THIS DOCUMENT IS IMPORTANT AND YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND ITS CONTENTS. IF YOU ARE IN DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, BANKER OR AN INDEPENDENT INVESTMENT ADVISER. THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF LAFARGE AFRICA AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE INQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

For information about risks factors which should be considered by prospective investors, see Risk Factors on pages 64 to 68.

LAFARGE AFRICA PLC

RC 1858

₦100,000,000,000 DEBT ISSUANCE PROGRAMME

For the Issuance of a Bond or a Series of Bonds

THIS SHELF PROSPECTUS IS TO BE READ AND CONSTRUED IN CONJUCTION WITH ANY SUPPLEMENT THERETO AND ALL DOCUMENTS WHICH ARE INCORPORATED HEREIN, BY REFERENCE AND, IN RELATION TO ANY TRANCHES (AS DEFINED HEREIN) OF INSTRUMENTS, TOGETHER WITH THE APPLICABLE PRICING SUPPLEMENT. THIS SHELF PROSPECTUS SHALL BE READ AND CONSTRUED ON THE BASIS THAT SUCH DOCUMENTS ARE INCORPORATED HEREIN AND FORM PART OF THIS SHELF PROSPECTUS

THIS SHELF PROSPECTUS AND THE SECURITIES THAT IT OFFERS HAVE BEEN APPROVED AND REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. IT IS A CIVIL WRONG AND CRIMINAL OFFENCE UNDER THE INVESTMENTS & SECURITIES ACT (NO. 29 OF 2007) TO ISSUE A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. THE CLEARANCE AND REGISTRATION OF THIS PROSPECTUS AND THE SECURITIES WHICH IT OFFERS DOES 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.

THE REGISTRATION OF THE SHELF PROSPECTUS AND ANY PRICING SUPPLEMENT THEREAFTER DOES NOT IN ANY WAY WHATSOEVER SUGGEST THAT THE SECURITIES & EXCHANGE COMMISSION ENDORSES OR RECOMMENDS THE SECURITIES OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED THEREIN.

THE ISSUER ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS DOCUMENT. TO THE BEST OF THEIR KNOWLEDGE AND BELIEF (HAVING TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

INVESTORS ARE ADVISED TO NOTE THAT LIABILITY FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS SHELF PROSPECTUS IS PROVIDED IN SECTIONS 85 AND 86 OF THE INVESTMENTS & SECURITIES ACT 2007

LEAD ISSUING HOUSE/BOOK RUNNER:

RC 622258

JOINT ISSUING HOUSES/BOOK RUNNERS:

RC 1031358

RC 680774

THIS SHELF PROSPECTUS IS DATED THE 15TH DAY OF JUNE, 2016

This Shelf Prospectus will be available on the following websites throughout the Validity Period

www.lafarge.com.ng

www.sec.gov.ng

www.chapelhilldenham.com

TABLE OF CONTENTS

TABLE OF CONTENTS

1. PRESENTATION OF INFORMATION

The Company maintains its books of accounts in Naira and in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

Unless otherwise indicated, financial information set forth herein related to the Company and its consolidated subsidiaries (the "**Group**") has been derived from the Group's audited consolidated financial statements as at and for the year ended 31 December 2015 financial statements (the "**2015 Financial Statements**"), 31 December 2014 financial statements (the "**2014 Financial Statements**"), the Group's audited consolidated pro-forma financial statements as at and for the year ended 31 December 2013 (the "**2013 Financial Statements**"), the Company's audited financial statements as at and for the year ended 31 December 2012 (the "**2012 Financial Statements**"), the Company's audited financial statements as at and for the year ended 31 December 2011 (the "**2011 Financial Statements**") and 31 December 2010 consolidated audited financial statements (the "**2010 Financial Statements**"); together, these Financial Statements shall be called ("**Financial Statements**"). The 2014, 2013 and 2012 Financial Statements were prepared in accordance with IFRS, while the 2011 and 2010 Financial Statements were prepared in accordance with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

The Financial Statements were also prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 LFN 2004 ("**CAMA**") and the Financial Reporting Council Act No. 6, 2011.

The Financial Statements, including the audit report of Akintola Williams Deloitte ("**Auditors**") thereon are set forth in this Prospectus. The Financial Statements were audited by the Auditors, in accordance with International Standards on Auditing.

Akintola Williams Deloitte is an independent auditor in accordance with International Standards on Auditing and the firm is located at Akintola Williams Deloitte House, 235 Ikorodu Road, Ilupeju, Lagos, Nigeria.

Certain statistical information presented in this document on topics such as the Nigerian economy and political landscape and related subjects have been obtained from certain third party sources, as described herein. This third party information is presented in the following sections of this document: "*Nigeria Overview*", and "*Risk Factors*". Lafarge Africa has accurately reproduced such information and as far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the information inaccurate or misleading.

Nevertheless, prospective investors are advised to consider this data with caution. Prospective investors should note that some of the Company's estimates are based on such third party information. Neither the Company nor the Issuing Houses has independently verified the figures, market data or other information on which third parties have based their studies.

Solely for the convenience of the reader, this document presents unaudited translations of certain US dollar amounts into Naira at the rate of US$1.00 = ₦197[1]. No representation is made that the Naira or US dollar amounts in this document could have been converted in US dollars or Naira, as the case may be, at any particular rate.

[1] Source: Central Bank of Nigeria, June 2016

2. DEFINITION OF TERMS

"Allotment Date"	The date on which Bonds are allotted to successful bidders
"Allotment"	The issue of Bonds to successful bidders pursuant to the relevant Pricing Supplement
"Auditors"	Akintola Williams Deloitte
"Board" or "Directors"	Board of Directors of the Company
"Bidder''	Any Qualified Investor, as defined by SEC rules, who makes a bid pursuant to the terms of a Pricing Supplement
"Bonds"	The instruments that will be issued by the Company from time to time in accordance with the terms of the Shelf Prospectus and any subsequent Pricing Supplement
"Bond Issuance Programme" or the "Programme"	The ₦100,000,000,000 Bond Issuance Programme being undertaken by Lafarge Africa as described in this Shelf Prospectus, pursuant to which the Company may issue tranches of Bonds from time to time to a maximum value of ₦100,000,000,000
"Bond Maturity Date"	The date specified in the applicable Pricing Supplement on which the bonds are due to be redeemed
The "Book"	The collation of all bids received from Qualified Investors in respect of a particular Series or Tranche under the Programme, indicating the value of the bids and the respective allocation
''Book Runner(s)''	The Issuing House(s) duly appointed by the Issuer to maintain the Book in respect of the Bonds being sold by way of Book Building
''Book Building''	A process of price and demand discovery through which a Book Runner seeks to determine the price at which securities should be issued, based on the demand from Qualified Institutional and High Net worth Investors
"Business Day"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
"CAC"	Corporate Affairs Commission
"CAGR"	Compound Annual Growth Rate
"CAMA"	Companies and Allied Matters Act Cap C20, LFN, 2004
"CBN"	Central Bank of Nigeria
"Chapel Hill"	Chapel Hill Advisory Partners Limited
"CIT"	Companies Income Tax
or "CITA"	Companies Income Tax Act Cap C21, LFN, 2004 (as amended by the Companies Income Tax (Amendment Act No. 11 of 2007))
"Commission"	Any sum that is paid by the Issuer as a brokerage or placing fee, in respect of subscriptions to the Issue.
"Conditions" or 'Terms and Conditions"	Terms and conditions in accordance with which the Bonds will be issued, set out in the section of this Shelf Prospectus headed "Terms and Conditions of the Bonds", in the section of the Pricing Supplement headed "Summary of the Offer" and in the Programme Trust Deed
"Coupon"	The interest paid on the Bond periodically, expressed as a

	percentage of the face value of the Bond
"Coupon Payment Date"	The date on which the Coupon is paid to the Bondholders as specified in the Pricing Supplement
"CSCS" or the "Clearing System"	Central Securities Clearing Systems Plc
"Daily Official List"	The publication of The Nigerian Stock Exchange, published daily, detailing price movements and information on all securities quoted on the Exchange
"Dealers"	All Broker/Dealers and Primary Dealers/Market Makers with substantive registrations with the SEC and the NSE/FMDQ, who may be appointed by the Company to facilitate liquidity in the instruments to be issued under the Programme
"DSRA"	The Debt Service Reserve Account established by the Issuer for purposes of servicing Bond repayment obligations under the Programme; which shall be administered by the Trustees and from which the Trustees shall make payments to Bondholders of interest and the principal sum at the times and in such amounts as are detailed in the repayment schedule set out in each Pricing Supplement
"EPS"	Earnings Per Share
"Events of Default"	All such events as are defined under the Programme Trust Deed
"FGN" or "Federal Government"	Federal Government of Nigeria
"Fixed Rate"	The rate of interest payable in respect of Fixed Rate Bonds
"Fixed Rate Bonds"	Bonds in respect of which interest is to be calculated and paid on a fixed rate basis
"Floating Rate"	The rate of interest payable in respect of Floating Rate Bonds
"Floating Rate Bonds"	Bonds in respect of which interest is to be calculated and paid on a floating rate basis
"FMDQ"	FMDQ OTC PLC
"High Net Worth Individual or HNI"	As defined in the SEC rule, an individual investor with a minimum net worth of ₦300,000,000 (three hundred million Naira) (excluding real assets such as automobiles, homes and furniture)
"Instruments"	Any registered Bond or other security or debt instrument issued by Lafarge Africa Plc under the Bond Issuance Programme
"IFRS"	International Financial Reporting Standards
"Index Linked Coupon Bond"	A Bond on which the payments of interest will be calculated by reference to an index and/or formula or to changes in the prices of securities or commodities or to such other factors as may be prescribed in the applicable Pricing Supplements
"ISA"	Investments and Securities Act (No 29 of 2007)
"Issue Date"	The date on which a Bond is issued and when accrual of the interest on the Bond commences
"Issue Price"	The price at which a Bond is issued as specified in the applicable Pricing Supplement
"Issuer"	Lafarge Africa Plc

"Issuing Houses"	Chapel Hill, Stanbic IBTC and Standard Chartered or any other Issuing House that may be appointed
"Lead Issuing House"	Chapel Hill Advisory Partners Limited or any other Lead Issuing House that may be appointed
"LFN"	Laws of the Federation of Nigeria 2004
"Lafarge Africa" or "Lafarge"	Lafarge Africa PLC
"Naira/NGN"	The Nigerian Naira
"Nigeria"	The Federal Republic of Nigeria, and the term "Nigerian" shall be construed accordingly
"OTC"	Over-the-counter
"PIT"	Personal Income Tax
or "PITA"	Personal Income Tax Act Cap, P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No. 20 of 2011)
"Pricing Supplement" or "Supplementary Shelf Prospectus"	The document(s) to be issued pursuant to the Shelf Prospectus which shall provide final terms and conditions of a specific Series of debt securities issued under the Programme and read in conjunction with the Shelf Prospectus
"Qualified Institutional Investor"	As defined in SEC rules, Institutional purchasers of securities, including Fund Managers, Pension Fund Administrators, Insurance Companies, Investment/Unit Trusts, Multilateral and Bilateral Institutions, Registered and/or Verifiable PE funds and Hedge Funds, Market Makers, Staff Schemes, Trustees/Custodians, and Stock Broking Firms
"Qualified Investors"	Qualified Institutional Investors and High Net Worth Investors
"Record Date"	The date on which the list of holders of the Bonds is extracted from the register for the purposes of making coupon payments
"Relevant factor"	Variable or indices that may be applied in determining the principal repayment or interest payment
"Register"	The record maintained by the Registrar detailing the particulars of Bondholders and respective Bonds held by each Bondholder
"Registrar"	CardinalStone Registrars Limited or any other person so appointed by the Issuer
"SEC" or "The Commission"	Securities & Exchange Commission
"Senior Bonds"	Bonds that rank pari passu without any preference of one above the other by reason of priority of date of issue, currency of payment or otherwise with all other senior unsecured obligations of the Company, present and future, except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment
"Series"	Tranche of Bonds together with any further Tranche or Tranches of Bonds which are: i. expressed to be consolidated and form a single series and ii. are identical in all respects (including as to listing) except for their respective Issue Dates, Coupon Payment Dates and/or Issue Prices
''Series Trust Deed''	A Deed supplementing or modifying the provisions of the Programme Trust Deed entered into by the Issuer and the

	Trustees with regards to a specific Series and empowering the Trustees to hold, administer and manage the applicable assets
"Settlement Date"	The date by which the buyer (successful bidder/investor) must pay for the Bonds delivered by the Company
"Shelf Prospectus" or "Prospectus"	This Prospectus that Lafarge Africa has filed in accordance with the Rules and Regulations of the SEC, which contains details of the Debt Issuance Programme
''Signing Ceremony Date''	The date on which the Offer documents approved by SEC are signed by the Directors and other parties
"Stanbic IBTC Capital"	Stanbic IBTC Capital Limited
"Standard Chartered"	Standard Chartered Capital & Advisory Nigeria Limited
"The Constitution"	The Constitution of the Federal Republic of Nigeria 1999 (as amended)
"The NSE" or "The Exchange"	The Nigerian Stock Exchange
"Tranche"	Bonds which are identical in all respects
"Trust Deed"	The Programme Trust Deed by which the Bond Issuance Programme is constituted
"Trustees"	A group of persons or firm(s) granted fiduciary power by the Issuer to enforce the terms of the bond programme
'Validity Period''	A period expiring three (3) years from the date of SEC approval of this Shelf Prospectus
"VAT"	Value Added Tax
"Zero Coupon Bond"	A non-interest bearing Bond or a Bond issued at a discount to its face value

3. DECLARATION BY THE ISSUER

LAFARGE

DECLARATION OF ISSUER

This Shelf Prospectus has been prepared by the Issuing Houses on behalf of Lafarge Africa Plc, with a view to providing information and disclosures on the Company in connection with the Programme.

On behalf of the Board of Directors, we hereby make the following declarations:

1. We confirm that the information contained in this Shelf Prospectus, is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import;

2. There has been no significant change in the financial condition or material adverse change in the prospect of the Company as at the date of this document; and

3. The Company or any of its subsidiaries is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of any event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of this Shelf Prospectus.

Signed for and on behalf of
Lafarge Africa Plc
by its duly authorised representatives:

Mr. Michel Puchercos
Managing Director

Ms Uzoma Uja
Company Secretary

Mr Anders Kristiansson
Chief Finance Officer

OLADIPO OD...
NOTARY
CHURCH HOUSE
29, MARINA,
NIGERIA

27/04/2016

LAFARGE AFRICA PLC. (RC 1858)
27B, Gerrard Road, Ikoyi, Lagos. Telephone: (+234) (1) 2713990. www.lafarge.com.ng

A member of LafargeHolcim

4. NOTICE TO PROSPECTIVE INVESTORS

Presentation of Information

This Shelf Prospectus has been prepared by Lafarge Africa with the assistance of the Issuing Houses in connection with Lafarge Africa Plc's ₦100,000,000,000 Bond Issuance Programme (pursuant to which Lafarge Africa Plc will issue Instruments with varying maturities) for purposes of giving information to prospective investors in respect of the Instruments described herein.

Following the registration of this Shelf Prospectus, the SEC will register the specific Instruments as they are issued under each Series.

This Shelf Prospectus includes certain statements, estimates and projections with respect to the future performance of Lafarge Africa Plc. These statements, estimates and projections reflect various assumptions by Lafarge Africa concerning its anticipated development and expansion programme, which have been included solely for illustrative purposes. These statements, estimates and projections should not however, be relied upon as a representation, warranty or undertaking, expressed or implied, as to the future performance of Lafarge Africa and actual occurrences may vary materially from the projected developments contained herein and/or the assumptions on which such statements, estimates and projections were based.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice from the Issuing Houses, to any prospective investor. Each prospective investor should make their own independent assessment of the merits or otherwise of subscribing for the securities offered herein and should take their own professional advice in connection with any prospective investment by them.

Lafarge Africa and the members of the Board of Lafarge Africa individually and collectively accept full responsibility for the accuracy of the information contained herein and have taken reasonable care to ensure that the material facts contained herein are true and accurate in all material 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 material statement herein misleading or untrue. Additional information may be obtained through the office of the Lead Issuing House as listed on page 14 of this Prospectus on any Business Day during the period of the respective opening and closing dates of the issuance of Instruments under the Bond issuance Programme, provided the Lead Issuing Houses possess such information or can acquire it without unreasonable effort or expense.

Certain figures included in this Shelf Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The Issuer obtained certain statistical and market information that is presented in this Shelf Prospectus in respect of the Nigerian economy and the Nigerian political landscape in general from certain government and other third party sources as identified where it appears herein.

This third party information is presented in the following sections of the Shelf Prospectus: "*Nigeria Overview*", and "*Risk Factors*". Lafarge Africa has accurately reproduced such information and as far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the information inaccurate or misleading.

There is not necessarily any uniformity of views among such sources as to such information provided. The Company has not independently verified the information included in this section. Some of the information in this Shelf Prospectus has been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third party sources as indicated in the text. The Company has accurately reproduced such information and, so far as the Company is aware and is able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Company has relied on the accuracy of this information without independent verification.

Nevertheless, prospective investors are advised to consider these data with caution. Market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative. Neither the Issuer nor the Issuing Houses have independently verified the figures, market data or other information on which third parties have based their studies.

Certain statistical information reported herein has been reproduced from official publications of, and information supplied by, a number of government agencies and ministries, and other governmental and intergovernmental organisations, including:

- the CBN
- the International Monetary Fund;
- the Nigerian Debt Management Office:
- the National Bureau for Statistics of Nigeria

Forward-Looking Statements

Certain statements included herein and in any Pricing Supplement may constitute forward looking statements that involve a number of risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such forward looking statements can be identified by the use of forward looking terminology such as "believes", "expects", "may", "are expected to", "intends", "will", "will continue", "should", "would be", "seeks", "approximately" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, amongst other things, the Issuer's operating results, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates.

Prospective investors should be aware that forward looking statements are not guarantees of future development of the industry in which the Company operates, as this may differ materially from those made in or suggested by the forward looking statements contained in this Shelf Prospectus. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward looking statements contained in this Shelf Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from the Company's expectations are contained in the cautionary statements in this Shelf Prospectus and include, among other things, the following:

- overall political, economic and business environment in Nigeria;
- economic and political conditions in international markets, including governmental changes;
- changes in tax provisions, including tax rates or revised/new tax laws or interpretations;
- interest rate fluctuations and changes in other capital market conditions;
- changes in government regulations, especially those pertaining to the Company's industry and competitive factors in the industry in which the Company and its customers operate;
- the demand for the Company's products and services;
- continued hostilities and disruptions in the North-Eastern part of Nigeria;
- exchange rate fluctuations; and
- the timing, impact and other uncertainties of future actions

The sections of this Shelf Prospectus titled "*Risk Factors*", "*Description of Lafarge Africa Plc*'' and "*Statutory and General Information*" contain a more detailed discussion of the factors that could affect the Company's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward looking events described in this Shelf Prospectus may not occur.

The Company does not undertake any obligation to update or revise any forward looking statement, whether as a result of new Information, future events or otherwise. All subsequent written and oral forward looking statements attributable to the Issuer or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Shelf Prospectus.

Statements in a Pricing Supplement

NOTICE TO PROSPECTIVE INVESTORS

Following the publication of this Shelf Prospectus, Pricing Supplement(s) will be issued in relation to each Series or Tranche that are to be offered for issuance by the Company under the Programme. Each applicable Pricing Supplement will be cleared and approved by the SEC.

Specific statements on a Bond as contained in the relevant Pricing Supplement shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statements so modified shall not, except as modified or superseded, constitute a part of the Shelf Prospectus.

Amendments to the Shelf Prospectus

The Issuer, in the event of any significant change, material mistake or inaccuracy relating to information included in this Shelf Prospectus which is capable of affecting the assessment of the Bonds, shall prepare an addendum to this Shelf Prospectus for use in connection with any subsequent issue of Bonds, under the Debt Issuance Programme, which shall be subject to the Commission's clearance.

5. PARTIES TO THE OFFER

DIRECTORS

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

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

Mrs. Adepeju Adebajo (CEO, Cement Division)
27B Gerrard Road
Ikoyi
Lagos

Adebajo

Mrs. Oludewa Edodo-Thorpe (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Jean-Carlos Angulo (Director)
27B Gerrard Road
Ikoyi
Lagos

Ms. Sylvie Rochier (Director)
27B Gerrard Road
Ikoyi
Lagos

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

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

Alhaji Umaru Kwairanga (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Jean-Christophe Barbant (Vice Chairman)
27B Gerrard Road
Ikoyi
Lagos

Mr. Anders Kristiansson Esq. (Chief Finance Officer)
27B Gerrard Road
Ikoyi
Lagos

Mr. Guillaume Roux (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Joseph Hudson (Director)
27B Gerrard Road
Ikoyi
Lagos

Mr. Adebayo Jimoh (Director)
27B Gerrard Road
Ikoyi
Lagos

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

Mr. Thierry Metro (Director)
27B Gerrard Road
Ikoyi
Lagos

Mrs. Elenda Osima-Dokubo (Director)
27B Gerrard Road
Ikoyi
Lago

Ms. Uzoma Uja (Company Secretary)
27B Gerrard Road
Ikoyi
Lagos

PARTIES TO THE OFFER

PROFESSIONAL PARTIES TO THE ISSUE

Lead Issuing House:
Chapel Hill Advisory Partners Limited
1st Floor, 45 Saka Tinubu Street
Victoria Island
Lagos
KEMI AWODEIN

Joint Issuing House:
Stanbic IBTC Capital Limited
I.B.T.C Place
Walter Carrington Crescent
Victoria Island
Lagos
K. BENTSI-ENCHILL

Reporting Accountant:
PricewaterhouseCoopers
Landmark Towers
5B, Water Corporation Road
Victoria Island
Lagos
Adebola Oladipo

Solicitors to the Offer:
Udo-Udoma & Belo-Osagie
St Nicolas House (10th & 13th Floor)
Catholic Mission Street
Lagos
Y. EDU.

Solicitors to the Issuer:
Giwa Osagie & Co
4 Lalupon Close
Off Keffi Street
South West Ikoyi
Lagos
BOSEDE GIWA-OSAGIE

Registrars: Judith Adebomi
CardinalStone Registrars Limited
358, Herbert Macaulay Road
Yaba
Lagos

Receiving Bank: OYETUNDE FADELE
Citibank Nigeria Limited
Charles S. Sankey House
27 Kofo Abayomi Street
Victoria Island
Lagos

Receiving Bank: KEMI OGUNBONA
First Bank of Nigeria PLC
Samuel Asabia House
35 Marina
Lagos

Joint Issuing House:
Standard Chartered Capital And Advisory Nigeria Limited
142, Ahmadu Bello Way
Victoria Island
Lagos
LEKE OGUNLEWE

Auditors:
Akintola Williams Deloitte
235 Ikorodu Road
Ilupeju
Lagos
Jelili Adebisi

Ratings Agency:
Global Credit Rating Co. (GCR)
New Africa House (17th Floor)
31 Marina
Lagos
Kunle Ogundijo

Solicitors to the Trustees:
Odujinrin & Adefulu
Church House (1st Floor)
29 Marina Street
Marina
Lagos
DAMILOLA ADETUNJI

Joint Trustees to the Offer:
FBN Trustees Limited
Adekunle Awojobi
16 Keffi Street
Off Awolowo Road
Ikoyi
Lagos
VICTOR ABULELE

Zenith Trustees Limited
Plot 232a Muri Okunola Street
Victoria Island
Lagos

ARM Trustees Limited
1 Mekunwen Road
Off Oyinkan Abayomi Drive
Ikoyi
Lagos
Kolawole Adelaja

Receiving Bank:
Access Bank Plc
999c Danmole Street
Off Adeola Odeku/Idejo Street
Victoria Island
Lagos
TAYO ADENUGA-IKIWO

6. THE PROGRAMME

A copy of this Shelf Prospectus and the documents specified herein have been delivered to the SEC for clearance and registration.

This Shelf Prospectus is being issued in compliance with the provisions of the ISA 2007, the Rules and Regulations of The Commission and the listing requirements of the relevant Exchanges and contains particulars in compliance with the requirements of the SEC for the purpose of giving information to the public with regards to the Programme. In the event that any issue under the Programme is to be listed, an application will be made to either the Governing Council of The NSE for the admission of such Bonds to its Daily Official List or to the FMDQ-OTC Plc for the listing of the Bonds (as determined by the Issuer).

The Directors of Lafarge Africa have taken all reasonable care to ensure that the information concerning the Company contained in this Prospectus is true and accurate in all material respects on the date of this Prospectus and that as of the date hereof there are no other material facts in relation to the Company the omission of which would make misleading any statement herein.

LEAD ISSUING HOUSE

RC 622258

JOINT ISSUING HOUSES/BOOK RUNNERS:

RC 1031358 RC 680774

On behalf of
LAFARGE AFRICA PLC
is authorised to issue this Shelf Prospectus in respect of the
₦100,000,000,000 Bond Issuance Programme

This Shelf Prospectus has been registered with SEC. The registration of this Shelf Prospectus and any subsequent Pricing Supplement shall not be taken to indicate that SEC endorses or recommends the Bonds described herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed herein.

This Shelf Prospectus must be read in conjunction with the applicable Pricing Supplement to be issued by the Company from time to time within the Validity Period. No Bonds will be issued on the basis of this Prospectus read together with any Pricing Supplement later than three years after the issue date indicated on the cover of this Prospectus.

This Shelf Prospectus contains:

1. on page 9, the declaration to the effect that the Issuer and its subsidiaries did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
2. on page 62, an extract of the Rating Report on the Company by GCR, respectively for incorporation in this Shelf Prospectus; and
3. on pages 90 to 98, the legal opinion issued by the Solicitors to the Company, Giwa-Osagie & Co. on the effect of any claims and litigation against the Company on the Programme.

Validity Period of the Shelf Prospectus and Delivery of Documents:

This Shelf Prospectus is valid until June 14, 2019. No Bonds shall be issued on the basis of this Shelf Prospectus read together with the applicable Pricing Supplement(s) later than the Validity Period.

This Shelf Prospectus can be obtained at the office of the Issuer, the Lead Issuing House and the Joint Issuing Houses throughout its Validity Period.

7. PARTICULARS OF THE PROGRAMME

7.1 SUMMARY OF TERMS & CONDITIONS OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and qualified in its entirety by the remainder of this Shelf Prospectus and, in relation to the terms and conditions of any particular Tranche and, the applicable Pricing Supplement. Words and expressions defined in ''*Form of the Bonds*'' and ''*Terms and Conditions of the Bonds*'' shall have the same meaning in this summary:

ISSUER:	Lafarge Africa Plc
PROGRAMME DESCRIPTION:	A Bond Issuance Programme being undertaken by Lafarge Africa Plc through which a Bond or a series of Bonds with varying maturities will be issued. Under the terms of the Programme, convertible and non-convertible Bonds, Senior or Subordinated and/or Unsecured Bonds, Fixed Rate Bonds, Floating Rate Bonds, Reverse Floating Bonds, Zero Coupon Bonds and any combinations thereof may be issued, all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuer and the Issuing Houses and specified in the relevant Pricing Supplement. The Bonds shall be constituted by the Programme Trust Deed. A Series Trust Deed will be issued in respect of each Series.
LEAD ISSUING HOUSE/BOOK RUNNER:	Chapel Hill Advisory Partners Limited, or any other Issuing House as may be specified in the Pricing Supplement.
JOINT FINANCIAL ADVISER/ISSUING HOUSE/BOOK RUNNERS:	Standard Chartered Capital & Advisory Nigeria Limited and Stanbic IBTC Capital Limited, or any other Issuing House as may be specified in the Pricing Supplement.
DEALERS:	Any dealer appointed from time to time by the Company and as specified in the relevant Pricing Supplement(s)
REGISTRAR/PAYING AGENT:	CardinalStone Registrars Limited and/or such other registrar as may be specified in the relevant Pricing Supplement.
LISTING:	Bonds may be unlisted or listed on recognized Stock Exchanges such as the FMDQ-OTC, The Exchange and/or other relevant Stock Exchanges.
PROGRAMME AMOUNT:	Up to ₦100,000,000,000 (One Hundred Billion Naira) only.
AVAILABILITY:	The Programme will be continuously available during the Validity Period.
METHODS OF ISSUE:	Bonds under this Programme may be issued via a Book Build, public offering, private placement and/or any other such methods as described in the Pricing Supplement and as approved by the SEC.

ISSUANCE IN SERIES:

Bonds will be issued in series and each Series may comprise one or more tranches issued on different dates. The Bonds in each Series will be subject to identical terms, whether as to currency or maturity or otherwise, except that the Issue Date, the Issue Price and Interest Commencement Dates may be different. Details applicable to each Series will be specified in the relevant Pricing Supplement.

INTEREST RATES:

Bonds may be interest-bearing or non-interest bearing. Interest (if any) may be at a fixed or floating rate and may vary during the lifetime of the relevant Series.

USE OF PROCEEDS[2]

The use of proceeds from each Tranche shall be specified in the applicable Pricing Supplement.

VARIABLE COUPON AMOUNT BONDS:

The Pricing Supplement issued in respect of each issue of Variable Coupon Amount Bonds will specify the basis for calculating the amounts of interest payable, which may be by reference to a variety of financial instruments, a currency exchange rate or any other index or formula or as otherwise provided in the relevant Pricing Supplement.

CURRENCIES:

Bonds will be denominated in Naira or such other currency or currency units as may be agreed among the Company, the relevant Dealer(s) and the Issuing Houses, subject to compliance with all applicable legal or regulatory requirements in either case as described in the relevant Pricing Supplement.

STATUS OF THE BONDS:

The Programme allows for the issuance of various types of Instruments that can be classified as Senior.

The Senior Bonds will rank pari passu without any preference to one above the other by reason of priority of date of issue, currency of payment or otherwise with all other senior unsecured obligations of the Company, present and future, except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment.

The subordinated Bonds will rank pari passu without any preference to one above the other by reason of priority of date of issue, currency of payment or otherwise with all other subordinated unsecured obligations of the Company, present and future, except to the extent that any such obligations are by their terms expressed to be subordinated in right of payment to other subordinated unsecured obligations.

RATINGS:

The Bonds issued under this Programme will be rated by one or more ratings agencies at the instance of the Issuer. The Rating Report will be set out in the relevant Pricing Supplement.

2 The Issuer will receive the net proceeds of each issuance after the deduction of the cost of the issuance

EVENTS OF DEFAULT: The events of default under the Bonds are as specified within the Series Trust Deed(s).

FORM OF THE BONDS: No definitive Bonds will be issued. The issue and ownership of the Bonds will be effected and evidenced by the particulars of the Bond being entered in the Register by the Registrar.

ISSUE PRICE: Bonds may be issued at par or at a discount or premium to par.

MATURITY OF BONDS: Bonds may be issued with such maturities as may be agreed with the Issuer and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the Issuer or any laws or regulations applicable to the Issuer or the relevant specified currency.

DENOMINATIONS: Bonds will be issued in such denominations as may be agreed between the Company and the relevant Issuing Houses and as specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements, and in accordance with usual market practice.

EARLY REDEMPTION: Early redemption will be permitted only to the extent specified in the relevant Pricing Supplement and then only subject to any applicable legal or regulatory limitations.

REDEMPTION: Bonds may be redeemable at par or at such other redemption amount as may be specified in the relevant Pricing Supplement.

NEGATIVE PLEDGE: So long as any portion of the Programme remains outstanding the Issuer hereby covenants that it shall not, without the prior consent of the Trustees in writing, create or permit to subsist any pledge, lien, mortgage or charge (whether fixed or floating) on the whole or any part of its undertaking, property or assets to secure any other Indebtedness of the Issuer other than a Permitted Security.

WAIVER: Without prejudice to the provisions of the Trust Deed, the Trustees may, without the consent of the Holders and without prejudice to their rights in respect of any subsequent breach, from time to time and at any time, if in their opinion the interests of the Holders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to them, any breach or proposed breach by the Issuer of the Trust Deed or the Conditions or determine that an Event of Default shall not be treated as such provided that the Trustees shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Clause 30. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Holders and shall be notified to the Holders as soon as practicable.

MODIFICATION: Without prejudice to the provisions of the Trust Deed, the Trustees may agree with the Issuer, without the consent of the Holders but subject to the SEC approval, to any modification to the Trust Deed of a formal, minor or technical nature or to correct a manifest error. The Trustees may also so agree, subject to SEC approval, to any modification to the Trust Deed that is in their opinion not materially prejudicial to the interests of the Holders.

GOVERNING LAW: The Bonds and all related contractual documentation will be governed by, and construed in accordance with Nigerian law.

LISTING: Each series of the bonds may be unlisted or listed on recognized Stock Exchanges such as the FMDQ-OTC, The Exchange and/or other relevant Stock Exchanges as specified in the relevant Pricing Supplement.

TERMS AND CONDITIONS: The terms and conditions applicable to each Series (the "Terms and Conditions") will be agreed between the Company and the relevant Issuing Houses or other purchaser at or prior to the time of issuance of such Series, and will be specified in the relevant Pricing. The Terms and Conditions applicable to each Series will therefore be those set out on pages 20 to 32 hereof as supplemented, modified or replaced by the relevant Pricing Supplement.

OTHER CONDITIONS: Such other Terms and Conditions as may be incorporated by reference to, modified by, or supplemented by applicable Pricing Supplement for the Issue.

7.2 TERMS & CONDITIONS OF THE BONDS

The following are the Terms and Conditions of the Bonds issued under the Programme which will be applicable to each Series of Bonds, provided that the relevant Pricing Supplement in relation to any Series of Bonds may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these terms and conditions, replace the Terms and Conditions for the purposes of such Series of Bonds.

These Terms and Conditions are generally applicable to the Bonds issued under the Programme and shall be deemed to be completed by the information contained in the relevant Pricing Supplement. Any provision in the Pricing Supplement modifying, supplementing or replacing, in whole or in part, the provisions of these Terms and Conditions shall be deemed to so modify, supplement or replace, in whole or in part, the provisions of these Terms and Conditions.

