit amongst others. Prior his appointment as Industrial Director of Lafarge Africa, he worked in several capacities across the Company including; Plant Manager, Operations Manager, Production Manager and Process Manager. Prior to joining Lafarge, he worked in West African Portland Cement as a Process Engineer and System Controller. He also worked in DN Meyer as a Marketing Officer.

Mr Shoyoye holds a BSc in Industrial Chemistry from Ogun State University, Nigeria (1994).

Mrs Fidelia OSIME - Organization and HR Director

Mrs. Osime is currently Country Organization and Human Resources Director. Prior to this, she was General Manager (Human Resources) at Lafarge WAPCO. Mrs. Osime joined Lafarge in December 2010. She spent most of her career in Unilever Plc which she joined as a management trainee in the marketing function (1978). She moved to Human Resources where she rose to the position of Vice President, Human Resources. Whilst in Unilever Plc she worked in a number of countries and was involved in several key projects at global level. She won a number of awards for her achievements in some of these projects. An astute professional, she was recognized by and named to the exclusive membership organization, Cambridge Who's Who for demonstrating dedication, leadership and excellence in human resource alignment and strategies.

Mrs Fidelia Osime holds a B.Sc Sociology from the University of Ibadan (1980) and a Master of Business Administration from the University of Lagos (1988). She is also a fellow of the Nigerian Institute of Management and the Institute of Marketing.

Mr. Lolu ALADE-AKINYEMI - Supply Chain Director

Mr. Lolu Alade-Akinyemi joined LafargeHolcim in 2014 as the Finance Director of the legacy Wapco business and later assumed the position of CFO of the cement business. Subsequent to his role as CFO-Cement, he served as Procurement Director and in August 2018 assumed the role of Supply Chain Director. He started his career as a management trainee with Exxon Mobil (for 6 months in 1993) before joining The Coca Cola Company, where he worked for a significant period of time (from 1994 to 2010). He worked in various countries and held several positions in finance, strategy, supply chain and business development within The Coca Cola Company. Prior to joining Lafarge, he was the Finance Director at PZ Cussons Nigeria Plc (from 2010 - 2014).

Mr Lolu Alade-Akinyemi holds a BA (Hons) Economics (1992) from the University of Essex and an MBA from Edinburgh Business School (1999).

Ms. Marlene KINIFFO-ZOUNON - Commercial Director

Ms. Kiniffo-Zounon has a total of 18 years of experience in Sales, Business development and General Management with a focus on market entry strategy. She commenced her international career in Cleveland (USA) with NTK Spark Plugs (from 1998 to 2000) then worked and commuted in various European countries and Middle-East. She worked for industrial companies like Bosch in Sales & Marketing roles (2000 to 2001). She moved to telecommunication industry and served with Sagem, BlackBerry (former-RIM) (from 2001 to 2007). In 2007, she relocated to Ivory-Coast, where she worked for 4 years (from 2008 - 2013) to introduce the BlackBerry solutions in 15 Sub Saharan Africa countries, 2 regional representation offices opening in Kenya and Nigeria with a thorough turnaround from Strategy building to operations deployment. She was at Renault-Nissan (from 2014 - 2016). She joined LafargeHolcim in January 2016.

9. DESCRIPTION OF THE GROUP

Ms. Kiniffo-Zounon graduated in 1997 with a BA in International Business from Negocia, Paris, followed by an Executive Masters in Business Administration (General Management Program) from Harvard Business School (2013).

Mr Vipul AGRAWAL - Pricing & Market Innovation Director

He has over 34 years' experience in construction and building materials industry across Africa and India and commenced his career as a project engineer in India; working with Larsen & Toubro Limited (1985 to 1989) and Associated Cement Companies Ltd (1985 to 1989). He moved to Uganda in the 1990's and has held various positions within Lafarge Group (now LafargeHolcim) in Uganda, Kenya and Nigeria since 1999. Vipul had roles in Projects, Product development, Strategy and Sales in East Africa, the last being Sales Director (East Africa) based in Kenya (from January 2009 to August 2010) where he led the expansion of Lafarge market share across 9 countries in East and South East Africa; while also being responsible for launching innovative products and solutions. He was transferred to Nigeria in 2010, as Marketing Director of UNICEM in Calabar, before taking over as Marketing Director of Lafarge Africa Plc in 2016 post the merger of Lafarge and Holcim. He is currently in charge of Pricing & Market Innovation.

Mr. Vipul Agrawal holds an undergraduate degree in Civil Engineering from M.S. University, Vadodara, India (1982) and a post-graduation in Project Management from National Institute of Construction Management & Research, India (1988).

Mrs Folashade AMBROSE-MEDEBEM - Communication, Public Affairs & Sustainability Director

Mrs. Ambrose-Medebem is the Director of Communications, Public Affairs and Sustainable Development, Lafarge Africa Plc. Prior to this role she worked as Integration Business Transformation Consultant for LafargeHolcim between October 2015 and October 2016, focusing on enabling a speedy integration (following the worldwide merger of Lafarge and Holcim) in order to deliver the country business ambition as one holistic organisation in Nigeria.

She has over 25 years of multi-faceted experience across strategy, finance, project, performance and change management functions, consistently delivering world-class strategic business transformation solutions in Nigeria and across Europe with a variety of global FSTE 100 businesses including Diageo Plc (2008-2011), PriceWaterhouseCoopers (2000-2001), Ford Motor Company (UK & Germany) (2001 to 2003), Zurich Financial Services (2003-2005), Learning & Skills Council via London Central Education Business Alliance, UK (2005-2007), Ministry of Finance (Nigeria) and Department for International Development (DFID) UK via Growbridge UK Management Consultants (2012- 2015)), London Borough of Sutton's Smarter Council (Jan to July 2015), Grey Advertising (1999-2000), Bankers Trust (1996-1997), AMP Asset Management (1995-1996) and Cohn & Wolfe (1997-1998).

Mrs Folashade Ambrose-Medebem holds a BA (Hons) (Accounting) from London Guildhall University (now London Metropolitan University) (1995) and an MBA (2011) from The Open University.

Mr. Helmut KORAK - Country Security Manager

Mr. Korak started his professional career as a military infantry officer in Austria. His military career included a number of command and staff positions at home as well as overseas. Mr Korak resigned from the armed forces in 2001 and became a diplomat appointed to the Organization for Security and Co-operation in Europe (2001 - 2007). Between 2008 and - 2011, he became an executive consultant mostly facilitating telecoms business development in the Balkans, commodity related business opportunities in Southern and West Africa and banking related services in close co-operation with European Banks for OREA Investment Ltd. Mr. Korak also worked extensively as an executive in the security sector managing operations, business development and turnaround management with responsibilities spanning the Americas to the Middle East and North Africa for Argus Security Projects (2001 - 2013) and GardaWorld (2013 - 2014). He supported multi-national corporations in Dubai (2014

9. DESCRIPTION OF THE GROUP

- 2015) and Libya (2015 - 2016) with a focus on business development and multi-national project management. Mr. Korak also held a short-term appointment as Advisor to the Minister of Justice of Libya in 2013 and in parallel supported various international organizations as a strategy advisor from 2001 - 2016. He joined Lafarge Africa in July 2016.

Mr. Helmut Korak attended the Austrian Military Academy Officer School (1995) and has an Executive MBA (2006) from California State University

Rabiu Abdullahi UMAR - Managing Director, AshakaCem Limited

joined Lafarge Africa in 2014 as the Energy and Power Director responsible for spearheading Energy and Power projects in Lafarge Africa including the development of a 300MW power initiative, most of which will be contributed to the National grid. He was also responsible for Business Development in addition to leading Strategy for the company. Prior to joining Lafarge, Mr Umar spent 14 years working in different functions within Oando Plc (from 2001 to 2014) including finance, sales, marketing and operations, leading to his last role as the Chief Operating Officer of Oando Terminals and Logistics.

He is a member of the Institute of Directors of Nigeria and has attended several courses within and outside Nigeria. He is the Managing Director of AshakaCem Limited.

Mr. Rabiu Abdullahi Umar is a graduate of Accounting from Bayero University Kano (1999) and an alumnus of Harvard Business School (2013).

Mr. Bestow Enuma Akeze - Head of Aggregates & Concrete

Mr. Akeze joined Lafarge in 2010 as Marketing Analyst for Lafarge Cement Wapco, having had a career in commercial banking. His experience in Lafarge spans sales and business development roles in cement and RMX respectively, strategy and RMX operations management.

Mr. Akeze has a BEng. in Mechanical Engineering from the University of Benin (1999) and an MBA from INSEAD (2009)

Mrs. Adewunmi Alode - Company Secretary

Mrs. Alode was appointed as the Company Secretary of the Company on December 12, 2017. Prior to joining the Company in 2008, she was Company Secretary of Unicorn Holdings Limited. Since joining Lafarge Africa, she has assumed several roles within the Company including Company Secretary of the wholly owned subsidiary, Lafarge ReadyMix Nigeria Limited, Compliance Officer, Legal Manager and Senior Legal Counsel, Commercial Contracts. Adewunmi has over twelve years working experience as an in-house counsel and in private legal practice.

Mrs. Alode holds an LL.B from the Lagos State University (2003) and the professional certification of the Chartered Secretary from the Institute of Chartered Secretaries and Administrators (ICSA) UK (2017). She was called to the Nigerian Bar in 2004 .

9.7. FUTURE PLANS

The Company has outlined the key future plans for strategic growth as follows:

- Debottlenecking of the cement production process at Ashaka to expand annual production by 200,000 metric tonnes pa. Project is expected to be concluded in Q1 2020.
- Construction and erection of 16 MW Coal Fired Captive Power (50m\$) Plant in Ashaka - construction has commenced.
- Increase usage rate of alternative fuel (biomass, municipal waste) in accross our plants to reduce energy cost.
- Installation of Coal Mill at our Ewekoro 2 Plant to enable firing of kiln on coal as substitution for natural gas and LPFO.

