
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or any action to be taken, it is recommended that you consult your Banker, Solicitor, Accountant or any other independent professional adviser duly registered under the Investments and Securities Act No. 29 of 2007 immediately.

If you have sold or otherwise transferred all your shares in Dangote Flour Mills Plc., please give this document and the accompanying proxy forms to the purchaser or transferee or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. In the alternative, kindly return this document to the Registrars.

The receipt of this document or any information contained in it or supplied with it or subsequently communicated to any other person does not constitute investment advice to a shareholder from Dangote Flour Mills Plc. or to any other person by the Company or its directors and the Company does not commit to providing shareholders with other information, updates or corrections to this document or the information contained herein.

SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION

(Under Section 539 of the Companies and Allied Matters Act Chapter C20 LFN 2004)

OF



DANGOTE FLOUR MILLS PLC.

R.C 501757

Incorporating an Explanatory Statement on the Proposed Scheme of Arrangement

(In compliance with Section 540 of the Companies & Allied Matters Act, Cap C20, LFN 2004)

Vetiva Capital Management Limited ("Vetiva") is acting as Financial Adviser in respect of the Scheme of Arrangement for the proposed acquisition of Dangote Flour Mills Plc. (the "Scheme"). Vetiva will not be responsible to any person, individual or corporate body other than Dangote Flour Mills Plc. in relation to the contents of this document or any transactions or arrangements referred to herein.

The notice convening the Court-Ordered Meeting of Dangote Flour Mills Plc. is set out on pages 43 to 44 of this document. A Proxy Form is also attached. To be valid, the attached Proxy Form must be completed, signed and duly stamped by the Commissioner of Stamp Duties, Federal Inland Revenue Services (where applicable) and must be returned to the Registrar of Dangote Flour Mills Plc., EDC Registrars Limited at 23, Olusoji Idowu street, Ilupeju, Lagos State, together with the power of attorney or other authority, if any, under which the Proxy Form is issued and in accordance with the instructions provided thereon, not later than 24 hours before the time set for scheduled Court-Ordered Meeting.

THE PROPOSALS, WHICH ARE THE SUBJECT OF THE SCHEME SET OUT IN THIS DOCUMENT, HAVE BEEN CLEARED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE ACTIONS THAT YOU ARE REQUIRED TO TAKE ARE SET OUT ON THE PROXY FORM ON PAGE 45 OF THIS SCHEME DOCUMENT.



VETIVA

CAPITAL MANAGEMENT LIMITED
RC.485600

FINANCIAL ADVISER

THIS SCHEME DOCUMENT IS DATED THURSDAY, 29 AUGUST, 2019

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DEFINITIONS

The following definitions apply throughout the document except where otherwise stated.

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| "ACCOUNT BANK" | Access Bank Plc., a limited liability company duly incorporated under the laws of the Federal Republic of Nigeria and licensed to carry on banking business in Nigeria, with which the Scheme Consideration will be deposited or such other replacement bank as may be appointed jointly by the Company and the Offeror |
| "ACT" OR "ISA" | Investments and Securities Act No. 29 of 2007 |
| "BOARD OF DIRECTORS" OR THE "BOARD" | Board of Directors of DFM whose names appear on page 7 of the Scheme Document |
| "BUSINESS DAY" | Any day other than a Saturday, Sunday or official public holiday declared by the Federal Government of Nigeria, on which banks are opened for business in Nigeria |
| "CAC" | The Corporate Affairs Commission |
| "CAMA" | Companies and Allied Matters Act Chapter (CAP) C20 LFN 2004 |
| "COURT" | The Federal High Court of Nigeria |
| "COURT-ORDERED MEETING" OR "COM" | The meeting of the shareholders of DFM convened by order of the Court and held pursuant to Section 539 of the CAMA, notice of which is set out on pages 43 to 44 of the Scheme Document |
| "COURT SANCTION" | The order of the Court sanctioning the Scheme |
| "CROWN FLOUR" OR "CFML" | Crown Flour Mills Limited |
| "CSCS" | Central Securities Clearing System Limited, the electronic clearing and depository system for securities transactions in Nigeria |
| "CTC" | Certified True Copy |
| "DEPOSIT DATE" | The date falling five (5) Business Days after the receipt by CFML and the Account Bank of the Deposit Notice |
| "DEPOSIT NOTICE" | The notice together with SEC's formal approval of the Scheme to be delivered by DFM to CFML and the Account Bank specifying the SEC approval date, the Deposit Date and the Long Stop Date |
| "DFM", THE "COMPANY" OR THE "GROUP" | Dangote Flour Mills Plc. |
| "DOLLAR SCHEME CONSIDERATION ACCOUNT" | The United States Dollar bearing interest yielding account to be opened and maintained with the Account Bank, and into which CFM shall deposit the US dollar equivalent of the Total Consideration by the Deposit Date |
| "EFFECTIVE DATE" | The date on which the CTC of the Court sanction is registered with the CAC |
| "EXPLANATORY STATEMENT" | The statement issued by the Financial Adviser to DFM, for the purpose of explaining the terms, conditions and effects of the Scheme, which is set out on pages 14 to 19 of the Scheme Document |
| "FCCPC" | Federal Competition and Consumer Protection Commission |
| "FGN" | Federal Government of Nigeria |
| "FINANCIAL ADVISER" | Vetiva Capital Management Limited |
| "FINAL PAYMENT DATE" | Two (2) years from the Effective Date of the Scheme |
| "FORM OF PROXY" OR "PROXY FORM" | The attached form of proxy for use in connection with the Court-Ordered Meeting of the shareholders of the Company |
| "LFN" | Laws of the Federation of Nigeria |
| "LONG STOP DATE" | The date falling on a Business Day that is eight (8) weeks after receipt of the SEC's formal approval of the Scheme |