1. Form and Description

1.1. The Bonds

The Bond Issuance Programme is constituted by a Programme Trust Deed (the "***Trust Deed***") dated June 15, 2016 between Lafarge Africa ("the ***Issuer***" or the "Company") of the one part and FBN Trustees Limited and Zenith Trustees Limited of the other part (FBN Trustees Limited and Zenith Trustees Limited hereinafter referred to as the "***Trustees***" which expression shall include all persons for the time being acting as the Trustee or Trustees under the Trust Deed).

Any Series of Bonds which is to be created and issued pursuant to the Programme Trust Deed shall be constituted by, be subject to and have the benefit of a Series Trust Deed ***(the "Series Trust Deed")*** between the Issuer and the Trustees. The Issuer shall execute and deliver such Series Trust Deed to the Trustees containing such provision (whether or not corresponding to any of the provisions contained in the Programme Trust Deed) as the Trustees may require. Each Series Trust Deed shall set out the form of the Tranche of Bonds to be so constituted thereby and shall be accompanied by supporting authorisations /approvals as may be required by the Trustees.

The Bonds will be issued in registered, dematerialised and in electronic book entry form in series (each "**a Series**''), and each Series will be the subject of a Pricing Supplement prepared by or on behalf of the Company, the terms set forth in which may supplement or vary any of these Conditions.

A copy of each Pricing Supplement will be available at the specified office of each of the Issuing Houses.

1.2. Description

The Bonds are denominated in Nigerian Naira or such currency as may be agreed among the Company, and the Issuing Houses subject to compliance with the applicable legal and regulatory requirements and as specified in the relevant Pricing Supplement, with coupons payable (if any) periodically in arrears. Bonds may be issued from time to time, subject to the applicable terms of the Shelf Prospectus, by way of an offer for subscription or private placement, through a book building process and/or any other such methods as described in the Pricing Supplement. Unless otherwise specified in the relevant Pricing Supplement, the Bonds are redeemable at face value on maturity.

2. Events of Default

The events of default under the Bonds are as specified within the Trust Deed

3. Repayments

Bonds are domiciled for repayment in Nigeria and will be paid on the Coupon Payment Date and/or the Maturity Date to the Bondholder registered on the Record Date immediately prior to the Maturity Date, by the Registrar crediting an account at any bank licensed by the Central Bank of Nigeria specified by the Bondholder. If details of a bank account have not been provided, the Coupon or Principal Amount may be paid by the issuance of a warrant; provided however that the Registrar shall withhold amounts above ₦10

Million (and immediately notify the Trustees) until a bank account to which such sum can be remitted is specified in writing by the Bondholder, the Trustees or any other relevant party. The Bondholder shall not be entitled to any further Coupon or other payment in respect of any delay in providing details of a bank account. No additional interest will be paid on any amounts in respect of which a warrant is issued.

Principal repayments will be credited by the Registrar to the cash account of the Bondholder specified on the Bid/Application Form.

The Registrar will accept instructions from Bondholders prior to the Record Date, in respect of the repayment of the Bonds.

Payment will be made on the Maturity Date. However, if the Maturity Date is not a Business Day, payment will be made on the next succeeding Business Day without payment of additional interest. Bonds are not repayable prior to the Maturity Date except as otherwise stipulated in any relevant Pricing Supplement(s).

4. Status of the Bonds

The Bonds may be issued as Senior Bonds, and will, in this case, be direct and unconditional obligations of the Issuer and shall rank pari passu among themselves and equally with all other outstanding unsecured and unsubordinated obligations of the Issuer present and future, but subject to applicable laws relating to creditors' rights in the event of insolvency. The Bonds may be issued as Subordinated Bonds and will in this case be direct, unsecured and subordinated obligations of the Issuer and rank at least pari passu with the claims of all other outstanding unsecured and subordinated obligations of the Issuer subject to the applicable Pricing Supplement(s). The Bonds qualify as securities in which trustees may invest under the Trustees Act. The Bonds also qualify as securities in which pension fund administrators may invest pension fund assets under the Pension Reform Act and the Regulations on the Investment of Pension Fund assets issued by the National Pension Commission.

5. Bond Repayment Account

A Bond Repayment account referred to as the "Payment Account" shall be established for each Series of Bond that is issued under the Programme. The Payment Account shall be solely administered by the Trustees. The Issuer shall make payments into the Payment Account from its income from operations, 3 (three) Business Days prior to the Coupon Payment Date in accordance with the provisions of the respective Series Trust Deeds and the payment schedule contained therein. The payments shall be remitted into the Payment Account, without demand, to ensure that the Trustees are sufficiently funded to facilitate the settlement of the Issuer's Coupon obligation(s) on the relevant Coupon Payment Date, as well as the Principal Amount on the Redemption Date.

6. Bondholder's Protection

The Company has appointed the Trustees to act as trustees for the Bondholders. The Company and the Trustees will enter into a Programme Trust Deed (in respect of the Programme) and a Series Trust Deed(s) (in connection with each Series), inter alia, specifying the powers, authorities and obligations of the Trustees and the Company. The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Bondholder(s). Any payment made by the Company to the Trustees on behalf of the Bondholder(s) shall discharge the Company pro tanto to the Bondholder(s). The Trustees will protect the interest of the Bondholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Company and shall also ensure that remittances are made in strict compliance with the Trust Deed.

7. Redemption

7.1. Optional Early Redemption (Put)

If the relevant Pricing Supplement so specifies, the Company shall, upon the exercise of the relevant option by the Bondholder of any relevant Series, redeem such Bond on the date or the next of the dates specified in the relevant Pricing Supplement at its principal amount (or such other redemption amount as may be specified in the relevant Pricing Supplement), together with accrued interest (if any) thereon. In order to exercise such option, the Bondholder must, not less than forty-five days before the date so specified (or such other period as may be specified in the relevant Pricing Supplement), present evidence of the relevant Bondholding to the Registrar (as may be required) together with a duly completed redemption notice in the form which is available from the specified office of any of the Paying Agents/the Registrar.

7.2. Optional Early Redemption (Call)

If the relevant Pricing Supplement so specifies, then the Company may, upon the expiry of the appropriate notice and subject to such conditions as may be specified in the relevant Pricing Supplement, redeem all (but not, unless and to the extent that the relevant Pricing Supplement specifies otherwise, some), of the Bonds of the relevant Series on the date specified in the relevant Pricing Supplement.

8. Allotment and Subscription

8.1. Allotment

Allotment of Bonds in respect of successful bids for each maturity will be made in ascending order of coupon rates. At the highest coupon rate accepted, Bonds will, if necessary, be allotted as far as practicable on a pro-rata basis in relation to the amount available at that coupon rate, except that successful bidders shall be allotted an amount that is an exact multiple of the Principal Amount with the minimum allotment being the amount specified.

8.2. Oversubscription

In the event that the number of bidders at the highest acceptable coupon rate exceeds the amount of Bonds proposed to be issued at that coupon rate per Tranche, the Company may either increase the amount available up to 15% on that particular Tranche so that a minimum number of Bonds can be issued on a pro-rata basis to each successful bidder at that coupon rate, or decrease the amount available so that no allocation of Bonds is made at that coupon rate; provided however that where the Company increases the amount of Bonds proposed for issuance, this will be subject to 15% of the proposed offer size (or such amounts as permitted by the SEC) and shall, in any event, not exceed the ₦100,000,000,000.00 Programme limit approved by the shareholders of the Issuer.

8.3. Under-Issuance

The Company reserves the right to issue less than the full amount of Bonds offered in any tender at the Issuer's own discretion, subject to the Commission's prior review and approval,.

9. Registration, Settlement and Transfer

9.1. Settlement Price

The settlement price will be rounded to the nearest Naira to 1/100th of a Naira being rounded down and to 1/100th of a Naira being rounded up).

Settlements during the period from the Record Date up to, but not including, the Coupon Payment Date of any Bonds offered for tender will be on an ex-coupon interest basis. All other settlements will be on a cum-coupon interest basis.

9.2. Settlement

Bidders must fully pay for the Bonds allotted to them on the Settlement Date.

For the purposes of these Conditions, "Settlement Date" means the date by which the buyer (successful bidder/investor) must pay for the Bonds delivered by the Issuer.

9.3. Registration of Bonds

Bonds may be held by individual persons with a right of survivorship. Organizations or trusts which are not incorporated should complete their application in the full name(s) of the trustee(s). No notice of any trust in respect of any Bonds will be entered in the Register or receivable by the Registrar. Each Bondholder is to be regarded as the absolute beneficial owner of the Bonds registered in its name and both the Company and the Registrar shall not be affected by any trust or other equity affecting any Bond, whether or not it is aware of the same.

If two or more persons apply to be registered as Bondholders as tenants in common, the Registrar may, after receiving an application from either Person and notifying the other Person(s) of its intentions to do so, divide the Bonds into the share for which each Person is expressed to be entitled and register each Person as the holder of the Bonds representing the Person's share. If the Bonds cannot be shared where the minimum is 10,000 and a multiple of 5,000, the Registrar may refuse to accept the application.

9.4. Notices of Registration/Transfer

a. Register

The Registrar shall enter in the Register the following particulars of every holder of Bonds:

- Name and address of the Bondholder;
- Bio-metric Verification Number (BVN) of the Bondholder
- Principal Amount of the Bonds held;
- Coupon Interest Rate payable on the Bonds;
- Coupon Payment Dates of the Bonds;
- Maturity Date of the Bonds;
- The CSCS Reference number of the Bonds held by each Bondholder;
- Such other particulars as may, from time to time, be required by the Company; and
- Such other particulars as may, from time to time, be considered necessary by the Registrar.

The Registrar may correct errors and remedy omissions in the Register.

b. Transfer of Bonds

The Bondholder may, by way of a form of transfer in such form as the Registrar prescribes, transfer to any other person all or any of the Bonds of which it is the holder. Transfers must be in multiples of 5,000 and no transfer may be made if, as a result thereof, the Principal of the Bonds Registered in the name of the transferor or the transferee would be less than ₦5,000,000.

On production to the Registrar of a duly executed form of transfer and such other evidence as the Registrar may require to prove the authority of the persons signing the same to sign on behalf of the transferor, the Registrar will enter in the Register the name of the transferee as the registered holder of the Bonds to which the form of transfer relates.

When the right to any Bond is acquired by any person in any manner other than by a form of transfer, the Registrar, on application by or on behalf of the person entitled, and on being satisfied that the person is entitled to be registered as the Bondholder, will enter the person in the Register as the holder of the Bonds.

Upon registration of a form of transfer or other assignment on the Register, the transferee will be recognized as entitled to the Bonds.

No transfer will be registered in the period from the Record Date immediately prior to the Maturity Date.

10. Certification of Transfers (Markings)
The Registrar may, on the application of a Bondholder, certify on a form of transfer of Bonds that the person named therein as transferor is entered on the Register as the Bondholder. Any such certification may be subject to such conditions as the Registrar prescribes.

Where a form of transfer of Bonds has been certified under this section, the Registrar may refuse to record any dealing with the Bonds until the form has been produced to it and the certification thereon cancelled, or the certification has expired by virtue of its conditions, or the Bonds have matured.
The Registrar will enter in the Register particulars of every form of transfer certified under this section.

11. Coupon Payments and other Calculations

In this Clause:

"Coupon Accrual Period" or "Calculation Period" means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Payment Date and each successive period beginning on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date;

"Coupon Amount" means

i) in respect of a Coupon Accrual Period, the amount of coupon payable per Calculation Amount for that Coupon Accrual Period and which, in the case of Fixed Rate Bonds, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount specified in the applicable Pricing Supplement as being payable on the Coupon Payment Date; and
ii) in respect of any other period, the amount of coupon payable per Calculation Amount

"Coupon Payment Date" means each coupon payment date unless otherwise specified in the applicable Series Trust Deed and/or Pricing Supplement in respect of the Bonds;

"Coupon Rate" or "Rate of Interest" means the rate of interest payable from time to time in respect of Coupon-bearing Bonds of a Series or Tranche and that is either specified or calculated in accordance with the provisions in respect of such Bonds;

"Day Count Fraction" means, in respect of the calculation of an amount of interest on Bonds of a Series for any period of time, in accordance with Condition 11 (e) and shall be specified in the Pricing Supplement;

"Determination Date" means the date specified in respect of the Bonds of a Series or, if none is so specified, the Coupon Payment Date;

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"Issue Date" means the date on which a Bond of a Series is issued and when accrual of the interest of the Bond of that Series commences; and

"Kobo" means the sub-unit of the Naira.

a) Coupon on Fixed Rate Bonds:

The Bonds shall bear Coupon on the outstanding nominal amount at the relevant Fixed Coupon Amount specified in the applicable Pricing Supplement for the applicable Coupon Accrual Period. The amount of Coupon payable shall be determined in accordance with Condition 11 (e).

b) Coupon on Floating Rate Bonds:

i Coupon Payment Dates: Floating Rate Bonds shall accrue Coupon on the outstanding nominal amount from the Coupon Commencement Date at the rate per annum (expressed as a percentage) equal to the Coupon Rate, such Coupon being payable in arrears on each.

ii Coupon Payment Date

The Coupon amount payable shall be determined in accordance with Condition 11(e).

Such Coupon Payment Date(s) is/are either shown in the relevant Series Trust Deed and/or Pricing Supplement as Specified Coupon Payment Dates or, if no Specified Coupon Payment Date(s) is/are shown in the relevant Series Trust Deed and/or Pricing Supplement, Coupon Payment Date shall mean each date which falls the number of months or other period shown in the relevant Series Trust Deed and/or Pricing Supplement as the specified period after the preceding Coupon Payment Date or, in the case of the first Coupon Payment Date, after the Coupon Commencement Date.

iii Business Day Convention: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

For the purpose of this Condition, "Business Day" means any day on which banks are open for business in the Federal Republic of Nigeria.

iv) Coupon Rate: The Coupon Rate in respect of Floating Rate Bonds for each Coupon Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement.

c) Zero Coupon Bonds

Where any Zero Coupon Bonds is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Bonds. As from the Maturity Date, the interest for any overdue principal of such Bonds shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 12.3(a).

d) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding.

i If any Margin is specified in respect of the Bonds (either (a) generally, or (b) in relation to one or more Coupon Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (a),or the Rates of Interest for the specified Coupon Accrual Periods, in the case of (b), calculated in the manner specified in the Series Trust Deed and/or the relevant Pricing Supplement by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

ii If any maximum or minimum rate of interest, instalment amount or redemption amount is specified in respect of any series of the Bonds, then any rate of interest, instalment amount or redemption amount shall be subject to such maximum or minimum rate of interest, as the case may be.

iii For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (b) all figures shall be rounded to seven significant figures (with halves being rounded up); and (c) all amounts that fall due and payable shall be rounded to the nearest Kobo (with halves being rounded up).

e) Calculations

The Coupon Amount payable in respect of each Bond shall be specified in an amortisation/payment schedule appended to, or determined in accordance with, the applicable Series Trust Deed and/or Pricing Supplement. The Coupon Amount payable in respect of any Bonds for any Coupon Accrual Period shall be calculated by multiplying the product of the Rate of Interest and the Principal Amount Outstanding of such Bonds as specified in the applicable Series Trust Deed and/or Pricing Supplement ("the Calculation Amount") by the Day Count Fraction for such Coupon Accrual Period and rounding the resulting figure to the nearest sub-unit of the Naira, unless a Coupon Amount (or formula for its calculation) is specified in respect of such Coupon Accrual Period, in which case the Coupon Amount payable per Calculation Amount in respect of such Bonds for such Coupon Accrual Period shall equal such Coupon Amount (or be calculated in accordance with such formula). In respect of any other period for which Coupon is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Coupon is required to be calculated.

For the purposes of this Condition 11(e) (Calculations), the Day Count Fractions shall be calculated as follows:

i if "Actual/365" or "Actual/Actual-ICMA" is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

ii if "Actual/365 (Fixed)" is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 365;

iii if "Actual/360" is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 360;

iv if "30/360", "360/360" or "Bond Basis" is specified in respect of the Bonds of a Series, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

v if "30E/360" or "Eurobond Basis" is specified in respect of the Bonds of a Series, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and

vi if "Actual/Actual" is specified in respect of the Bonds:

a. if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

b. if the Calculation Period is longer than one Determination Period, the sum of: (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

12. Redemption, Purchase, Cancellation and Options

12.1 In this Clause:

"Instalment Amount" means the amount on the Bond of a Series which may be redeemed on a specified instalment;

"Instalment Date" means the date at which a specified Instalment Amount becomes redeemable;

"Issuer Call" means the option available to the Issuer to redeem the Bond prior to the Maturity Date;

"Maximum Redemption Amount" means the maximum specified price at which the Bond may be redeemed at the option of the Issuer or Bondholder as the case may be;

"Minimum Redemption Amount" means the minimum specified price at which the Bond may be redeemed at the option of the Issuer or the Bondholder as the case may be;

"Optional Redemption Amount" means the price at which the Bond may be redeemed at the option of the Issuer or Bondholder as the case may be prior to the Maturity Date;

"Optional Redemption Date" means the specified date on which the Bond may be redeemed at the option of the Bondholder or the Issuer as the case may be;

"Relevant Date" means the date on which any payment first becomes due.

12.2 Redemption by Instalments and Final Redemption

i) Unless previously redeemed, purchased and cancelled as provided in this Condition 12, Bonds of a Series that provide for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in respect of such Bonds. The outstanding nominal amount of such Bonds shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Bonds, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

ii) Unless previously redeemed, purchased and cancelled as provided below, the Bonds shall be finally redeemed on the Maturity Date specified in the relevant Series Trust Deed and/or Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in respect of the Bonds, is its nominal amount) or, in the case of Bonds falling within paragraph (a) above, its final Instalment Amount.

12.3 Early Redemption

(a). Zero Coupon Bonds

i. The Early Redemption Amount payable in respect of Zero Coupon Bonds, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Bonds pursuant to Condition 12 or upon it becoming due and payable as provided in Condition 12.2 (b) shall be the Amortised Face Amount (calculated as provided below) of such Bonds unless otherwise specified in respect of the Bonds of that Series.

ii. Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of such Bonds shall be the scheduled Final Redemption Amount of such Bonds on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in respect of the Bonds, shall be such rate as would produce an Amortised Face Amount equal to the Issue Price of the Bonds if they were discounted back to their Issue Price on the Issue Date) compounded annually.

iii. If the Early Redemption Amount payable in respect of any such Bonds upon its redemption pursuant to Condition 11(c) or upon it becoming due and payable as provided in Condition 12.2(b) is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Amortised Face Amount of such Bond as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Bonds becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Bonds on the Maturity Date together with any interest that may accrue in accordance with Condition 11(e).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Series Trust Deed and/or Pricing Supplement.

(b) Other Bonds

The Early Redemption Amount payable in respect of Bonds of a Series (other than Zero Coupon Bonds described in (a) above), upon redemption of such Bonds pursuant to Condition 12 or upon it becoming due and payable as provided in Condition 12.2(b), shall be the Final Redemption Amount unless otherwise specified in the Supplemental Trust Deed and/or Pricing Series in respect of the Bonds.

(c) Redemption for Tax Reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, on any Coupon Payment Date on giving not less than 30 and not more than 60 days' notice to the Bondholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 12.3(a) and (b) above) (together with the Coupon accrued to the date fixed for redemption), if:

i. the Issuer satisfies the Trustees and the SEC immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Nigeria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Series or Tranche of the Bonds; and
ii. such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustees and the SEC a certificate signed by two Directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) Redemption at the Option of the Issuer (Issuer Call)

If an Issuer Call or call option is specified in the applicable Series Trust Deed and/or Pricing Supplement, the Issuer may, having given not less than 30 and not more than 45 days' irrevocable notice to the Bondholders (or such other notice period as may be specified in respect of the Bonds), redeem, all or, if so provided, some of the Bonds on any Optional Redemption Date. Any such redemption of Bonds shall be for an Optional Redemption Amount together with Coupon accrued to the date fixed for redemption.
Any such redemption or exercise must relate to Bonds of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in respect of the Bonds and no greater

than the Maximum Redemption Amount to be redeemed specified in respect of the Bonds. All Bonds in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition. In the case of a partial redemption the Bonds that are to be redeemed will be selected on a pro rata basis.

(e) Redemption at the Option of Bondholders (Investor Put)

If an Investor Put or put option is specified in the applicable Series Trust Deed and/or Pricing Supplement, the Issuer shall, at the option of the Bondholders, and upon the Holders of such Bonds giving not less than 15 and not more than 30 days' notice to the Issuer (or such other notice period as may be specified in respect of the Bonds), redeem such Bonds on the Optional Redemption Date(s) at its Optional Redemption Amount together with Coupon (if any) accrued to the date fixed for redemption.

In order to exercise the put option, the Bondholder must deposit with the Issuer at its specified office (with a copy to the Trustees), a duly completed put option exercise notice ("Exercise Notice") in the form obtainable from the Trustees within the notice period and give the Registrar such instructions as may be necessary to give effect to the exercise of the put option. Once such option has been exercised by the deposit of an Exercise Notice, it may not be withdrawn without the prior consent of the Issuer.

(f) Purchases

The Issuer may at any time purchase Bonds at any price in the open market, by tender or otherwise.

(g) Cancellation and right to re-issue the Bonds

Where the Issuer has redeemed or repurchased any Bond(s) under this Condition 12, such Bonds shall be cancelled and the Issuer shall not resell or reissue such Bonds.

The Aggregate Principal Amount on the Bonds of each Series shall be finally redeemed in accordance with the terms of the applicable Series Trust Deed.

13 Payments for Bonds

Investors will be required to pay for Bonds in the currency specified in the relevant Pricing Supplement. Each Issuing House may, under certain terms and conditions, arrange for the conversion of the investors' currency into the specified currency to enable investors to pay for the Bonds in the specified currency. Each such conversion will be made by such Issuing Houses on such terms and subject to such conditions, limitations and charges as such Issuing Houses may from time to time establish in accordance with its regular foreign exchange practices, and subject to any applicable laws and regulations. All costs of conversion will be borne by such investors.

14 Tax Considerations

Under current legislation in Nigeria, the tax consequences of an investment in the Bonds to be issued under the Programme are quite broad and extensive. These include exemption from CIT, VAT and PIT, by virtue of the CIT (Exemption of Bonds and Short Term Government Securities) Order 2011 ("CIT Order"), the VAT (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT Order") and the Personal Income Tax (Amendment) Act 2011. The CIT Order and VAT Order became effective on January 2, 2012 and are valid for a period of ten (10) years from that date. The exemption under PIT is indefinite.

Where the maturity of any Bonds issued under the Programme exceed January 1, 2022, the treatment of withholding of tax on the interest payments for periods beyond 2022 will be stated in the relevant Pricing Supplement.

In addition, the Bonds qualify for a waiver from Capital Gains Tax by virtue of the proposed ten (10) year tax waiver approved by the Federal Government in March 2010. This waiver has not been gazetted. This implies that investors could benefit from the waiver with respect to Capital Gains Tax as soon as the requisite Order is gazetted and the necessary amendment made to the enabling law.

Please note that this information about the tax exempt status of the Bonds and income accruing therefrom is meant to serve only as a guide and should not be considered as or deemed to be tax advice which can be acted upon by an investor. Investors are advised to seek specific tax advice regarding investment in the Bonds from their professional tax advisers.

15 Fees, Duties and other Taxes

Unless otherwise stated in the relevant Shelf Prospectus and the Relevant Pricing Supplement, the Issuer shall pay:

(a) any stamp, issue, registration, documentary and other similar fees duties and taxes including interest and penalties payable on or in connection with (a) the execution and delivery of the Programme Trust Deed and (b) the constitution and issuance of the Bonds; and
(b) any stamp, issue, registration, documentary and other similar fees duties and taxes including interest and penalties payable on or in connection with any action taken by or on behalf of the Trustees or (where permitted under the Programme Trust Deed) any Bondholder to enforce the Programme Trust Deed.

The summary is not intended to be, and should not be construed to be tax advice to any particular subscriber. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Bonds in view of his/her own circumstances. Neither the Issuer nor its tax advisers shall be liable to any subscriber in any manner for placing reliance upon the contents of this section.

16 Prescription

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within twelve (12) Years from the appropriate Relevant Date in respect of them.

As used in this Conditions, "Relevant Date" in respect of any payment means the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which Notice is duly given to the Bondholders that such payment will be made.

17 Notices

(a) Notices to the Bondholders

All Notices to the Bondholders will be valid if mailed to them at their respective addresses in the Register maintained by the Registrar. The Issuer shall also ensure that Notices are duly given or published in a manner which complies with the rules and regulations of any Exchange or other relevant authority on which the Bonds are for the time being listed or traded. Any Notice shall be deemed to have been given on the second day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

(b) Notices from the Bondholders

Notices to be given by any Bondholder shall be in writing and given by lodging the same with the Registrar.

8. INDUSTRY OVERVIEW

The information in this section has been extracted from documents and other publications released by various officials and other public and private sources, such as the CBN, the International Monetary Fund ("IMF"), the Nigerian Bureau of Statistics ("NBS") and the United States Central Intelligence Agency ("CIA"), as indicated herein. There is not necessarily any uniformity of views among such sources as to such information provided. We have not independently verified the information included in this section. The information in this section has been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third party sources as indicated in the text.

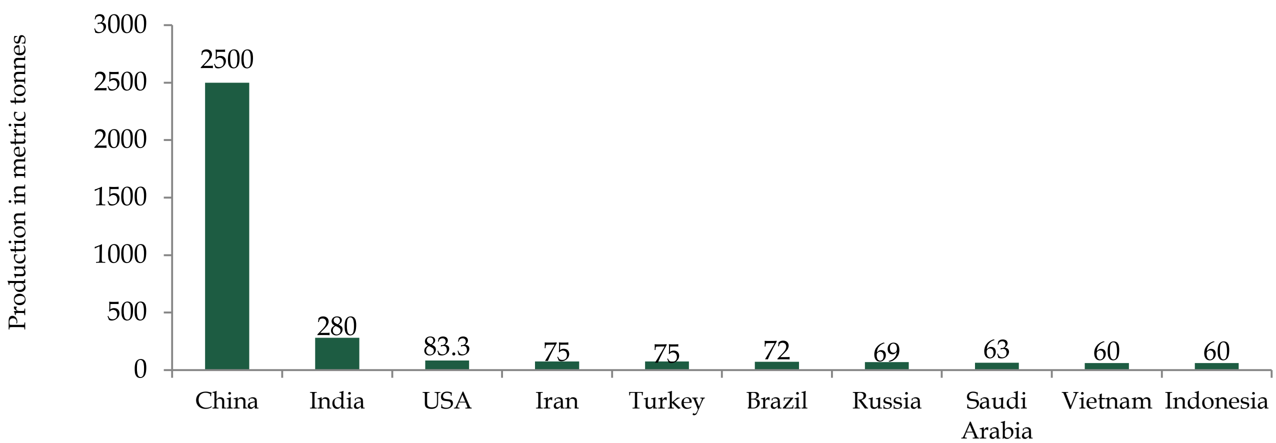
8.1 THE GLOBAL CEMENT INDUSTRY

According to a Portland Cement Association (PCA) report, the world cement consumption grew by an estimated 4.6% in 2014 (to 4.3billion MT) from 4billion MT in 2013. Cement consumption amongst developed nations accounted for only 9.2 million MT of this increase, where North America accounts for c.7.4 million MT3. Developing nations therefore account for majority of the increase in cement consumption. According to Cembureau, the representative organisation of the cement industry in Europe, reported that emerging countries recorded an average annual growth of 13.7% in 2014, compared to a 2.1% increase in G20 nations.

Global revenues for the cement industry in 2015 were over US$250 billion and projected to grow at a rate of 5.3% per annum. Despite large deposits of limestone in Africa, no African nation ranks among the top cement producing countries and no African company features among the top producers.

Top ten producing countries are China, India, USA, Iran, Turkey, Brazil, Russia, Saudi Arabia, Vietnam and Indonesia. Chinese companies also dominate the global top 20 cement companies with France's Lafarge (now part of LafargeHolcim) leading the rank followed by Anhui Conch, CNBM (Sinoma), Heidelberg Cement (Germany), Cemex (Mexico), Italy's Italcementi, China Resources, Taiwan cement (Taiwan), Eurocement (Russia) and Votorantim (Brazil). Other top producers are Shanshui, Huaxin and Tianrui, Buzzi, CRH (Ireland), Ultratech and Jaypee (India).

LafargeHolcim was the largest cement company in 2015 with 286.66Mt/year of cement production capacity from164 plants2. In 2015, the top 100 global cement producers had a combined production capacity of 1.25Bnt/year from 1110 integrated cement plants while top ten cement companies had a combined production capacity of 1.19Bnt/year from 559 cement plants.



Source: Global Cement Magazine, 2015

Figure 1: Breakdown of the Top Ten Global Cement Producing Country

[3] Portland Cement Association (PCA) Report, 2015

China being the largest cement market in the world currently faces challenges of air pollution which has necessitated the introduction of tighter environmental regulation by the Chinese government such as closing down of outdated production sites and investment in cleaner technology. China's policies have been driven by public concern over air quality and the need to make cement manufacturing more efficient.

The environmental impact of manufacturing and reduced growth in China's economy presents a negative outlook for China's cement industry as there are tendencies for investors' capital flight to safety to another region. Thus, the slowed growth and protective government regulations on pollution in China makes Africa, especially Nigeria, a destination to consider for investors in the cement industry. Nigeria's infrastructural deficit and government policies aimed at bridging the infrastructural gap in the country makes outlook for Nigeria's cement industry positive.

However, and as expected, statistics from the Global Cement magazine show that Chinese companies are some of the largest cement producers globally:

Rank	Company/Group	Country	Capacity	No. of Plants
1	LafargeHolcim	Switzerland	286.66	164
2	Anhui Conch	China	217.20	32
3	CNBM (Sinoma)	China	176.22	94
4	HeidelbergCement	Germany	121.11	79
5	Cemex	Mexico	87.09	56
6	ItalCementi	Italy	76.62	60
7	China Resources	China	71.02	19
8	Taiwan Cement	Taiwan	63.72	6
9	Eurocement	Russia	45.18	17
10	Votorantim	Brazil	45.02	41

Source: Global Cement Magazine, 2015

Figure 2: Top Global Cement Producing Companies Ranked by Production Capacity

Europe continues to face an economic downturn especially in the Eurozone. Housing prices, as well as the Greece crisis have all contributed to the slowdown of cement consumption in the market. A global industry growth of between 2% and 4% is anticipated between 2015 and 2018; 2.2% (2015), 3.7% (2016) and approximately 4% from 2017 to 2018.

8.2 THE NIGERIAN CEMENT INDUSTRY

Global cement manufacturers have taken advantage of the vast deficit in Africa's infrastructure and propelled increase in cement consumption, and are establishing a presence in the region; with multiple investments across the region boosting production capacity. From virtually non-existent capacity two decades ago, Africa now constitutes a significant percentage of the portfolio of multinational cement firms, most especially Nigeria.

The expansion in Nigeria's economy over the years has been followed by an accelerated growth in the country's cement industry while physical infrastructural deficit in Nigeria and other African countries has been acknowledged as severely hampering development across the region. Some critical examples include the vast housing deficit as well as limited road access, with only circa 34% of the total population having access to good roads compared to an average of 50% in other developing economies.

Notwithstanding, Nigeria's infrastructure lags behind that of many of its regional peers, both in terms of quality and availability, with a low quality of road development score. Nigeria overall infrastructure ranks in the lower 135 than most of its African peers according to the Global Competitiveness Report, 2015. Nigeria has a vast network of roads, railways and inland waterways, but the network has been stagnant over the past decade due to the deterioration of infrastructure and poor government policies regarding infrastructural development.

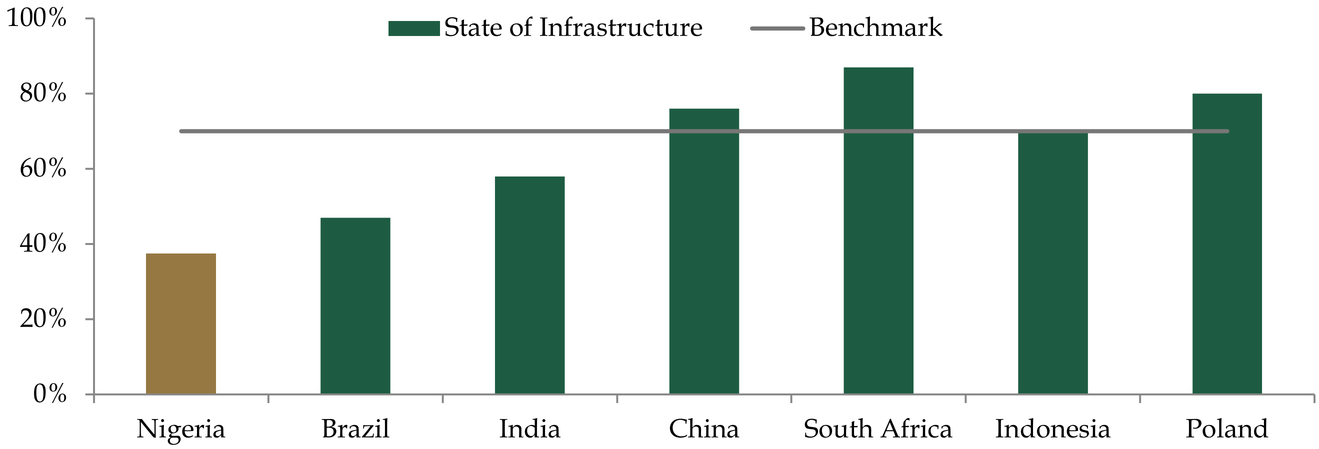


Figure 2: State of Infrastructure (2013): Nigeria vs. Selected Emerging Markets[4]

Nigeria cement consumption of 125kg/capita relative to global average of 560kg/capita points to the fact that the Nigerian cement industry is far from reaching its peak and still has headroom for further growth in consumption. Possible drag on the industry growth include declining oil prices, weakening government fiscal strength, intermittent electricity supply, low gas supplies, insurgency in northern Nigeria and a possible cement glut owing to relatively slower growth in cement demand against supply. Also, higher cost environment is expected to drag profitability in the short term, however improved production efficiency and internal economies of scale are expected to cushion the effect of higher production and operating costs.