10. LETTER FROM THE DIRECTORS ON THE GOING CONCERN STATUS



15th August 2018

The Directors
Chapel Hill Denham Advisory Limited
45 Saka Tinubu Street
Victoria Island, Lagos

The Directors
Stanbic IBTC Capital Limited
I.B.T.C Place, Walter Carrington Crescent
Victoria Island, Lagos

Dear Sirs,

Re: Confirmation of Going Concern Status - Lafarge Africa Plc

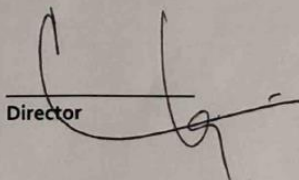
The Board of Lafarge Africa Plc is accountable and responsible for the performance and operations of the Company. Specifically, and in line with the provisions of the Companies and Allied Matters Act (CAP C20, LFN 2004), the Directors owe the Company a duty of care and must, at all times, act in the best interest of the Company's employees and all other stakeholders.

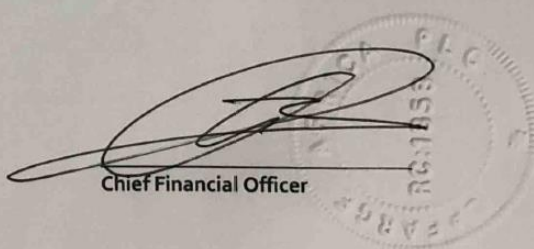
The Board of Directors is also responsible that all resources – and in particular, the human, material and financial resources – are efficiently deployed towards attaining the set goals and objectives of the Company. The Directors are jointly and severally liable for the activities of the Company and the Board is also responsible for ensuring strict adherence to the Code of Governance.

The Directors are required to prepare financial statements at the end of each financial period, which give a true and fair view of the Company's state of affairs and of the profit and loss for the relevant accounting period. They are also responsible for ensuring that proper accounting records are maintained and steps are taken to prevent and detect fraud and other irregularities. The Directors are also responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and reasonable. The applicable International Financial Reporting Standards have been followed and Lafarge Africa Plc's financial statements are prepared using accounting policies which comply with the Generally Accepted Accounting Standards in Nigeria, the Companies and Allied Matters Act (CAP C20, LFN 2004) and the Financial Reporting Council of Nigeria Act 2011.

The Directors of Lafarge Africa Plc consider that adequate resources will exist for the business to continue in operational existence for the foreseeable future, having made appropriate enquires and reviewing budgets, projecting cash flows and other relevant information.

Yours faithfully
For: Lafarge Africa Plc



Director


Chief Financial Officer

LAFARGE AFRICA PLC. (RC 1858)

27B, Gerrard Road, Ikoyi, Lagos. Telephone: (+234) (1) 2713990. www.lafarge.com.ng

DIRECTORS: Mr. Mobolaji Balogun - (Chairman), Ms. Sylvie Rochier - Vice Chairman (French), Mr. Michel Puchercos. - Group Managing Director/CEO (French), Mr. Jean-Carlos Angulo - Director (French), Mr. Adebode Adefioye - Director, Dr. Shamsuddeen Usman CON, OFR - Director, Mrs. Elenda Giwa-Amu - Director, Mrs. Adenike Ogunlesi - Director, Ms. Geraldine Picaud – Director (French), Mr. Christof Hassig – Director (Swiss), Mr. Grant Earnshaw – Director (British)

 A member of
LafargeHolcim

11. LETTER FROM THE AUDITORS ON THE GOING CONCERN STATUS



KPMG Professional Services

KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMB 40014, Falomo
Lagos

Telephone 234 (1) 271 8955
234 (1) 271 8599
Internet www.kpmg.com/ng

14 September 2018

The Directors
Lafarge Africa PLC
27 Gerrard Road
Ikoyi, Lagos

and

The Directors
Chapel Hill Denham Advisory Limited
1st & 2nd Floor
45 Saka Tinubu Street
Victoria Island, Lagos

and

The Directors
Stanbic IBTC Capital Limited
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island, Lagos

Dear Sirs

Going Concern Status of Lafarge Africa PLC ("Lafarge") in respect of the Rights Issue of up to N90 Billion under the N90 Billion Rights Issue Programme

We have audited the consolidated and separate financial statements of Lafarge Africa PLC ("the Company") and its subsidiaries (together, "the group") for the year ended 31 December 2017 which were prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Based on our audit of the consolidated and separate financial statements of Lafarge Africa PLC for the year ended 31 December 2017 on which we expressed our opinion on 6 April 2018 and the representation received from the Directors of Lafarge Africa PLC in connection with the audit, nothing has come to our attention as at the date of issuance of our audit opinion that causes us to believe that the Company will not continue in operations as a going concern for 12 months from 31 December 2017.

Yours faithfully
For: **KPMG Professional Services**


Oluwatoyin A. Gbagi, FCA
Partner, Audit Services
FRC/2012/ICAN/0000000565

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Registered in Nigeria No BN 996925

Partners:

Abiola F. Bada	Adebisi O. Lamikanra	Adekunle A. Etebute	Aderola P. Adeyemi
Adeyale K. Ajayi	Ajibola O. Oloriola	Ayobami L. Salami	Ayodele H. Oththiwa
Ayodele A. Soyinka	Chibuzor N. Anyanachi	Ehile A. Albangbete	Goodluck C. Obi
Ibitomi M. Adepoju	Ijeoma T. Eneze-Ezigo	Joseph O. Taiye	Kabir O. Okunola
Lawrence C. Amadi	Mohammed M. Adama	Nneke C. Eluma	Oguntayo I. Ogungbenro
Oladoso R. Okubadejo	Oladimeji I. Salaudeen	Olanike I. James	Olumide O. Olayinka
Olusegun A. Sowande	Oluwafemi O. Avotoye	Oluwatoyin A. Gbagi	Temitope A. Onitiri
Tolulope A. Odukale	Victor U. Onyenkpa		

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

Financial Statements

1.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	₺m	₺m	₺m	₺m	₺m
Assets					
Non-current assets					
Property, plant and equipment	386,519	393,65	390,241	364,397	331,257
Intangible assets	6,064	2,634	1,563	1,549	2,197
Investment in subsidiaries		-	-	-	-
Investment in Joint Ventures		-	-	27	-
Investment in Associate		-	90	-	43
Other long term investment		-	-	-	6,256
Restricted Cash		-	-	2,188	2,098
Other Assets	18,612	20,803	9,791	298	1,587
Other Financial Assets	2,742	1,582	424	9,975	-
Deferred tax asset	12,347	7,952	7,641	-	295
Total non-current assets	426,284	426,622	409,750	378,434	343,733
Current assets					
Inventories	58,904	58,266	44,980	33,027	31,545
Trade and other receivables	29,917	25,110	9,766	21,590	19,830
Current tax asset	887	918	487	-	509
Other assets	11,959	15,162	12,458	2,047	-
Other financial assets	749	593	911	91	-
Derivative assets	11	640	3,580	-	-
Cash and cash equivalents	17,520	50,416	19,442	16,493	20,330
Total current assets	119,948	151,105	91,624	73,248	72,214
Assets classified as held for sale					
Total assets	546,232	577,727	501,374	451,682	415,947
Equity					
Share capital	4,337	2,789	2,740	2,277	2,202
Share premium	350,946	222,272	217,528	186,420	173,998
Retained earnings	136,871	160,258	102,843	100,993	87,206
Deposit for shares	-	130,417	-	-	-
Foreign currency translation reserve	9,428	9,936	(8,660)	(10,157)	(1,341)
Other reserves arising on business combination	(368,683)	(368,683)	(256,900)	(162,185)	(161,690)

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	N'm	N'm	N'm	N'm	N'm
Total equity attributable to owners of parent company	132,898	156,989	57,551	117,348	100,375
Non-controlling interest	-	-	191,401	58,803	75,204
Total equity attributable to owners of parent company	132,898	156,989	248,952	176,151	175,579
Liabilities					
<i>Non-current liabilities</i>					
Borrowings	177,406	68,715	68,222	135,465	116,002
Retirement benefits obligation	5,204	4,917	3,780	7,542	8,979
Deferred tax	-	1,463	-	32,937	34,173
Provisions	3,772	3,472	2,201	2,576	3,125
Deferred revenue	1,435	1,518	1,555	2,134	2,368
Other Long Term Liabilities	-	-	-	1,150	-
Total non-current liabilities	187,818	80,085	75,758	181,804	164,647
<i>Current liabilities</i>					
Trade and other payables	113,511	113,000	114,457	75,013	67,463
Provisions	816	1,166	1,177	1,864	1,334
Borrowings	77,117	187,831	36,488	9,488	2,264
Deferred revenue	111	111	235	235	235
Current tax payable	3,331	3,252	1,312	387	1,554
Bank overdraft	29,982	31,082	22,995	3,334	2,871
Derivative Liabilities	648	4,211			
Dividends				3,406	-
Total current liabilities	225,515	340,653	176,664	93,727	75,721
Liabilities associated with assets held for sale				-	-
Total equity and liabilities	546,232	577,727	501,374	451,682	415,947