DEFINITIONS

| | |
|---|--|
| "NAIRA SCHEME CONSIDERATION ACCOUNT" | The Naira bearing account to be opened by the Registrar and maintained with the Account Bank, and into which the Account Bank shall deposit the Total Consideration for the purpose of effecting the payment of the Scheme Consideration to the Scheme Shareholders. |
| "NIPF" | National Investor Protection Fund |
| "THE NSE" OR THE "EXCHANGE" | The Nigerian Stock Exchange |
| "OLAM" | Olam International Limited |
| "QUALIFICATION DATE" | The close of business on the Business Day immediately preceding the Effective Date; being the date on which the Company's register of members will be updated for the purpose of determining the shareholders eligible to receive Scheme Consideration |
| "RECORD DATE" | The date for determining shareholders eligible to attend and vote at the Court Ordered Meeting to be convened for the Scheme subject to the rules of The NSE |
| "SCHEME CONSIDERATION" | Twenty Four Naira (₦24.00) for every Scheme Share which will be paid to each Scheme Shareholder as consideration for the Scheme Shares to be transferred pursuant to the Scheme |
| "SCHEME CONSIDERATION ACCOUNT" | The Dollar Scheme Consideration Account and the Naira Scheme Consideration Account |
| "SCHEME DOCUMENT" | This document setting out the Scheme, the Explanatory Statement, the Notice of the Court-Ordered Meeting and the various appendices contained therein in relation to the Scheme |
| "SCHEME SHARES" | 4,994,886,771 issued and fully paid ordinary shares of 50 kobo each in DFM (not held by Crown Flour), representing 99.9% shareholding in the Company held by the Scheme Shareholders and which are to be transferred pursuant to the Scheme |
| "SCHEME SHAREHOLDERS" | Registered holders of the Scheme Shares as at the Record Date, and includes persons entitled to the Scheme Shares by way of transmission |
| "SEC" OR THE "COMMISSION" | Securities & Exchange Commission |
| "TERMINAL DATE" | 31st December, 2019 |
| "THE SCHEME" OR "THE TRANSACTION" | The proposed Scheme of Arrangement between DFM and the holders of its issued and fully paid ordinary shares of 50 kobo each, pursuant to section 539 of CAMA |
| "TOTAL CONSIDERATION" | The total sum of One Hundred and Twenty Billion Naira (₦120,000,000,000.00) payable to the Scheme Shareholders as cash consideration for the Scheme Shares |
| "TRANSFER DATE" | The date on which the notice of payment of the Total Consideration into the Naira Scheme Consideration Account sent by the Account Bank is received by CFM, DFM and the Registrar |
| "UNTRACEABLE HOLDERS" | Scheme Shareholders whose whereabouts cannot be ascertained after reasonable efforts have been made to find them including contacting their last known and/or registered addresses and publication in national daily newspapers |