Overall, the huge infrastructural deficit, especially housing, commercial buildings and road infrastructure presents a significant case for continued growth in cement consumption in Nigeria and across Africa.

8.2.1 RAW MATERIALS

Nigeria has substantial potential to ramp up local production of cement and eventually become an exporter of the product in the long term. Limestone – the major raw material used in cement manufacturing – is mixed with other materials, such as clay, sand, gypsum among other additives. About 96% of these raw materials are available locally in abundant quantities.

However, gypsum which accounts for c.4% of total raw materials is currently being imported by the domestic cement manufacturers. Conversely, limestone is present in 21 out of the 36 states in Nigeria. According to several geological surveys, paleocene limestone can be found in the coastal areas close to Lagos, particularly in the Ewekoro and Sagamu deposits. Cretaceous limestone can also be found in Enugu, Benue, Cross River, Sokoto and Gombe states.

8.2.2 EVOLUTION OF DOMESTIC CAPACITY

Nigeria's cement industry has undergone a swift structural evolution, moving from near complete dependence on imported cement a few years ago to domestic production of large quantities of cement, enough to meet the rapidly increasing demand of Nigeria's robust populace.

Nigeria's ₦3,596 billion (US$22.06 billion) cement industry witnessed strong growth in recent years, driven by huge investment in the industry by domestic and foreign players, growing demand, protective government policies and incentives, urbanization and greater infrastructure development.

[4] National Planning Commission

The respective government reforms are a good indication of several years of strong demand, as Power and Transmission assets are privatized and upgraded, and the government partners with the private sector to advance infrastructure developments. Nigeria's cement industry is now the largest in sub-Saharan Africa, recently surpassing South Africa consequent to local cement manufacturers continental expansion drives.

The industry's cement production capacity accelerated at a CAGR of 24.5% from 4.3 million MT in 2004 to 37.9 million MT in 2014. This growth was largely underpinned by the ban on the importation of bulk cement by the Federal Government in 2012. As at 2004, 72% of the total cement demand was met through imported products, however, this number has fallen significantly to c.4% in 2015 due to the increased investment in production capacity by local cement producers. The figure below shows the evolution of local production and importation in the industry over the last decade.

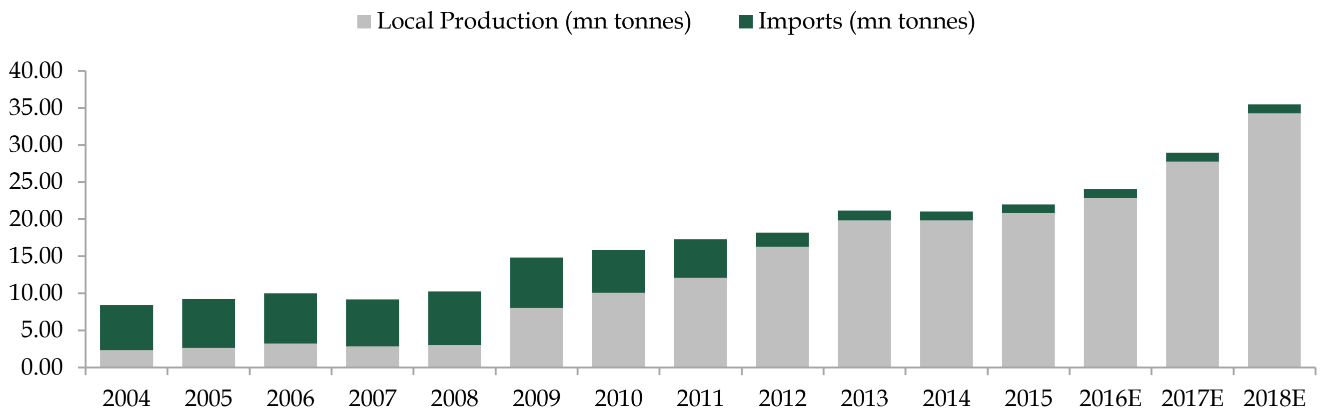


Figure 3: Total Cement Consumption Relative to Local Production and Imports[5]

The Nigeria cement industry is further emboldened by the fact that despite the strong growth, Nigeria lags behind its counterparts in per capita cement consumption. South Africa (in excess of 300kg per capita) – Africa's second largest economy – far surpasses Nigeria's per capita cement consumption (125kg per capita). The estimated average level of cement consumption in the Middle East and North Africa (circa 751kg per capita) demonstrates the huge potential for growth in the Nigeria cement industry.

The key drivers of growth for the Nigerian cement industry in 2016 and beyond include a favourable demographics, rising middle class, significant housing deficit (estimated at 18million), significant infrastructural deficit and government initiatives to reduce the infrastructural gap, rapid urbanisation, strong cement consumption potential (currently estimated at 125kg/capita) and a long term positive growth outlook for supporting industries of the cement sector. Cement demand in Nigeria is expected to reach 37MT by 2018 from 21MT in 2013 representing over 10% CAGR.

[5] BMI Research, 2015

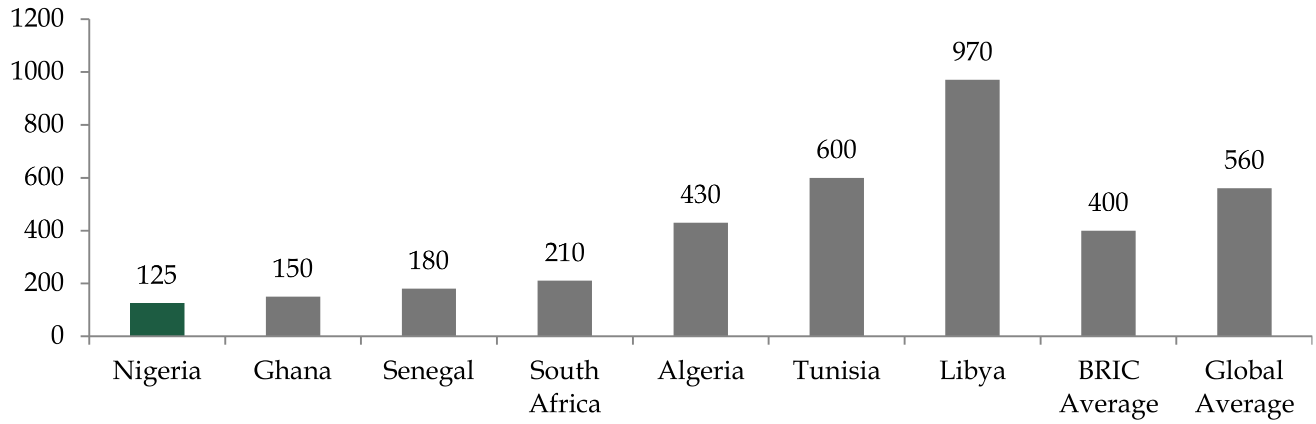


Figure 4: Per Capita Cement Consumption[6]

Nigeria continues to benefit from sustained growth, which many analysts believe will spur the growth of the demand-side in the cement industry. This, coupled with many new government initiatives to improve infrastructure in the economy, will witness developments in the cement industry, bringing about a more effective market.

8.2.3 KEY PLAYERS

The Nigerian cement industry is largely oligopolistic, with the top two players accounting for 98% of the total market share[7].

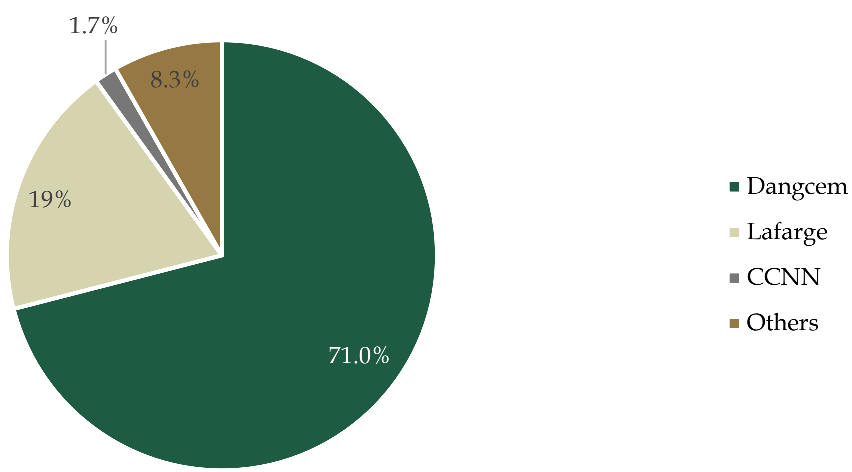


Figure 5: Installed capacity of Nigerian Cement Companies[8]

Prior to 2014, the dynamics of the cement industry were largely dictated by individual firms in the industry. Due to the large market share held by very few firms, revenues and growth were largely due to a firm's production capacity and distribution networks. With the mergers and acquisitions conducted by Lafarge Africa Plc, the market share of the firm increased to c.21%.

[6] Global Cement Magazine, 2015
[7] Includes Lafarge Africa's direct and indirect holdings in Ashaka and UNICEM respectively
[8] Chapel Hill Denham Research, Company Financials

The change in market share across firms in the market has begun to steadily shift the bargaining power of the supply-side of the industry towards that of the demand-side. With increased supply and competition, revenues and growth in the industry are gradually beginning to rely on pricing and quality of products, creating a more effective market.

8.2.4 CEMENT PRICES IN NIGERIA

The last two years have witnessed mixed developments in the Nigerian cement industry with regards to pricing. While Dangote and Lafarge implemented a c. 10% price increase in Q1 2014, by the end of Q3 2014, both producers had announced price cuts and/or rebates. In September 2015, Nigerian cement manufacturers implemented a circa 35% price cut in a bid to boost local consumption amid weak macroeconomic conditions in the country. Nevertheless, cement prices are currently higher in Nigeria compared to other African countries.

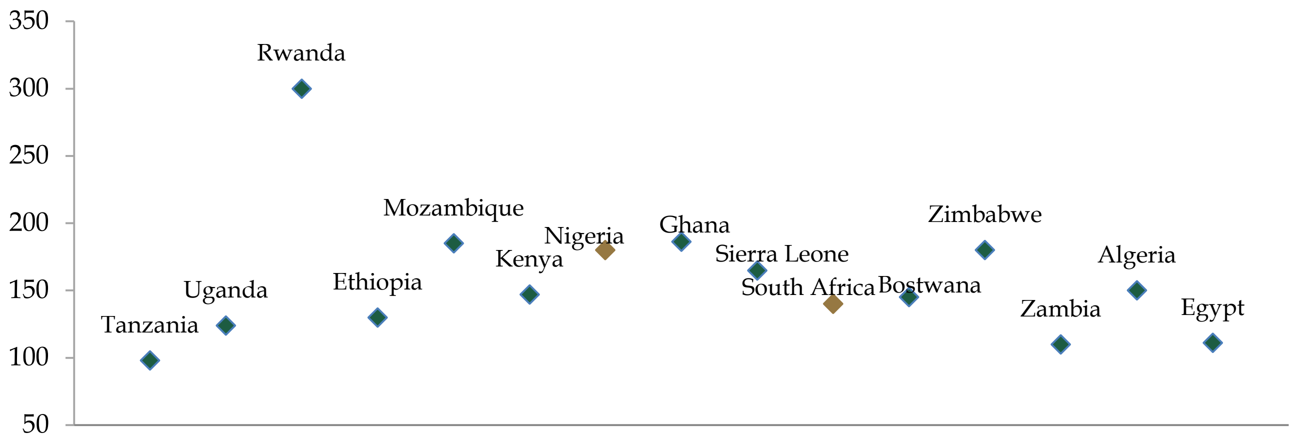


Figure 6: Average Cement Prices (US$/tonne): Nigeria vs. Other African Countries[9]

This makes exporting to other African countries less attractive than selling cement locally. In US$ terms, cement prices in Nigeria represent a premium of c. 10% and c. 25% to the average cement prices in East and South African countries respectively.

8.2.5 REAL ESTATE INITIATIVES

The Federal Government of Nigeria's national housing policy of providing one million housing unit annually supports the potential for growth in consumption. Furthermore, initiatives are being introduced to kick-start the lower-end market with respective State Governments promoting the construction of more affordable housing. Further growth in the private non-residential sector is also envisioned, as the spending power of the Nigerian consumer rises and the government intensifies efforts to encourage Public-Private Partnership (PPP) projects and foreign investments.

According to the Nigeria Integrated Infrastructure Master Plan (NIIMP), Nigeria will require a total of US$300 billion investment in the housing subsector over the next thirty years. These prospective projects, business commercial and commercial trading buildings (malls), will be driven by considerable international interest from multinationals like Shoprite and SPAR who are keen to invest in the commercial real estate space.

In June 2013, the Nigerian Mortgage Refinancing Company (NMRC) was incorporated as a PPP arrangement between the Federal Government and the private sector, to bridge the funding cost of residential mortgages and promote the availability of good housing to Nigerians. The NMRC secured a US$300 million World Bank 40-year loan at 0.75%, out of which US$250 million was set aside as Tier II Capital.

[9] PPC, Heidelberg, Chapel Hill Denham Research

8.2.6 ROAD CONSTRUCTION

The road network in Nigeria is still grossly inadequate. According to BMI Research, 2015, Nigeria's roads and bridges sub-sector accounted for 16.2% of the construction sector in 2014. With under 20% of the country's 193,000km road network – the largest in Africa – being paved currently, there is a pressing need for significant investment in this sector.

Given the swelling capacity for cement production, the Federal Government is considering the use of cement for road construction as an alternative to asphalt. According to the Cement Manufacturers Association of Nigeria (CMAN), 99.9% of Nigerian roads are built using asphalt. Although cement concrete roads are c.15% more expensive to construct, they are cheaper to maintain and have a significantly longer lifespan of 40 years (compared to 10 years) than asphalt roads.

The Federal Government of Nigeria proposed ₦433 billion for road construction in its 2016 Appropriation bill and is expected to construct and complete about 6,000 kilometres of road network before 2019. Effective implementation of budget allocation for road construction presents a huge market opportunity for local cement manufacturers.

8.3 THE SOUTH AFRICAN CEMENT INDUSTRY

South Africa is set to witness annual GDP growth of 2.8% between 2015 and 2017, an improvement from the estimated growth of 1.4% in 2014[10]. The region also has a growing population of 52,000,000 forecast to grow by 1.2% p.a. over the medium term. The South African construction industry is a major player in the Southern African Development Community (SADC) region, contributing between 80 and 90% of total infrastructure spending. Cement consumption is currently estimated at 300kg/capita, less than 50% of global average (650kg).

8.3.1 EVOLUTION OF DOMESTIC PRODUCTION

Domestic cement production in South Africa stood at 12.2 million MT at the end of 2013[11], down from 14 million MT recorded in 2012, despite domestic capacity in excess of 14 million MT. South African building firms have struggled since then with weak demand, as the government delays rolling out its US$84billion infrastructure investment package. This is in spite of the South African Government imposing import duties on products from Asia, thus limiting the importation of cement products into the country. Lucky Cement was subjected to pay 14.3% duty, followed by Bestway at 77.2%, DG Khan at 68.9%, Attock Pakistan at 63.5% and other cement importers at 62.7%.

Production figures recorded in 2012 were due to higher government spending on public infrastructure at the time, such as the construction of new energy and power facilities, as well as the expansion of transportation infrastructure, leading to the entrance of new players and substantial expansion by existing producers.

The South African cement industry is poised to expand at a CAGR of 2.1% over the next four years on the back of:

1. Continued public sector investments in infrastructure,
2. Rapid urbanisation with c.60% urban dwellers (annual growth of 1.5%)
3. Initiatives to encourage private sector spending on infrastructure
4. A rapidly growing middle class population
5. Rising income levels

Thus, it is estimated that US$940 million would be invested in the cement industries of South Africa, Zambia and Zimbabwe between 2013 and 2018[12] to meet this demand. Lafarge Africa – a key player in the industry – and new entrant, Sephaku seek to ramp up production on their plants in the near term, hence, the industry will witness a growth in production capacity.

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[10] South African National Treasury, SA Reserve Bank

[11] South Africa Infrastructure Report, Business Monitor, 2015

[12] Southern African Cement Industry Production and Investment Forecasts, Frost and Sullivan, 2013

Figure 7: Cement Production in South Africa (million MT)[13]

8.4 INDUSTRY OUTLOOK: NIGERIA AND SOUTH AFRICA

Sub-Saharan Africa cement demand continues to be spurred by the following four demand drivers: economic growth, population growth, rapidly increasing urbanisation and a concerted effort to reduce the infrastructure deficit.

The cost of addressing Nigeria's infrastructure deficit is estimated to be approximately $2.9 trillion over the next thirty years[14]. The areas for new investments will include roads, bridges, dams, seaports, airports and other major structures that use a lot of concrete. Most countries across Sub-Saharan Africa have large housing infrastructure deficits with Nigeria estimated to have the highest housing shortage in the region of c.18 million units with demand growing annually at close to 2 million units at the current population growth rate of 2.8% p.a.[15]

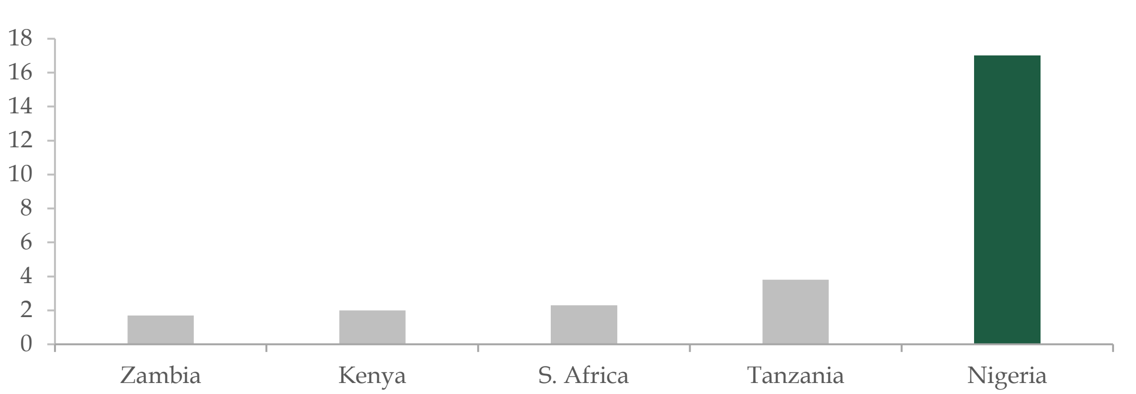


Figure 8: Estimated Housing Deficit (Units shortage in millions)[16]

Nigeria is expected to reap the dividends of renewed investor confidence following the peaceful conduction of the 2015 elections, and the subsequent peaceful government transition. This should see construction activities pick up in the short term.

Recent reforms to the Nigerian mortgage industry and improved liquidity in banks, which should be helped further by the launch of the National Mortgage Refinance Company, is expected to see demand for housing

[13] BMI Research, 2015
[14] Draft National Integrated Infrastructure Master Plan ('NIIMP") 2013
[15] PWC Estimates
[16] Stocktaking of the Housing Sector in Sub-Saharan Africa, World Bank 2015

increase. Lafarge Africa Plc is amongst Nigerian cement manufacturers poised to benefit from the increased consumption, given that it has cement plants established across the continent. This presents a very interesting proposition especially as Africa has overtaken China and India to emerge as the world's fastest growing cement market.

According to Global Cement, cement consumption in Nigeria and South Africa stood at 117kg/capita p.a. and 300kg/capita p.a. respectively in 2014, significantly below the global average of 650kg/capita p.a. This gap is expected to reduce in the medium term, on the back of increased public sector spending on infrastructure in the two countries.

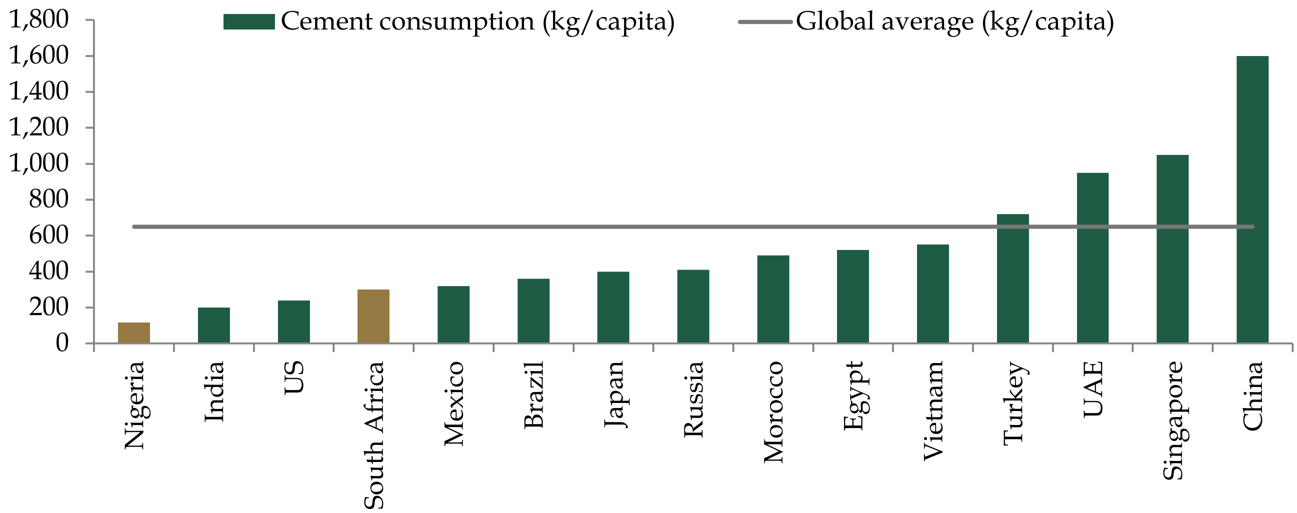


Figure 9: Cement Consumption Per Capita for Selected Countries[17]

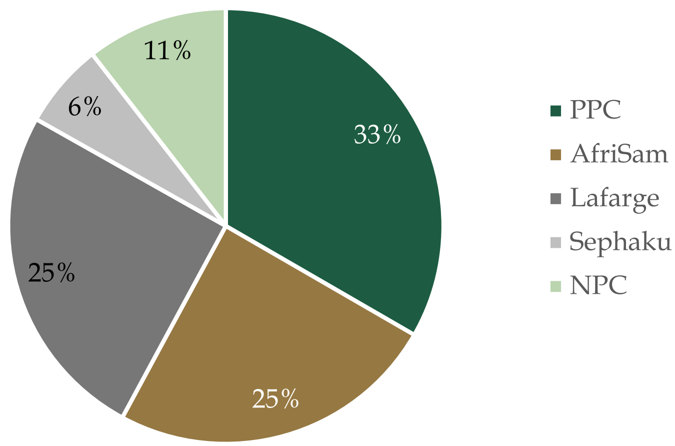
With import duties having been imposed on imports from Asian countries into South Africa, prospects for South Africa based cement companies look positive over the long run as economic growth picks up.

Regionally, cement export to other African countries remains a strong prospect for the Nigerian cement industry. For example, Atlas' strategic terminal located in the harbour of Port Harcourt was used to serve as the import hub for Atlas of Lafarge's cement products, prior to the implementation of the ban on importation of cement.

8.4.1 KEY PLAYERS

The South African cement industry is concentrated. Pretoria Portland Cement (PPC) is South Africa's largest cement producer with a 33% market share, followed by Lafarge Africa and AfriSam who each control 25% of the market. In 2014, Sephaku Cement, a 64%-owned subsidiary of Nigeria's Dangote Cement became one of the newest entrants in South Africa's highly competitive cement market. It reportedly captured 6% of the market share in South Africa, and is the first new entrant in the South African cement production market to open its own new plant since 1934.

[17] Global Cement Magazine, 2015



Source: Statistics South Africa, 2015

Figure 10: Installed capacity of South African Cement Companies[13]

Imported cement now accounts for an estimated 12% of national demand as at June 2014, according to South African Revenue Services.

8.4.2 CEMENT PRICES IN SOUTH AFRICA

Cement prices in South Africa are lower (at US$140/tonne) than those in Nigeria (average of US$180/tonne). While South Africa has introduced tariffs to try and protect local producers, the relatively low cost of transporting cement and clinker across the seas has made Asian producers a continuing threat to manufacturers across the Eastern seaboard. Competition amongst local producers has also intensified in Southern Africa, leading to some manufacturers being affected in terms of margins and prices of their products.

9. LAFARGE AFRICA PLC

9.1 BUSINESS DESCRIPTION

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"), Ashaka Cement Plc (''Ashaka Cement'') and Atlas Cement Company Limited ("Atlas Cement"). The asset consolidation of Lafarge Africa Plc has grown the cement capacity of the firm from c.4.5MTpa to c.12MTpa. Moreover, the firm's range of products is more diversified with additional production in Ready-Mix, Fly Ash and aggregates.

Figure 11: Aerial View of the Ewekoro II Plant - Showing material storages and kiln pre-heater standing

The Company's primary business activity is the manufacture 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 an increased 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 12 million metric tonnes per annum (mtpa), aggregates 5mtpa, Ready-Mix 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 **OPERATING OVERVIEW**

In 2015 Lafarge's revenue growth was relatively flat compared to 2014, with group revenue growth of 2% after excluding exchange rate impacts. South West operations grew by 8%, this was supported by a continued strong individual home building segment. LSAH operations declined on a full year basis but grew by 27% in Q4 2015 vs Q4 2014. The growth was driven by Revenue growth and a strong industrial performance.

The figure below gives a breakdown of Lafarge Africa's revenues by company.

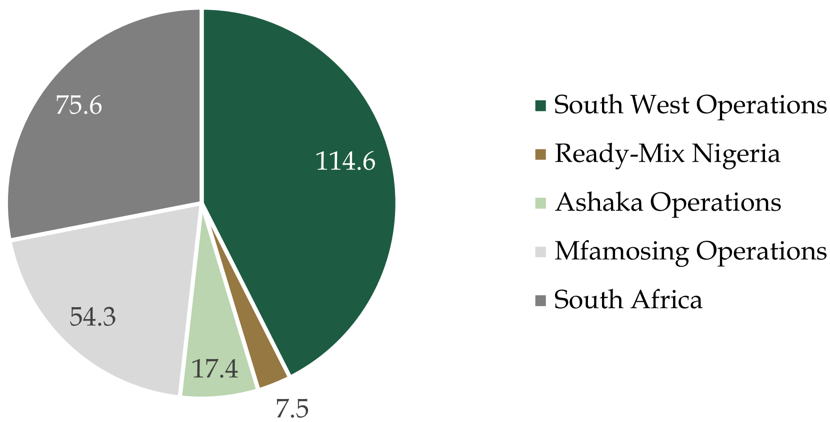
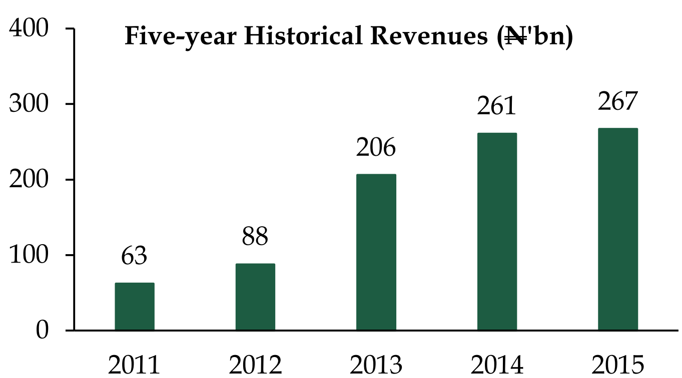
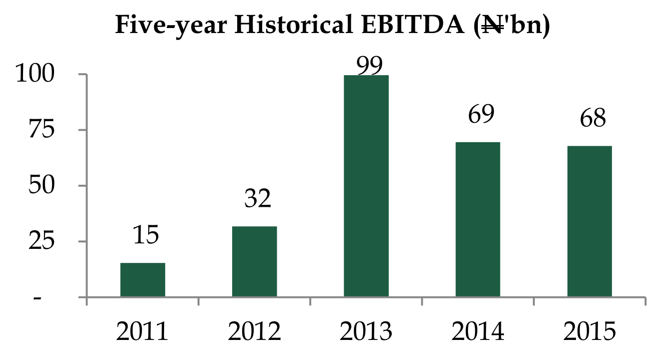


Figure 12: Lafarge Africa Net Sales Breakdown, 2015 (₦' billion)[18]

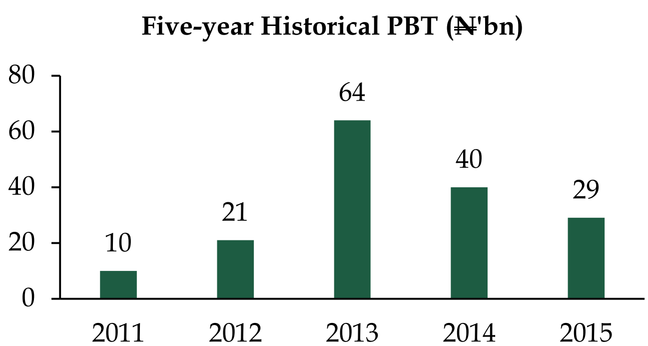


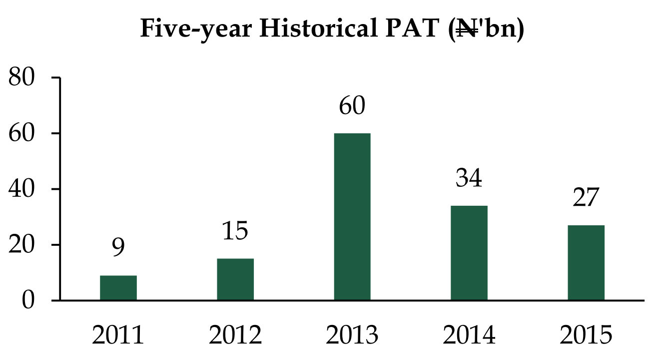
- The Company revenues grew at a CAGR of 43% between 2011 and 2015 driven by improved operating activities, increased production capacity and operational consolidation.
- Significant increase in revenues witnessed in 2013 relative to prior periods was largely due to increased production in the Ewekoro II cement plant.
- Cement capacity was also boosted to 12 million MT in 2014 due to consolidation.
- Increased revenues to c.₦267 billion in 2015 from c.₦261 billion in 2014; largely driven by growth in South West and Ready-mix operations.

[18] Lafarge Africa Plc 2015 Results



- Higher earnings reported in 2013 were driven by a non-recurring gain on a disposal of Pan African Cement Propriety Limited investment.
- EBITDA declined to ₦67.8 billion in 2015 from ₦69.5 billion in 2014 in line with general market conditions.





- The Company's PBT and PAT declined by 27.5% and 20.6% respectively in 2015 compared to 2014 figures.
- The declining profitability witnessed in 2015 was largely driven by the following:
  - impact of ₦4.6 billion one-off redundancy/restructuring costs in preparation for future synergies;
  - price adjustment to ensure customer competitiveness in line with market trends; and
  - turbulent macro-economic conditions.
- However, the Company has strong cash flow generating capacity evidenced by operating cash flows of ₦57.8 billion and a strong balance sheet position at the end of 2015 financial year.

9.3 GROUP STRUCTURE

Following the asset consolidation of its Nigerian and South African companies in 2014, Lafarge Africa has five subsidiaries – LSAH, Ashaka Cement, Atlas, WAPCO Operations and Lafarge Ready Mix – and one associate, UNICEM. The figure below depicts the current Group structure:

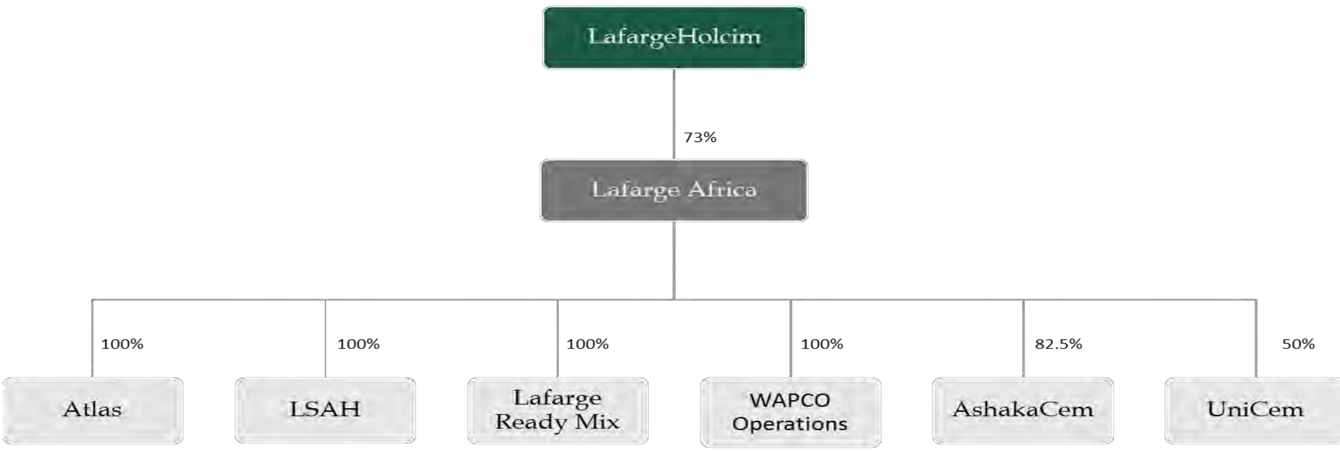


Figure 13: Lafarge Africa Group Structure

9.4 SUBSIDIARIES

9.4.1 ATLAS CEMENT COMPANY LIMITED ("ATLAS")

Atlas Cement Company Limited was incorporated in 1999 and is a 100% owned subsidiary of Lafarge Africa Plc. The Company's terminal was commissioned for operation in 2001 in Rivers State within the Federal Ocean Terminal, Onne and the plant was operated on a floating vessel which had a nominal capacity to produce 500,000 metric tons of cement per annum.