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

1.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF GROUP

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	N'm	N'm	N'm	N'm	N'm
Revenue	234,300	299,153	219,714	267,234	260,810
Cost of Sales	(178,205)	(248,394)	(179,052)	(184,589)	(177,783)
Gross profit	56,095	50,760	40,662	82,645	83,028
Other income	128	4,070	916	1,701	(4,091)
Other expenses	(10)	(1,663)	(2,045)	(14,797)	(1,585)
Sales and Marketing expenses	(4,455)	(3,686)	(3,356)	(4,483)	(3,916)
General and Administrative expenses	(32,626)	(41,595)	(23,737)	(27,026)	(25,146)
Operating (loss)/Profit	19,132	7,885	12,440	38,040	48,289
Investment Income	-	-	-	3	3,334
Finance Income	1,447	1,439	3,675	1,950	-
Finance cost	(34,928)	(43,217)	(38,921)	(10,702)	(11,266)
Share of net gain/(loss) from associate	(11)	(140)	(13)	(5)	-
Profit before taxation	(14,361)	(34,032)	(22,819)	29,287	40,358
Minimum Tax		(288)	(271)		
Income tax (expense)/credit	3,988	(281)	39,989	(2,124)	(6,538)
Profit for the year from continuing operations	(10,373)	(34,601)	16,899	27,162	33,819
Net loss from discontinued operations				-	(275)
Net (loss)/income from business combination	-	-	-	-	(161,690)
Actuarial gains/(losses) on retirement benefit obligation re-measurement	(4)	223	158	41	995
Exchange gain/(loss) on foreign currency translation	(508)	18,545	1,495	(8,804)	(445)
Tax effect on remeasurement of defined benefit obligation	1	-	-	(11)	(331)
Share of exchange differences from translation of foreign joint venture	-	51	1	(11)	-
Other comprehensive income for the year, net of income tax	(511)	18,819	1,654	(8,785)	(161,471)
Total comprehensive income for the year	(10,884)	(15,782)	18,553	18,377	(127,927)
Profit for the Year	(10,373)	(34,601)	16,899	27,163	33,545
Of which, attributable to:					

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	N'm	N'm	N'm	N'm	N'm
Owners of the parent company	(10,884)	(35,009)	16,596	28,797	33,785
Non-controlling interests	-	408	303	(1,634)	(240)
Total Comprehensive Income	(10,884)	(15,782)	18,553	18,378	33,545
attributable to:					
Owners of the parent company	(10,884)	(16,190)	18,251	20,025	(127,810)
Non-controlling interests	-	408	303	(1,648)	(115)
Earnings per share					
Basic earnings per share(kobo)	(120)	(637)	315	574	767

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

1.3. CONSOLIDATED STATEMENT OF CASH FLOWS OF THE GROUP

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	N'm	N'm	N'm	N'm	N'm
(Loss)/Profit for the year	(10,373)	(34,601)	16,899	29,287	33,545
Adjustments for:					
Depreciation	16,830	22,181	15,877	16,068	15,289
Amortization charged	438	166	119	111	220
Impairment charge	-	19,405	-	-	-
Loss/(gain) on disposal/write offs of property, plant and equipment, intangible assets	-	-	-	27	617
Retirement benefit obligations service costs	-	(409)	(3,579)	771	730
Finance cost	27,542	29,741	16,219	10,702	11,266
Net unrealized exchange loss/(gain)	3,923	1,678	5,998	(3,954)	-
Finance and investment income	(1,447)	(1,439)	(3,675)	(1,953)	(3,334)
Income taxes expense (credit)	(3,988)	281	(39,989)	-	6,538
Minimum Tax	-	288	271	-	-
Movement in other current liabilities	-	-	-	383	-
Write off of land feasibility costs	-	-	-	321	-
Share of income/loss from associate	11	140	13	5	-
Cash payments for financial expenses	-	-	-	-	(8,019)
Employee Benefits Paid	(50)	-	-	(4,267)	-
Employee Long Service Award-service costs	-	-	-	450	-
Remeasurement (gains)/ losses- Long service awards	-	-	-	(12)	-
Employee Profit Share Scheme	-	-	-	887	-
Government grants	-	-	-	(235)	-
Productivity Bonus	-	-	-	1,237	-
Changes in working capital	(855)	(42,517)	3,585	5,759	3,691
Other non-cash movements	(204)	(1,263)	703	-	7,665
Payment on Site Restoration	-	-	-	(71)	-
Productivity Bonus	-	-	-	(763)	-
Dividend Income	(2)	(2)	(1)	-	-
Income taxes paid	(1,712)	(772)	(873)	(3,132)	(3,009)
Net cash used in operating activities before impacts of financial expenses and tax	-	-	-	-	68,845
Net cash generated from operating activities	30,114	(7,123)	11,567	51,621	57,817
Purchase of property, plant and equipment	(11,839)	(15,278)	(41,364)	(59,866)	(25,485)

12. CONSOLIDATED FINANCIAL AND OTHER INFORMATION

For the Year Ended 31 December	9M 2018	2017	2016	2015	2014
	N'm	N'm	N'm	N'm	N'm
Purchase of intangible assets	(1,246)	(228)	(164)	(28)	(242)
Net movement in other financial assets	(1,159)	(1,159)	9,982	-	-
Net cash outflow on acquisition of subsidiaries	-	(673)	(112)	-	(32,620)
Net movement in discontinuing operation and other long term receivables	-	-	-	-	(440)
Interest income	-	1,381	3,675	1,950	3,482
Finance and investment income	854	-	1	3	-
Proceed from disposal of assets	-	3,130	373	564	76
Net cash provided (used in) by investing activities	(13,390)	(12,828)	(27,609)	(57,377)	(55,229)
Interest paid	(26,047)	(23,698)	(14,593)	(9,637)	(2,238)
Net cash outflow on acquisition of subsidiaries	-	-	-	(1,068)	-
Dividend paid to equity holders of the company	(8,764)	(16,281)	(1,445)	(12,992)	(14,566)
Dividend paid to non-controlling interest	(3,081)	(42)	(59)	(177)	(389)
Proceeds from rights issue	36,862	-	-	-	-
Transaction cost on rights issue	(488)	(575)	-	-	-
Cash received from futures contract	495	7,661	-	-	-
Unclaimed Dividend Received	-	-	-	422	-
Transaction cost on shares issued	-	-	(304)	(163)	(294)
Loans received during the year	100,303	195,099	94,436	20,708	13,340
Net movement in other financial assets	-	-	-	(3,727)	-
Repayment of external borrowings	(128,175)	(138,981)	(82,631)	(1,888)	(24,107)
Net cash provided (used in) by financing activities	(28,895)	23,183	(4,596)	(8,522)	(28,254)
Increase/(decrease) in cash and cash equivalents	(12,171)	3,232	(20,638)	(14,278)	(25,666)
Effect of exchange rate changes on the balance of cash held in foreign currencies	(208)	(652)	3,749	9,978	74
Cash and cash equivalents at the beginning of the year	(1,149)	(3,730)	13,159	17,459	43,053
Cash and cash equivalents at period end	13,528	(1,150)	(3,730)	13,159	17,461

13. RISK FACTORS

Accepting Shareholders should consider all of the information in this Rights Circular, including the following risk factors, before deciding to accept delivery of the new shares. If the risks described below materialise, the Company's business, results of operations, financial condition and/or future prospects could be materially adversely affected, which could cause the value and trading price of its ordinary shares to decline, resulting in a loss of all or part of any investment in the ordinary shares of Lafarge Africa.

The following risk factors do not purport to be an exhaustive list or explanation of all the risk factors involved in investing in Lafarge Africa PLC and they are not set out in any order of priority. In particular, the Company's performance might be affected by changes in market and economic conditions and in legal, regulatory or tax requirements. If such changes were to occur, the price of the shares may decline and investors could lose all or part of their investment. Additionally, there may be further risks of which the Company is not aware or believes to be immaterial which may, in the future, adversely affect the Company's business and the market price of the shares.

Investment in the shares will involve risks. The shares may not be suitable for all recipients or be appropriate for their personal circumstances. You should carefully consider in light of your financial resources whether investing in Lafarge Africa is suitable for you. An investment in the shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise (which may be equal to the whole amount invested).

13.1. COUNTRY RISKS

Economic Risk

The Nigerian economy is largely dependent on oil production and is directly affected by fluctuations in the global prices of oil. Nigeria faced economic challenges in 2017 characterised by the impact of volatile oil prices, dwindling external revenues and a decline in foreign reserves. The economy has regained its momentum in 2018 as GDP is now in the positive territory owing largely to stability in oil production and rising oil prices, lower inflation, greater foreign exchange rate allocation, and stronger public spending but it is unclear how long these positive indices will continue. A prolonged upturn in the economy will encourage business spending, investments and lending which in turn would increase activities in the private sector, especially in infrastructure development, which is likely to impact the Company's revenues. However, the upcoming general election's will add uncertainty and risk to the operating landscape as investors are unsure about the governance and policy direction in the medium to short term.

Security Risk

Nigeria continues to experience some security challenges. Sectarian conflicts in the Middle Belt and North Eastern Nigeria continue to pose a threat to Nigeria's political stability. The insurgence of the Boko Haram group and the nomadic cattle herders are a major contributor to the regions' policies, stasis and the activities of this group may have a material adverse effect on public safety and productivity nationally.

13.2. BUSINESS RISKS

Distribution Networks

The Company relies on transport services to obtain fuel and raw materials required for cement production and to deliver its products to customers. Accordingly, any disruption in transportation services may adversely affect the Company's production and delivery capabilities on temporary basis. This includes but is not limited to, strike action and political instability. In turn, this may impact the Company's business, results of operations or financial position.

In addition, as its relationship with distributors is non-exclusive, competitors may propose better terms to the distributors than those offered by the Company and accordingly, these distributors may opt to distribute for competitors and start promoting the Company's competitors' products.

13 RISK FACTORS

Raw Materials

Prices of the raw materials required by the Company may increase from time to time (due to government action or increases in supplier rates). In the event of any such increase, the Company may not be able to pass on the entire cost increase to its customers or to fully offset the effects of such higher costs through productivity improvements.