In line with Government policy of backward integration, the company is gradually changing her business concept, moving away from being a conventional supplier of Ordinary Portland Cement to include championing of cementitious strategy, providing cement solutions to the Oil and Gas sector of the economy, distribution of Lafarge Africa's products as well as being a hub for the Ready Mix Concrete operations in the South-South and South-East markets. It has an important portfolio of customers developed over the years, brings on board international trading experience and potential to be an export hub.

9.4.2 ASHAKACEM PLC ("ASHAKACEM")

AshakaCem Plc 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 three decades and operate in the manufacturing, sales and marketing sectors. The Company is proud of its commercial expertise, efficiency and technical skills and have achieved good results by conducting our business with unwavering commitment to our customers, employees, shareholders and communities.

AshakaCem Plc 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 Nigerian Industrial Development Bank Limited and the Government of the then North-Eastern State (now Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe States). Today, AshakaCem Plc is a subsidiary of Lafarge Africa Plc.

AshakaCem has announced plans to add an additional 3MMT capacity over the next three years and has recently 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, particularly in Northern Nigeria.

9.4.3 LAFARGE SOUTH AFRICA HOLDINGS (PTY) LIMITED ("LSAH")

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, ready-mix concrete (RMC) 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 3.6mtpa.

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).

9.4.4 WAPCO OPERATIONS ("WAPCO")

WAPCO Operations is the operational business of Lafarge Africa Plc, driving excellence in Nigeria's building industry, with innovation at the heart of its priorities and working for sustainable construction and architectural creativity.

WAPCO Operations has three plants - one in Sagamu and two in Ewekoro both in Ogun State, South-West Nigeria with a current production capacity of 4.5 million metric tonnes. The Product portfolio includes five products: Elephant Cement, a general purpose cement - a multi-use product suitable for majority of the applications; Supaset Cement, a fast-setting and rapid strength gaining cement specifically designed for the needs of the block-makers; Powermax, a high strength cement for the sophisticated contractor segment; Etex, a high performance cement designed to the customer's specification for tile manufacturing; and SRC, a sulphate resistant cement for coastal construction.

The Company's objective of increasing the availability of cement to Nigerians as well as assisting in achieving the Federal Government's drive for affordable housing for all is our major drive. WAPCO Operations has made immense investments in supporting Nigeria's socio-economic development, since its establishment in 1960.

Over the years, it has acquired strategic visible presence in the business environment whilst building a visible and enduring legacy on the nation's individual landscape. WAPCO Operations continues to have tremendous positive impact on its numerous stakeholders: Customers, Shareholders, Employees and counting.

9.4.5 UNITED CEMENT COMPANY OF NIGERIA LIMITED ("UNICEM")

The United Cement Company of Nigeria Ltd (UniCem) is a joint venture between Lafarge Africa Plc and Holcibel and is one of Nigeria's largest cement manufacturers and suppliers of high quality cement. It is located in Cross River State, Nigeria with core markets in the South-South and South-East regions of the country.

Established in 2002 after acquiring the assets of moribund Calabar Cement Company (CalCemCo), a Greenfield cement manufacturing plant was constructed at Mfamosing, 40km north-east of Calabar, Cross River State.

UniCem is headquartered in Calabar with all its cement manufacturing operations consolidated at the Mfamosing plant. The Mfamosing plant, a modern production facility with an annual production capacity of 2.5 million tons was inaugurated in 2009.

In 2012, UniCem expanded its product portfolio and currently offers to customers the option of two cement products catering for general purpose and specialized applications.

To meet the increasing demand for its products, an additional manufacturing line with a production capacity of 2.5 million metric tons is currently being constructed. The project, upon its completion in 2016, will double the company's production capacity to 5 million metric tons per annum thereby consolidating its position as the leading cement company in Nigeria's South-South and South-East regions.

9.4.6 LAFARGE READY MIX 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, is producing quality and innovative concrete and aggregates solutions from our 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. We will achieve this by working closely with our valued customers and partners.

9.4.7 LAFARGE READY MIX 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 Ready Mix Concrete segment LSAH controls one of two national operators, with 53 Ready Mix Concrete plants and 6 Ready Mix Concrete mobile plants, which have combined capacity in excess of 3million m3. Ash Resources comprises an estimated “run of station” production capacity of c.4.1mtpa, by far the largest in South Africa.

Impact of Unicem, Holcim and Asset Consolidation on Lafarge Africa
The attributable benefits of Lafarge Africa asset consolidation are summarised as follows:

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 Africa’s cement capacity has grown from c.4.5MT to 12MT as Lafarge Africa Plc. With a market capital of c.US$3.4billion, this implies a value of US$286/tonne. Moreover, Lafarge Africa Plc plans to increase its capacity to 17.5MT at a lower cost due to benefits of the consolidation. The Company’s current capacity utilization across its cement plants averages about 85%.

The table below shows the Company's current production capacity by subsidiary and product type as at December 2014

Company	No. of Plants	Cement	Aggregates	Ready Mix	Fly Ash	Total (m MT)
Atlas						0.1
LSAH	59					3.6
WAPCO Operations						4.5
AshakaCem		0.9	-	-	-	0.9
Lafarge Ready Mix	9	-	-	3.5m m^3	-	3.5m m^3
UNICEM						2.5
Total						**11.7**

Product Offerings
Lafarge Africa Plc has expanded its range of products, adding products such as "Ready-Mix" with a capacity of 3.5mn m^3, "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 nations bringing 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.

Strengthened Balance Sheet
The consolidation of assets has largely improved the balance sheet of Lafarge Africa Plc. Lafarge Cement WAPCO Nigeria Plc has been heavily geared over the last few financial year with a gearing ratio 19.49% as at December 31, 2014. Lafarge South Africa Holdings (Pty) Limited and AshakaCem hold a substantial amount of cash on their balance sheet. Lafarge Africa Plc can therefore reduce its dependency on debt and therefore expand its operating activities.

UNICEM
Lafarge Africa currently holds 50% of UNICEM through its 50% owned affiliate, Nigerian Cement Holdings B.V. (NCH). NCH owned 100% equity stake in UNICEM following acquisition of 15% final tranche equity interest of Flour Mills of Nigeria in UNICEM. This will provide new economies of scale to the Company as the operational office and cement manufacturing plant of UNICEM is uniquely located in Calabar and Cross River state respectively which is a considerable distance from the plants of its competitors. The unique location provides easier access to opportunities that are otherwise costly to other players in the industry.

9.5 PRODUCTS

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 Organization of Nigeria (SON) for over two decades now.

Elephant Cement is suitable for construction activities involving plastering, concrete casting, screeding, rendering, grouting etc. 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.

READY MIX

Readymix is 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 profound customer research and desire to satisfy the need of this segment of the industry for specialized cement. Elephant Supaset combines three key value propositions of early setting, early strength and the unique latter strength for which our flagship Elephant Cement has been known for over the years.

Powermax

Lafarge Powermax is 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 (SRC)

Developed to provide high sulphate resistance and a moderate heat of hydration, this specialized 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 cement giant 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 now.

Atlas Cement

Atlas Cement was the foremost brand of Atlas Cement Company Limited. The brand is of the highest quality possessing a premium early strength and perceived to offer leverage to users with emphasis on environmental protection. However, this product is no longer sustainable in line with the federal government policy on backward integration.

Oil Well Cement

The Federal Government of Nigeria in her effort to encourage cement manufacturers to fast track the backward integration approved the importation of oil well cement to service the oil and gas sector. Atlas cement currently gets its supply of oil well cement from the Lafarge Sagunto plant in Spain. Its classification and standard is API well cement class G (HSR).

Atlas Cement Classic

Atlas Classic is a signature brand of a sister company Lafarge Africa. The said brand conforms in all aspect to Nigerian Industrial Standards and BS/12/1991 standards. The quality is very high providing solutions with power, maturity, resilience, durability and reliability. With quality assured production and materials handling processes in place, the Atlas Cement Classic brand has consistently delivered on its value proposition since its emergence in the Nigerian market in the 2001.

9.6 GROWTH OPPORTUNITIES

Lafarge Africa continues to position the Company to take advantage of the Sub-Sahara Africa infrastructure growth story by creating additional production capacity and positioning the Company to take advantage of complimentary opportunities.

Upon completion of the planned expansion projects, Lafarge Africa will have 17.5 metric tonnes per annum of cement capacity and an increased range of product and services from its Nigerian operations, which will position the Company strongly to meet the growing and changing demand for building materials in Sub- Sahara Africa.

It also offers investors exposure to the infrastructure growth story of the two largest economies in Africa. Upon consolidation, it is estimated that the combined entity will have a combined installed capacity of 20mtpa and Lafarge Africa will have 30% market share by 2018. The consolidation strengthens Lafarge's capacity and competitiveness in the Nigerian market.

9.6.1 Expansion at Ashaka Cement

An expansion plan has been proposed for the Ashaka Cement plant. The project will comprise the debottlenecking of the existing line which will add 0.5 million metric tons. In addition, a new line of 2.5 million metric tons of cement per annum will be installed which will create added production capacity of three million metric tonnes.

9.6.2 LAFARGE AND HOLCIM MERGER

Lafarge S.A and Holcim announced a merger of the companies in April 2014. Following the creation of LafargeHolcim on 10 July 2015, a US$40 billion merger, the Company's commitment to providing best cement, concrete and aggregates products to the local market has been further strengthened. LafargeHolcim has emerged as the largest aggregate producer in the world following completion of the merger.

The merger creates a larger and more global company and brings about a unique set of complementary capabilities. LafargeHolcim has a unique business portfolio and industry benchmark in Research and Development and offers customers the widest range of innovative and value-adding products, services and solutions from smallholders to large enterprises and most complex projects.

9.6.3 POWER PROJECT

The construction of 220-megawatts waste-powered power plant at Ewekoro is being executed by Lafarge in addition to existing 90MW gas-fired power plant earlier located at Ewekoro cement plant to serve households and interested manufacturing companies.

9.7 DIRECTORS PROFILES

Mr. Mobolaji Oludamilola BALOGUN – Chairman

Mr. Mobolaji Oludamilola Balogun is the Chief Executive Officer of the Chapel Hill Denham Group, a leading independent investment banking firm in Nigeria. Prior to this, he worked at the 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 was also an Executive Director at FCMB Capital Markets Limited, where he led advisory teams in major corporate and complex financial transactions

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

Mr. Balogun left FCMB to become a 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 and returned to investment banking in 2005. 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. Jean-Christophe BARBANT – Vice-Chairman

Mr. Jean-Christophe Barbant (French) is a graduate of Polytechnique School for Sciences and Engineering (1985) and Ecole Nationale des Mines de Paris/France (1988). He joined Lafarge Gypsum in 1995 as a Director for Strategic Development Projects.

He was appointed Senior Vice President North and Central Europe between 1996 and 2000 following which he proceeded to the Lafarge Group, France as Director for Corporate E-business between 2000 and 2003. He was the CEO of Lafarge Roofing/Monier and member of the Lafarge Group Executive Committee till February 2007. He was the Lafarge Country CEO for Nigeria and Benin Republic from 2009 to 2013.

He was appointed to the Board of Lafarge Africa Plc on the 27th May 2009 and was elected Vice Chairman on the 27th September 2012.

Mr. Michel PUCHERCOS – Group Managing Director/CEO

Mr. 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 as follows: from 1992-1994 as Executive President in Jungbunzlauer SA, from 1994-1996 as General Manager of the Cana Group and from 1996 -1998 as Executive Vice President of the French food processing company, Groupe Doux.

He returned to Lafarge in 1998 when he was appointed as Director of Strategy and Information Systems of their 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.

He was appointed as the GMD/CEO of Lafarge Africa Plc on the 1st of April 2016 and his appointment as a Director will be presented for ratification by the Shareholders at the 2016 Annual General Meeting of the Company.

Mr. Puchercos is a graduate of the Ecole Polytechnique (1976) and the Ecole Nationale du Génie Rural, des Eaux et des Forêts (1981).

Mr. Anders KRISTIANSSON – Group Chief Financial Officer

Mr. Kristiansson (Swedish) started his career with Procter & Gamble (P&G) in Scandinavia and thereafter worked for P&G for South Africa. He has been a Global Divisional Controller for Eaton Automotive Working in Europe and North America, there after he went back to Africa to oversee Celtel's (today Airtel) finance departments across its Africa operations as Director of Financial Operations.

He moved to Nigeria in 2008 as Group CFO for PZ Cussons Nigeria, managing finance and IT for PZ's five Nigeria companies. Prior to joining Lafarge, he was the CFO for NBC/Coca-Cola HBC's operations in Nigeria.

He holds a Master of Science Degree in Business Administration and Economics from the Gothenburg University, Sweden (1994). He was appointed to the Board of Lafarge Africa Plc on the 27th October 2014.

Mrs. Adepeju ADEBAJO – Chief Executive Officer – Cement Division of Lafarge Africa Plc.

Mrs. Adepeju Adebajo is the Chief Executive Officer of the Cement Division of Lafarge Africa Plc Prior to this, Mrs. Adebajo served as the Chief Executive Officer and Managing Director at Mouka Limited. Previously, she was CEO of UTC Nigeria Plc, where she successfully turned the business around.

Earlier, she headed Strategic Planning, Brand Management and Product Development at United Bank for Africa and has had management consulting experience at Boston Consulting Group in the UK and financial analysis experience at Citibank in the UK.

She holds a Bachelor of Engineering (Chemical Engineering) from the Imperial College of Science & Technology, London (1988); a Master of Engineering (Chemical Engineering) from the University of London; and a Master of Business Administration, Harvard University, Boston (1993).

She joined the company as MD WAPCO Operations and was appointed to the Board of Lafarge Africa Plc on 27th October 2014.

Mr. Guillaume ROUX – Director

Mr. Guillaume Roux (French) is a graduate of Institute d' Etudes Politiques, Paris (1980). He joined the Lafarge Group in 1980 as internal Auditor, Lafarge Cement France.

He was appointed as the Chief Financial Officer of the Biochemical Business Unit, United States in 1989, a post he held from 1989-1992, following which he returned to Lafarge Head Quarters in France to head a mission for the Finance Department. In 1996, he was appointed Vice President, Marketing, North America.

In 1999, he was appointed the Chief Executive Officer, Lafarge operations, Turkey. He was later appointed the Executive Vice President, Cement Division South East Asia in 2001. He held the position of the Group Executive Vice President, Co-President Cement Division responsible for Central Europe, Western Europe, Africa, Maghreb and Middle East since January 2006. He was also the former Group Managing Director of Lafarge Africa Plc until July 2015.

He was appointed to the Board of Lafarge Africa Plc on 18th December 2007.

Mr. Joseph HUDSON – Director

Mr. Joseph H Hudson, a British citizen, is presently the Managing Director and Chief Executive Officer of the Company.

Mr. Hudson has held various roles with the Lafarge Group since joining in 2001. He was in charge of Human resources and Organization in Uganda and later went to the USA in 2004 to set up a North and South American satellite of the Lafarge University – a global development initiative for executives. He then became the Vice President of Human Resources and organization for the North American Gypsum business before eventually returning to Africa in 2009 as Regional Vice President for Sub Saharan Africa.

Prior to joining Lafarge, Mr. Hudson was Head of Human Resources for Homegrown Kenya LTD where he also held operational roles in logistics and Plant management.

Mr. Hudson holds an honors degree from Exeter University (1992), and is a Chartered Fellow of the Institute of Personnel and Development (FCIPD), UK. He has represented England Universities at Rugby and has over 15 years' experience working in Africa. He was formerly the MD/CEO of Lafarge Africa Plc till the 1st of October 2014.

He was appointed to the Board of Lafarge Africa Plc on the 16th March 2011.

Mrs. Oludewa EDODO-THORPE – Director

Mrs. Oludewa Edodo -Thorpe is an alumnus of the University of Nigeria, Nsukka, from where she graduated with a Second Class (Upper Division) in Law (1978). She holds a Masters of Law degree from the University of Lagos, Akoka Lagos (1992). After her call to the Nigerian Bar and the National Youth Services Corps, she joined the Nigerian Industrial Development Bank Ltd (NIDB). A former Company Secretary of NIDB Trustees Ltd, she is the National Secretary of the National Co-ordinating Committee of the Shareholders Associations. She is an active member of the Nigerian- Japan Association the Nigerian Bar Association, the International Bar Association and Soroptimist International of Nigeria.

She is a Director of Coastline Microfinance Bank Ltd and a Fellow of the Institute of Directors (IOD) Nigeria.

She is currently involved in the practice of Law with specialization in Secured Credit Transactions, Corporate and Commercial Law and International Business Transactions. She joined the Board of Lafarge Africa Plc on the 3rd of September 2008.

Mr. Adebayo JIMOH – Director

Mr. Jimoh is an Industrial Psychologist by training. A graduate of the University of Ilorin (1980) and holds a Master of Science degree from the University of Ibadan (1982). He has an MBA degree from the Enugu State University of Science (ESUT) Business School. He is a certified member of the British Institute of Marketing, a member of the Nigeria Institute of Management (NIM), a member of the Institute of Directors and a Fellow of the National Institute of Marketing of Nigeria.

Dr. Jimoh served as the General Manager for John Holt Ventures from 1994 – 1996 and thereafter moved to Yamaha Motorcycle Company as the General Manager in 1997, before his appointment as Executive Director in charge of the Group Operations of John Holt Plc in 2003. He retired as the Group Managing Director/CEO of Odua Investment Company in May 2005. He joined the Board of Lafarge Africa Plc on the 16th March 2011.

Mr. Jean-Carlos ANGULO – Director

Mr. Jean Carlos Angulo (French) started his career with Lafarge in 1975. He has a unique expertise in engineering, managing cement activities and vertical integration. He is a graduate of the Ecole des Mines de Nancy (France) and the European Institute for Business Administration (1971).

He began his career as a Project Engineer in the aerospace industry at the Société Européenne de Propulsion SEP (1971 to 1974) in Bordeaux. He joined Lafarge in 1975, where he was successively Project Manager and Projects Director in Group engineering subsidiaries (plant construction). He later became the General Manager of Lafarge Brazil Operations and Head of the Southern region of Latin America from 1990 to 1996. He was appointed the General Manager of Lafarge Cements in France in 1996.

Jean-Carlos Angulo was President of the Cement business's operations in Western Europe and Morocco between 2000 to August 2007. He joined the Lafarge Group Executive Committee in September 2007 as Executive Vice President Operation with responsibilities for Lafarge Group's operations in several countries including Nigeria until September 2012. He was then appointed Advisor of the Group Chairman and CEO until January 2015 when he retired from the Lafarge Group.

He joined the Board of Lafarge Africa Plc on the 20th March 2012.

Ms. Sylvie ROCHIER – Director

Ms. Rochier (French) started her career with Lafarge since 1989 where she held various senior Management Positions such as Controller and Finance Director for Lafarge Materiaux de Specialities. She joined the Group Central Finance Services in 2000 and since then occupied several key roles including Group Vice President, Investment Projects. Ms. Sylvie Rochier is presently the Group Senior Vice President, Finance.

She is a graduate of the Institute d'Etudes Politiques of Paris (France) (1989). She joined the Board of Lafarge Africa Plc on the 26th July 2012.

Mr Adebode ADEFIOYE – Director

Mr. Adebode 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 is a member of the Institute of Directors and also a member of the Institute of Public Analysts of Nigeria.

He is the Chief Executive Officer of IBK Services Limited. He currently holds Directorship positions on the Board of Wema Bank Plc and Ceerem Investment Nigeria Limited.

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

Mr. Thierry METRO – Director

Thierry Metro (French) is a graduate of Ecole Central Paris in Engineering (1977). Since joining Lafarge, Mr. Metro has held several positions. Such as Plant Manager, Vice-President, Manufacturing for Lafarge Eastern Canada. In 1999 He was the industrial Director for Lafarge Canada till 2002 when he became General Manager, International Technical Center, America.

In 2009, he assumed the position of General Manager, Lafarge Brazil. He became Group SVP Fuel Sourcing responsible for all solid fuel sourcing of the Group (2012 to 2013). In 2014, he became Group SVP Energy & Strategic Sourcing, which is responsible for all Energy and Strategic Sourcing of the Group.

He joined the Board of Lafarge Africa Plc on the 24th of April 2014.

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. Shamsuddeen was Nigeria's Minister of Finance, from June 2007 to January 2009 and Minister of National Planning from 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.

He attended Dandago Primary School in Kano State. After secondary school education at the prestigious Government College Keffi and King's College, Lagos, he gained a BSc. in Economics from Ahmadu Bello University in Zaria, Nigeria.

He also obtained both MSc (1976) and PHD (1980) in Economics, from the London School of Economics and Political Science, UK.

Dr. Usman was also, at various times, the Executive Director of UBA and Union Bank, Managing Director NAL Merchant Bank and Deputy Governor, Central Bank of Nigeria.

He was appointed a Director of the Company on March 11, 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, Adenike turned Ruff 'n' Tumble into an instantly recognizable brand. She 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 as a 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 March 11, 2015.

Mrs. Elenda Osima-Dokubo – Director

Mrs. Elenda Osima-Dokubo – CEO, Chandrea Lifestyle Limited, Interior designer. Mrs Osima- Dokubo is the former Executive Secretary, Cross River State Carnival Commission and Former, Acting MD, Cross River State Tourism Bureau.

Previously, Head Private Banking, Chartered Bank now Stanbic IBTC, She is the prime driver of Calabar Carnival, which is regarded as Cross River State's most enduring brand.

She holds a Bachelor of Science Honors in Microbiology/Zoology, from the University of Maiduguri and an Associate Degree in Design Technology from F.I.T New York (1995). She was appointed to the Board of Lafarge Africa Plc on March 11, 2015.

Alhaji Umaru Kwairanga – Director

Mr. Kwairanga is an Investment Banker and a Chartered Stockbroker with over Twenty-four (24) years' experience at the highest levels of the Capital Market. He also has top level experience in banking, pension's management, manufacturing and trading. He is currently a member of Presidential Advisory Council, Nigeria Industrial Revolution Plan (NIRP). He is the Chairman of AXA Mansard Pensions Limited & Waila Microfinance Bank Limited, a Council member of the Nigerian Stock Exchange and a Director on the Boards of Central Securities Clearing System Plc (CSCS), Jaiz Bank Plc, and FBN Mortgages Ltd among others.

His educational qualifications include a Master of Science Corporate Governance and Finance from Liverpool J. M. University, United Kingdom in 2007, a Master of Business Administration from the Edo State University in 1995 and a BSc. (Hons) in Business Administration from the University of Maiduguri in 1991. He was the Chairman of AshakaCem Plc from February 2012 to March 2015.

He joined the Board of the Company on March 11, 2015. He was appointed a Director of Lafarge Africa Plc on March 11, 2015.

Ms. Uzoma UJA – Company Secretary

Ms. Uja is the Company Secretary of Lafarge Africa Plc. Prior to this; she was the company secretary /Legal Adviser of Lafarge Africa Plc. Prior to joining Lafarge Africa Plc, she was the Team Leader in the Company Secretariat/Legal Department of First Inland Bank Plc (now FCMB) where she held several positions. Ms Uja also worked with First Atlantic Bank as the legal partner for the Corporate Banking, Investment Banking, and Structured Finance Departments amongst others.

She is a graduate of Law from the University of Nigeria, Nsukka (1998) and was called to the Nigerian Bar in 2000. She also holds a Master of Laws degree in International Business Law from the University of Leeds UK (2010) and is an Associate member of the Chartered Institute of Arbitrators (UK) (2009).

Ms. Uja was listed on the "2014 Corporate Counsel 100: Africa" a series of publications, highlighting the most influential in-house lawyers in business.

She joined Lafarge WAPCO in November 2010 as the Assistant Company Secretary/Legal Manager.

MANAGEMENT

Mr. Michel PUCHERCOS – Group Managing Director/CEO

Please see profile above.

Mrs. Adepeju Adebajo – Managing Director – Cement Operations

Please see profile above.

Mr. Loren, ZANIN – MD – Ready Mix & Concrete & Key Accounts

Mr. Loren Zanin has been involved the readymix, quarrying and cement industries for over 35 years having worked in Europe, SE Asia, Middle East and Australasia, having joined Lafarge in 2000. Previously he worked for RMC UK (now Cemex) and Pioneer in Australia (now Hanson).

Just before coming to Nigeria Mr. Zanin was the Senior Vice President in charge of Lafarge's International Key Accounts. Previous roles included Quarry Manager, Chief Accountant, Readymix Batch Plant Manager and a contractor working in civil projects like concrete roads and airports.

Mr. Zanin holds a Master of Business Administration degree from Deakin University in Australia, as well as a Bachelor of Arts and Bachelor of Commerce from Melbourne University. He is also a Fellow of the CPA of Australia and has a Quarry Managers' Diploma from Victoria, Australia. Mr. Zanin also has certificates in Health & Safety Management.

Mr. Leonard PALKA – MD, ASHAKA

Mr Leonard Palka (Polish) is a Graduate of Mechanical Engineering from the University of Science and Technology in Cracow, Poland. With over forty years' experience in the Cement industry, Mr. Palka has consistently demonstrated a profound knowledge of the business.

Currently the President of the Polish Cement Association, he has held several senior management positions in various organisations including Chairman of the Supervisory Board of AGAVIS SA as well as a Member of the Board of the Polish Association of Cement and Lime Producers. He has also had the honour of being elected to the Bydgoszcz Provincial Parliament in Poland.

His wealth of experience covers all aspects of the business. He joined AshakaCem as Managing Director in October 2013. Mr. Palka is married with children.

Mr. Anders KRISTIANSSON – CFO

Please see profile above.

Mrs Fidelia OSIME – HR Director

Mrs Fidelia Osime is currently Country Organization and Human Resources Director. Prior to this she was General Manager, Human Resources, 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. She moved to Human Resources later 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.

She holds several degrees including Master of Science (Sociology) and Master of Business Administration. She also belongs to several professional bodies and is a fellow of the Nigerian Institute of Management and the Institute of Marketing.

Mrs Viola GRAHAM-DOUGLAS – Communication Director

Mrs Graham-Douglas is a graduate of Law from the Obafemi Awolowo University (OAU) and was called to Nigerian Bar. She started her career in the Treasury Department of Diamond Bank and thereafter moved on to hold other key positions in Corporate Finance & Corporate Banking in the Nigeria banking sector.

She furthered her studies by obtaining a Master of in Business Administration (MBA) from Sheffield, United Kingdom. She is also a recipient of the British Council Chevening Scholarship and acquired a Master degree in Investment Management from Cass Business School also in the UK.

Mrs Graham-Douglas joined Lafarge Wapco in 2004 as the Treasury Manager and went on to become the Company Secretary/Head of Corporate Services. After handling Legal and Communications for WAPCO, she got the opportunity to join Lafarge Group Audit as an Audit Director in 2008 and was based in Paris.

In 2011, she joined Atlas Cement as the Managing Director based in Port-Harcourt and has gained valuable operational experience. In 2013, in addition to her role in Atlas she took on the position of Communication Director and manages the communication function for Lafarge Group businesses in Nigeria.

Edith ONWUCHEKWA – Country General Counsel & Head of Public Affairs

Mrs. Edith Onwuchekwa is currently Lafarge Africa Country General Counsel in Nigeria. She joined Lafarge Cement WAPCO Nigeria Plc in April 2005 and became Company Secretary/Legal Adviser of the Company in 2008. Edith moved to the Lafarge Regional Office in Cairo Egypt in January 2011 as Legal Counsel, Sub-Saharan Africa. Prior to joining Lafarge, she took up various Positions in Nigerian German Chemicals Plc and Jolimair Nigeria Limited as Legal/HR Manager and Company Secretary/Head of Administration respectively. After her National Youth Service in Nigeria, she was actively engaged in legal practice as Head of Chambers and Barrister and Solicitor in reputable law firms in Nigeria.

She is a graduate of Law 1997 (LLB), was called to the Nigerian Bar in 1999 (BL) with second class upper honors and is currently an Associate of the Institute of Chartered Secretaries and Administrators.

Mr Rabiu Abdullahi UMAR – Energy & Power Director

Mr Rabiu Abdullahi Umar joined Lafarge Africa as the Energy and Power Director in June 2014. Prior to joining Lafarge, he worked in Oando Plc for over 14 years holding various leadership positions in Sales, Marketing, Supply chain and general management. His last role in Oando Plc was the Chief Operating Officer for Oando Terminal and Logistics an arm of the group responsible for downstream infrastructure development and management in Africa.

His previous roles include Head of Retail Sales responsible for over 500 Retail outlets and Head of Operations covering supply, storage and distribution of Petroleum products, Engineering and Customer Service. A graduate of Accounting from Bayero University Kano as well as General Management Program from Harvard Business School and a Certified ISO9001:2008 Lead Auditor.

Mr. Jim Ruxton – Country Sourcing Director

Mr Jim Ruxton graduated from Napier University, Edinburgh in mechanical engineering in 1982. With more than 38 years of experience within the Lafarge Group, Jim started his career at Blue Circle Dunbar Plant in 1976. He held various management positions spanning Europe, Africa and Asia before his appointment on 1st September 2014 as Country Sourcing Director, Lafarge Nigeria.

Ms. Uzoma Uja – Company Secretary

Please see profile above.

9.8 CORPORATE GOVERNANCE

Lafarge continues to uphold its commitment to effective corporate governance principles. Accordingly, the Company is fully compliant with the SEC's Code of Corporate Governance for Public Companies.

In recognition of the different stakeholders, the Company embarks on a number of events to further foster and cascade corporate governance principles. The core values of governance; accountability, fairness, transparency and achievements are exemplified at the events. In an attempt to better discharge its oversight functions in accordance with the Code of Corporate Governance and global best practices, the Board alongside the Management team and members of the Audit Committee also hold training sessions which are geared towards improving performance and strategizing to actualize the expectation of its stakeholders.

Adherence to corporate Governance principles as articulated in a number of corporate documents such as the Code of Business Conduct, the Company's Ethics policy among others are also communicated to other stakeholders such as employees, host communities, suppliers, contractors etc. The Board also consistently operates in line with its responsibilities as contained in regulatory policies: Code of Corporate Governance, the Companies and Allied Matters Act and the Company's Article of Association.

9.9 THE BOARD COMPOSITION AND ITS COMMITTEES

The Board has overall responsibility for ensuring that the Company is appropriately managed and achieves its strategic objectives.

In accordance with the SEC Code that the Board should be of a sufficient size relative to the scale and complexity of the Company's operations and the Company's Articles of Association which provides that the Company's Board shall consist of not more than Seventeen Directors, the Board comprised of Seventeen (17) Directors: Fourteen (14) Non-Executives and Three (3) Executives in 2015.

The position of the Group Managing Director and the Chairman are held by separate persons.

The Board meets regularly to set broad policies for the Company's business and operations and it ensures that a professional relationship is maintained with the Company's Auditors in order to promote transparency in financial and non-financial reporting.

Role of the Board

- Reviewing alignment of goals, major plans of action, annual budget and business plans with overall strategy; setting performance objectives; monitoring implementation and corporate performance and overseeing major capital expenditure in line with approved budget;
- Ensuring the integrity of the Company's accounting and financial reporting systems and that appropriate systems are in place for monitoring risk, financial control and compliance with the law;
- Through the establishment of the Board Committees, making recommendations and taking decisions on behalf of the Board on issues of expenditure that may arise outside the meeting schedule of the Board;
- Ratifying duly approved recommendations and decisions of the Board Committees;
- Supervisory responsibility for overall budgetary planning, major treasury planning and scientific and commercial strategies. The Board is responsible for satisfying itself that planning procedures and the Company's overall objectives are appropriate;
- Ensuring that corporate governance matters receive the attention of the Board;
- Periodic and regular review of actual business performance relative to established objectives;
- Reviewing and approving internal controls and risk management policies and processes.

Committees of the Board

(I) Finance and Strategic Planning Committee

The Committee's Terms of Reference includes:

- To review and make recommendations to the Board of Directors with respect to the Company's annual and long- term financial strategies and objectives.
- Develop and conduct review of the Finance, Sales and Marketing strategic plan and business objectives of the Company and make recommendations to the main Board.
- Ensure that the Company's strategic plan towards finance, sales and marketing and any other operations of the Company are transformed into concrete actions aimed at achieving the Company's objectives.
- Review and make recommendations to the Board as to strategic decisions regarding operational priorities, including expanding into new or exiting from existing business markets.
- Review and make recommendations to the Board, with respect to the Company's annual and long term financial strategies and objectives, as well as any related performance goals.
- Review financial matters of the Company, including matters relating to the Company's capitalization, its credit ratings, cash flow, borrowing activities, and investment and surplus funds, while working in close co-operation with the Company's management team.
- Review and make recommendations to the Board with respect to the Company's debt and securities, capital market transactions and project expenditures, dividend policy and practices.
- Periodically review actual capital expenditures and performance against previously approved budgeted amounts.
- Such other duties as may from time to time be assigned to the Committee by the Board.
- The Committee is composed of the CEO, Cement Division, the CFO and 6 Directors.

(II) Nomination and Remuneration Committee

The objective of this Committee is to improve the selection process of the Board and to align with best practices of Corporate Governance. The Committee meets as the need arises to review the composition of the Board, recommend skill mix and the diversity required for appointment of new members to the Board and consider remuneration of Directors and senior executives of the Company. The Committee met two (2) times in the year 2015.

(III) Risk Management & Ethics Committee

The Risk Management and Ethics Committee is saddled with the following responsibilities:

- Ensuring that the Company's policy on ethics adequately impacts positively on its business partners and stakeholders e.g. Customers, Shareholders, Community, Government, Suppliers and the public;
- Prescribe new standards and mechanisms related to ethics and make recommendations to the Board;
- Consider the nature, extent and categories of the risks facing the Company, and the likelihood of such risks materializing, the Company's ability to reduce the incidence and the impact on its business, if the risks do materialize;
- Advise the Board on the cost of operating particular controls relative to the benefits thereby obtained in managing the related risks;
- Reviewing the risk register and notifying the Board of changes in the status and control evaluation of risks;
- Keeping under review and monitoring the effectiveness of the Company's system of internal control, non-financial activities of management, including operational and compliance controls and risk management, environment, health and safety and report to the Board on an annual basis and;

- Monitoring compliance by the Company regarding, Health, Safety, Environment and Ethics;
- The Committee is composed of the CEO, Cement Division, the CFO and 9 Directors.

The Committee met twice in the year 2015.

(IV) Property Optimization Committee
This Committee is charged with the responsibility of considering optimization of the Company's properties.
The Committee met three (3) times during the year 2015 to consider the optimization of the Company's properties. The Committee consists of the CEO, Cement Division and 5 Directors.

(V) Statutory Audit Committee
The Audit Committee was established by virtue of the statutory requirement of Section 359 of the Companies and Allied Matters Act cap C20, Laws of the Federation of Nigeria 2004.Details of the Committees' function is in accordance with section 359 (6) of the Companies and Allied Matters Act cap C20, Laws of the Federation of Nigeria 2004. Members of the Committee were elected and nominated pursuant to Section 359 (4) of the said Act and will serve on the Committee up to the conclusion of the 57 Annual General Meeting.
The meetings of the Committee were held three times during the year 2015. The Committee consists of 3 Shareholders Representatives, and 3 Non-Executive Directors.

9.10 RESEARCH AND DEVELOPMENT (“R&D”)

Research is a key growth-driver for Lafarge Africa’s businesses, while development enables the Company evolve into a supplier of solutions, value-added products and services as well as building systems for the players from the construction industry. Therefore, Lafarge Africa continues to rely on a central R&D structure and on development labs operating as close to the markets as possible.

Furthermore, Lafarge Africa benefits from LafargeHolcim's research center near Lyon in France, the world's leading research facility in building materials. LafargeHolcim dedicates more than 115 million Euros per year to research, product development and industrial performance and process improvement. This investment is significantly higher than that of other players in the sector.

10. RATINGS REPORT

10.1 GCR RATING

GCR GLOBAL CREDIT RATING CO.
Local Expertise • Global Presence

Lafarge Africa Plc

Nigeria Corporate Analysis **October 2015**

Security class	Rating scale	Rating	Rating outlook	Expiry date
Long term	National	AA-(NG)	Stable	August 2016
Short term	National	A1+(NG)		

Financial data:

(USD'm Comparative)

	31/12/13	31/12/14
N/USD (avg.)	159.3	165.1
N/USD (close)	161.1	182.6
Total assets	1,750.9	1,663.0
Total debt	175.5	75.8
Total capital	1,046.8	1,037.5
Cash & equiv.	210.4	76.8
Turnover	1,293.7	1,247.0
EBITDA	349.4	334.8
NPAT	382.7	210.0
Op. cash flow	291.4	301.2
Market cap *	USD2,232.2m	

*As at 28/09/2015, @ N198.95/USD.

Rating history:

Initial rating (July 2010)
Long-term: A(NG)
Short-term: A1(NG)
Rating outlook: Stable
Senior secured bond: AA-(NG) (July 2011)

Last rating (September 2014)
Long-term: A+(NG)
Short-term: A1+(NG)
Senior secured bond: AA(NG)
Rating outlook: Stable

Related methodologies/research:

Criteria for rating corporate entities, updated February 2015

Lafarge WAPCO Cement Nigeria Plc ("Lafarge WAPCO"), rating reports 2010-2014

Glossary of terms/ratios, February 2015

GCR contacts:

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Summary rating rationale

- Lafarge Africa Plc's ("LAP", or "the Group) leading position in the Nigerian cement market is underpinned by an established international brand, substantial fixed infrastructure, effective distribution network and operational support from parent, Lafarge S.A. (72.7% shareholding). With the combination of Nigeria and South Africa operations, LAP is better positioned to expand operations through organic growth and enter new markets.
- LAP's revenue reduced marginally to N205.8bn in F14 (F13: N206.1bn), due to a 11% decline in revenue from the South African business, impacted by the challenging environment in the country. This was offset by a strong performance in the Nigerian business (albeit at lower prices). However, underpinned by robust volumes, LAP reported a 12% YoY (year-on-year) revenue growth to N116.7bn at June 2015 ("1H F15"), with the trend in demand expected to persist for the full year.
- Higher marketing and administrative expenses have increased the cost base, resulting in a relatively flat operating margin in F14. However, the operating margin improved to 24.3% at 1H F15 (albeit lower than the 25.6% at 1H F14), reflecting the growth in gross margin. Moreover, the 1H F15 performance suggests strong growth for the full year.
- Working capital movements were relatively moderate over the past 30-month period as trade payables largely covered inventories and debtors. As a result, LAP reports robust operating and discretionary cash flows, which have generally been sufficient to meet dividend payments and expansionary capex.
- Gross debt fell to N13.8bn at FYE14 (FYE13: N28.3bn), following repayment of the N11.88bn bond (in October 2014), resulting in a net ungeared position at FYE14. Moreover, given the substantially higher shareholders' equity, gross gearing declined to just 7% at FYE14 (FYE13: 16.8%) and 10% at 1H F15. Similarly, earning based gearing remained favourable, with total debt to EBITDA of 28% at 1H F15 (FYE14: 25%). Overall, credit protection metrics registered marked improvement, with operating cash flows covering total debt 3.5x in 1H F15 (F14: 3.6x). Gearing is not expected to increase materially in the foreseeable future.
- Although there are infrastructural challenges in the Nigeria operating environment, the cement market has evidenced some growth in 2Q F15, with an overall growth of up to 3% expected for the full year. Industry prospects are positive, as the housing and infrastructural deficit presents significant growth opportunities.

Factors that could trigger a rating action may include

Positive change: Given the rating upgrade, any further rating action would only be likely over the medium to long term and would be dependent on significant growth in earnings and leading positions across its various operations.

Negative change: Operations are susceptible to vagaries of the operating environment. In this regard, slower than anticipated economic growth, delays in rolling out public infrastructure projects or other exogenous factors may constrain demand or elevate pricing pressures. This could adversely affect earnings and result in liquidity strain, thus resulting in rising gearing metrics.

11. USE OF PROCEEDS

The particular purpose of each issuance will be specifically stated in the Pricing Supplement issued for each Series. The costs and expenses of the issue are payable by the Company and will be deducted from the gross issue proceeds.

12. RISK FACTORS

Investors should consider all of the information in this Prospectus, including the following risk factors, before deciding to invest in the Bond. If the risks described below materialize, the Company's business, results of operations, financial condition and/or prospects could be materially adversely affected. Furthermore, the risks described below are not exhaustive. Additional risks not currently known may also have a material adverse effect on the business, financial condition and results of operations of the Company.

12.1 COUNTRY RISK

i. *Economic Risk*

The Nigerian economy is largely dependent on oil production and is directly affected by fluctuations in the global prices of oil. Oil prices are unpredictable over the medium to long term and are determined by various factors outside the control of the Company. The impact of volatile oil prices on the Nigerian economy is evident in dwindling external revenues and foreign reserves. In response to the drop in oil prices and the subsequent pressure on the Naira, the CBN implemented certain restrictions on the foreign exchange market:

- Restrictions on foreign currency loans granted to firms earning local currency revenue
- 41 items classified as 'not valid for FX' can only be purchased with 'own funds' obtained from the parallel market

As a result of these restrictions, there has been a huge drop in market liquidity and perceived transparency, thus leading to the exclusion of Nigeria from the JP Morgan Government Bond Index construction and the subsequent exit of foreign institutional investors from the Nigerian capital markets. The combination of these factors have led to the creation of a challenging operating environment in Nigeria. A prolonged economic downturn will put further constraints on business spending, investments and lending which in turn would reduce activities in the private sector, especially in infrastructure development, which is likely to impact the Company's revenues.

ii. *Security Risk*

Nigeria continues to experience some security challenges. Sectarian conflicts in the Middle Belt and Northern Nigeria continue to pose a threat to Nigeria's political stability. The insurgence of the Boko Haram group is 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, even though the Federal Government of Nigeria continues to tighten security to curtail the expansion of the group's activities.

12.2 RISKS RELATED TO THE MARKET AND THE CEMENT SECTOR

i. *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.

ii. *Environmental Regulations*

The Company's operations are governed by certification obtained from the Federal Ministry of Environment. The Company's operations are governed by environmental laws and regulations of Nigeria, and the Company will be subject to fines and penalties in the event of any damage to the environment or the occurrence of hazardous environmental violations.

The Federal Ministry of Environment 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.

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.

12.3 BUSINESS RISKS

i. Distribution Networks

The Company depends on its own distribution network to sell its products. 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 a 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, 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.

ii. Raw Materials

Prices for the raw materials required 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 cost. Therefore, a significant increase in the cost of fuel could have a material adverse effect on the Company's prospects, results of operations and overall financial position.

iii. Power 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 initiatives but there are still risks pertaining to the breakdown or malfunction of these alternative power supplies. If these problems cannot be solved quickly, production costs including fuel or energy services costs will increase which could also have a material adverse effect on the Company's profitability.

iv. *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.

v. *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 fulfill. 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.

vi. *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 Company's 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.

12.4 RISKS RELATED TO THE BOND

i. *Structural Risks*

a. *The market price of the Bonds may be volatile*

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results, adverse business developments, changes in the regulatory environment in which the Company operates, changes in financial estimates by securities analysts and the actual or expected sale or purchase of a large number of bonds.

Each investor needs to assess the market prior to trading their Bonds.

b. *Bonds may be subject to optional redemption by the Issuer*
An optional redemption feature in the Bonds may negatively affect their market value. During any period when the Issuer may elect to redeem Bonds, the market value of those Bonds generally will not rise substantially above the price at which it can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a lower rate.

c. *Referencing to an index may subject the Bonds to additional risk*
The Issuer may issue Bonds with Principal repayment or Interest payments determined by reference to an index (or formula), to changes in the prices of the securities or commodities or other relevant factors.

Potential investors should be aware that:
- they may receive no interest;
- they may lose all or a substantial portion of their principal;
- a relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices; and
- timing of changes in a relevant factor may affect the actual yield to investors, even if the actual level is consistent with their expectations; i.e., in general, the earlier the change in the relevant factor, the greater the effect on yield.

d. *Credit ratings may not reflect all risks*
The Bonds will be assigned a rating by at least one Ratings Agency. The ratings are not a recommendation to prospective investors to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time; the ratings may also not reflect all the risks that a potential investor may be seeking clarity on. A credit rating is not a recommendation.

e. *Credit Risk*
Bonds issued under the Programme will be general obligation bonds backed by the full faith and credit of the Issuer. If a prospective investor purchases Bonds, it is relying solely on the creditworthiness of the Issuer. In addition, an investment in the Bonds involves the risk that subsequent changes in the actual or perceived creditworthiness of the Issuer may adversely affect the market value of the Bonds.

f. *Legal Investment considerations may restrict certain investments*
The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Bonds are a legal investment for it, (ii) Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

ii. *Market Risks*
Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

a. *Liquidity risk for the Bonds*
There may not be very active two-way quote trading in the Bonds once issued, although the listing of the bonds on the FMDQ-OTC increases the possibility of trading activity. The liquidity of the Bonds may be somewhat limited and investors may not be able to trade the Bonds actively; although there are a number of initiatives aimed at developing and deepening the debt capital market and creating liquidity and a vibrant, tradable bond market, the impact of these initiatives on the trading of the Bonds cannot be assessed immediately.

b. *Currency (Exchange Rate) Risk*
A number of the projects that will be undertaken by the Company may involve a foreign currency component either in terms of the cost of manpower and equipment or other foreign denominated elements required for the execution of such projects. Fluctuations in the value of the Naira can make the costs of projects more expensive than currently projected, thus impacting negatively on the Company's ability to complete the projects within the existing financing structure. Consequently, the Company may not generate the revenues anticipated from the projects.

c. *Changes in interest rates may affect the price of the Bonds*
When securities such as bonds are offered with a fixed interest rate, such securities are subject to price fluctuations; as such securities may vary inversely with changes in prevailing interest rates. That is, where interest rates rise, prices of fixed rate securities fall and when interest rates drop, the prices increase. Accordingly, the extent of the fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of the prevailing interest rates. Increased interest rates which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Bonds.

The Bonds may, in the event of a change in market conditions which result in an adverse change in interest rates, be unattractive to investors; with the prevailing rates being more attractive than the coupon on the issued Bonds.

13. MACRO – ECONOMIC OUTLOOK

*The information in this section has been extracted from documents and other publications released by various officials and other public and private sources, such as the CBN, the International Monetary Fund ("**IMF"),** the Nigerian Debt Management Office ("**DMO**"), the National Bureau of Statistics ("**NBS**"), the Nigerian Federal Ministry of Finance ("**FMF**") and the Organization of Petroleum Exporting Countries ("**OPEC**"), as indicated herein. There is not necessarily any uniformity of views among such sources as to such information provided. We have not independently verified the information included in this section. The information in this section has been derived substantially from publicly available information, such as annual reports, official data published by the Nigerian government or regional agencies or other third party sources as indicated in the text.*

13.1 INTRODUCTION

Nigeria is the largest economy in Africa by GDP. In 2015, Nigeria's nominal GDP was US$588.1 billion, GDP per capita was US$2612 and real GDP growth was 2.79%. Nigeria ranks 21 out of 228 countries in terms of GDP on purchasing power parity (PPP) basis[19].

With an estimate of over 170 million people, Nigeria is the most populous country in Africa and the 8th most populous country in the world. The country's population is forecast to grow at an average of 2.8%20 annually with its total population expected to reach 200 million by 2020. The CIA World Factbook also estimates a labour force of 54.97 million with an average life expectancy of 53.02 years.

The country has the 10th largest crude reserves and 9th largest natural gas reserves in the world21. According to OPEC, Nigeria is the thirteenth largest oil producing country globally22.

13.2 ECONOMY

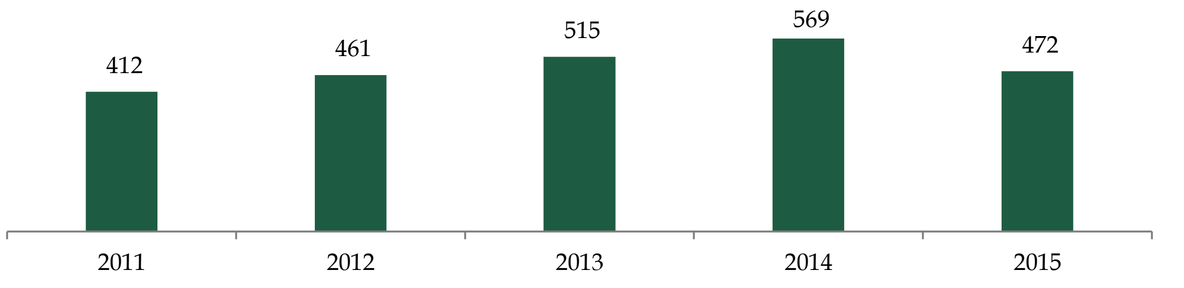
In April 2014, Nigeria rebased its nominal GDP from the 1990 base year to 2010. As a result of the rebasing, Nigeria became the largest economy in Africa (surpassing South Africa) and the 26th largest economy in the world, with a nominal GDP of US$568.5 billion in 2014. In addition, real GDP growth post-rebasing was 6.3% in 2014.

The economy has enjoyed sustained economic growth for a decade, with annual real GDP growth averaging about 5.9% between 2005 and 2015. The non-oil sector was the major driver of growth. In 2015, services contributed about 52%; while manufacturing and agriculture, contributed about 9% and 23% respectively, to GDP.

Despite the decline in oil output as a result of oil theft and pipeline vandalism, Nigeria recorded steady growth in GDP in the last decade due to the strong performance of the non-oil sector; proof that the economy is diversifying and is becoming more services-oriented, in particular through retail and wholesale trade, real estate, information and communication. Nigeria is also a significant exporter of cocoa, rubber and cassava, in addition to other significant natural resources.

[19] *CIA World Factbook*
[20] *United Nations country data*
[21] *OPEC Annual Statistical Bulletin, 2014*
[22] *OPEC Annual Statistical Bulletin, 2014*

Figure 14: Nigeria GDP (US$ Billions)



Source: World Bank

However, the annual GDP growth expectation for 2015 is moderate, estimated at 5% due to vulnerability given slow global economic recovery, oil-price volatility and global financial developments. Nigeria witnessed a decline in fiscal revenues in 2015 brought on by the low oil prices which in turn was due to the excess global supply of crude oil vis a vis the global demand for crude oil.

In response to the drop in oil prices and the subsequent pressure on the Naira, the CBN devalued the Naira twice within the space of four (4) months; 2.3% in November 2014 and 17.9% in February 2015, slightly impeding output growth in the process.

Real GDP growth slowed considerably to 3.96% and further to 2.11% in the third and fourth quarters of 2015 compared to 6.21% and 5.94% in the corresponding quarters of 2014. This was due largely to tempered activities in the manufacturing sector as the effect of the devaluation of the Naira kicked in with inflated operating costs resulting from expensive import. This took its toll on inflation. Difficulty in accessing foreign exchange also contributed to declining output in the sector, as the Central Bank of Nigeria (CBN) barred many importers from accessing foreign exchange at the official rate making it difficult to obtain inputs/raw materials for production.

The CBN policy barring certain importers from accessing foreign exchange and classifying their goods as 'not valid for FX' was among certain currency control measures introduced by the Apex Bank particularly aimed at curbing "speculative activities".

Real GDP however picked up marginally in Q3 2015 at 2.84%. Real GDP growth for the manufacturing sector declined for three consecutive quarters (-0.70%, -3.82% and -1.75% year-on-year in the first, second and third quarters respectively from 15.41%, 14.01% and 16.00% in the corresponding quarters of 2014. In Q4 2015, real GDP growth of the manufacturing sector slowed by 13.09% to 0.38% (year-on-year) from 13.47% growth in Q4 2014. A fallout of these activities were varying-market shaping events that included the JP Morgan phase out of Nigeria's sovereign bonds from its emerging market bond index, difficulty in accessing foreign exchange by investors who tracked its GBI-EM series and an equity market dip of about 17.36% through the year, as foreign portfolio investors stalled in returning to the Nigerian Capital Market even after the peaceful outcome of the May general elections, one of many reasons why they initially pulled out.

It is expected that the non-oil sector will remain the main driver of growth over the medium term. Furthermore, in the light of the recent macroeconomic challenges, the Federal Government has adopted an adjustment strategy that hinges on tightening government spending and shoring-up non-oil revenues to compensate for dwindling oil revenues.

MACRO – ECONOMIC OUTLOOK

Dealing with the Boko Haram insurgency which has plagued Nigeria over the last four (4) years is a major hurdle for the Government. Although commendable steps have been taken, such as the movement of the military command centre into the heart of the crisis and the reclamation of most of the towns earlier captured by the terrorists, the crisis remains unabated.

There is also the rising 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'. These groups are the 'Movement for the Actualization of the Sovereign State of Biafra' (MASSOB) and the 'Indigenous People of Biafra' (IPOB). The recent clash between Nigeria's Army troops and Shiite Muslims in the Zaria area of Northern Kaduna also highlights some security risks.

Overcoming geographical and socio-economic barriers is central to achieving inclusive growth and sustainable development. Addressing rural-urban differences to ensure more balanced development through job creation and societal transformation will be critical for Nigeria's future. This will need to be done within all the six geo-political zones, in addition to addressing inequalities across these zones. Though, there have been several policy initiatives aimed at territorial development in Nigeria, limited success has been achieved in addressing the fundamental causes of unevenness. The problem often lies with a structure of governance that gives room for developmental policy implementation at the federal, state and local levels of governance but not at the regional level.

March/April 2015 Elections

In January 2014 INEC announced that the Presidential and National Assembly elections in Nigeria would be held on February 14, 2015 and the governorship and state assemblies elections on February 28, 2015. The elections were subsequently postponed to commence on March 28, 2015 and held successfully. Following the March and April 2015 polls, a former military head of state - Muhammadu Buhari - who had contested under the banner of the All Peoples Congress was declared the winner of the presidential election and was sworn in on May 29, 2015.

13.2.1 NIGERIA – KEY MACROECONOMIC INDICATORS

Table 1: Macro Economic Data

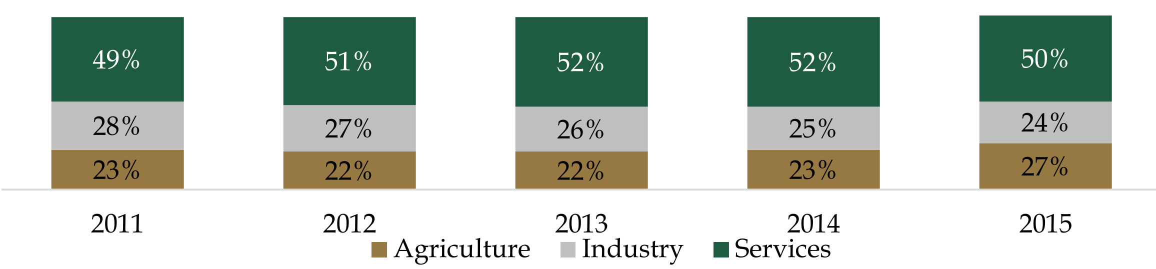
Economic Indicators	2015	2016F	2017F	2018F	2019F	2020F
GDP at market exchange rates (US$ billions)	472	470	503	558	621	693
Nominal GDP growth (%)	-12.8%	-1.2%	7.0%	11.0%	11.3%	11.5%
GDP per capita (US$ market exchange rates)	2,612	2,514	2,621	2,836	3,078	3,349
Average Consumer Price Index (CPI) (%)	9.0%	11.3%	11.0%	8.8%	8.5%	8.2%
Monetary policy rate (%)	11%	13%	11%	10%	10%	10%
Current account/GDP (%)	-3.2%	-2.8%	-2.5%	-1.2%	-1.2%	-0.1%
Population (million)	182.2	187.0	191.8	196.8	201.7	206.8
Total external debt (US$ billions)*	10.7	11.0	11.7	12.3	13.1	13.9
Total external debt (% of GDP)	2.1%	2.3%	2.3%	2.2%	2.1%	2.0%
Exchange rate US$/₦ (average)	199.0	214.7	235.0	245.0	255.0	265.0

Source: Business Monitor International, World Bank

13.2.2 2015 GDP BY SECTOR CONTRIBUTION

According to NBS, the Services sector contributed largest percentage to the Nigeria GDP as at Q4 2015. The contribution of Finance and Insurance to real GDP totalled 3.14%, greater than the contributions recorded both in Q4 of 2014 and Q4 of the same year, which stood at 2.88% , butl less than the contribution recorded as at Q3 2015 of the same year, which stood at 3.18%. A breakdown of GDP contribution by sector is given below:

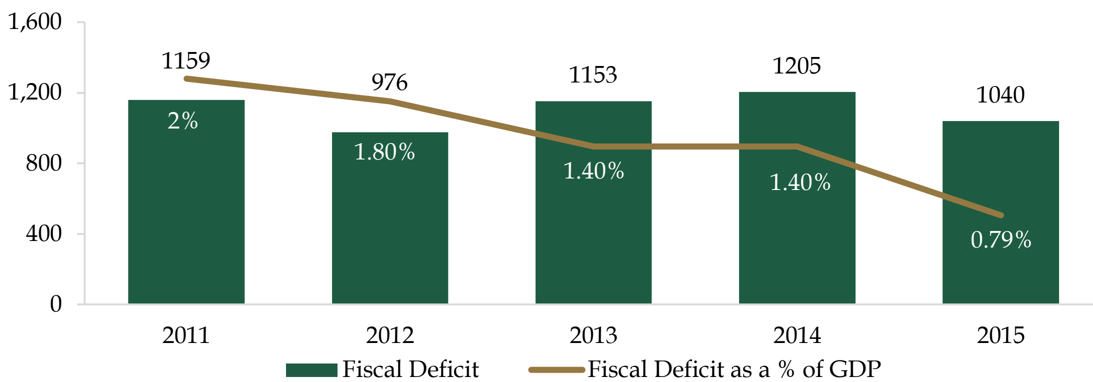
Figure 1: Sectoral Contributions to GDP



13.2.3 FISCAL DEFICIT

Nigeria's fiscal deficit declined from ₦1,159 billion (1.8% of GDP) in 2011 to ₦976 billion (1.4% of GDP) in 2012[23]. The deficit increased to ₦1,205 billion (1.8% of GDP) in 2014 from N1,153 billion in 2013 as a result of production shortfalls and increases in recurrent expenditure. The Federal government estimated a fiscal deficit of N755 billion (0.79% of GDP) in its 2015 annual budget as a result of declining oil prices and currency fluctuations. The fiscal deficit in respect of the 2016 annual budget is estimated at N2.22 trillion (c.2.16% of GDP).

Figure 2: Nigeria Fiscal Deficit



13.2.4 PUBLIC DEBT

As at December 2015, Nigeria's total public debt was US$65.43 billion (18.27% of GDP)[24]; of this amount, the external debt was US$10.7 billion, having decreased from US$20.5 billion in 2005 following the repayment of the Paris Club debt and the subsequent cancellation of the Paris Club debt. The domestic debt also stood at US$42.6

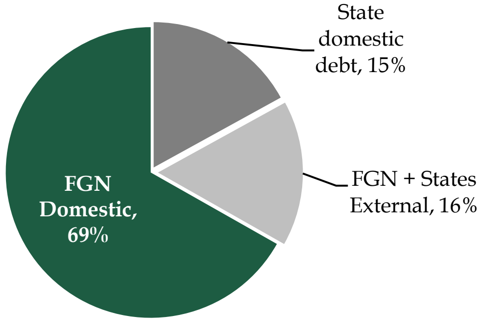
[23] *World Bank*

[24] *Nigeria Debt Management Office, 2014*

billion (₦8.4 trillion), having increased from US$11.8 billion (₦1.5 trillion) in 2005[25]. The increasing balance of the country's total public debt is attributable to the domestic debt of State Governments totalling US$9.85 billion. The Federal Government estimated domestic borrowing at N984 billion in the 2016 budget.

Nigeria's domestic debt is mainly short-term, with treasury bills accounting for 31.4%. The management of domestic public debt has been improved by lengthening maturities. This, in addition to other macro-economic management practices adopted by the CBN, has resulted in a stable growth outlook for the country. Nigeria's domestic debt reflects the significant increase in borrowings through Government bonds in the domestic market.

Figure 3: Public Debt Profile as at December 31, 2015



13.2.5 CAPITAL MARKETS

The Nigerian All Share Index (ASI) gained 35% in 2012, making it the third best performing index in the world. The ASI continued its strong performance in 2013, returning 47%. The performance in 2014 was, however, negative at 16.14%, attributable in part to reduced foreign investment since the US Federal Reserve tapering of its assets purchase programme, as well as, increased macro-political uncertainty resulting from the depreciation of the Naira.

The NSE ASI closed at a 17.36% low for the full year 2015 on the back of weakened macroeconomic conditions and declining foreign and local investor confidence in the Nigerian stock market. The NSE ASI is currently 27,663.16 with market capitalisation of US$47.75 billion as at May 31, 2016. Furthermore, outstanding bonds as at May 2016 stood at N7.46 trillion[26].

13.2.6 FOREIGN RESERVES

As at December 2015, Nigeria's foreign reserves stood at US$28.36 billion compared to US$34.2 billion at the beginning of the year, representing a 17.08% decline in its foreign reserve. The reserves currently stand at US$26.8 billion as at May 2016[27]. The decline has been largely due to CBN's need to utilise the stock of foreign currency reserves in defending the Naira in the face of declining foreign currency earnings from oil sales.

13.2.7 FOREIGN EXCHANGE

At the interbank market, the USD/NGN depreciated by 7.8% to 198.95 as at the end of 2015 from 183.45 in 2014, when the USD/NGN depreciated by 12.6%, driven by sustained CBN intervention in the FX market. In 2015, the

[25] *Nigeria Debt Management Office, 2014*
[26] *FMDQ-OTC, 2016*
[27] *Central Bank of Nigeria, 2015*

USD/NGN moved in the 178.76 – 205.45 range vs. 158.70 – 187.15 range in 2014. At the parallel market, the USD/NGN depreciated by about c.40% to sub 265.00, driven by speculative demand and the tight liquidity at this end of the FX market. FX reserves fell by 15.5% to US$29.13bn in 2015 from US$34.47bn in 2014. This represents about 6.2 months import cover compared to the 7.3 months import cover at the end of 2014. The depletion of reserves was driven by lower oil prices amid sustained FX sales by the CBN.

13.2.8 INFLATION

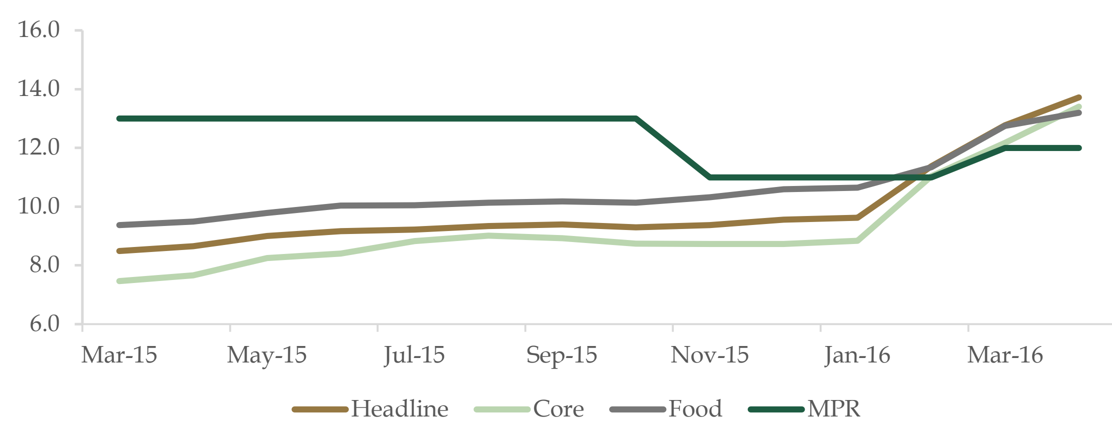
The Consumer Price Index (CPI) for April 2016 expanded by 13.72% yoy, according to the National Bureau of Statistics. This was a reflection of the impact of the prolonged shortage of petroleum products and persistent illiquidity in the FX market.

The Core Index increased by 13.4% yoy in April 2016, 1.2% higher than the 12.2% yoy growth reported in March 2016. The expansion of the core index was driven by higher price increases in the Electricity, Motor Cars, Fuels and Lubricants for passenger transport, and Liquid Fuels divisions.

The Food Index expanded by 13.2% yoy in April 2016, 0.4% higher than the rate reported in March 2016. The slight increase was due to Bread and Cereals; Oils and Fats, and Meats groups.

For 2015, Nigeria's inflation averaged 9.1% compared to 8.1% in 2014. IMF's forecast also suggests that inflation will maintain an uptick in 2016 to average 9.7% by the end of the year.

Figure 4: Inflation trend



13.2.9 INTEREST RATES

The CBN's monetary policy stance has been tight for the most part of 2016 and broadly growth restrictive. At the MPC meeting held on 23 and 24 May 2016, the committee decided to retain the monetary policy rate (MPR) at 12.0%, the corridor around the MPR to +2.0%/-5.0% and the cash reserve requirement (CRR) at 22.5%. These decisions were taken in a bid to support economic growth and to introduce greater flexibility in the inter-bank foreign exchange market structure whilst retaining a small window for critical transactions.

13.3 REFORMS

Nigeria is in the process of adopting and implementing a number of reforms with the objective of Nigeria being one of the 20 largest economies in the world by 2020. The reforms are aimed at a number of key areas, primarily diversifying the economy away from dependence on oil, reducing import dependency and lowering the cost of doing business. The Government expects to achieve this by addressing infrastructure and related deficiencies thereby creating a more favourable environment for continued growth of the non-oil sectors of the economy. A summary of some of these key reform agendas include:

13.4 VISION 20:2020

Vision 20:2020 is the Government's long-term plan to become one of the world's 20 largest economies by 2020, and the Government has adopted the First National Implementation Plan ("NIP") as its medium-term plan to implement the first stage of Vision 20:2020. The First NIP focuses on the following 6 main areas:

- physical infrastructure – power, transport and housing;
- productive sector – the key sources of economic growth such as agriculture, oil & gas and manufacturing;
- human capital and social development – the social sectors of the economy including education, health, labour, employment and productivity;
- building a knowledge-based economy – building a knowledgeable workforce and ensuring widespread access to information, internet and communication technology;
- governance and general administration – election reform and combating corruption; and
- regional geo-political zone development – fostering accelerated, sustainable social and economic development in a competitive and friendly manner.

13.5 POWER SECTOR

Nigeria suffers from a shortage of stable power supply. Although, the country has an installed electricity power generation capacity of approximately 8,664MW, optimal generation capacity has not been achieved due to inadequate investment in gas infrastructure, disruptions of gas supplies to thermal plants, low water levels at the hydro power stations and mismanagement. Under-investment in transmission and distribution infrastructure have also contributed to the worsening power supply, resulting in significant load shedding across the country. The Government estimates that in order to meet the target of 40,000MW of generating capacity by 2020, an annual investment in the power sector of US$10 billion will be required through 2020, most of which it aims to achieve by incentivising the private sector investment community.

In 2013, as part of the privatization process, the Bureau of Public Enterprises ("BPE") sold control in each of the 6 generation and 11 distribution companies. The privatization of the Egbin, Omotosho I and Olorunsogo I gas plants was also concluded simultaneously, along with the privatization process. The privatization of the 10 generation assets of the NIPP is still ongoing due to the huge losses being recorded by the privatized power plants.