In the event of disruptions in production or delays in the supply of raw materials; shortages or operational problems caused by contracted suppliers; or if suppliers are otherwise unable or unwilling to supply required raw materials or fuel as required, the Company would need to source alternate suppliers. Any delay in finding a suitable alternative supplier may result in an interruption of the Company's operations.

Fuel is a significant component of cement production and represents a major production costs. Therefore, significant increases in the cost of fuel could have a material adverse effect on the Company's prospects, results of operations and overall financial position.

Energy Supply

Steady supply of energy is required to run cement plants and minimize production downtimes. Currently, more than 70% of cement produced in Nigeria comes from gas-powered plants. Thus, there will be significant pressure on cement production in the event of shortages in gas supply, bringing to bear the need for domestic cement producers to diversify their energy supply sources.

Vandalism of pipelines in Nigeria, if not checked, would decrease the supply of gas to cement plants and force producers to augment shortages with expensive alternative energy sources, thereby increasing production cost and decreasing margins.

The Company has invested in alternative sources of energy (biomass) as part of its community development and sustainability initiatives. However, there are still risks pertaining to the sourcing of the biomass materials. If these problems cannot be solved quickly, production costs including fuel or energy services costs may increase which could also have a material adverse effect on the Company's profitability.

Operational Hazards and Events of Force Majeure

The Company operates a large-scale cement plant that is subject to significant operational risks generally associated with industrial companies, including industrial accidents, unusual or unexpected climactic conditions and environmental hazards. The Company and its operations may also suffer as a result of other general force majeure events, such as natural disasters, and operational accidents such as deficient performance, interruption of production, late deliveries, breakdown of production equipment and failure to get spare parts, as well as power generation, water and computer failures. Such hazards or events could cause significant damage to the Company's facilities or harm to its workforce, major disruption to the production process and the Company's ability to deliver its products, and/or result in significant losses or liabilities being incurred by the Company, any of which may have a material adverse effect on the Company's business, prospects, results of operations, and financial position.

13 RISK FACTORS

Licenses and Permits

The Company operates and maintains respective permits, licenses and approvals in relation to its business. Some of such licenses, permits and approvals are valid for limited periods, and have to be periodically renewed. Furthermore, the official permits, licenses and approvals contain conditions and requirements that the Company is required to fulfil. If the Company fails to renew such permits, licenses or approvals, or if any of them is suspended or terminated, or if their conditions and requirements are amended, this could result in the Company suspending some of its operations, causing disruption to production or incurring additional costs.

Any of the above may have an adverse impact on the Company's business, future prospects and financial position.

Risks of Growth and Expansion

The Company's strategy includes future expansion and development plans, based on forecasts, patterns and estimates. There is no guarantee that such forecasts, patterns and estimates are correct or sound. Accordingly, should such forecasts, patterns or estimates prove to be untrue then it may adversely affect the Company's business, financial position, operating results and future prospects.

Additionally, the future of the Company will depend in part on its ability to manage its growth in a profitable manner. The Management will need to expand operations for achieving the necessary growth, while retaining and supporting its existing customers, attracting new ones, recruiting, training, retaining personnel and managing their affairs in an effective manner and maintaining financial controls. If the Company fails to achieve such growth then it may adversely impact the Company's business and financial position.

13.3. MARKET AND CEMENT SECTOR RISK

Supply and Demand Factors

The Nigerian cement industry is affected by a number of factors related to the supply and demand of products, including sector production, surplus capacity and aggressive competition. These factors directly impact the prices that the Company can set for its products, thus affecting the Company's profit margin.

Environmental Regulations

The Company's operations are governed by certification obtained from Environmental Protection Agency as well as environmental laws and regulations of Nigeria. The Company will be subject to fines and penalties in the event of any adverse impact on to the environment or the occurrence of hazardous environmental violations.

The Federal Environmental Protection Agency is the authority responsible for the enforcement of environmental laws, and has the absolute authority to end or suspend the Company's activities on a permanent or temporary basis should the Company fail to comply with instruction for rectification or suspension of operations that are causing damage to the environment.

Although the Company pays particular attention to issues related to the environment, safety, health and quality, there is no guarantee of the same, especially in light of potential changes to environmental requirements, varying interpretations of environmental laws and regulations by courts and legislators, or upon discovery of environmental conditions that were previously unknown. There is also the likelihood that the Government may impose additional environmental requirements related to the location of the Company's operations, especially if stricter environmental standards are adopted.

13 RISK FACTORS

The occurrence of any of these events could result in additional costs to the Company, increase environmental liabilities entailing significant capital expenses and may lead to the imposition of restrictions on the Company's operations, adversely impacting the Company's business, operating results and financial performance.

13.4. POLITICAL RISK

General changes in policies may result in political instability in Nigeria

While the country has enjoyed relative political stability and regional stability in the Niger Delta in H1 2018, the regional instability and unrest most notably in North Eastern Nigeria (if recurrent), may have an adverse effect on public safety and productivity. Nigeria's political and economic environment is also affected by low levels of development and per capita income, which could lead to high crime rate and unemployment.

Nigeria has also experienced recurrent ethnic and religious unrest mostly in the North-Central region of the country. In 2016, hundreds of lives were lost around the southern Kaduna State, due to conflicts relating to issues of land ownership. There have been incidents of ethnically or religiously motivated attacks on citizens of the country. Currently, nomadic cattle herdsman have been clashing with agrarian farming communities over destruction of crops by animals, resulting in deaths of residents of the affected communities. Additionally, there is resentment in the oil-rich Niger Delta and in other parts of the country regarding the allocation of oil revenue which resulted in local unrest in the past (which has subsided at the moment) and this has provoked ongoing political debate for fiscal and political the restructuring of the country.

Violence and reckless assault caused by Fulani herdsman in various parts of Nigeria in recent times have also posed a great threat to security in the country. Reports of various acts of violence like the church shooting in late April 2018 which resulted in the deaths of about 16 by the Fulani herdsman as well as indiscriminate cattle grazing, particularly in the southern and middle-belt regions of the country have sparked civil unrest. Most recently, reports of armed Fulani herdsman attacks in 12 communities in Lamurde Local Government Area: Bukutu, Luwafuti, Furtu, Wamsa, Suwa Bariki, Sulne, Wurki, Bang, Kullani Murai, Kiza and Ninge have left such communities in disarray. There is also the renewed threat of secession with some groups in the South East of Nigeria clamouring for a breakout from the country to form their own nation called Biafra. In addition, a clash between troops and Shiite Muslims in the Zaria area of Northern Kaduna also highlights the security risks faced by Nigeria.

These political risks pose a threat to the operations of the Company and any increase in the level of civil unrest may have a material adverse effect on the Company's business, prospects, financial condition or results of operations.

If the Company or any of its employees are the subject of any attacks, kidnappings or other security threats, this could have a material adverse effect on the Company's operations in Nigeria.

General elections are due in Nigeria between February and March 2019. There is political uncertainty on whether President Muhammadu Buhari of the All Progressives Congress will win a re-election or the presidential candidates of any of the opposition parties will defeat him. Recent elections in Nigeria have been successful in creating a democratic resolution of political conflicts and 2015's presidential election was concluded with the peaceful transition from one president and party to another. However, not all of Nigeria's political changes, and elections, have been as peaceful as the recent elections. Therefore, any political unrest arising from the electioneering process, the general elections dates and post-elections could have an impact on the ability of the Company to efficiently carry on its operations.

13 RISK FACTORS

13.5. CURRENCY RISK

The Company is subject to foreign exchange risk and is affected by changes in the value of the Naira against other currencies

The Company is exposed to foreign exchange risk, as a result of adverse movements in exchange rates, primarily through its loan and deposit portfolios that are denominated in foreign currencies. Such changes, if material, could have a material adverse effect on the Company's financial condition, liquidity and/or results of operations.

13.6. ENVIRONMENTAL RISK

The Company's business offices and data centres may be affected by natural disasters

The Company's primary data centre as well as Head Office are located in Lagos. Any natural disasters such as floods, may adversely affect the operations and businesses of the Company.

14. MARKET PRICE INFORMATION

The Company's shares are listed on The NSE. The annual high and low market prices of the Company's shares for the five years to December 31, 2017 are shown below:

Year	₹ High (date)	₹ Low (date)
2012.....	54.55 (14 Dec)	36.18 (2 Feb)
2013.....	104.55 (30 Dec)	49.09 (7 Jan)
2014.....	119.09 (22 Sep)	60.45 (17 Dec)
2015.....	95.00 (6 Jul)	69.09 (16 Jan)
2016.....	95.45 (7 Jan)	39.00 (13 Dec)
2017.....	59.63 (11 Aug)	32.65 (16 Mar)

The monthly high and low market prices of the Company's shares on The NSE for each of the twelve months to December 31, 2017 are presented in the table below:

Month	₹ High (date)	₹ Low (date)
January.....	38.81 (Jan 31)	37.86 (Jan 24)
February.....	42.02 (Feb 7)	36.91 (Feb 28)
March.....	40.69 (Mar 31)	32.65 (Mar 16)
April.....	48.74 (Apr 26)	40.89 (Apr 4)
May.....	48.19 (May 2)	43.61 (May 10)
June.....	52.04 (Jun 14)	45.32 (Jun 1)
July.....	57.74 (Jul 26)	47.31 (Jul 12)
August.....	59.63 (Aug 11)	52.05 (Aug 1)
September.....	51.24 (Sep 5)	45.94 (Sep 19)
October.....	54.24 (Oct 6)	47.32 (Oct 30)
November.....	51.45 (Nov 13)	47.32 (Nov 1)
December.....	49.80 (Dec 4)	43.00 (Dec 27)