Other significant milestones include the reforms to the Multi Year Tariff Option (MYTO) and the establishment of a bulk electricity purchaser (NBET). The MYTO provides for periodic review of the cost parameters through the minor (annual) and major (five-yearly) review windows. The annual review of the framework takes into cognizance changes in gas price, inflation and exchange rates while the major review considers holistic changes in major parameters.

13.6 OIL AND GAS SECTOR

The 6th Republic sought to transform the petroleum industry through the Petroleum Industry Bill. The PIB is a major legislative proposal with structural initiatives that would represent the most comprehensive overhaul of the oil and gas industry in Nigeria since commercial oil production began in the 1960s. It has been widely reported that the current Administration of President Buhari seeks to replace the PIB with a new Bill titled "Petroleum Industry Governance and Institutional Framework Bill 2015" which aims to create "commercially oriented and profit driven petroleum entities" and close loopholes that bred corruption. This new Bill is expected to be debated by the National Assembly in 2016.

13.7 ECONOMIC REFORM INITIATIVES

The present administration, led by President Muhammadu Buhari, is committed to creating a liberal, market-oriented economy driven mainly by the private sector, while focusing on the need to alleviate poverty and advance local production as well as eradicating corruption in the country. Nigeria's reform initiatives will be primarily centered on the following:

- *Economic Stability* – Exchange control restrictions, reducing fiscal deficit and the overall size of governance, as well as industrial value-addition and the promotion of small scale enterprises.

- *Oil and Gas / Extractive Minerals Sector Reform* – Steps taken include removal of subsidy on Kerosene, splitting of the NNPC into two entities – independent regulator and investment vehicle – to ensure efficient management and curb corruption, as well as the planned removal of subsidy on Premium Motor Spirit.

- *Social Welfare and Poverty Alleviation* – Implementation of a social intervention scheme that will entail cash payments to unemployed individuals and free meals for primary school children.

- *Accelerated Infrastructural Development* – The Government has committed to an ambitious investment programme to address needs in critical areas such as power, transportation, and telecommunications through private/public partnerships initiatives. To this end, the Federal Government plans to set up a $25 billion (₦4.9 trillion) infrastructure fund from both local and internationals to directly invest in the transport and energy sectors.

- *Tax Reforms* – Establishment of an effective and disciplined tax management regime to support the government's drive for improved internal revenue creation. The Government, through the Federal Inland Revenue Service, has intensified the awareness campaign to sensitize on its renewed aggressive tax drive.

- *National Treasury Reform* – Introduction of Treasury Single Account system wherein all revenues due to the Federal Government or any of its agencies must be paid into the Treasury Single Account (TSA) or designated accounts maintained and operated by the Central Bank of Nigeria.

13.8 REGULATORY AND LEGISLATIVE ENVIRONMENT

The law governing the formation and regulation of companies in Nigeria is set out in CAMA. Where a company intends to undertake a public offering of its securities, such offering will be regulated by the provisions of the ISA and the rules and regulations of the Nigerian SEC. All companies, both local and foreign, intending to carry on business in Nigeria must be registered with the Corporate Affairs Commission, which is the body responsible for the registration and regulation of companies. The principal laws regulating foreign investment in Nigeria are the Nigerian Investment Promotion Commission Act 1995, Cap N117, Laws of the Federation 2004 (''NIPC'') and the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act 1995, Cap F34 LFN 2004 (''Nigerian Forex Act'').

The Nigerian Forex Act establishes an Autonomous Foreign Exchange Market and provides for the monitoring and supervision of the transactions conducted in the market. Transactions in foreign exchange are therefore expected to be conducted in accordance with the provisions of this act. The Nigerian Forex Act allows any person to invest in any enterprise or security, with foreign currency or capital imported into Nigeria through an authorised dealer (i.e. a bank licensed by the Central Bank of Nigeria to deal in foreign currencies) either by telegraphic transfer, cheques or other negotiable instruments and converted into Naira in the market in accordance with the provisions of the Nigerian Forex Act. The Nigerian Forex Act guarantees unconditional transferability of funds that have been imported into Nigeria.

The transferability, which does not require any further approval, could be by way of dividends or profits attributable to the investment; payment in respect of loan servicing where a foreign loan has been obtained; and the remittance of proceeds and other obligations in the event of sale or liquidation of the enterprise or any interest attributable to the investment under section 15(4). NIPC provides that any enterprise in which there is foreign participation must be registered with NIPC. NIPC permits foreign participation in any business enterprise with the exception of enterprises on the ''negative list'' of the act. The negative list includes enterprises involved in the production of and dealing in arms, ammunition, narcotic drugs and psychotropic substances.

The combined effect of NIPC and The Nigerian Forex Act is to guarantee the unconditional transferability of dividends from equity investments and interest on foreign loans as well as capital repatriation in the event of liquidation or divestiture, or repayment of foreign loans. However, this is subject to complying with applicable foreign exchange regulations, specifically obtaining a Certificate of Capital Importation (''CCI'') - from the Bank through which the investment amount was remitted to Nigeria - as evidence of capital inflow into the country. A CCI will form the basis for eventual repatriation upon divestment. NIPC gives every foreign investor whose shares are registered under the Act access to arbitration at the International Centre for Settlement of Investment Disputes (''ICSID'').

13.9 OUTLOOK

The interplay of monetary and fiscal policies is expected to shape the economic outlook for 2016. Federal Government initiatives are likely to be targeted at huge capital and infrastructure investments as well as social investments. To this end, the Federal Government plans to set up a $25 billion (N4.9 trillion) infrastructure fund from both local and internationals to directly invest in the transport and energy sectors. The Government has also provisioned N500 billion ($2.5 billion) in its 2016 budget framework for a pilot social intervention scheme that will entail cash payments to unemployed individuals and free meals for primary school children.

The official exchange rate of the US Dollar against the Naira currently stands at N198/$. However, given the continued downward spiral in crude oil prices (the country's major source of foreign exchange receipts), very limited foreign participation in the country's financial markets, and more importantly, with import cover currently at 4 months, it is widely predicted that there will be an official devaluation of the Naira in the short term.

Given the now elapsed December 2015 deadline which the President had given the military to quell the Boko Haram insurgency, it is expected that the Federal Government will commit to a sustained focus on the war against insurgency. Other social interventions are also expected to be employed.

Although the Federal Government will need to check the activities of the Shiite Muslims group especially given the complaints by residents of Zaria and neighboring environs, it is not expected that this will escalate into a major crisis for the country given that the group has been in existence since the 1980s and have only operated within the boundaries of Zaria. Also, with no major uprising after a similar clash with Nigeria's troops in 2014, the potential for a crisis is minimal.

In spite of its challenges, Nigeria still presents one of the most compelling frontier/emerging market opportunities in the world due to the following factors:

- *Strong underlying demographics:* The country's huge population, favourable demographics (64% of people below the age of 25) and a rapidly growing middle class provide wealth generating capacity for the foreseeable future.

- *Stable political environment:* Nigeria has had relative political stability since 1999, ending the country's preceding 16 year run under military rule. The country has also witnessed 3 successful civilian to civilian transitions since 1999, providing further evidence of the country's commitment to maintaining democracy.

- *Commitment to reforms:* The pace and steady progress of reforms in Nigeria in the last decade is testament to the commitment of successive governments to developing the country. The reforms have also resulted in a fundamental shift in the public's perception of the government's fiscal responsibility. It is envisaged that the reforms will continue to be the catalyst for improvement in Nigeria's social and economic infrastructure and provide a favourable framework for investment and real growth opportunities across sectors.

- *Improved purchasing power*: Nigeria's purchasing power was presumed to be understated due to the significant size of the informal sector. However, this is an area that has seen some recent improvement with the help of the CBN and government. Following the recent rebasing of the economy which featured significant estimates of the informal sector, GDP per capita is estimated at US$2,994. One positive evidence of the rising purchasing power is the gradual return of retail investors to the capital market which has shown positive traction in recent times thereby indicating improvement in consumer sentiments.

- *Wealth of natural resources:* With its large reserves of human and natural resources, Nigeria has the potential to build a highly prosperous economy, reduce poverty significantly and provide the infrastructure, health and education its population badly needs.

- *External debt management:* Nigeria has successfully reined in on its external debt over the past decade, thereby allowing for an effective management of public finances and promotion of investment.

- *Significant investment opportunities in infrastructure:* It is estimated that Nigeria requires an investment of US$100 billion (₦15 trillion) in infrastructure – power, rail transportation, roads and oil & gas – to sustain double digit economic growth rate and make Nigeria one of the 20 largest economies in the world by 2020. The current budget earmarks ₦1.82 trillion (30% of total budget) towards capital expenditure, thus reinforcing the Government's focus on infrastructure development as well as its drive towards stimulating growth and employment especially through infrastructure investments.

In conclusion, the on-going Government reform and fights against corruption and insurgency, continuous positive CBN intervention, and underlying strong fundamentals, will continue to present a compelling case for investments in all sectors of the economy.

14. FINANCIAL SUMMARY

14.1 EXTRACT FROM REPORTING ACCOUNTANTS REPORT FOR THE FULL YEAR 2011

pwc

Independent assurance report to:

The Directors
Lafarge Africa Plc
27B Gerrard Road
Ikoyi
Lagos

and

The Directors
Chapel Hill Advisory Partners Limited
1st Floor, 45 Saka Tinubu Street
Victoria Island
Lagos

Dear Sirs

We have reviewed the accompanying consolidated balance sheet for the year ended 31 December 2011, consolidated profit and loss, consolidated statement of cash flows for the year then ended, the statement of significant accounting policies and explanatory notes (together, "the financial information"). The financial information is based on the audited financial statements of Lafarge Africa Plc and its subsidiary (the "Group").

Directors Responsibility

The Directors are responsible for the preparation and fair presentation of the financial statements on which the financial information is based, in accordance with the basis of accounting described in the financial information and for such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for the contents of the prospectus in which this report is included.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) which requires us to conclude whether anything has come to our attention that causes us to believe that the financial information is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with ISRE 2400(Revised) is a limited assurance engagement. The review primarily consists of making inquiries of management and others as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on this financial information.

PricewaterhouseCoopers Chartered Accountants
Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria

pwc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial information does not present fairly, in all material respects the state of the financial position of the group as at the dates stated and of its profit or loss and cash flows for the years then ended, in accordance with the accounting policies stated in the financial information.

Basis of Accounting

Without modifying our conclusion, we draw attention to the significant accounting policies included in the financial information which describe the basis of accounting. The financial information is prepared for inclusion in the prospectus to be issued in connection with the proposed capital raising transaction by Lafarge Africa Plc. As a result, the financial information may not be suitable for another purpose.

Yours faithfully

Edafe Erhie

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

25 April 2016

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143

2

14.2 EXTRACT FROM REPORTING ACCOUNTANTS REPORT FOR THE FULL YEARS 2012 – 2015

pwc

Independent assurance report to:

The Directors
Lafarge Africa Plc
27B Gerrard Road
Ikoyi
Lagos

and

The Directors
Chapel Hill Advisory Partners Limited
1st Floor, 45 Saka Tinubu Street
Victoria Island
Lagos

Dear Sirs

We have reviewed the accompanying consolidated statements of financial position for the four years ended 31 December 2015, consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows for the years then ended, the statement of significant accounting policies and explanatory notes (together, "the financial information"). The financial information is based on the audited financial statements of Lafarge Africa Plc and its subsidiaries (the "Group").

Directors Responsibility

The Directors are responsible for the preparation and fair presentation of the financial statements on which the financial information is based, in accordance with the basis of accounting described in the financial information and for such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for the contents of the prospectus in which this report is included.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) which requires us to conclude whether anything has come to our attention that causes us to believe that the financial information is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

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PricewaterhouseCoopers Chartered Accountants
Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria

pwc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial information does not present fairly, in all material respects the state of the financial position of the group as at the dates stated and of its profit or loss and cash flows for the years then ended, in accordance with the accounting policies stated in the financial information.

Basis of Accounting

Without modifying our conclusion, we draw attention to the significant accounting policies included in the financial information which describe the basis of accounting. The financial information is prepared for inclusion in the prospectus to be issued in connection with the proposed capital raising transaction by Lafarge Africa Plc. As a result, the financial information may not be suitable for another purpose.

Yours faithfully

Edafe Erhie

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

A1105419

25 April 2016

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143

14.3 HISTORICAL FINANCIAL INFORMATION

The financial information set out in this Shelf Prospectus has been extracted from the audited annual financial statements of the Issuer and is available at the specified office(s) of the Issuer. This section should be read and construed in conjunction with any audited interim financial statements published subsequently, for the financial years prior to the issuance under this pricing supplement.

Pursuant to the consolidation of certain Lafarge S.A. indirect assets in Nigeria and South Africa into the erstwhile Lafarge Cement WAPCO Nigeria Plc, Lafarge Africa's financial statements incorporate the financial statements of the parent company, its subsidiaries and associate for the year ended 31 December, 2015 with comparatives for the year ended 31 December, 2014, 2013, 2012 and 2011 as appropriate. The Lafarge Africa subsidiaries are as follows: (i) Lafarge Ready Mix Nigeria Limited (ii) Lafarge South Africa Holdings (Pty) Limited; (iii) United Cement Company of Nigeria Limited (iv) AshakaCem Plc; and (v) Atlas Cement Company Limited.

Lafarge Africa's Group's results for the financial period ended 31 December, 2011-2012 are therefore not directly comparable to those for any other financial years and may not be indicative of results that would have been achieved if the consolidation had occurred in that year.

INCOME STATEMENT

As at 31 December 2015	2015	2014	2013	2012	2011
	₦'Mn	₦'Mn	₦'Mn	₦'Mn	₦'Mn
Revenue	267,234	260,810	206,073	87,965	62,502
Cost of sales	(184,703)	(177,783)	(138,754)	(55,305)	(43,184)
Gross profit	82,531	83,028	67,319	32,660	19,319
Other income	(7,295)	(4,091)	21,910	-	137
Other expenses	(6,047)	(1,585)	(443)	(48)	-
Sales and marketing expenses	(4,483)	(3,916)	(2,994)	(625)	(455)
General and administrative expenses	(26,403)	(25,146)	(18,782)	(5,604)	(3,606)
Investment income	2,183	3,334	1,872	348	223
Finance cost	(11,211)	(11,266)	(4,621)	(5,467)	(3,026)
Share of net gain/(loss) from associate	-	-	-	-	-
Profit before taxation	29,275	40,358	64,262	21,264	10,349
Income tax (expense)/credit	(2,277)	(6,538)	(3,308)	(6,553)	(1,710)
Profit for the year from continuing operations	26,998	33,820	60,953	14,712	8,639
Net (loss)/income from discontinued operations	-	(275)	(633)	-	-
Profit for the year	26,998	33,545	60,320	14,712	8,639
Earnings per share					
Basic and diluted earnings per share(kobo)	629	767	1,343	490	288

FINANCIAL SUMMARY

BALANCE SHEET

As at 31 December 2015	2015 ₦'Mn	2014 ₦'Mn	2013 ₦'Mn	2012 ₦'Mn	2011 ₦'Mn
Assets					
Non-current assets					
Property, plant and equipment	364,397	331,257	213,276	128,095	127,729
Intangible assets	1,549	2,197	2,361	6	13
Investment in subsidiaries	-	-	-	-	-
Investment in associate	27	43	-	-	-
Other long term investment	6	8	6,322	40	40
Restricted cash	2,188	2,098			
Other assets	546	1,587			
Long-term receivables	9,975	6,248	-	-	9
Deferred tax asset	448	295	97	-	-
Total non-current assets	**379,136**	**343,732**	**222,056**	**128,141**	**127,791**
Current assets					
Inventories	33,027	31,545	21,566	12,933	10,316
Trade and other receivables	23,474	19,830	12,768	1,982	2,980
Current tax receivable	882	509	581	-	-
Cash and cash equivalents	16,493	20,330	33,896	8,892	11,420
Total current assets	**73,877**	**72,214**	**68,812**	**23,808**	**24,716**
Assets classified as held for sale			7,259	-	-
Total assets	**453,012**	**415,947**	**298,126**	**151,949**	**152,508**
Equity					
Share capital	2,277	2,202	1,501	1,501	1,501
Share premium	186,420	173,998	9,489	9,489	9,489
Retained earnings	100,993	87,206	134,877	57,666	45,206
Foreign currency translation reserve	(10,157)	(1,341)	(896)	-	-
Other reserves arising on business combination	(162,185)	(161,690)	6,534	(297)	(101)
Total equity attributable to owners of parent company	**117,348**	**100,375**	**151,505**	**68,359**	**56,094**
Non-controlling interest	58,803	75,204	19,520	-	-
Total equity attributable to owners of parent company	**176,152**	**175,580**	**171,025**	**68,359**	**56,094**
Liabilities					
Non-current liabilities					
Borrowings	142,943	116,002	11,160	32,921	48,701
Retirement benefits obligation	1,496	8,979	8,771	3,592	4,362
Deferred tax	33,385	34,173	30,885	13,846	9,911

FINANCIAL SUMMARY

As at 31 December 2015	2015 ₦'Mn	2014 ₦'Mn	2013 ₦'Mn	2012 ₦'Mn	2011 ₦'Mn
Provisions	3,160	3,125	2,562	536	262
Deferred revenue	2,134	2,368	813	843	903
Other long term liabilities	4,355	-	-	-	-
Total non-current liabilities	**187,473**	**164,647**	**54,191**	**51,738**	**64,140**
Current liabilities					
Trade and other payables	76,847	67,463	24,549	24,943	26,949
Provisions	1,864	1,334	974	552	400
Borrowings	2,011	2,264	13,069	4,384	4,038
Deferred revenue	235	235	30	30	-
Current tax payable	1,269	1,554	712	1,941	887
Bank overdraft	3,334	2,871	-	-	-
Dividends	3,828	-	-	-	-
Total current liabilities	**89,388**	**75,720**	**39,334**	**31,851**	**32,273**
Liabilities associated with assets held for sale	-	-	7,944	-	-
Total equity and liabilities	**453,012**	**415,947**	**298,126**	**151,949**	**152,508**

CASH FLOW STATEMENT

As at 31 December 2015	2015 ₦'Mn	2014 ₦'Mn	2013 ₦'Mn	2012 ₦'Mn	2011 ₦'Mn
Income from continuing operations	**26,998**	**33,820**	**60,953**	**14,712**	**8,639**
Profit after tax	**26,998**	**33,545**	**(634)**	**14,712**	**8,639**
Adjustments for:		-	-	-	-
Depreciation	16,038	15,289	10,037	4,900	2,090
Amortization charged	111	220	82	-	-
Assets written down	279	300		329	-
Loss/(gain) on disposal/write offs of property, plant and equipment	(380)	317	(312)	(2)	(5)
Retirement benefit obligations service costs	771	730	126	-	-
Finance cost	11,211	11,266	4,621	5,094	2,261
Finance and investment income	(2,183)	(3,334)	(23,522)	(348)	(223)
Income taxes	2,277	6,538	3,308	965	234
Others	11,422	7,665		4,542	2,609
Changes in working capital	2,917	(3,691)	1,811	(3,615)	16,444
Share of income/loss from associate	-	-	-	-	-
Cash payments for financial expenses	(9,342)	(8,019)	(220)	(643)	(472)
Income taxes paid	(2,252)	(3,009)	(7,520)	(965)	(234)
Net cash generated from operating activities	**57,868**	**57,817**	**48,731**	**24,969**	**31,341**

Purchase of property, plant and equipment	(59,853)	(25,485)	(7,062)	(5,748)	(25,240)
Purchase of intangible assets	(185)	(242)	(20)	-	-
Net cash inflow from disposal of investment	-	-	25,862	-	-
Net cash outflow on acquisition of subsidiaries	(1,068)	(32,620)	-	-	-
Net movement in discontinuing operation and other long term receivables	(3,727)	(440)	1,506	-	-
Interest income			-	268	223
Finance and investment income	1,366	3,482	1,842	348	-
Proceed from disposal of assets	327	76	400	9	76
Net cash provided (used in) by investing activities	**(63,141)**	**(55,230)**	**22,528**	**(5,123)**	**(24,941)**
Interest paid	(586)	(2,238)	(4,152)	(4,689)	(5,623)
Dividend paid to equity holders of the company	(12,992)	(14,566)	(40,457)	(2,251)	(750)
Dividend paid to non-controlling interest	422	-	(389)	-	-
Transaction cost on shares issued	(163)	(294)	-	-	-
Loans received during the year	17,036	13,340	-	-	7,556
Repayment of external borrowings	(1,888)	(24,107)	(16,891)	(15,434)	-
Net cash provided (used in) by financing activities	**1,652**	**(28,254)**	**(61,889)**	**(22,373)**	**1,183**
Increase/(decrease) in cash and cash equivalents	**(3,620)**	**(25,668)**	**9,371**	**(2,528)**	**7,583**
Effect of exchange rate changes on the balance of cash held in foreign currencies	(680)	74	(187)	-	-
Cash and cash equivalents at the beginning of the year	17,459	43,053	21,837	11,420	3,837
Cash and cash equivalents at period end	**13,159**	**17,459**	**31,021**	**8,892**	**11,420**

15. STATUTORY AND GENERAL INFORMATION

15.1 OWNERSHIP STRUCTURE

As at December 31, 2015 the 4,404,175,988 ordinary shares of 50 kobo each in the issued share capital of Lafarge Africa were beneficially held as follows:

Particulars of Shareholders	# of shares	% holding
Foreign		
Associated International Cement Limited	1,095,025,626	24.04
Financiere Lafarge SAS	724,758,803	15.91
Lafarge Nigeria (UK) Limited	388,594,185	8.53
Lafarge Cement International BV	289,222,996	6.35
Sub Total	**2,497,601,610**	**54.83**
Major Shareholders		
Lafarge Nigeria Limited	691,565,663	15.18
Lafarge Nigeria Limited	14,416,839	0.32
Sub Total	**705,982,502**	**15.50**
Odu'a Investment Company Limited	151,321,349	3.32
Stanbic Nominees Nigeria Limited	260,348,882	5.72
Other Nigerians	939,647,671	20.63
Sub Total	**1,351,317,902**	**29.67**
Grand Total	**4,554,902,014**	**100.00**

Shareholding Summary	# of shares	% holding
Lafarge Group (Foreign)	3,203,584,112	70.33
Stanbic Nominees Nigeria Limited	260,348,882	5.72
Odu'a Investment Company Ltd	151,321,349	3.32
Others	939,647,671	20.63
	4,554,902,014	**100.00**
Free Float	1,351,317,902	29.67
	3,475,969,026	**76.31**

15.2 SHARE CAPITAL HISTORY

At incorporation, the authorised share capital of Lafarge Africa was ₦6,000,000 divided into 3,000,000 ordinary shares of ₦2.00 each. At present, the issued and fully paid up share capital is ₦2,202,087,994 divided into 4,404,175,988 ordinary shares of 50 kobo each. The following changes have taken place in the Company’s issued capital since incorporation:

Date	Authorised Share Capital Increase	Cumulative	Issued Share Capital Increase	Cumulative	Consideration
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	1,715,200,002	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	75,362,911	2,277,450,905	Shares

15.3 DIRECTORS' INTERESTS

As at December 31, 2015 the direct and indirect interests of the Directors of Lafarge Africa Plc were as follows:

Names	No. of shares Direct Dec'15	No. of shares Indirect Dec'15	No. of shares Direct Dec'14	No. of shares Indirect Dec'14
Mr. Mobolaji Balogun	2,103,302	-	2,103,302	-
Mr. Jean-Christophe Barbant	25,093	-	25,093	-
Mr. Michel Puchercos	-	-	-	-
Mr. Guillaume Roux	-	-	-	-
Mr. Anders Kristiansson	-	-	-	-
Mrs. Adepeju Adebajo	-	-	-	-
Mr. Joseph Hudson	38,424	-	38,424	-
Mrs. Oludewa Edodo-Thorpe	51,354	-	46,037	-
Dr. Adebayo Jimoh	53,000	-	53,000	-
Mr. Jean-Carlos Angulo	-	-	-	-
Ms. Sylvie Rochier	-	-	-	-
Mr. Adebode Adefioye	-	-	-	-
Mr. Thierry Metro	-	-	-	-
Dr Shamsuddeen Usman, CON,OFR	44,290	-	44,289	-
Mrs. Elenda Osima-Dokubo	-	-	-	-
Mrs. Adenike Ogunlesi	-	-	-	-
Alhaji Umaru Kwairanga	289,227	-	4000	-

15.4 STATEMENT OF INDEBTEDNESS

As of December 31, 2015, Lafarge Africa had no loan capital, debentures, mortgages, overdrafts, short term loans, charges or similar indebtedness or material contingent liabilities other than those arising in the ordinary course of business.

15.5 CLAIMS AND LITIGATION

As at the date of this prospectus, Lafarge Africa has the following litigation:

15.5.1 UNICEM CLAIMS AND LITIGATION

FHC/CA/CS/104/2011: UNICEM vs. National Agency for Food, Drugs Administration and Control (NAFDAC)

A declaration that NAFDAC's request that UNICEM should obtain CHEMICAL PERMIT for the importation of CLINKER is null and void and ultra vires the NAFDAC ACT.

FHC/CA/CS/80/2012: UNICEM vs. CHIEF OF NAVAL STAFF

An order directing the immediate evacuation of all service personnel occupying Plaintiff's property situate at Plot 2, Block 2 (A23) Cross River State Housing Estate, Calabar, Cross River State of Nigeria. A claim of ₦10m as general damages.

CA/C/228/2014: UNICEM vs. MRS CHARITY ISIDOR

(i)The sum of ₦500m as general and exemplary damages for the unlawful arrest, detention, torture and death of the claimant's benefactor in police custody upon the orchestration of the defendant;
(ii) An order directing the defendants to henceforth be directly responsible for the up-keep of the deceased's children. Judgment of ₦10m entered against UNICEM hence the appeal.

NICN/CA/07/2012: OKON ARCHIBONG EFFANGA vs. UNICEM

(i) A declaration that failure to exercise the standard of care expected of a reasonably prudent man in respect of the claimant's employment with the defendants, the defendants are negligently culpable towards the claimant.

(ii) A declaration that the exploitative, careless and or reckless conduct by which the defendants expose the claimant to extreme danger of injury and imminent peril is an aberration, unacceptable, illegal, null and void.

(iii) A declaration that the claimant is entitled to and or eligible for compensation including hazard pay and adequate medical attention since claimant's diagnosed lung condition and rashes on his groins are fatal and terminal.

(iv) An order mandating the defendants jointly and severally to compensate the claimant in the sum of ₦200m including hazard pay to enable the claimant to take up proper medical treatment in any good hospital within or outside Nigeria.

HK/2/2012: OKON NYANO & 24 ORS vs. UNICEM

(i) The sum of ₦2.5m being the cost price of twenty five commercial motorcycles belonging to the claimants that was illegally seized and still being detained by the defendants;

(ii) The sum of ₦2.5m as special damages representing cost of litigation/legal fees paid by the claimants to their solicitors to prosecute this MAK/5C/2010 and the present suit.

(iii) The sum of ₦250m as exemplary and general damages for unlawful arrest, torture, detention and malicious prosecution of the claimants by the defendants.

HK/10 / 2013: UNICEM vs. O.C.I, SAE, Egypt; O.C.I.N.L & F.L. Smidth A/S.

UNICEM is claiming the sum of ₦960,915,455.76 being amount spent in fixing and repairing about 66 deficiencies from the construction work of the 2nd and 3rd defendants as agents of the 1st Defendants as well as consequential damages.

CA/C/164/2014: UNICEM & 2 ORS vs. NTUFAM PIUS ITITA & 5 ORS.

The Plaintiffs are claiming that UNICEM has no right to recognize any other community as the land of the factory and quarry belong exclusively to Abi Mfam Community; Declaratory reliefs; Perpetual Injunction; ₦500m as general damages

HK/22/2013: FREDERICK AYUK vs. UNICEM

Plaintiff was a former staff of UNICEM whose appointment was terminated and later prosecuted. He claims ₦480m as special damages for solicitor's fees and ₦150m as general damages.

CA/ C/278 /2013: UNICEM vs. LIBEND GROUP

This case is a fall out of the judgment delivered against us in Suit. ₦500m awarded against us hence this appeal.

CMDC/4/2013: GENNYS CATERING NIG. LTD Vs. UNICEM

UNICEM terminated the catering contract of the Applicant. Dissatisfied, he dragged UNICEM to the Calabar Multi Door Court House claiming about ₦43m for breach of contract. 3 Arbitrators were imposed on UNICEM and a lot of suits emanated from this including an appeal. So, this matter is stalled until the appeal is determined.

FHC/CA/M74/15: COT ENTERPS. LTD & ANOR vs. UNICEM & 9ORS

Applicant claims UNICEM trespassed into his land and is asking for the enforcement of his right to own personal property as contained in the Nign. Constitution and ₦100m damages and some declaratory reliefs.

NICN/CA/71/3013: ANTHONY AGUM vs. UNICEM & ANOR

This is a labor related dispute. The 2nd Defendant was an outsourced company, Michael Stevens Consulting, contracted by UNICEM. The claimant's claim is that having been seconded to UNICEM as a chef, the fact that the termination letter bore the 2nd Defendant's name, UNICEM will still play a role in the determination or otherwise of his termination by his employer for which he claims Nine Million, Three Hundred and Eight Thousand Naira.

FHC/CA/CS/101/2013: CHIEF EFFIOM EDET ETIM OMIN vs. FED. MIN. OF ENVIRONMENT & 3 ORS.

There is an Evacuation Road constructed by UNICEM from Odukpani LGA to UNICEM's factory at Mfamosing, Cross River State. The Plaintiff is one of the chiefs of a community where the road passes through. The Plaintiff's is simply contending that the construction was carried out without carrying out an Environmental Impact Assessment (EIA). He is claiming ₦2m as damages as well as some injunctive and declaratory reliefs.

CA/CS/190/2014: ETINYIN O. EFFIOM & 2 ORS. Vs. CRSG & 5ORS

This appeal emanated from the Ruling of the High Court of Cross River State challenging the jurisdiction of the lower court on grounds that the cause of action of the Appellant to reclaim land coming after 10 years was statute barred. Our P.O. was upheld hence this appeal.

FHC/CA/CS/50/2014: UNICEM vs. AGF; MINISTER OF TRADE AND INVESTMENT; STANDARDS ORGANIZATION OF NIG.

The case, by way of originating summons, is for a declaration and injunction that the Revised Standard on Common Cement was made without regard to due process as provided for in Section 12 and 16 of the Standards Organization of Nigeria Act. The declaration is for the pronouncement of the voidity of the standard and restrain its implementation on UNICEM. However, the parties are seeking ways of having an out of court settlement.

FHC/CA/CS/76/2014: UNICEM vs. SON

The Defendant, SON, wrote a letter referenced: SON/DG/78/vol.v/272 of 5th May, 2014 to Manufacturers of Cement labels and traceability requirement. This case challenges the efficacy of the letters in spite of the existence of a suit challenging the competence of the purported standard.

FHC/CA/CS/79/2014: UNICEM vs. S. O. N. & ANOR

The failure of SON to renew UNICEM's MANCAP Certificate upon expiry inspired this case. It is for an order of Mandamus for SON to issue MANCAP CERTIFICATE, UNICEM having met all the prerequisites for issuance.

FHC/CA/CS/85 /2014: UNICEM vs. DR JOSEPH ODUMODU (DG of SON).

This case became expedient where despite the existence of several suits against SON, the DG still conducted himself and the activities of SON in a manner calculated to pre-empt the decision(s) of the court. Thus, directives were issued, propaganda publications made suggestive of the fact that the new Revised Standards for Cement is in force and being implemented. The aim is to commit the DG of SON, Dr. Joseph Odumodu to three months imprisonment for contempt of Court.

HC/354/2008: TIODALAC GROUP LTD vs. UNICEM & 4ORS.

Plot 187, Block 11, Unit 'C', acquired by UNICEM from Calacemco was leased in error by CROSPIL to Miss Murray-Bruce who in turn leased to the Plaintiff. UNICEM took steps and perfected her title. Angered by that action, Plaintiff proceeded to court. Plaintiff seeks declaration as the owner.

NICN/CA/04/2015: BLESSING OKOKON EFFIOM & 4 ORS. Vs. UNICEM & ANOR

The Plaintiffs were staff of UNICEM whose appointments were terminated. They sued alleging victimization because they were Union Members. They are claiming various sums of money severance benefits, declaratory reliefs and reinstatement.

CA/C/91/2013: UNICEM vs. AKAMKPA L.G.A. & 6ORS

Akamkpa L. G. C. issued a letter to the President, Mines and quarry Development Association authorizing the collection of fees. Unicem asked the Council to withdraw the letter, same being ultra vires. Council declined and UNICEM sued. The FHC, Calabar declined jurisdiction and transferred the matter to the State HCT. It is against the ruling of the FHC declining jurisdiction that this appeal is instituted.

CA/C/08/2014: SALE MATE RESOURCES LTD vs. UNICEM

The Claimant performed the construction of a building and the contract was terminated, he sued and the suit was dismissed hence this appeal

HC/381/2014: UNICEM vs. GENNY'S

This is an appeal. Respondent in this appeal had approached the High Court for an order appointing one Hon. Justice Ekeng O. Effiong (Rtd.) as sole arbitrator. The Appellants opposition to the appointment was refused. Hence this appeal.

HC/47/2015: HH (CHIEF) EFFIOM EDET ETIM OMIN & ANOR vs. UNICEM & 3ORS.

The Claimants took out a writ of Summons complaining of Trespass on their landed properties along the Evacuation Road and the refusal of the Defendants to pay compensation for the unexhausted improvement on the said piece or parcel of land for which they are claiming Declarative/ Injunctive Reliefs and Damages of ₦179mn.

15.5.2 ASHAKACEM CLAIMS & LITIGATION

SC/___________CA/J/129/05GM/15/2004: LAMI B. OTHMAN Vs. ASHAKACEM PLC

Lami B. Othman sued ASHAKACEM PLC challenging the termination of her appointment when her department the (Farm center) was outsourced due to reorganization in the Company.

The Appellant being dissatisfied with the decision more particularly stated in paragraph 2 of the lower court contained in the judgment of the court of appeal, Jos Judicial Division dated the 10th day of July, 2014, coram Honorable Justice Ridwan Maiwada Abdullahi, J. C. A doth hereby appeal to the Supreme Court upon the grounds set out in paragraph 3 and will at the hearing of the appeal seek the reliefs set out in paragraph 4.

FHC/ABJ/CS/401/2014: STANDARDS ORGANIZATION OF NIGERIA AND THE MINISTER, MINISTRY OF TRADE AND INDUSTRY vs. ASHAKACEM PLC

The 1st Defendant (Standard Organization of Nigeria) released a revised specification of mandatory industrial standard NIS 444-1-2014" without complying with the clear and mandatory provisions of the Standard Organization Act, 2001 and which seeks to adversely affect the business interest of the company in the world market.

The company was aggrieved by the action of the defendants and sued the defendants before the Federal High Court, sitting in Gombe. The matter is still in pending before that Court. No monetary claim is involved in the matter.

The action seeks for declaratory reliefs only regarding the trade rights of AshakaCem Plc.

FHC/GM/CS/14/2014: ASHAKACEM PLC Vs STANDARDS ORGANIZATION OF NIGERIA

The defendant issued a directive that advertisement/commercials and labels in respect of the company products must be pre-approved by the defendant and that the company as a manufacturer of cement should track and monitor movement of cement produced by the company from her factory to the final consumers amongst others.

GM/1156/2012: ASHAKACEM PLC V ALH. DAHIRU ADAMU

The plaintiff/applicant was a transporter for the product of the company. However, it was discovered that the plaintiff in the process of transporting the product has diverted 15 trucks of the product. The company thereafter detained two of the plaintiff's truck and thereafter entered into a written agreement with the plaintiff that the trucks will be released to him when he returns some of the product and or pay for the remaining. However, the plaintiff thereafter sued the company before the High Court in Gombe seeking for among others the release of his two trucks and damages for his loss of service of the two trucks. The High Court sitting in Gombe has delivered judgement in favor of the company and dismissed all of the plaintiff's claims. However, the plaintiff has appealed against the judgement of the High Court of Gombe state to the Court of Appeal sitting in Jos.

The Appeal Court delivered a judgment against the company and set aside the judgment of the trial Court and ordered the company to pay the sum of ₦53,000,000.00 as special and general damages. The company appealed to the Supreme Court Abuja and the record of proceeding has since been transmitted.

ASHAKACEM PLC V GOMBE STATE BOARD OF INTERNAL REVENUE

The company has filed an appeal against the Gombe State Board of Internal Revenue for the wrong assessment of Tax in the sum of ₦363,210, and 597.33k. However the possibility of an out of court settlement of the appeal is being pursued. Settlement talks ongoing.

CA/K/46/2014: ASHAKACEM PLC V ASHARATUL BUBASHRUUN INVESTMENTS LIMITED

The matter came up at the Court of Appeal Kaduna on the 11th February, 2015 for consolidation of the appeal and the cross appeal filed by the Respondent. The Court of Appeal has now ordered the consolidation of the two appeals with Appeal No. CA/K/46/2014. The two appeals will now be heard on 29th April, 2015.Meanwhile, it appear the on- going negotiations to settle the matter amicably have been exhausted. In the circumstance, we no option but to continue with the hearing on 29th April, 2015

JUDGEMENT of ₦126m awarded against Ashaka in February 2016.

GM/363/16: ASHAKACEM PLC V ENGR. TARFA DZARMA GARBA

The plaintiff is a mining Engineer, a former staff of AshakaCem Plc, resident of Tumfure quarters, Gombe, Gombe state within the jurisdiction of this honorable Court.

The plaintiff avers the he is a qualified mining Engineer, to which he is registered with the Council for Regulation of Engineering in Nigeria.

The plaintiff avers that notwithstanding his appointment cum employment with the defendant, because of his qualification, as a licensed Coal Mining Engineer, he was appointed as the Manager of Maiganga Coal Mine sometimes on the 31st August, 2009 via a letter from the defendant. From the High Court.

You are hereby commanded that within eight (8) days respectively after the service of this written on you, inclusive the day of such services, you do cause an appearance to be entered for you in an action of the suit of the plaintiff and take notice that in default of your so doing, the plaintiff may proceed therein and judgment may be given in your absence.

15.5.3 WAPCO CLAIMS AND LITIGATION

SC/___________CA/I/210/2012, HCT/8/2009: ENGNEER LATEEF I. OWOLABI V. LAFARGE CEMENT WAPCO NIGERIA PLC

The substantive Action is for a declaration of title to the statutory right of occupancy in respect of land situate at Papalanto/Lagos Road at Papalanto and claim of ₦500million as special and general damages. Judgment was delivered in favor of the Claimant, which was appealed.

Appeal against the Judgment of Court of first instance (High Court) by WAPCO was successful. The Claimant has now appealed against the Judgment of the Court of Appeal setting aside the Judgment of the lower Court and dismissing the substantive claims.

HCT/212/2010: ATANDA MAGBADELO & 2 ORS. Vs. LAFARGE CEMENT WAPCO PLC

The Plaintiffs are suing for a declaratory order that they are the bona fide owner of a certain land located in Akinbo being claimed by certain persons in SUIT MT/43/09. An order that compensation money to be paid be paid to them by Lafarge Cement.

There is no action being taken in respect of the action as there is no pecuniary claim against Lafarge Cement in the action.

HCT/136/2013: SIKIRU ADEKOYA & 2ORS. Vs LAFARGE CEMENT WAPCO NIG. PLC.

The Claimants claim that they are entitled to a statutory right of occupancy over the parcel measuring approximately 88.925 hectares (219.743 Acres) situate on old Shagamu – Iperu Federal Truck A Road called Imogu Farmland in Shagamu; claims ₦3,000,000.00 for alleged trespass committed by WAPCO on the land and an order for possession.

HCS/62/14: ALHAJI G.K OLADIPO & SIX ORS VS LAFARGE CEMENT WAPCO NIGERIA PLC AND ATTORNEY GENERAL OGUN STATE

The claimants are seeking a declaration of title over the entire area measuring approximately 1001.133 Hectares, ₦4,805,438,400.00 as purchase price for the entire land and ₦25,000,000.00 for the alleged occupation and use of the Claimants' land. The Court did not sit, due to the absence of the Judge. The case was adjourned to 18th January, 2016 for continuation of pre-trial conference.

ID/26/2001: Joseph Akinola vs. WAPCO

Claimants appealed against the judgment delivered on June 30, 2008 in favor of Lafarge Cement Wapco Plc. Judgment entered in favor of Lafarge WAPCO by the Court of Appeal upholding the decision of the High Court.

HCT/332/2001: Mrs. Comfort Adetoun vs. WAPCO

Claimant appealed against judgment delivered on April 21, 2011 in favor of Lafarge Cement Wapco PLC. The Claimant has transmitted records of appeal and we are in the process of preparing the Respondent's brief.

ID/1027/2008: Krest Ltd vs. Wapco

Claimant appealed against judgment delivered on November 22, 2010 in favor of Lafarge Cement Wapco PLC Matter came up on January 13, 2014 for hearing of all pending applications. Both Appellant's Motion on Notice for Extension of Time to file its Brief of Argument; and Wapco's Motion on Notice to Cross-Appeal were heard and granted.

ID/315/2006: Exploration and Construction Contractor Limited vs. WAPCO

Defendant entered into a construction contract with the claimant. The Defendant, due to failure on the part of the Claimant to complete the project within the agreed period, revoked the building contract claiming refund of ₦599,000.00 being deposit sum for performance of the contract.

The Claimant rather than refund the amount of money requested by instituted this action against Lafarge claiming ₦1,232,000.00 being the outstanding on the agreed contract. Since service, the claimant has taken no step to get the matter assigned to a judge.

MK/3924/13: Sustainabiliti Ltd vs. Lafarge WAPCO Ololade & Co

Declaration that disconnection of electricity by Lafarge WAPCO was illegal, payment of damages in the sum of ₦9,000,000, payment of ₦400,000 per day from 7th May 2013 till electricity is reconnected, ₦750,000 as legal cost of action and issuance of a restraining order. Lafarge WAPCO to file defense. The matter has been adjourned to **3rd November 2015** for trial or report of settlement.

ID/1090/08: Axis Information Systems Ltd vs. Lafarge WAPCO Ololade & Co

Immediate possession of the 185 square metres occupied by the tenant. Arrears ₦3,217,000 Mesne profit of ₦740,000.00, service charge of ₦555,000.00 and interest on mesne profit and service charge at the rate of 19% with effect from 1st January 2008.

MIK/1077/12: Core Functions and Assets Limited Vs. Ololade & Co

Immediate possession of the 182 square metres occupied by the tenant. Arrears ₦999,208.40, Mesne profit of ₦2,184,400 per annum, service charge of ₦1,143,500 per annum until possession is given up.

The matter has been assigned to a new Magistrate and the Claimant's (Lafarge Wapco) witness Mr. Olalere Ojediran has been examined in Chief. The matter has been adjourned to 14h October 2014 for cross-examination and defense.

MIK/3447/13, MIK/3448/13, MIK/3449/13: Sustainabiliti Ltd vs. Lafarge WAPCO

Immediate possession of the 188.31square, 88 square metre and 253.6 square metre occupied by the tenant on the 2nd and 6th floor of Elephant Cement house Mesne profit and possession respectively are being claimed.

HCT/403/2011: Mr. Mojeed Magbadelo vs. Lafarge Cement Wapco Nigeria Plc

The Claimant is asking for a declaration that Lafarge Cement WAPCO's activities/operations situated close to his property situate and lying at Abeokuta-Lagos Expressway in Akinbo Town of Ewekoro constitute nuisance, that the said operation has led to the near collapse of the property and ₦15,000,000.00 (Fifteen Million Naira) for general and special damages. The Case was commenced in 2011, Lafarge Cement WAPCO was informed of the pendency of the Case via a letter dated 8th April 2014.

SUIT NO. HCT/21/2015: OYEYEMI BIOBAKU & 4 ORS. vs. LAFARGE AFRICA PLC

The Claimants are suing for themselves and on behalf of Abegunrin Biobaku Family of Apumo Village.

The claims include as follows:

i) The sum of ₦20,000,000.00 (Twenty Million Naira) being special and general damages against the Defendant for the perpetual loss suffered by the Claimants as a result of the nuisance being committed by the Defendant on the Claimants' farmlands at Apomu Village, Ewekoro Local Government Area, Ogun State where the effluents and waste water from the Defendant's senior staff quarters are being discharged unto the Claimants' farmlands thereby causing economic loss to the landscape.

ii) An order of injunction to restrain the Defendant by itself, its directors, officers, servants or agents or otherwise whosoever from the continuous committal of any nuisance on the Claimants' farmlands at Apomu Village, Ewekoro Local Government Area, Ogun State.

HCT/427/2014: CHIEF LAMINA GUDUGBA IBIKUNLE & 11 ORS. vs. LAFARGE AFRICA PLC

A declaration for right of occupancy in respect of a piece of land where the Estate of Lafarge Africa plc is located. There is however no pecuniary claim. The Claimants were not legally represented and the Court did not sit. The Case was adjourned to **January 18, 2016** for mention.

LD/ADR/70/15: LOGISTIQ EXPEDITORS vs. LAFARGE WAPCO

The Claimant is claiming the total sum of ₦144,219,021.75 for a purported provision of logistic services and procurement of goods including purchasing, shipping, custom clearance, delivery and other logistic services for a period of one year.

Notice of Preliminary Objection has been filed against the Action of the Claimant for failure to resort to arbitration in line with the Agreement between Parties. No hearing date has been given.

FHC/IB/57/2015: SETHEE AGRO-BIZ VENTURES LTD vs. LAFARGE CEMENT WAPCO NIG PLC

The Plaintiff is seeking an order of the Court to appoint an Arbitrator pursuant to Clause 13.1 of the Contract Agreement to hear and determine an alleged dispute arising from the said Contract Agreement. The Case has been struck out of the Court.

MCK/6352/2014: JIMODU INTEGRATED RESOURCES LTD. vs. LAFARGE CEMENT WAPCO NIGERIA PLC

The Claimant's claim for the total sum of ₦2,730,000.00 for an alleged failure to deliver thirty (30) tons of cement paid for by the Claimant Company and for the profit that would have been made by the Claimant from the sale of the cement. The Claimant is alleged to be a distributor of the Defendant cement product.

SUIT NO: HCS/267/2014: OYENIRAN SUNDAY ODUNAYO vs. LAFARGE WAPCO & ANOR

Claim for unremitted pension payments by the Company. A hearing notice has been ordered to be issued on the Plaintiff and matter adjourned to 8 July 2015 for hearing.

NICN/AB/03/2015: HASSAN SAMSON vs. LAFARGE WAPCO

Claimant instituted action for damages of wrongful termination of their employment at the National Industrial Court Ibadan . Hearing adjourned to 5th November 2015 to consider motion to strike out suit.

NICN/AB/03/2015: JIMOH KAREEM vs. LAFARGE WAPCO

Claimant instituted action for damages of wrongful termination of their employment at the National Industrial Court Ibadan. Hearing adjourned to 5th November 2015 to consider motion to strike out suit.

FHC/ABJ/CS/84/2015: LAFARGE AFRICA PLC vs. STANDARDS ORGANISATION OF NIGERIA

This is an Application by Lafarge Africa Plc for Judicial Review in which Applicant is for an Order of mandamus directing/mandating SON to issue MANCAP Certificate and to renew Lafarge's MANCAP Certificate for the production of 42.5 grade of cement.

The Application is also for an injunctive order restraining SON from taking steps aimed at hindering or disturbing Lafarge from continuing to produce, sell and market her 42.5 grade of cement. Hearing in the Matter has been fixed for October 26, 2015 before the Honorable Justice S E Chukwu of the Federal High Court, Abuja Judicial Division.

FHC/ABJ/CS/576/2014: LAFARGE CEMENT WAPCO NIG PLC vs. STANDARDS ORGANIZATION OF NIGERIA (SON)

Lafarge Cement WAPCO is seeking an Order of Perpetual Injunction restraining the Defendant, her Agents, servants and persons acting on the Defendant's behalf from closing down, disturbing production processes in the Plaintiff's factories or sanctioning the Plaintiff on account of Plaintiff's refusal to comply with the Defendant's Directive/Decision on labelling of products, traceability of products, pre- approval of Plaintiff's advertisement/commercials and labels of cement produced by the Plaintiff.

A Motion for Interlocutory injunction was filed alongside the Writ for an order of interlocutory injunction which has been served on SON. The Solicitors to the Company are of the view that the Processes filed so far are sufficient to protect Lafarge and prevent SON from proceeding to implement the new regime of directives by way of sealing Lafarge's factory. SON is obliged to stall the process of forceful implementation pending the determination of the suit.

CA/A/594/2014: STANDARDS ORGANISATION OF NIGERIA vs. LAFARGE CEMENT WAPCO NIGERIA PLC.

This is appeal against the Order of Court made in Suit No. FHC/ABJ/CS/576/2014 that Parties should maintain status quo pending the hearing of the Motion on Notice and the Notice of Preliminary Objection.

FHC/ABL/CS/401/2014: Lafarge Cement Wapco vs. SON, Minister of Industry, Trade & Investment.

Lafarge Cement WAPCO by an Originating Summons filed on May 28, 2014 seeking declaration of court that it ultra vires the power of the Defendants therein to unilaterally seek to restrict the use of 32.5 cement grade to plastering of buildings despite the existing license given to the plaintiff, and an Order setting aside the Defendants' mandatory industrial standards NIS 444-1-2014 and mandatory industrial Order No. 1 of 2014 in so far as it relates to the Plaintiff's 32.5 grade cement.

Lafarge is further praying the Court for an Order to restrain the Defendants from going ahead to implement or enforce the Mandatory Standard Order No. 1 of 2014 and an Order to restrain the Defendants from closing or disrupting the operation of the plaintiff. In the hearing of the Motion Ex parte in the matter, the Defendants were ordered to show cause why the interlocutory prayer of the plaintiff to restrain the defendants from going ahead to implement or enforce the new mandatory industrial standard should not be made.

15.5.4 ATLAS CLAIMS AND LITIGATION

NHC/59/2014: Funtai Limited vs Cementia Holding AG and Atlas Cement Limited

Claims for enforcement of alleged terms of settlement between Funtai Limited and Cementia Holding Ag and Atlas Cement Limited

Monetary claim is mainly USD 250,000 per annum from 2009 till date.

NICN/YEN//79/2015: Deborah Okoro vs Atlas Cement Limited, Lafarge ReadyMix Nigeria Limited and Shiraz Ally

Claims for payment of gratuity by the 1st defendant, benefits by the second defendants and ₦50 Million as damages against the 2nd and 3rd Defendant for alleged sexual harassment.

15.6 MATERIAL CONTRACTS

The following agreement(s) have been entered into by the parties and are considered material to the Transaction:

- Vending Agreement dated June 15, 2016 between Lafarge Africa Plc, Chapel Hill Advisory Partners Limited, Standard Chartered Capital and Advisory Nigeria Limited and Stanbic IBTC Capital Limited

- Programme Trust Deed dated June 15, 2016 executed between Lafarge Africa Plc, FBN Trustees Limited and Zenith Bank Trustees Limited acting as Joint Trustees in respect of the ₦100,000,000,000 Debt Issuance Programme

Other than as stated above, the Company has not entered into any material contract except in the ordinary course of business.

15.7 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 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 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 financial institution and engaging in any type of business practice or activity.

15.8 COSTS AND EXPENSES

The costs and expenses of undertaking this Debt Issuance Programme including fees payable to the SEC, the NSE and professional parties, filing fees, stamp duties, legal fees, other expenses, brokerage commission and the costs of printing and advertising the Offer are as set out in each Pricing Supplement issued by the Company.

15.9 CONSENTS

The following have given and not withdrawn their written consents to the issue of this Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

The Directors of Lafarge Africa	
The Company Secretary of Lafarge Africa	
Chapel Hill Advisory Partners Limited	Lead Book Runner/ Issuing House
Stanbic IBTC Capital Limited	Joint Book Runner/ Issuing House
Standard Chartered Capital & Advisory Nigeria Limited	Joint Book Runner/ Issuing House
Odujinrin & Adefulu	Solicitors to the Trustees
Giwa-Osagie & Co	Solicitors to the Issuer
Udo Udoma & Belo-Osagie	Solicitors to the Offer
FBN Trustees Limited	Joint Trustees to the Offer
Zenith Trustees Limited	Joint Trustees to the Offer
ARM Trustees Limited	Joint Trustees to the Offer
Akintola Williams Deloitte	Auditors
CardinalStone Registrars Limited	Registrars
PricewaterhouseCoopers	Reporting Accountant
Citibank Nigeria Limited	Receiving Bank
First Bank of Nigeria PLC	Receiving Bank
Access Bank PLC	Receiving Bank
Global Credit Rating Co. (GCR)	Rating Agency

15.10 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices of Joint Issuing Houses during normal business hours on any weekday (except public holidays) from the date of issuance of this Shelf Prospectus:

(a) Certificate of Incorporation of the Company;
(b) The Memorandum and Articles of Association of the Company;
(c) The Certified True Copy of the Board Resolution dated March 17, 2016 approving the Debt Issuance Programme;
(d) The Certified True Copy of the Shareholders Resolution dated July 9, 2014 approving the Bond Issuance Programme;
(e) The Audited Financial Statements of the Company for each of the five years ended December 31, 2015;
(f) The Reporting Accountants Report on Audited Accounts of the Company for five years ended December 31, 2015;
(g) The material contract referred to in Section 15.6 on page 99;
(h) The written consents referred to above;
(i) The Shelf Prospectus issued in respect of the Bond Issuance Programme;
(j) SEC Approval letter;
(k) NSE Certificate of Exemption;
(l) Any Pricing Supplement;
(m) Any Vending Agreements; and
(n) Any Series Trust Deeds.

15.11 RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISERS

As at the date of this Prospectus and in compliance with SEC Rule 184(1) as amended, we hereby state that there is no shareholding relationship between Lafarge Africa Plc and the Issuing House/Book Runner. However, the Managing Partner of the Lead Issuing House is also the Chairman of the Issuer. There is no other relationship between Lafarge Africa Plc, its respective directors, major shareholders and principal officers and the Parties to the Offer, except in the ordinary course of business.

15.12 EXTRACTS FROM THE PROGRAMME TRUST DEED

3. APPOINTMENT OF TRUSTEES AND CREATION OF TRUST

3.1. The Issuer hereby creates and establishes a trust for the benefit of the Bondholders.

3.2. The Trustees are hereby appointed as the representatives of the Bondholders in accordance with the provisions of this Deed and will jointly hold the benefit of the covenants and other obligations of the Issuer herein contained for the Bondholders and itself in accordance with the terms of this Deed. Any sums received by the Trustees from the Issuer shall be received on trust in accordance with the provisions of this Deed.

3.3. By execution hereof, the Trustees have accepted and agreed to enforce the powers and perform the duties and obligations of the Trustees specifically set forth herein and generally provided for in the Trustees Act.

3.4. The Trustees shall have no duty, responsibility or obligation for the issuance of the Bonds or for the validity or exactness thereof, or of any document relating to such issuance.

3.5. The Trustees shall have no duty, responsibility or obligation for the repayment of the Bonds except in accordance with the law and this Deed.

9. APPLICATION OF PROCEEDS

The Issuer shall, upon receiving the proceeds of the Bonds, apply said proceeds towards the purposes set out in the applicable Pricing Supplement and Series Trust Deed.

16. NOTICE OF PAYMENTS

The Trustees shall give Notice to the relevant Bondholders in accordance with the relevant Series Trust Deed of the day fixed for any payment to them.

18. COVENANTS OF THE ISSUER

The Issuer covenants and agrees that:

18.1. It will perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be performed as provided herein and in the relevant Series Trust Deed for every issue of Bonds executed and delivered hereunder and in all proceedings of the Issuer pertaining thereto.

18.2. It shall pay the Trustees such fees as may be agreed between the Parties in the Mandate Letter, and reimburse the Trustees, for all agreed, evidenced, reasonable and proper out of pocket costs and expenses as they may incur in connection with the performance of their duties under this Deed including the agreed costs for convening and holding meetings of Bondholders PROVIDED that, for any additional costs which will cause the costs to exceed, in the aggregate, ₦1,000,000.00 (One Million Naira) in any one Year, the Trustees shall seek and obtain the prior written consent of the Issuer to incur such costs and expenses. So long as any of the Bonds remain Outstanding, the Issuer shall:

18.2.1. ensure that remittance of the Coupon and Principal Amount for the Bondholders is in accordance with the provisions of the relevant Series Trust Deed;

18.2.2. at all times, carry on and conduct its affairs and procure its Subsidiaries to carry on and conduct their respective affairs in a proper and efficient manner;

18.2.3. give or procure to be given to the Trustees such opinions, certificates and information as they shall require and in such form as they shall require for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in them under this Deed or by operation of law;

18.2.4. at all times keep and procure its Material Subsidiaries to keep proper books of account;

18.2.5. send to the Trustees (in addition to any copies to which it may be entitled as a holder of any securities of the Issuer) two copies in the English language every report, circular and notice of general meeting(s) and every other document(s) issued or sent to its shareholders within seven (7) Business Days after the issue or publication thereof;

18.2.6. forthwith give notice in writing to the Trustees of the coming into existence of any Security Interest which would require any security to be given to the Bonds pursuant to the applicable Series Trust Deed or of the occurrence of any Event of Default;

18.2.7. give to the Trustees promptly after the publication of its audited accounts in respect of each financial Year commencing with the financial Year ending December 2015 and in any event not later than one hundred and eighty (180) days after the end of each such financial period;

18.2.8. within ten (10) Business Days after demand by the Trustees provide a certificate in or substantially in the form set out in Schedule 3 signed by two of its Directors to the effect that as at a date not more than five (5) Business Days before delivering such certificate (the relevant certification date) there did not exist and had not existed since the relevant certification date of the previous certificate (or, in the case of the first such certificate, the date hereof) any Event of Default (or if such exists or existed specifying the same) and that during the period from and including the relevant certification date of the last such certificate (or, in the case of the first such certificate, the date hereof) to and including the relevant certification date of such certificate that it has complied with all its obligations contained in this Deed, provided the number of certificates to be delivered at the Trustees' request shall not exceed two (2) for each year;

18.2.9. at all times execute all such further documents, and perform all acts and things as may be necessary at any time or times in the opinion of the Trustees for the purpose of discharging their functions under, or giving effect to, this Deed;

18.2.10. at all times maintain a Register in accordance with the Conditions;

18.2.11. notify the Trustees forthwith in the event that it does not, on or before the due date for any payment in respect of the Bonds, pay the full amount in the requisite currency of the monies payable on such due date on all such Bonds;

18.2.12. use its best endeavours to maintain the quotation or listing of the Bonds on the Exchange or FMDQ (as may be specified in the applicable Pricing Supplement), if it is unable to do so having used such endeavours, use its best endeavours to obtain and maintain a quotation or listing of such Bonds on such other stock exchange or exchanges or securities market or markets as the Issuer may decide and also upon obtaining a quotation or listing of such Bonds issued by it on such other stock exchange or exchanges or securities market or markets enter into a trust deed supplemental to this Deed to effect such consequential amendments to this Deed as the Trustees may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market;

18.2.13. give Notice to the Bondholders, the Trustees and the SEC of the appointment, resignation or removal of the Registrar (other than the appointment of the initial Registrar) at least thirty (30) days prior to such event taking effect; provided always that so long as any of the Bonds remain Outstanding in the case of the termination of the appointment of the Registrar, no such termination shall take effect until a new Registrar has been appointed on terms previously approved in writing by the Trustees;

18.2.14. send to the Trustees, not less than ten (10) days prior to which any such Notice is to be given, the form of every Notice to be given to the Bondholders and obtain the prior written approval of the Trustees to, and promptly give to the Trustees, two copies of the final form of every Notice to be given to the Bondholders;

18.2.15. in order to enable the Trustees to ascertain the nominal amount of the Bonds of each Series for the time being Outstanding for any of the purposes referred to in the proviso to the definition of "Outstanding" in Clause 1, deliver to the Trustees within five (5) Business Days upon being so requested in writing by the Trustees, a certificate in writing signed by two of its Directors, setting out the total number and aggregate nominal amount of the Bonds of each Series issued which:

i. up to and including the date of such certificate have been purchased by the Issuer, any Subsidiary of the Issuer and cancelled; and

ii. are at the date of such certificate held by, for the benefit of, or on behalf of, the Issuer and any Subsidiary of the Issuer;

18.2.16. procure that the Trustees make available for inspection by Bondholders at its specified office, copies of this Deed and the then latest audited accounts (consolidated if applicable) of the Issuer;

18.2.17. give prior notice to the Trustees of any proposed redemption and, if it shall have given Notice to the Bondholders of its intention to redeem any Bonds, duly proceed to redeem the Bonds accordingly; and

18.2.18. prior to making any modification or amendment or supplement to this Deed, procure the delivery of (a) legal opinion(s) as to the applicable provisions of the relevant Nigerian law, addressed to the Trustees, dated the date of such modification or amendment or supplement, as the case may be, and in a form acceptable to the Trustees from legal advisers acceptable to the Trustees.

19. REMUNERATION OF THE TRUSTEES

19.1. The Issuer shall remunerate the Trustees in accordance with the provisions of the Mandate Letter.

19.2. In the event of the occurrence of an Event of Default or the Trustees considering it expedient or necessary or being requested by the Issuer to undertake duties which the Trustees agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustees under this Deed the Issuer shall pay to the Trustees such additional and reasonable remuneration as shall be agreed in writing between them.

19.3. The Issuer shall in addition pay to the Trustees an amount equal to the amount of any value added tax or similar tax chargeable in respect of their remuneration under this Deed, provided that it is understood that the Issuer shall deduct applicable withholding tax from all remuneration referred to in this Clause 19 on the condition that the Issuer shall produce evidence of remittance of the withholding tax immediately upon deduction and shall provide the withholding tax credit note to the Trustees within sixty (60) days of such deduction.

19.4. In the event of the Trustees and the Issuer failing to agree under clause 19.2:

19.4.1. upon the amount of the remuneration; or

19.4.2. upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustees under this Deed, or upon such additional remuneration,

such matters shall be determined by a person (acting as an expert and not as an arbitrator) selected by the Trustees and approved by the Issuer or, failing such approval, nominated (on the application of the Trustees and the Issuer) by the Director General for the time being of the SEC (the expenses involved in such nomination and the fees of such person being payable by the Issuer and the Trustees equally) and the determination of any such person shall be final and binding upon the Trustees and the Issuer.

19.5. The Issuer shall also pay or discharge all Liabilities reasonably incurred by the Trustees in relation to the preparation and execution of the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Deed, including but not limited to reasonable, evidenced and verifiable travelling expenses and any stamp, issue, registration, documentary and other Taxes or duties paid or payable by the Trustees in connection with any action taken by or on behalf of the Trustees for enforcing this Deed.

19.6. All amounts payable under this Clause shall be payable by the Issuer within thirty (30) days from the date of the written demand by the Trustees.

20. POWERS, RIGHTS, DUTIES AND RELIEFS OF THE TRUSTEES

20.1. Subject to the provisions of this Deed, the Trustees shall enjoy all powers, reliefs, and indemnities of trustees preserved under the Trustees Act and all other applicable laws for the time being in force.

20.2. The Trustees shall have the power to do any act in accordance with this Deed, the relevant Series Trust Deed, the ISA and any applicable law which shall be on behalf of and for the benefit of the Bondholders.

20.3. The Trustees shall have the following duties and responsibilities:

20.3.1. to act in accordance with the provisions of this Deed, the relevant Series Trust Deed, the ISA, the Trustees Act and any applicable law and safeguard the rights of the Bondholders for the Issuer's obligations under the Programme;

20.3.2. to summon, as and when necessary, meetings of all Bondholders of a Series whereat a statement of affairs on the management of any funds standing to its credit on behalf of the Bondholders shall be presented, and or any other necessary business and or matter shall be presented and determined. A meeting shall be convened by the giving of at least twenty-eight (28) clear days written Notice to all Bondholders (specifying the agenda at the meeting), and the said Notice shall also be published in at least two (2) national newspapers. The procedure of and regulations for such a meeting of the Bondholders shall be in accordance with Schedule 1 of this Deed; and

20.3.3. not to enter into contracts or other arrangements that would amount to a conflict of interest in the performance of their obligations under this Deed, or any other customary obligations of the Trustees.

20.4. After the curing or waiving of all Events of Default which may have occurred, the Trustees shall not be liable except for the performance of such duties as specifically set down herein.

20.5. The Trustees shall have no Liability for any act or omission to act hereunder, or under any other instrument or document executed pursuant hereto except for the Trustees' negligence, misconduct and breach of trust.

20.6. The duties and obligations of the Trustees shall be determined solely by the express provisions hereof, and no implied powers, duties or obligations of the Trustees, save as mandated by the ISA, the Trustees Act or any other applicable law, shall be construed into this Deed.

20.7. Upon the occurrence of an Event of Default which is continuing, the Trustees shall subject to the provisions of this Deed, exercise such rights and utilise such powers vested in it under this Deed, the Trustees Act and the ISA, and shall use the required degree of care and skill in the exercise of their duties.

20.8. The Trustees shall not be required to expend or risk their own funds or otherwise incur any Liability in the performance of their duties or in the exercise of their rights or powers as Trustees, except such Liability as may result from their negligence, misconduct and a breach of trust.

20.9. It is hereby expressly agreed and declared as follows:

20.9.1. The Trustees, acting reasonably and in good faith, may in relation to this Deed, act on the opinion or advice of, or any information from any solicitor, valuer, surveyor, broker, auctioneer, accountant, or other expert, whether obtained by the Issuer or by the Trustees, and shall not be responsible for any loss occasioned by their reliance on such opinion, advice or information; and any such advice, opinion or information may be obtained or sent by letter, facsimile or electronic mail;

20.9.2. The Trustees shall not be responsible for the monies paid by Bondholders for the Bonds or bound to see to and or monitor the application thereof;

20.9.3. Save as herein otherwise provided, the Trustees shall not be bound to take any steps to ascertain whether any event has happened upon the occurrence of which any Series of Bonds may be declared immediately repayable;

20.9.4. The Trustees shall not be responsible for having acted upon any resolution passed at a duly convened, properly constituted meeting of the Bondholders in respect whereof minutes have been made and signed, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution with the effect that the resolution was not valid or binding upon the Bondholders;

20.9.5. Without prejudice to the right of indemnity conferred by law on trustees, the Trustees and every attorney, manager, agent or other person appointed by them hereunder shall be entitled to be indemnified by the Issuer in respect of all liabilities and agreed expenses incurred by them or him in the execution of the powers and trusts hereof or of any powers, authorities or discretions vested in them or him pursuant to this Deed provided that the Trustees have not been grossly negligent, fraudulent or have acted in default of their powers;

20.9.6. Without prejudice to the jurisdiction of any competent court, the Trustees shall have the full powers to determine all questions and doubts arising in relation to any of the provisions hereof, (whether or not the same shall relate in whole or in part to acts or proceedings of the Trustees hereunder);

20.9.7. The Trustees shall not be liable for any act pursuant to or under this Deed, save only for any breach of trust committed by them, provided that nothing contained in this Clause shall exempt the Trustees from or indemnify it against any Liability for breach of trust where the Trustees fail to show the degree of care and diligence required of them, having regard to the provisions hereof conferring on them any powers, authorities or discretions;

20.9.8. The Trustees may employ and pay an agent, whether a solicitor or other person, to transact or concur in doing all acts required to be done by the Trustees, including the receipt and payment of money, and any such person shall be entitled to charge and be paid all usual professional fees and other charges provided however that the Trustees shall not thereby be discharged of responsibility or Liability for all such acts;

20.9.9. The Issuer shall indemnify the Trustees in so far as may be lawful in respect of all costs and agreed expenses incurred by the Trustees in relation to or arising out of any application made to any court by the Trustees or any of the Bondholders for an order that the trust hereof may be carried out under the direction of the court or for an order or declaration relating to the administration of the trust hereof or the enforcement of the rights hereunder of the Trustees or the construction of this Deed;

20.9.10. In the absence of bad faith and negligence on the part of the Trustees, the Trustees may conclusively rely upon and shall be protected in acting or refraining from acting upon any document, including but not limited to any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document reasonably believed by them to be genuine and to have been signed or presented by proper officials of the Issuer relating to any matter primarily within the knowledge of the Issuer, the Bondholders or agents or attorneys of the Bondholders, as sufficient evidence thereof; provided that in the case of any such document specifically required to be furnished to the Trustees hereby, the Trustees shall be under a duty to examine the same to determine whether they conform to the requirements thereof. The Trustees shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, or other paper or document submitted to the Trustees; provided however that the Trustees, in their discretion, may make such further inquiry or investigation into such facts or matters as they may deem prudent;

20.9.11. The Trustees shall be entitled to assume without enquiry, in the absence of knowledge by or express notice to them to the contrary, that the Issuer is duly performing and observing all the covenants and provisions herein contained which are to be performed and observed by the Issuer and it shall be in the discretion of the Trustees whether to take any action or proceedings or to enforce the performance thereof, and the Trustees shall not be bound to declare any Series of the Bonds immediately repayable or to take any steps to enforce payment thereof or any of the provisions of this Deed unless and until in any of such cases the Trustees are required to do so in writing by the registered Bondholders of at least three quarters (¾) of the nominal value of the Bonds or by an Extraordinary Resolution passed at a duly convened meeting of Bondholders; provided that the Trustees shall in any case inform the Bondholders of the happening of any Event of Default that comes to their knowledge; and

20.9.12. The Trustees in the exercise of the powers and discretions vested in them pursuant to this Deed shall comply with the provisions of the ISA, the Trustees Act and any other applicable law or regulation.