15. STATUTORY AND GENERAL INFORMATION

15.1. INCORPORATION & SHARE CAPITAL HISTORY

Lafarge Africa was incorporated on February 24, 1959 as a private limited liability company and became a public limited liability company in 1969. It was listed on The NSE in 1971. At present, the authorised share capital of the Company is ₦10,000,000,000 comprising 20,000,000,000 Ordinary Shares of ₦0.50 each, while its issued and paid-up share capital of the Company as at the date of this Rights Circular is ₦4,336,714,233 comprising 8,673,428,465 Ordinary shares of ₦0.50 each. The changes in the share capital of the Company since its listing on The NSE are summarized below:

Date	Authorised Share Capital		Issued Share Capital		Consideration
	Increase	Cumulative	Increase	Cumulative	
1959	6,000,000	6,000,000	4,000,000	4,000,000	Cash
1969	1,000,000	7,000,000	Nil	Nil	Pref. Shares
1975	11,000,000	18,000,000	1,000,000	3,000,000	Pref. Shares
1977	18,000,000	36,000,000	27,150,000	30,150,000	Cash
1983	14,725,000	50,725,000	15,075,000	45,225,000	Bonus
1988	9,575,000	60,300,000	15,075,000	60,300,000	Bonus
1992	60,300,000	120,600,000	60,300,000	120,600,000	Bonus
1994	40,200,000	160,800,000	40,200,000	160,800,000	Bonus
1996	53,600,000	214,400,000	53,600,000	214,400,000	Bonus
1998	85,600,000	300,000,000	71,467,000	285,867,000	Bonus
2001	271,733,000	571,733,000	285,867,000	571,733,000	Bonus
2002	1,715,200,000	2,286,933,000	285,866,001	857,600,001	Bonus
2005	Nil	2,286,933,000	643,200,001	1,500,800,002	Rights
2014	2,713,067,000	5,000,000,000	701,287,992	2,202,087,994	Shares
2015	Nil	5,000,000,000	75,363,013	2,277,451,007	Shares
2016	Nil	5,000,000,000	206,587,855	2,484,038,862	Shares
2017	Nil	5,000,000,000	248,403,886	2,732,442,748	Bonus
2017	Nil	5,000,000,000	7,924,437	2,740,367,185	Shares
2017	Nil	5,000,000,000	4,889,927	2,745,257,111	Shares
2017	Nil	5,000,000,000	42,630,610	2,787,887,721	Shares
2018	Nil	5,000,000,000	1,548,826,512	4,336,714,233	Rights

15.2. SHAREHOLDING STRUCTURE

As at the date of this Rights Circular, the Company had approximately 128,000 shareholders with three shareholders owning more than a 5.0% shareholding each.

The following table indicates the shareholders of Lafarge Africa that held 5% or more of the outstanding Ordinary Shares of the Company – as stated on the Register of Members – as at the date of this Rights Circular:

15 STATUTORY AND GENERAL INFORMATION

Particulars of Shareholders	# of shares	% holding
Foreign		
CariCement B.V.	4,210,695,936	48.55
Associated International Cement Limited	1,631,981,790	18.82
Lafarge Nigeria Limited	776,580,751	8.95
Sub Total	6,619,258,477	76.32
Other Shareholders	2,054,169,988	23.68
Grand Total	8,673,428,465	100.00

15.3. DIRECTORS' INTERESTS

The interests of the Directors of Lafarge Africa in the issued share capital of the Company as recorded in the Register of Members and as notified by them for the purpose of Section 275 (1) of the CAMA, as at the date of this Rights Circular, are as follows:

Names	Direct	Indirect	Total
Mr. Mobolaji Balogun	4,000,000	-	4,000,000
Mr. Michel Puchercos	-	-	-
Mr. Adebode Adefioye	-	-	-
Dr Shamsuddeen Usman, CON,OFR	75,782	-	75,782
Mrs. Elenda Giwa-Amu	203,550	-	203,550
Mrs. Adenike Ogunlesi	-	-	-
Mrs. Geraldine Picaud	-	-	-
Mr. Christof Hassig	-	-	-
Mr. Grant Earnshaw	-	-	-
Mr. Rossen Papazov	-	-	-
Mr. Jean-Philippe Benard	-	-	-

15.4. STATEMENT OF INDEBTEDNESS

Lafarge Africa had a total indebtedness of ₦254.52 billion as at September 30, 2018. Lafarge Africa is indebted to LafargeHolcim in the sum of US\$315.2 million (₦113.47 billion). The debt outstanding to LafargeHolcim from Lafarge Africa was advanced through Caricement B.V. and Holcibel B.V (both subsidiaries of LafargeHolcim) by LafargeHolcim.

15.5. OFF BALANCE SHEET ITEMS

The Company had no off balance sheet liabilities as at September 30, 2018.

15.6. RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISERS

In compliance with Rule 184(1) of the SEC Rules, we hereby state that as at the date of this Rights Circular, there is no shareholding relationship between Lafarge Africa and the Issuing Houses. However, the Managing Partner of the Lead Issuing House is also the Chairman of the Issuer. Other than this, there is no other relationship between Lafarge Africa, its respective directors, major shareholders and principal officers and the parties to the Offer, except in the ordinary course of business.

15 STATUTORY AND GENERAL INFORMATION

15.7. OVERVIEW OF CORPORATE GOVERNANCE

The Company applies high standards of corporate governance, with the goal of ensuring the Company's long-term value and success for all stakeholder groups; customers, shareholders, employees, creditors, suppliers and the communities in which they operate.

The Company's corporate governance policies particularly seek to ensure:

- Transparent and sustainable value creation by clearly delineating responsibilities, management processes and organization
- Continuous monitoring of the Board of Directors' performance and efficiency
- Appropriate decision-making relating to policy principles and controls
- Entrenching of the five core values of the Company which are improved customer relations, results, integrity, sustainability and people development.

Remuneration Policy for Directors and Senior Management

The Company's Remuneration Policy for directors and senior management is geared towards attracting, retaining and motivating the best talent and enables the Bank to achieve its financial, strategic and operational objectives. The policy sets out amongst other things, the structure and components of the remuneration packages for Executive and Non-Executive Directors, and ensures that the remuneration packages are in compliance with the SEC Code of Corporate Governance.

15.8. RELATED PARTY TRANSACTIONS

Transactions between the Company and its related companies are conducted at arm's length and in accordance with Rule 20.2 of The NSE Rules on Related Party Transactions.

Please see below details of the Related Party Transactions:

	Lender	Amount	Interest Rate	Interest Rate – Post Moratorium	Tenor	Moratorium	Maturity
A	Caricement BV	US \$7.2m	1 Month Libor + 5.71%	Not Applicable	1 Month	Not Applicable	27 December, 2018
B	Caricement BV	US \$220.0m					
	Part A-1	US \$25.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-2	US \$25.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-3	US \$25.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-4	US \$25.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-5	US \$25.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-6	US \$30.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-7	US \$50.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026
	Part A-8	US \$15.0m	3 Month Libor + 5.71%	Not Applicable	1 Month	Not Applicable	27 December, 2018
C	Caricement BV	US \$88.0m	12 Month Libor + 6.35%	3 Month Libor + 6.35%	7.5 years	2 years + 1 day	26 February 2026

15.9. COSTS AND EXPENSES

The costs and expenses of this Rights Issue including fees payable to the SEC, The NSE and professional parties, filing fees, stamp duties, legal fees, brokerage commission, printing and advertising costs and miscellaneous expenses are estimated at ₦1.389 billion, representing 1.56% of the total amount to be raised.

15.10. MATERIAL CONTRACTS

A Vending Agreement dated December 10, 2018 under the terms of which Chapel Hill Denham and Stanbic IBTC Capital have agreed, on behalf of the Company, to offer by way of a Rights Issue 7,434,367,256 Ordinary Shares of 50 kobo each at ₦12.00 per share on the basis of 6 new Ordinary Shares for every 7 Ordinary Shares held in the Company.

15.11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices of the Issuing Houses during normal business hours on any weekday (except public holidays):

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- (a) The Rights Circular issued in respect of the Issue;
- (b) The Shareholder Resolution authorising the Issue;
- (c) The Board Resolution authorising the Issue;
- (d) The material contract referred to in paragraph 15.10;
- (e) Certificate of Incorporation of the Company;
- (f) The Memorandum and Articles of Association of the Company;
- (g) The Certified True Copy of the Board Resolution dated July 23, 2018, approving the Rights Issue;
- (h) The Certified True Copy of the Shareholders Resolution dated September 25, 2018, approving the Issue;
- (i) The Certified True Copy of the Certificate of Increase in Share Capital;
- (j) The Audited Financial Statements of the Company for each of the five years ended December 31, 2013 to 2017
- (k) The Financial Statements of the Company for the period ended September 30, 2018;
- (l) The schedule of Claims and Litigations referred to in Section 15.15 on page 48;
- (m) The written consents referred to below in paragraph 15.12;
- (n) SEC Approval letter; and
- (o) NSE Approval letter.

The documents may be inspected at Chapel Hill Denham Advisory Limited's offices; 45, Saka Tinubu Street, Victoria Island, Lagos, and at Stanbic IBTC Capital Limited's offices; I.B.T.C. Place, Walter Carrington Crescent, Victoria Island, Lagos.

15.12. CONSENTS

The Directors of the Company, Company Secretary and all other Professional Parties to the Issue listed on pages 13 - 14, have given and have not withdrawn their written consents to the issue of the Rights Circular.

15.13. MERGERS AND TAKEOVERS

The Company is not aware of any investor trying to acquire a majority stake in the Company, nor is the Company actively seeking to acquire a majority stake in another entity.

15.14. UNCLAIMED DIVIDENDS

The total amount of unclaimed dividends as at December 31, 2017 is ₦1,146,001,470.95. The sum of ₦1,133,554,101.78 has been returned to the Company in line with the SEC Rules. The balance of ₦97,310,718.45 is domiciled with CardinalStone Registrars Limited.

In order to ensure adequate access to shareholders for dissemination of information, documentation and dividend, the Registrar takes the following steps which ultimately reduces the level of unclaimed dividends:

- Maintains six branches apart from its Lagos branch to serve as distribution points for shareholders in the different parts of the country.
- Publishes a list of its branches, with the names and details of contact people in the national newspapers.
- Ensures effective communication with shareholders.
- Encourages shareholders to mandate their accounts for E-dividends.
- Makes the E-dividend forms readily available for shareholders to access at all its branches.
- Publishes the unclaimed dividend list periodically.

E-dividend forms are also available online on the Lafarge Africa website and in the published annual reports. This ensures that dividends can be paid directly into shareholders' accounts when due.

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15.15. CLAIMS AND LITIGATION

As at the date of this Rights Circular, Lafarge Africa is presently, in its ordinary course of business, involved in 41 (forty-one) cases. The Company is a claimant in 5 (five) of these cases, claiming a total of ₦462,389,332.12 (four hundred and sixty-two million, three hundred and eighty-nine thousand, three hundred and thirty-two Naira and twelve Kobo). The Company is a defendant in the other 36 (thirty-six) cases. The total value of the claims against the Company is ₦1,002,415,221,959.29 (one trillion, two billion, four hundred and fifteen million, two hundred and twenty-one thousand, nine hundred and fifty-nine Naira and twenty-nine Kobo). In addition to these claims, the Solicitors have set out the non-monetary claims and reliefs that are being sought against the Company in these cases:

- (a) declaration of title to a parcel of land located in Calabar, Cross-River State;
- (b) declaration of title to the 105 (one hundred and five) acres of land on which the Company's Ishofin estate in Ogun State is located; and
- (c) declaration of title to a parcel of land at Ewekoro in Ogun State on which the Company's manufacturing business is situated, and the right to the attendant relocation of, and compensation to, the claimants.

Save for the 41 cases mentioned in paragraph 1 above, and based on the information presented to us by the Company, the Solicitors are not aware of any other pending and/or threatened claim or litigation against the Company.

Based on the review of the 41 cases for and against the Company, the Solicitors are of the opinion that none of the claims would have an adverse effect on the proposed Rights Issue

15.16. PURPOSE AND USE OF PROCEEDS

The Rights Issue is being undertaken to enable Lafarge Africa (i) repayment part of the company's foreign currency denominated shareholder loans; (ii) repayment the company's short term local debt obligations and (iii) provide working capital support.

The estimated net proceeds of ₦87,874,399,106 - following the deduction of the estimated offer costs of ₦1,338,007,966 will be applied as stated below:

Use of Proceeds	Amount	%	Completion period
Repayment of part of FCY Loan*	7,992,000,000	9.1%	Immediately upon receipt of the Issue Proceeds
Repayment of part of LCY short term loans	51,379,370,098	58.5%	Immediately upon receipt of the Issue Proceeds
Working Capital	28,503,029,008	32.4%	September 2019
Total	87,874,399,106	100.0%	

US\$22.2m, representing part payment of the FCY Loan of US\$315.2m will be repaid. ₦7,992,000,000 is at N360/US\$. Please note that the actual Naira amount will be based on prevailing NAFEX rate on the date of conversion and this Naira amount could be more or less than stated herein.

Please see below the details of the Foreign Currency Loan:

	Lender	Amount	Interest Rate	Interest Rate – Post Moratorium	Tenor	Moratorium	Maturity
A	Caricement BV	US \$7.2m	1 Month Libor + 5.71%	Not Applicable	1 Month	Not Applicable	27 December, 2018
B	Caricement BV Part A-8	US \$15.0m	3 Month Libor + 5.71%	Not Applicable	1 Month	Not Applicable	27 December, 2018

15 STATUTORY AND GENERAL INFORMATION

15.17. DECLARATION

Except as otherwise disclosed herein:

- No share of the Company is under option or agreed conditionally or unconditionally to be put under option;
- No commissions, discounts, brokerages or other special terms have been granted by the Company to any person in connection with the issue or sale of any share of the Company;
- Save as disclosed herein, the Directors of Lafarge Africa have not been informed of any shareholding representing 5% or more of the issued share capital of the Company;
- There are no founders, management or deferred shares or any options outstanding;
- There are no material service agreements between Lafarge Africa and any of its Directors and employees other than in the ordinary course of business;
- There are no long-term service agreements between the Company and any of its Directors and employees;
- No Director of the Company has had any interest, direct or indirect in any property purchased or proposed to be purchased by the Company in the three years prior to the date of this Rights Circular
- No director or key management personnel has been involved in any of the following (in or outside Nigeria):
 - i) A petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any company of which he was a director or key personnel;
 - ii) A conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty;
 - iii) The subject of any order, judgement or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining him from acting as an investment adviser, dealer in securities, director or employee of a Nigerian Company and engaging in any type of business practice or activity.

15.18. EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Transfer of Shares

28. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
29. Any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other from which the Directors may approve.
- 29a. The registration of transfers may be suspended at such times for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended for not more than thirty days in any year

Transmission of Shares

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30. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares: but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which and been jointly held by him with other persons.
31. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof; but the Directors shall, in either case, have the same right to decline or suspend registration as they would had in the case of a transfer of the share by the Member before his death or bankruptcy, as the case may be.
32. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share.

Alteration of Capital

44. The Company may from time to time by special resolution increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
45. Except with the previous sanction of an Ordinary Resolution the Company shall not allot any new or unissued shares unless the same are offered in the first instance to all the shareholders or to all the shareholders of the class or classes being issued in proportion as nearly as may be to their existing holdings.
47. Except so far as otherwise provided by the conditions of issue the new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise.
48. The Company may by resolution subject to Section 100 of the Act:-
- i. Consolidate and divide all or any its share capital into shares of larger amount than its existing share
 - ii. Sub-divide its existing share, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 100 (i) (c) of the Act;
 - iii. Cancel any shares, which, at the date of the passing of the resolution, have been taken or agreed to be taken by any person.

15 STATUTORY AND GENERAL INFORMATION

49. The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorized, and consent required, by law.

General Meetings

50. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it and not more than fifteen months shall lapse between the date of the one annual general meeting of the Company and that of the next.
51. The annual general meeting shall be held at such time and place as the Directors shall appoint.
52. All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting.
53. The Directors may, whenever they think fit, convene an extraordinary general meeting and extra ordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 215 of the Act. If at any time there are not within Nigeria sufficient Directors capable of acting to form a quorum, any quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the Directors.

Notice of General Meeting

54. All annual general meeting shall be called by twenty one days' notice in writing of the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of meeting, and in case of special business, the general nature of that business shall be given, in a manner if any, as may be prescribed by the Company in general meeting, to such persons as are, under the articles of the Company, entitled to receive such notice from the Company: Provided that a meeting of the Company shall notwithstanding that it is called by a shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed.
 - a. in the case of a meeting called as the Annual General Meeting, by all members entitled to attend and vote thereat; and
 - b. in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less 95 per cent in nominal value of the shares giving that right.
55. The accidental omission to give notice of a meeting or to non-receipt of notice of a meeting by any person entitled to receive notice shall invalidate the proceedings at that meeting.

15 STATUTORY AND GENERAL INFORMATION

Proceedings at General Meetings

56. All business shall be deemed special that is transacted at an extra ordinary general meeting, and also all that it transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring, and the fixing of the remuneration of the auditors and the appointment of the members of the Audit Committee under Section 359 of the Act.
57. A special resolution shall be required for any of the following:
- (a) Any expansion programme requiring capital expenditure in excess of ₦20 billion
 - (b) Loan by the Commission in excess of ₦ 25 billion other than short term marketable securities acquired to give temporary employment to its idle resources.
 - (c) Any guarantee in respect of an amount in the excess of ₦ 5 billion
58. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and throughout the meeting
59. Save as otherwise provided twenty-five Members entitled to vote at such meeting and personally present shall be quorum. The representative of a corporation appointed under section 231 of the Act shall count towards such quorum.
60. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members shall be dissolved; but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
61. The Chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting of the Company.
62. If there is no such Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the Directors present shall choose one of their number to be Chairman of the Meeting. If no Director is willing to act as Chairman or no Director is present within fifteen minutes after the time appointed for holding the meeting the Members present shall choose one of their number to be Chairman of the meeting.
63. The Chairman may, with consent of any meeting at which quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, but otherwise it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

15 STATUTORY AND GENERAL INFORMATION

64. At any General meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded, is (before or on the declaration of the result of show of hands) demanded
- By the Chairman
 - By at Least 3 Members present in person or by proxy; or
 - By any Member or Members present in person or by a proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or

Unless a poll is so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, the resolution.

65. Except as provided in Article 67 hereof, if a poll is dully demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
66. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
67. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Vote of Members

68. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person shall have one vote and or a poll every Member shall have one vote for each share of which he is holder
69. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of Members.
70. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy.
71. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

15 STATUTORY AND GENERAL INFORMATION

72. No objections shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
73. On a poll votes may be given either personally or by proxy.
74. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorized.
75. A proxy need not be a member of the Company.
76. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or authority shall be deposited at the registered office of the Company or at such other place within Nigeria as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default, the instrument of proxy shall not be treated as valid.
77. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

“LAFARGE AFRICA NIGERIA PUBLIC LIMITED COMPANY”.

I/We
of
being a Member/Members of the above-named Company, hereby appoint.....
.....
of
or failing him
of
as my/our proxy to vote for me/us on my/ our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company to be held on the day of
....., and at any adjournment thereof.