20.10. Trustees' Liability

Nothing in this Deed shall in any case in which the Trustees have failed to show the degree of care and diligence required of them as trustees having regard to the provisions hereof conferring on them any trusts, powers, authorities or discretions exempt the Trustees from or indemnify them against any Liability for breach of trust in relation to their duties under the provisions of this Deed.

22. TRUSTEES DEALING WITH THE ISSUER AND ITS SHARES AND SECURITIES

22.1. Subject to the provisions of the ISA and Section 187 of CAMA, any body corporate which is for the time being Trustee hereof shall be at liberty in the ordinary course of its business, and every director, other officer or servant of any body corporate shall be at liberty, to enter into contracts with or hold any office of profit under the Issuer or any Subsidiary of the Issuer to hold purchase, sell, underwrite or otherwise deal with any of the Bonds or any other debenture stock, shares, securities and other obligations of the Issuer or of any such Subsidiary and to act as trustees of any other securities or obligations of the Issuer or of any such Subsidiary without being accountable for any receipt, profits, interest, charges or commission arising there from.

22.2. Without prejudice to the provision of Clause 22.1, the Trustees hereof shall be at liberty in the ordinary course of their business to maintain a current or deposit account for the Issuer (and for any of its subsidiaries) and itself to lend money to the Issuer (or any such Subsidiary) without being accountable as aforesaid.

23. NO CROSS DEFAULTS

There shall be no rights of cross default with respect to the Bonds. A default with respect to a Series shall not cause an Event of Default with respect to any other Series of Bonds unless such event or condition on its own also constitutes an Event of Default with respect to such other Series of Bonds.

24. REMEDIES AND ENFORCEMENT OF REMEDIES

24.1. Subject to the provisions of Clause 30 hereof, upon the occurrence and continuance of any of the Events of Default, the Trustees may, or shall upon the written request of Bondholders of not less than fifty-one percent (51%) of the nominal amount of the Bonds for the time being Outstanding, together with the due indemnification of the Trustees to their satisfaction, proceed forthwith to protect and enforce their rights and the rights of the Bondholders hereunder and under the ISA and such Bonds by such suits, actions or proceedings, as the Trustees, being advised by counsel, shall deem expedient.

24.2. The Trustees shall also file a notice of any default and remedies being pursued with the SEC within thirty (30) days of the occurrence of the Event of Default.

24.3. No Holder shall in any circumstance be entitled to any remedy (whether by way of action, petition, arbitration or otherwise howsoever) for the recovery of any payment of Principal Amount or Coupon on the Bonds unless the Trustees, having become bound to take proceedings in accordance with this Deed, notify the Bondholders in writing of their refusal to do so, in which case the Holder may:

24.3.1. take such proceeding in a representative capacity on behalf of himself and, where authorised, other Bondholders of not less than fifty-one percent (51%) of the nominal amount of the Bonds for the time being Outstanding, for the recovery of the payments due on the Bonds; or

24.3.2. take such proceedings in his name for the recovery only of his own portion of the Bonds.

25. REPRESENTATIONS AND WARRANTIES OF THE TRUSTEES

Each Trustee hereby warrants to the Issuer that:

25.1. it is a company within the meaning of the CAMA;

25.2. it is duly registered and authorised by the SEC to provide corporate trust services in Nigeria;

25.3. it has the resources, capacity and expertise to act on behalf of the Bondholders with regard to every issue of Bond under the Programme and it shall comply with the provisions of the ISA, the Trustees Act, this Deed and the relevant Series Trust Deeds in the performance of its obligations;

25.4. it shall provide any information that the SEC or the Issuer may require in connection with its obligation to act on behalf of Bondholders;

25.5. it shall not allow any conflicts to occur between its obligations in connection with and under the Programme and its commercial interests; and

25.6. it shall, at all times, adhere to the terms and conditions specified in this Deed.

26. REPRESENTATIONS AND WARRANTIES OF THE ISSUER

26.1. The Issuer hereby warrants to the Trustees that it shall do all acts and things within its powers which are necessary:

26.1.1. to give full effect to the Bonds, when issued as provided under the Issue Documents;

26.1.2. to establish the Bonds as a valid, binding and legal obligation of the Issuer according to the meaning and intent thereof;

26.1.3. for the creation, execution and delivery of this Deed, which shall also be deemed to be a security agreement; and

26.1.4. for the creation, execution and issuance of the Bonds, subject to the terms hereof.

26.2. As at the date of this Deed, the Issuer hereby further represents, warrants and undertakes to the Trustees (for themselves and in trust for the Holders) that:

26.2.1 Status

26.2.1.1 It is a company, duly incorporated and validly existing under Nigerian law.

26.2.1.2 It has the power to own its assets and carry on its business as it is being conducted.

26.2.2 Binding obligations

Each of the Issue Documents has been duly executed and delivered by it and (with respect to any Bonds, upon its authentication and delivery by the Trustees) constitutes its legal, valid and binding obligation, enforceable against it (subject to corporate insolvency and similar exceptions) in accordance with its terms.

26.2.3 Approvals

26.2.3.1 It has obtained or will obtain the regulatory approvals required for the establishment of the Programme and issuance of the Bonds; and

26.2.3.2 Its execution and delivery of the Issue Documents and its performance of all of its obligations thereunder have been duly authorized by all necessary corporate resolutions.

27 NEW TRUSTEE

The power to appoint a new Trustee under the provisions of this Deed shall be vested solely in the Issuer. One or more persons may hold office as Trustee or Trustees under this Deed but such Trustee or Trustees shall be a SEC registered corporate trustee. Whenever there shall be more than two Trustees under this Deed, such Trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustees by the provisions of this Deed. Any appointment of a new Trustee under this Deed shall as soon as practicable thereafter be notified by the Issuer to the SEC, the Registrar and the Bondholders.

28 REMOVAL AND RESIGNATION OF TRUSTEE

28.1 A Trustee may resign as trustee at any time, by giving not less than ninety (90) days prior written Notice to that effect to the Issuer, the SEC and the Bondholders, and such resignation shall not be effective until a successor to the Trustee is appointed in accordance with this Deed; provided that the remaining Trustee shall continue to hold the rights conferred and perform the obligations imposed on it by this Deed until the retiring Trustee has effectively resigned as trustee or a successor Trustee has been appointed in place of the retiring Trustee.

28.2 In addition, where any Series Trust Deed so provides, the Trustees may be removed by the Issuer subject to receipt of a prior written consent of the SEC but only for the reasons stated in the Series Trust Deed and in Clause 30 and only so long as: (a) no Event of Default shall have occurred and be continuing and (b) the removal of the Trustees shall not have any adverse effect upon the rights and interests of the Bondholders.

28.3 Where a Trustee gives Notice of its resignation as Trustee pursuant to Clause 28.1 hereof or in the event that the Trustee is dissolved or otherwise becomes incapable to act as Trustee or is removed as Trustee pursuant to Clause 28.2 hereof, the Issuer shall immediately appoint a successor Trustee and the SEC shall be promptly notified. In such event, the successor Trustee shall cause Notice of its appointment to be issued to the Bondholders of all Bonds then Outstanding. If a Trustee resigns, the resigning Trustee shall bear the costs of giving such Notice. If the Trustee is removed, is dissolved, or otherwise becomes incapable of acting as Trustee, the Issuer shall bear the costs of giving such Notice.

28.4 Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Trustee appointed by the Issuer shall be a company, authorised to carry on trust business in Nigeria and duly registered with the SEC to provide corporate trust services.

28.5 Every successor Trustee shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing, accepting such appointment hereunder, and thereupon such successor Trustee, without further action, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, and such predecessor shall execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of such predecessor. The predecessor Trustee shall execute any and all documents necessary or appropriate to convey all interest it may have to the successor Trustee. The predecessor Trustee shall promptly deliver all records relating to the trust and copies thereof and communicate all material information it may have obtained concerning the trust to the successor Trustee and shall duly provide the successor Trustee with a full and updated statement of affairs and accounts of the trust in respect of each Series of Bonds.

29 UNDESIRABLE SITUATIONS AND PRACTICES

29.1 For the purpose of this Deed, an undesirable situation or practice is a situation or practice which may prejudice the interests of the Bondholders. These include:

29.1.1 an order by a court of competent jurisdiction or a company resolution passed for the dissolution of or appointment of an administrator for any of the Trustees (otherwise than in the course of a reorganisation or restructuring of such Trustee on a solvent basis);

29.1.2 where any person takes any step, and it is not withdrawn or discharged within sixty (60) days, to appoint a liquidator, manager, receiver, administrator, administrative receiver or other similar officer in respect of any assets of any of the Trustees; or

29.1.3 where any of the Trustees convene a meeting of its creditors or makes or proposes any arrangement or compromise with, or any assignment for the benefit of, its creditors.

29.2 If the Issuer has reasonable belief that an undesirable situation or practice has developed or is developing regarding the activities of any of the Trustees, the Issuer may take any step to correct the situation or practice, including:

29.2.1 notifying the SEC within five (5) days of such practice coming to the attention of such Issuer;

29.2.2 with the approval of the Directors of the Issuer and by a majority decision of all the Bondholders present at a meeting duly called for that purpose, suspend the Trustee and appoint another Trustee to act in place of the suspended Trustee during the period of suspension;

29.2.3 with the approval of the Directors of the Issuer and by a majority decision of all the Bondholders, terminate the appointment of the Trustee and immediately appoint a new Trustee in accordance with the provisions of this Deed;

29.2.4 giving directions to the Trustees to act in such a manner as will correct or assist in overcoming the situation or practice; or

29.2.5 taking any other action it considers necessary to assure and safeguard the interests of the Bondholders.

32 CONFIDENTIALITY

32.1 The Trustees hereby agree that during the course of their engagement under this Deed, they are likely to obtain knowledge of confidential information with regard to the affairs of the Issuer and the Subsidiaries, details of which are not in the public domain (“Confidential Information”), and accordingly the Trustees hereby undertake and covenant with the Issuer that they shall:

32.1.1 not at any time, use any Confidential Information except for the pose of performing their duties under this Deed;

32.1.2 not at any time during the subsistence of, or after the termination of this Deed (save as required by law or judicial order), disclose or divulge any Confidential Information to any person other than to officials of the Issuer who are authorized to have access to such Confidential Information;

32.1.3 promptly notify the Issuer if they become aware of any breach by them or any Responsible Officer of any of the provisions of this Clause 32;

32.1.4 use their best endeavours to prevent the publication or disclosure of any Confidential Information by any person under their control;

32.1.5 upon receipt of a written request from the Issuer, return to the Issuer, all Confidential Information provided.

32.2 The restrictions set out in Clause 32.1 above shall cease to apply to information or knowledge which comes into the public domain otherwise than by reason of the default of the Trustees.

32.3 The restrictions set out in this Clause 32 shall continue to apply notwithstanding the termination of this Deed, save for Clause 32.1.3 which shall only apply for a period of four (4) Years after the termination of this Deed.

33 NOTICES

33.1 Any notice, request, requirement, stipulation or other document or matter to be given, issued or made under this Deed shall be in writing and shall be signed by the person giving, issuing or making it or that person's authorised agent or representative and shall be served in accordance with Clause 33.2 below.

33.2 Any notice or other document referred to in Clause 33.1 above, shall be served by personally delivering the same by hand to the registered office or to the address of the person to be served as specified in this Deed or previously notified for this purpose, or by sending the same by a reputable courier service to such address or by dispatching the same by legible facsimile transmission or other means of communication in permanent written form, and due service shall be deemed to have been made at the time of actual receipt, save that in the case of any facsimile transmission sent after 4.30 pm, it shall be deemed to have been served at 9.00 am on the next Business Day.

33.3 The address for notices are as follows:

The Issuer: **Lafarge Africa Plc**
27(B) Gerrard Road
Ikoyi, Lagos.
Attention: Olorunfemi Adesoye
Telephone: +234 812 172 2083
Email: Olorunfemi.adesoye@lafargeholcim.com

The Trustees: **FBN Trustees Limited**
16 Keffi Street
Ikoyi, Lagos
Attention: Adekunle Awojobi
Telephone: +234-802 312 2542
Email:Adekunle.awojobi@fbnquest.com

Zenith Trustees Limited
Plot 231, Muri Okunola Street
Victoria Island, Lagos
Attention: Onyeche Emefiele
Telephone: +234-01 2783216
Email: onyeche.emefiele@zenithtrustees.com

ARM Trustees Limited
1, Mekunwen Road
Off Oyinkan Abayomi Drive
Ikoyi, Lagos
Attention: Folashade Adeloye
Telephone: + 234-803 361 5766
Email: folashade.adeloye@arm.com.ng

34 TERMINATION AND DURATION

This Deed shall commence upon execution and shall continue in full force and effect until terminated upon the happening of any of the following events:

34.1 the date on which the Bondholders are no longer entitled to payment of Principal Amount, premium or Coupon pursuant to the terms of this Deed because they have exercised their redemption rights;

34.2 After the issue of the last Tranche of Bonds, when all of the payments for the Bonds shall have been called for redemption and the amounts necessary for redemption thereof shall have been paid to the Bondholders in accordance with the terms of this Deed;

34.3 Upon termination of the trust and conclusion of payment(s) to the and/or Trustees, any Assets outstanding in the Trust shall be returned to the Issuer;

34.4 Regardless of the term specified in Clause 34.1, this Deed may be terminated where:

34.4.1 there is a material breach by the Issuer of its obligations under this Deed and the Trustees have given the Issuer three (3) Months' notice in writing of their intention to terminate this Deed;

34.4.2 the appointment of the Trustees are terminated in accordance with the provisions of this Deed and no new Trustees are appointed by the Issuer;

34.4.3 in the considered opinion of the Issuer, any of the circumstances specified under Clause 29.1 hereof makes the fulfilment of the Trustees obligations under this Deed impracticable;

34.4.4 the Issuer receives an Extraordinary Resolution passed by Bondholders of Bonds issued under any Series of the Programme, requesting that the appointment of the Trustees be determined; or

34.4.5 an effective resolution is passed, or a binding court order is made for the winding up of the Trustees.

34.5 In the event of termination of this Deed or the removal of the Trustees in accordance with the provisions hereof, the Trustees shall immediately account for and deliver up all of the Assets, to its appointed successor or successors. A Trustee shall continue in office until a successor has or successors have been duly appointed to take over its obligations herein.

35 SEVERABILITY

In the event that any one or more of the provisions contained in this Deed is for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Deed shall be construed as if such invalid, illegal or unenforceable provision were not contained herein and in such event, the Parties shall endeavour to carry out the terms of this Deed as nearly as possible in accordance with its original terms and intent.

36 ENTIRE AGREEMENT

This Deed constitutes the entire agreement between the Parties hereto and supersedes all prior understandings between the Parties, whether oral or written. The terms of this Deed shall not be altered, varied and or amended except by a written instrument duly executed by the Parties hereto.

37 COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which taken together are deemed to constitute one and the same document.

38 DISPUTE RESOLUTION

38.1 Amicable Settlement

The Parties shall endeavour to amicably resolve any dispute or misunderstanding that may arise between them, in relation to the terms of this Deed.

38.2 Arbitration

38.2.1 Where the Parties are unable to resolve any dispute amicably within fourteen (14) Business Days of holding consultations after a dispute arises, such dispute shall then be settled by arbitration in accordance with the Arbitration and Conciliation Act Cap. A18 LFN, 2004.

38.2.2 The arbitration panel shall consist of three (3) arbitrators, one appointed by each Party hereto, and the third who shall preside over the Panel, shall be appointed by the two (2) arbitrators appointed by the Parties. Where the 2 appointed arbitrators are unable to agree on the choice of the third arbitrator within two (2) Business Days after their own appointments, the choice of the third arbitrator shall be referred to the Director General of the SEC, who shall nominate the third arbitrator. The arbitral proceedings shall be held in Lagos, Nigeria, and shall be conducted in the English language.

38.2.3 The arbitrators shall have a maximum period of ten (10) Business Days following the Parties' exchange of pleadings, to resolve the dispute; failing which the said dispute shall be referred to the SEC for resolution.

38.2.4 Any Party aggrieved by the decision of the SEC reached in accordance with Clause 38.2.3 may refer the matter to the Investments and Securities Tribunal established in accordance with the provisions of the ISA, for resolution.

38.2.5 The cost and expenses of the Arbitrators shall be borne in equal proportions by the Parties.

38.3 This Clause 38 shall be severable from the rest of this Deed and shall remain effective if this Deed is cancelled or terminated.

39 CONFLICT

In the event of a conflict between the provisions of this Deed and a Series Trust Deed, the provisions of such Series Trust Deed shall prevail.

40 GOVERNING LAW

This Deed shall be governed by, and construed in all respects, in accordance with the Laws of the Federal Republic of Nigeria

41 WAIVER

Without prejudice to the provisions of this Deed, the Trustees may, without the consent of the Holders and without prejudice to their rights in respect of any subsequent breach, from time to time and at any time, if in their opinion the interests of the Holders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to them, any breach or proposed breach by the Issuer of this Deed or the Conditions or determine that an Event of Default shall not be treated as such provided that the Trustees shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Clause 30. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Holders and shall be notified to the Holders as soon as practicable.

42 MODIFICATION

Without prejudice to the provisions of this Deed, the Trustees may agree with the Issuer, without the consent of the Holders but subject to the SEC being notified, to any modification to this Deed of a formal, minor or technical nature or to correct a manifest error. The Trustees may also so agree to any modification to this Deed that is in their opinion not materially prejudicial to the interests of the Holders.

SCHEDULE 1

PROVISIONS FOR MEETINGS OF THE BONDHOLDERS

1. Who may Convene Meetings?

1.1 The Issuer or the Trustees respectively may at any time at their discretion and the Trustees shall on the requisition in writing of the Bondholders holding not less than three-quarters (¾) of the nominal amount of the Bonds for the time being Outstanding, and upon being indemnified to its satisfaction against all costs and expenses to be thereby incurred, convene a meeting or meetings of the Bondholders in accordance with the provisions of this schedule to discuss and determine any matter affecting their interest. Any such meeting shall be held at such place as the Trustees shall determine or approve.

1.2 Bondholders holding at least 10% of the nominal value of the Bonds for the time being Outstanding shall be entitled to convene a meeting at which a resolution to compel the Trustees to take steps against the Issuer will be passed, upon the occurrence of an Event of Default.

2. Notice of Meetings

2.1 A meeting of the Bondholders may be called by giving not less than fourteen (14) days' Notice in writing.

2.2 A meeting may be called after giving shorter Notice than that specified in paragraph 2.1 above if consent is accorded thereto by Bondholders holding not less than sixty per cent (60%) of the nominal amount of the Bonds for the time being Outstanding.

3. Content and manner of service of notice

3.1 Every Notice of a meeting shall specify the place, the day and hour of the meeting and shall contain a statement of the business to be transacted and the terms of every resolution to be proposed thereat.

3.2 There shall be annexed to every notice convening a meeting of the Bondholders, a statement setting out the material facts concerning each item of business.

3.3 Where any item of business consists of granting approval to any document by the meeting, the time and place where the documents can be inspected shall be specified.

3.4 Notice of every meeting shall be given to:

3.4.1 Every Bondholder;

3.4.2 the person entitled to a Bond in consequence of the death, insolvency, winding-up or dissolution of a Bondholder by sending it through the post in a pre-paid letter addressed to him by name or by the title of the representative of the deceased or assignee of the insolvent or by any like description at the address (if any) supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death, insolvency, winding-up or dissolution had not occurred;

3.4.3 to the Registrar;

3.4.4 to the Trustees when the meeting is convened by the Issuer; and

3.4.5 the Issuer.

3.5 The accidental omission to give Notice to or the non-receipt of Notice by any Bondholder or other person to whom it should be given shall not invalidate the proceedings of the meeting.

4. Quorum for Meeting

4.1 Any two or more persons holding or representing by proxy at least three -fifth (3/5th) of the nominal amount of the Bonds for the time being Outstanding shall be a quorum for the conduct of business at a meeting of the Bondholders unless the business of the meeting includes the consideration of an Extraordinary Resolution, in which event the necessary quorum shall be two (2) or more persons holding or representing by proxy three fourth (3/4th) of the nominal amount of the Bonds for the time being Outstanding and no business shall be transacted at any meeting unless the requisite quorum shall be present when the meeting proceeds to business.

4.2 If within an hour from the time appointed for holding the meeting a quorum is not present, the meeting, if called upon the requisition of Bondholders, shall stand dissolved. In any other case the meeting shall stand adjourned to such day and time not being less than seven (7) days thereafter and to such place as the Chairman may determine.

4.3 At least three (3) days' Notice of any adjourned meeting shall be given in the same manner as for an original meeting, but it shall not be necessary to specify in such Notice the business to be transacted at the adjourned meeting. Any two (2) or more persons being Bondholders or holding proxies for Bondholders whatever the amount of Bonds held by them, shall be a quorum for all purposes including the passing of Extraordinary Resolutions and to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

5. Chairman of Meeting

5.1 A person nominated jointly by the Trustees shall be entitled to take the chair at every meeting and if no such nomination is made or if at any meeting the person nominated shall not be present within thirty (30) minutes after the time appointed for holding the meeting the Bondholders personally present shall on a show of hands elect one of themselves to be the Chairman thereof.

5.2 if a poll is demanded on the election of the Chairman it shall be taken forthwith and the Chairman elected on a show of hands shall exercise all the powers of the Chairman until the result of such poll is declared.

5.3 if some other person is elected Chairman as a result of the poll he shall be the Chairman for the remainder of the meeting.

6. Persons entitled to attend meetings

In addition to the Bondholders, the Trustees, their solicitors, the Issuer and any authorised officer of the Issuer and any other person authorised in that behalf by the Trustees may attend any meeting but shall not be entitled to vote thereat.

7. Evidence of Passing of Resolution

At any meeting a resolution or any question put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded a declaration by the Chairman that on a show of hands the resolution has been carried either unanimously or by a particular majority or lost and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of that fact without proof of the number or proportion of the votes cast in favour of, or against such resolution.

8. Demand for Poll

8.1 Before or on the declaration of the result of the voting on any point or question on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion, and shall be ordered to be taken by him on demand made in that behalf by at least five (5) Bondholders having the right to vote on the resolution and present in person or by proxy or by the Holders of not less than one-quarter (¼) in nominal amount of the Bonds for the time being Outstanding.

8.2 The demand for a poll may be withdrawn at any time prior to such poll being taken by any person or persons who made the demand.

9. Time of taking Poll

9.1 A poll demanded on a question of adjournment shall be taken forthwith.

9.2 A poll demanded on any other question (not being a question relating to the election of a Chairman as provided for in Paragraph 5.2 hereof) shall be taken in such manner and at such time not being later than thirty (30) days from the time when the demand was made, as the Chairman may direct.

10. Votes

On a show of hands, every Holder who (being an individual) is present in person or by proxy or (being a body corporate) is present by its duly authorised representative shall have one (1) vote, and on a poll every Holder who is present in person or by proxy shall have one (1) vote in respect of every unit of the Bond of which he is the holder.

11. Representatives of Bodies Corporate

Anybody corporate which is a Holder may by writing under the hand of a duly authorised officer authorise such person as it thinks fit to act as its representative at any meeting of the Bondholders and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Holder.

12. Proxies

12.1 The Holder or in the case of joint Holders any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case, as if such one joint Holder was solely entitled to such Bonds. A Holder shall be entitled to appoint another person (whether a Holder or not) as his proxy to attend a meeting and vote thereat instead of himself.

12.2 In every Notice calling a meeting of the Bondholders there shall appear with reasonable prominence a statement that a Holder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Holder.

12.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarized copy of the power of authority, shall be deposited at such place as may be specified in the Notice convening the meeting or in some document accompanying the same or if no place is so specified then at the office of the Registrars for the time being, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a meeting at which a poll is to be taken, not less than twenty-four (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.

12.4 The instrument appointing a proxy shall: ¬

12.4.1 be in writing in the usual common form or such other form as the Trustees may approve; and

12.4.2 be signed by the Holder so appointing or his attorney duly authorised in writing or if the Holder so appointing is a body corporate be under its seal or be signed by an officer or any attorney duly authorised by it.

12.5 No instrument appointing a proxy shall be valid after the expiration of twelve (12) Months from the date named in it as the date of execution. An instrument appointing a proxy shall be deemed to confer authority to demand or to join in a demand for a poll.

12.6 Every Holder entitled to vote at a meeting of the Bondholders or on any resolution to be moved thereat shall be entitled, during the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect by himself or through a duly authorised person, the proxies lodged at any time during the business hours of the Registrar, provided that not less than three (3) days' notice in writing of the intention so to inspect is given to the Registrar.

12.7 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Trustees at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

13. Entitlement of Holder to vote differently

On a poll taken at a meeting of the Bondholders, a Holder entitled to more than one vote, or his proxy or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast all his votes in the same way.

14. Scrutineers at Poll

14.1 Where a poll is to be taken the Chairman of the meeting shall appoint two (2) scrutineers to scrutinize the votes given on the poll and to report thereon to him.

14.2 The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or for any other cause.

14.3 Of the two (2) scrutineers appointed under this Clause at least one such scrutineer shall always be a Holder present at the meeting, provided that such a Holder is available and willing to be appointed.

15. Manner of Poll and result thereof

The Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken, and shall declare the result thereof.

16. Voting in the case of joint holding

In the case of joint Bondholders the vote of the person first appearing in the Register who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of other joint Bondholders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Bonds.

17. Power to adjourn meeting

The Chairman of a meeting of the Bondholders (may with the consent of and shall, if directed by any such meeting at which a quorum is present), adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business which might lawfully have been transacted at the meeting from which the adjournment took place.

18. Casting Vote

In the case of equality of votes whether on a show of hands or 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 in addition to the votes to which he may be entitled as or on behalf of a Holder.

19. Proceedings and Demand for Poll

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

20. Chairman to be sole judge

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and the Chairman present at the taking of a poll shall taking the advice of the scrutineers, be the sole judge of the validity of every vote tendered at such poll.

21. Power of General Meeting

A meeting of the Bondholders shall inter alia have the following powers which shall only be exercisable by Extraordinary Resolution:-

21.1 to sanction the release of the Issuer from all or any part of the Principal Amount and Coupon owing on the Bonds;

21.2 to sanction any modification or compromise or any agreements in respect of the rights of the Bondholders against the Issuer whether such rights shall arise under this Deed or otherwise;

21.3 to assent to any modification of the provisions contained (other than of a formal, minor or technical nature) in this Deed proposed or agreed by the Issuer;

21.4 to give any sanction, direction or request which under any of the provisions of this Deed is required to be given by Extraordinary Resolution;

21.5 to authorise and empower the Trustees to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;

21.6 to give any release to the Trustees in respect of anything done or omitted to be done by the Trustees hereunder before the giving of the release.

22. Resolution Binding

A resolution passed at a meeting of the Bondholders duly convened and held in accordance with this Deed shall be binding upon all the Bondholders whether present or not present at such meeting, and each of the Bondholders shall be bound to give effect thereto accordingly, and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal, whether or not the circumstances justify the passing of such resolution.

23. Minutes

Minutes of all resolutions and proceedings at such meeting as aforesaid shall be made and duly entered in the books to be provided from time to time for that purpose by the Trustees at the expense of the Issuer, and every such minutes as aforesaid if signed by the Chairman of the meeting at which such resolutions were passed or proceedings had or by the Chairman of the next succeeding meeting of the Bondholders shall be conclusive evidence of the matters therein contained, and until the contrary is proved every such meeting or proceedings in respect of which minutes have been signed as aforesaid shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken to have been duly passed and taken.

24. Resolution in Writing

A resolution in writing duly signed by all the Bondholders for the time being Outstanding, shall be as effective for all purposes as an Extraordinary Resolution duly passed at a meeting of the Bondholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all of the Bondholders.

15.13 EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF LAFARGE AFRICA PLC

PROCEEDINGS AT GENERAL MEETINGS

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 the demand for which may be withdrawn, is (before or on the declaration of the result of show of hands) demanded

a) by the Chairman; or
b) by at least three Members present in person or by proxy; or
c) 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 proportion of the votes recorded in favour of, or against, the resolution.

65. Except as provided in Article 67 hereof, if a poll is duly 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.

POWERS AND DUTIES OF DIRECTORS

89. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability obligation of the Company or of any third party.

90. Provided that the amount for the time being remaining undischarged of monies borrowed or secured by the Directors as aforesaid (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not any time, without the previous sanction of the Company in general meeting, exceed twice the nominal amount of the paid-up share capital and reserves of the Company, so however that no lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed; but no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded.

15.14 OFFICIAL LISTING ON STOCK EXCHANGE

Bonds may be unlisted or listed on recognized Stock Exchanges such as the FMDQ-OTC, The Exchange and/or other relevant Stock Exchanges. Each tranche of Bonds may be admitted to the Daily Official List and to daily trading by The Exchange separately, as and when issued, subject to the approval of the SEC and FMDQ-OTC/The Exchange. As set out herein, this Prospectus and any supplement thereto will only be valid for the admission of the Bonds to the Daily Official List (and to trading on FMDQ-OTC/The Exchange and/or any relevant stock exchange) in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Bonds previously or simultaneously issued under this Programme, does not exceed ₦100 Billion or its equivalent in other currencies.

15.15 CLEARING SYSTEM

The Bonds will be cleared through the CSCS. Transactions will normally be effected for settlement not earlier than 3 working days after the date of the transaction.

15.16 CRITERIA FOR DETERMINING THE PRICE AND VOLUME OF THE BONDS

The Price of a bond is reflective of the prevailing yield environment, with current bond interest rates serving as a basis for extrapolating the yield and the price for a newly issued bond. The Sovereign Benchmark, in this instance the interest rate(s) on Federal Government bonds, also serve as the reference rate for the determination of the interest rate on newly issued Bond; with the interest rate of new non-Sovereign bonds being at a discount, at par or at a premium to the Sovereign. Other factors that impact the determination of the price of a Bond are the Tenor, Credit Rating and Market Liquidity.

Consequently, at the conclusion of the Book Build, the Bookrunners collate the submitted Commitment Forms which contain the respective Bids of the prospective investors. The Lead Book Runner and the Issuer thereafter determine the volume of bids that fall within the coupon/yield range advised by the Issuer at the commencement of the Book Build; and with reference to the Issuer's stated coupon/yield for the issue. Subsequent to the Issuer communicating the coupon/yield at which the Bond is to be issued, the Lead Bookrunner aggregates the bids that clear the market; that is, the volume of bids that fall within the stated price.

In the event of an oversubscription, the Issuer may - at its discretion and subject to the Rules and Regulations of the SEC – opt to issue additional bonds.

15.17 TRUSTEES' INVESTMENT PRINCIPLES

The Trustees' Investment Principles will be as stated in the Series Trust Deed executed between the Issuer and the Trustee(s). The dividends, interest, bonus and other profits of any investment of any part of the Bond Repayment shall also be invested by the Trustees so as to form part of that Bond Repayment Account in like manner as monies appropriated as contributions to the Bond Repayment.

15.18 MERGERS & ACQUISITIONS

In 2015, Lafarge Africa concluded a Mandatory Tender Offer ("MTO") to the shareholders of AshakaCem, through which they acquired an additional 23.85% of the Company, increasing their shareholding to 82.46%. Lafarge Africa is now in the process of undertaking a Tender Offer on a voluntary basis to acquire up to 392,864,273 ordinary shares in AshakaCem (representing 17.54% of the issued and paid up capital of AshakaCem) not currently held by Lafarge Africa.

In September 2014, Lafarge Cement WAPCO Nigeria Plc, now Lafarge Africa Plc acquired a 35% indirect stake in United Cement of Nigeria Limited through its acquisition of a 50% stake in Egyptian Cement Holdings B.V ("ECH"). In 2015, Nigeria Cement Holdings, a wholly owned subsidiary of ECH reached an agreement with Flour Mills of Nigeria Plc to acquire its 30% stake in Unicem. This resulted in an additional 15% indirect stake in Unicem for Lafarge Africa. Lafarge Africa is now in the process of acquiring the balance of 50% stake in ECH from LafargeHolcim, a transaction that will deliver the further 50% stake in Unicem not currently owned by Lafarge Africa.