Signed this day of 200.....

15 STATUTORY AND GENERAL INFORMATION

78. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstance admit:-

“LAFARGE AFRICA PUBLIC LIMITED COMPANY”.

I/We
of
being a Member/Members of the above-named Company, hereby appoint.....
.....
of
or failing him
of
as my/our proxy to vote for me/us on my/ our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company to be held on the day of and at any adjournment thereof.

Signed this day of 200.....”



16. PROVISIONAL ALLOTMENT LETTER



December 10, 2018

RIGHTS ISSUE OF 7,434,367,256 ORDINARY SHARES OF ₦0.50 EACH AT ₦12.00 PER SHARE PAYABLE IN FULL ON ACCEPTANCE NOT LATER THAN JANUARY 23, 2019

Dear Sir/Madam,

1. Provisional Allotment

The Chairman's letter dated December 10, 2018 on pages 15 to 16 of this Rights Circular, contains the particulars of the Rights Issue of 7,434,367,256 Ordinary Shares of ₦0.50 each at ₦12.00 per share now being made. The Directors of the Company have provisionally allotted to you the number of new Ordinary Shares set out on the first page of the Acceptance/Renunciation Form in the proportion of 6 new Ordinary Shares for every 7 Ordinary Shares of ₦0.50 each registered in your name as at December 04, 2018.

The new Ordinary Shares will rank pari passu with the existing Ordinary Shares of the Company. You may accept all or some of the shares provisionally allotted to you or renounce your right to all or some of them. Shareholders accepting their provisional allotment in full should complete box A of the Acceptance/Renunciation Form, while those renouncing their rights partially or in full should complete box B of the Form. You may also apply for additional shares over and above your provisional allotment as described in 2 (c) below.

The receipt of payment with your Acceptance / Renunciation Form will constitute an acceptance of all or part of this allotment on the terms of this letter, subject to the Memorandum and Articles of Association of the Company and the clearance of the Securities and Exchange Commission. If payment is not received by the close of the Issue, the provisional allotment will be deemed to have been declined and will be cancelled. Any payment made into any of the designated Offer Proceeds Accounts stated below without a Acceptance / Renunciation Form will be rejected and returned. You may participate in the Rights Issue through any of the following methods:

2. Acceptance and Payment

a. Full Acceptance

If you wish to accept this provisional allotment in full, please complete box A of the Acceptance/Renunciation Form. The completed Acceptance/Renunciation Form should be submitted together with payment, unless payment is to be made electronically. The Acceptance/Renunciation form with a bank cheque/draft for the full amount payable should be lodged with any of the Receiving Agents listed on page 61 in this document not later than January 23, 2019. The cheque or draft must be made payable to the Receiving Agent and crossed "LAFARGE AFRICA PLC 2018 RIGHTS" with your name, address, mobile number and email address written on the back of the cheque/draft. All cheques or drafts will be presented upon receipt and all Acceptance/Renunciation Forms in respect of which cheques are returned unpaid will be rejected.

Any payment being made electronically or with a value exceeding ₦10 million should be made via SWIFT, RTGS or NEFT into the designated Issue Proceeds Account stated on the Acceptance/Renunciation Form. Such payments must include the following narrative in the transfer instructions: "[SHAREHOLDER'S FULL NAME]' PAYMENT FOR LAFARGE AFRICA RIGHTS".

16. PROVISIONAL ALLOTMENT LETTER

Evidence of all electronic transfers along with a copy of the Acceptance / Renunciation Form must also be submitted electronically to the Receiving Agents and the Receiving Banks stated below. If payment is not received by January 23, 2019, the provisional allotment will be deemed to have been declined and will be cancelled.

	First Bank of Nigeria Limited	Zenith Bank PLC
Account No	2033712558	1016028787
Email address	projectheracles@chapelhilldenham.com projectheracles@stanbicibt.com	projectheracles@chapelhilldenham.com projectheracles@stanbicibt.com
Contact numbers	+234 1 4610691-4 +234 1 422 8136	+234 1 4610691-4 +234 1 422 8136

b. Partial Acceptance

To accept your provisional allotment partially, please complete item (1) of box B and submit your Acceptance/Renunciation Form to any of the Receiving Agents listed on page 59 of this document together with a cheque or bank draft made payable to the Receiving Agent for the full amount payable in respect of the number of shares you decide to accept; or evidence of the transfer of the full amount to the offer account as detailed above.

c. Applying for additional shares

An application for additional shares may be done by completing item (ii) of box A of the Acceptance/Renunciation Form. Payment should be made in accordance with paragraph 2 above. Shareholders who apply for additional shares using the Acceptance/Renunciation Form will be subject to the regulatory allotment process and may therefore be allotted less than the number of additional shares they applied for. The receipt of payment with your Acceptance/Renunciation Form constitutes an acceptance of all or part of this allotment on the terms of this letter, subject to the Memorandum and Articles of Association of the Company. If payment and your Acceptance/Renunciation Form is not received by January 23, 2019, the provisional allotment will be deemed to have been declined and will be cancelled.

3. Trading in Rights on The NSE

The approval of The NSE has been obtained for trading in the Rights of the Company. The Rights will be tradable between December 17, 2018 and January 23, 2019 at the price at which the Rights are quoted on The NSE. If you wish to renounce your rights partially or in full, you may trade such renounced Rights on the Floor of The NSE between December 17, 2018 and January 23, 2019. If you wish to renounce your rights, please complete item II of the Acceptance/Renunciation form and contact your stockbroker for assistance. If you wish to purchase renounced rights, please contact your Stockbroker who will guide you regarding the procedure for purchasing Lafarge Africa Rights.

4. Allotment of Additional Shares

Shares will first be allotted to shareholders who accepted their rights either partially or in full; and then to persons that purchased Rights on the floor of The NSE.

All shares which are not taken up by January 23, 2019 will be allotted on a pro rata (proportional basis) to the existing shareholders who have applied and paid for additional shares over and above their provisional allotment under the terms of the Issue and in accordance to the SEC Rules.

5. Subscription Monies

Acceptance Forms must be accompanied with the full amount due on acceptance in accordance with Section 2 (a) above. All subscription monies will be retained in an interest yielding bank account by Citibank Nigeria Limited, First Bank of Nigeria Limited and Zenith Bank Plc

6. Surplus Application Monies

If any application for additional shares is not accepted or accepted for fewer shares than the number applied for, the Registrar shall remit via RTGS or NEFT the balance of the amount paid together with

16. PROVISIONAL ALLOTMENT LETTER

the applicable interest thereon to the bank detailed in the Acceptance Renunciation Form; within 5 Working Days of the approval of the allotment.

7. Rounding Principle

The allocation of Rights Issue shares will be such that shareholders will not be allocated a fraction of a Rights Issue share and as such any shareholding giving rise to a fraction of less than one of a Rights Issue Share have been rounded down to the nearest whole number (for the purposes of calculating your provisional allotment).

8. E-Allotment

The Shares will be credited to Shareholders' CSCS accounts not later than 15 Working Days from the date of receipt of the SEC's approval of the Allotment Proposal. No share certificates will be issued and shareholders are advised to ensure that they provide details of their CSCS accounts and stockbroker on the Acceptance.

In accordance with the SEC Directive on Dematerialization of Share Certificates, shareholders who do not provide valid CHN and CSCS account numbers will have their shares credited at the CSCS using a Registrar Identification Number. A Registrars Identification Number is a number allocated to shareholders who do not have valid CHN and CSCS account numbers to warehouse their units of shareholding in public companies under Registrars custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided. Any shareholder who does not have a valid CHN and CSCS account number, is advised to open a stockbroking account with a stockbroker and obtain a valid CHN and CSCS account number from the stockbroker.

Yours faithfully,



Adewunmi Alode
Company Secretary

17. ACCEPTANCE/RENUNCIATION FORM

LEAD ISSUING HOUSE

CHAPEL HILL  DENHAM

ADVISORY LIMITED RC 1381308

JOINT ISSUING HOUSE



RC 10313158

on behalf of



RC 1858

LAFARGE AFRICA PLC

Rights Issue

of

7,434,367,256 Ordinary Shares of 50 kobo each

at ₦12.00 per share

on the basis of 6 (six) new Ordinary Shares
for every 7 (seven) shares held as at December 04, 2018

PAYABLE IN FULL ON ACCEPTANCE

Acceptance List Opens
December 17, 2019

Acceptance List Closes
January 23, 2019

INSTRUCTIONS FOR COMPLETING THE ACCEPTANCE/RENUNCIATION FORM

- Acceptance and/or renunciation must be made on this Acceptance/Renunciation Form. Photocopies or scanned copies of the Form will be rejected.
- Allottees should complete only **ONE** of the boxes marked A and B on the reverse of this form. Shareholders accepting the provisional allotment in full should complete box A and submit their Acceptance/Renunciation Forms to any of the Receiving Agents listed on Page 61 of the Rights Circular together with a cheque or bank draft made payable to the Receiving Agent for the full amount payable on acceptance. The cheque or draft must be crossed "LAFARGE AFRICA RIGHTS", with the name, address and mobile number of the shareholder written on the back.
Any payment made electronically or with a value exceeding ₦10 million should be made via SWIFT, RTGS or NEFT into the designated Offer Proceeds Account stated below:

Account Details:	First Bank of Nigeria Limited	Zenith Bank PLC
Account Name:	CHAPEL HILL/LAFARGE AFRICA RIGHTS	CHAPEL HILL/LAFARGE AFRICA RIGHTS
Account Number:	2033712558	1016028787
Sort Code:	011152303	057151164
Narration:	"[Full Name of Shareholder]'s payment for Lafarge Africa Rights"	"[Full Name of Shareholder]'s payment for Lafarge Africa Rights"

Foreign currency subscribers are advised to contact the Receiving Banks for the applicable US Dollar exchange rate on the day the remittance is being effected. Payment can be made in US Dollars for credit to:

Citibank N.A. Account Name: Zenith Bank Plc; Account number: 10407941; Sort Code: 18-50-08 (Swift Code: CITIGB2L) at Citibank N.A., Canada Square, Canary Wharf, London, E14 5LB with the narrative "[Full Name of Shareholder]'s payment for Lafarge Africa Rights"

Evidence of such transfer must be submitted to the Receiving Agents and the Receiving Bank. If payment is not received January 23, 2019, the provisional allotment will be deemed to have been declined and will be cancelled.

- Shareholders accepting their provisional allotment partially should complete box B and submit their Acceptance/Renunciation Forms to any of the Receiving Agents listed on Page 61 of the Rights Circular together with the evidence of payment transfer for the partial acceptance in accordance with 2 above.
- Shareholders renouncing the provisional allotment partially or in full, who also wish to trade their rights on the floor of The Exchange should complete item (iii) of box B. They should obtain a Transfer Form from their stockbroker, complete it in accordance with these instructions, and return it to the stockbroker together with the completed Acceptance/Renunciation Form and the amount payable/evidence of transfer for any partial acceptance in accordance with 2 above.
- Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase renounced rights by contacting their stockbroker, and/or apply for additional shares by completing item (ii) and (iii) of box A.
- All cheques or bank drafts for amounts below ₦10 million will be presented for payment on receipt and all acceptances in respect of which cheques are returned unpaid for any reason will be rejected and cancelled. Shareholders are advised to obtain an acknowledgement of the amount paid from the Receiving Agent through which this Acceptance/Renunciation Form is lodged. All amounts above ₦10 million must be remitted to the Receiving Bank Account via SWIFT or NEFT
- Joint allottees must sign on separate lines in the appropriate section of the Acceptance/Renunciation Form.
- Acceptance/Renunciation Forms of corporate allottees must bear their incorporation numbers and corporate seals and must be completed under the hands of duly authorised officials who should also state their designations.

FOR REGISTRAR'S USE ONLY

Ordinary Shares Provisionally Allotted	Ordinary Shares Accepted	Additional Ordinary Shares applied for	Ordinary Shares Renounced	Additional Ordinary Shares allotted	Total Ordinary Shares Allotted	Total amount payable	Amount paid	Amount to be returned	Bank draft/ cheque number
						₦	₦	₦	

STAMP OF RECEIVING AGENT

Care should be taken to comply with the instructions set out on the front of this form. If you are in doubt as to what action to take, you should immediately consult your Stockbroker, Accountant, Banker, Solicitor, Independent Investment Adviser or any other professional adviser for guidance.

Name's Stockbroker.....CHN Number.....

Stockbroker Code.....CSCS Number.....

If you wish to trade in rights, please contact your stockbroker who will guide you regarding payment and the procedure for purchasing Lafarge Africa's Rights.

A. FULL ACCEPTANCE/REQUEST FOR ADDITIONAL ORDINARY SHARES	
i.	I/We accept in full, the provisional allotment shown on the front of this form
ii.	I/We also apply for additional Ordinary Shares: Number of Additional Ordinary Shares applied for _____ Additional amount payable at ₦12.00 per share _____
I/We agree to accept the same or smaller number of additional shares in respect of which allotment may be made to me/us, in accordance with the Provisional Allotment Letter contained in the Rights Circular.	
iii.	I/We enclose my/our cheque/bank draft/evidence of payment transfer for ₦_____ being the sum of the amount payable as shown on the front of this form, and the additional amount payable as shown in item (ii) above. Cheque details: Name of bank/cheque number/branch.....

B. RENUNCIATION OR PARTIAL ACCEPTANCE		
1	2	3
Number of Ordinary Shares accepted	Amount payable at ₦12.00 per share	Number of Ordinary Shares renounced
_____	_____	_____
i.	I/We accept only the number of Ordinary Shares shown in column (1) above and enclose my/our cheque/bank draft for the value shown in column (2) above. Cheque details: Name of bank/cheque number/branch.....	
ii.	I/We hereby renounce my/our rights to the Ordinary shares shown in column (3) above, being the balance of the Ordinary Shares allocated to me/us	
iii.	I/We confirm that I/We wish to trade my/our rights of _____ Ordinary Shares (being my/our renounced shares as shown in Column (3) above) on the floor of The Exchange. I/We shall obtain a Transfer Form from my/our stockbroker, complete it in accordance with his instructions and return it to the stockbroker with the form	

MUST BE FULLY COMPLETED FOR BOTH A AND B	
Name (s) (in block letters)	
Next of Kin	
Daytime Telephone Number	Mobile (GSM) Telephone Number
Email Address	
BANK DETAILS (FOR E-DIVIDEND)	
Name of Bank	
Branch	Incorporation Number and Seal of Corporate Allottee
Account Number	
Bank Verification Number	
Signature	
Name of Authorised Signatory (corporate only):	Name of Authorised Signatory (corporate only):
Designation (corporate only):	Designation (corporate only):

C. TRADING IN RIGHTS	
i)	Shareholders who wish to trade in their rights partially or in full may trade such rights on the floor of The Exchange. The rights will be traded actively on the floor of The Exchange
ii)	Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase traded rights (see iv), and/or apply for additional shares by completing item (ii) of box A above.
iii)	Shareholders who purchase rights on the floor of The Exchange are guaranteed the number of shares purchased: they will not be subject to the allotment process in respect of shares so purchased. Those that apply for additional shares by completing item (ii) of box A will be subject to the allotment process i.e. they may be allotted a smaller number of additional shares than what they applied for.
iv)	If you wish to purchase renounced rights, please contact your stockbroker who will guide you regarding payment and the procedure for purchasing Lafarge Africa rights

STAMP OF RECEIVING AGENT

18. RECEIVING AGENTS AND RECEIVING BANKS

A copy of the Rights Circular has been forwarded to each of the shareholders whose names appeared in the Company's Register of Members as at December 04, 2018. The completed Acceptance Forms together with a cheque or bank draft or evidence payment if via bank transfer for the full amount payable may be returned to any of the following Receiving Agents registered as market operators with the SEC to whom brokerage will be paid at the rate of ₦0.50 per ₦100 worth of shares allotted in respect of Acceptance Forms bearing their official stamp.

The Company and Issuing Houses cannot accept responsibility for the conduct of any of the institutions listed below. Investors are therefore advised to conduct their own independent enquiries before choosing an agent to act on their behalf. Evidence of lodgement of funds at any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing House, cannot give rise to a liability on the part of the Issuing House under any circumstances.

BANKS

Access Bank PLC Citibank Nigeria Limited Diamond Bank PLC Enterprise Bank Limited Ecobank Nigeria PLC Fidelity Bank PLC First Bank of Nigeria PLC	First City Monument Bank Limited Guaranty Trust Bank PLC Heritage Bank PLC Polaris Bank Limited Stanbic IBTC Bank PLC Standard Chartered Bank Nigeria Limited	Sterling Bank PLC Union Bank of Nigeria PLC United Bank for Africa PLC Unity Bank PLC Wema Bank PLC Zenith Bank PLC
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STOCKBROKERS AND OTHERS

Adonai Stockbrokers Limited African Alliance Stockbrokers Limited Afrinvest Securities Limited Amya Investments Limited Anchorage Securities And Finance Limited Anchoria Investment And Securities Limited Apt Asset Limited Apt Securities And Funds Limited Arm Securities Limited Arthur Steven Asset Management Limited Associated Asset Managers Limited Atlas Portfolios Limited Bauchi Investment Corporation Limited Belfry Investments And Securities Limited Bestworth Asset And Trust Limited Calyx Securities Limited Camry Securities Limited Capital Assets Limited Capital Bancorp PLC Capital Express Securities Limited Capital Trust Brokers Limited Cardinalstone Securities Limited Cashcraft Securities Limited Cashville Investments & Securities Limited Cdl Capital Markets Limited Centre Point Investments Limited Century Securities Limited Chapelhill Denham Securities Limited Chartwell Securities Limited Citi Investment Capital Limited City Code Trust & Investment Company Limited Clearview Investments Co. Limited Compass Investment & Securities Limited Cordros Capital Limited Core Trust And Investment Limited Coronation Securities Limited Cowry Securities Limited Crossworld Securities Limited Crown Capital Limited Csl Stockbrokers Limited De Lords Securities Limited Deep Trust Investment Limited Diamond Securities Limited Dominion Trust Limited Dsu Brokerage Services Limited Dunbell Securities Limited Dunn Loren Merrifield Securities Limited Dynamic Portfolio Limited Ecl Asset Management Limited Edc Securities Limited	Edgefield Capital Management Limited Efcip Limited El-Elyon Alliance & Securities Limited Elixir Securities Limited Enterprise Stockbrokers PLC Equity Capital Solutions Limited Eurocomm Securities Limited Express Discount Asset Management Limited Express Portfolio Services Limited Falcon Securities Limited Fbn Securities Limited Fcsi Asset Management Company Limited Fidelity Finance Company Limited Fidelity Securities Limited Financial & Analytics Capital Limited Financial Trust Company Nig. Limited Finnal Finance Services Limited First Integrated Capital Management Limited First Stockbrokers Limited Fis Securities Limited Foresight Securities & Investment Limited Forte Financial Limited Forthright Securities And Investments Limited Fortress Capital Limited Fsdh Securities Limited Funds Matrix And Assets Management Limited Fundvine Capital And Securities Limited Futureview Securities Limited Gidauniya Investment And Securities Limited Global Asset Management Nig. 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