PROPOSED TIMETABLE

| DATE | ACTIVITY |
|--------------------|---|
| 10 May, 2019 | Apply for SEC Clearance of the Scheme |
| 19 June, 2019 | Apply for FCCPC No-Objection to the proposed acquisition |
| 18 July, 2019 | Receive FCCPC No-Objection to the proposed acquisition |
| 29 August, 2019 | Receive SEC Clearance of the Scheme |
| 30 August, 2019 | Obtain Court Order ordering the Company to convene the Court-Ordered Meeting |
| 06 September, 2019 | Obtain The NSE's clearance of the Notice of the CoM |
| 10 September, 2019 | Publish Notice of Court-Ordered Meeting in National Newspapers |
| 27 September, 2019 | Record Date |
| 11 October, 2019 | Last date for lodging proxy forms for Court Ordered Meeting |
| 14 October, 2019 | Court-Ordered Meeting of Shareholders of Dangote Flour Mills Plc. |
| 15 October, 2019 | Suspension in trading of shares or other securities of the Company |
| 16 October, 2019 | File resolutions passed at the Court-Ordered Meeting with CAC and obtain CTCs of resolutions |
| 17 October, 2019 | File CTCs of Court-Ordered Meeting Resolutions and Scrutineers Report with the SEC and The NSE |
| 22 October, 2019 | Obtain SEC's formal approval of the Scheme |
| 24 October, 2019 | File petition for Court Sanction of the Scheme |
| 28 October, 2019 | Obtain Court Sanction of the Scheme |
| 30 October 2019 | Register CTC of Court Sanction of the Scheme with CAC (" <i>Effective Date</i> ") |
| 31 October, 2019 | File CTC of Court Sanction of the Scheme with SEC and apply for the withdrawal of registration of DFM's shares from SEC and delisting of DFM's shares from The NSE's main board |
| 31 October, 2019 | Publish copy of Court Sanction of the Scheme in two national newspapers |
| 03 November, 2019 | Deposit Total Consideration into the Naira Scheme Consideration Account |
| 08 November, 2019 | Remittance of consideration to holders of Scheme Shares |
| 03 February, 2020 | File Summary Report with SEC |

Important Notice:

The dates given above are indicative only and are subject to possible changes without notice. This timetable has been prepared on the assumption that the Court dates for the Scheme will be available as and when applied for. If this is not the case, then the dates surrounding key events in the timetable may be subject to corresponding adjustment(s).

DIRECTORS AND PARTIES TO THE SCHEME

| DANGOTE FLOUR MILLS PLC. | |
|---------------------------------|--|
| CHAIRMAN | MR. ASUE IGHODALO Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| GROUP CHIEF EXECUTIVE OFFICER | MR. THABO MABE Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| EXECUTIVE DIRECTOR, COMMERCIAL | MS. HALIMA ALIKO DANGOTE Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| NON-EXECUTIVE DIRECTOR | MR. OLAKUNLE ALAKE Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| NON-EXECUTIVE DIRECTOR | MR. ARNOLD EKPE Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| NON-EXECUTIVE DIRECTOR | MRS. YABAWA LAWAN WABI, MNI Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |
| COMPANY SECRETARY | MRS. AISHA LADI ISA Terminal E, Greenview Development Building, 2nd floor Apapa Wharf, Lagos State |

| PROFESSIONAL PARTIES | |
|-----------------------------|--|
| FINANCIAL ADVISER | VETIVA CAPITAL MANAGEMENT LIMITED Plot 266b, Kofo Abayomi Street Victoria Island Lagos State |
| LEGAL ADVISERS | BANWO & IGHODALO 48, Awolowo Road South West Ikoyi Lagos State |
| STOCKBROKERS | VETIVA SECURITIES LIMITED Plot 266b, Kofo Abayomi Street Victoria Island Lagos State |
| REGISTRAR | EDC REGISTRARS LIMITED 23, Olusoji Idowu street Ilupeju Lagos State |
| ACCOUNT BANK | ACCESS BANK PLC. Plot, 999c Danmole Street Victoria Island Lagos State |
| SOLICITORS TO THE OFFEROR | ALUKO & OYEBODE 1, Murtala Muhammed Drive Ikoyi Lagos State |

DIRECTORS AND PARTIES TO THE SCHEME

| | |
|--|---|
| | OLAWOYIN & OLAWOYIN 16b, Maduike Street Ikoyi Lagos State |
|--|---|



Thursday, 29 August, 2019

To the Shareholders of Dangote Flour Mills Plc.

Dear Sir/Madam,

SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION OF DANGOTE FLOUR MILLS PLC.

INTRODUCTION

This letter is issued further to a binding offer letter dated 23 April, 2019 and an addendum dated 01 August, 2019 (the "Binding Offer") which was received from Olam International Limited ("Olam"), a leading food and agri-business multinational company and its wholly owned subsidiary, Crown Flour Mills Limited ("Crown Flour" or "CFML") respectively. CFML is currently a shareholder of Dangote Flour Mills Plc. ("DFM", the "Company" or the "Group") with 0.1% shareholding in the Company. The proposed transaction as contained in the Binding Offer is expected to involve the transfer of a total of 4,994,886,771 ordinary shares of 50 kobo each held by the Scheme Shareholders to CFML or any other nominee of CFML in consideration for a cash payment of Twenty-Four Naira (₦24.00) per share to the Scheme Shareholders, following which all the shares in the Company will become fully held by Crown Flour and its designated nominee (the "Proposal"). Subsequently, DFM will be delisted from the Main Board of The Nigerian Stock Exchange (the "NSE" or "Exchange"), the registration of the ordinary shares of DFM with the Securities and Exchange Commission ("SEC") will be withdrawn and the Company will be re-registered as a private company limited by shares.

After due and careful consideration of the Company's past, current and future financial performance, position and prospects, and continuous need for capital on an ongoing basis, in view of its challenging operating environment, in particular, increasing input costs (which could not be passed on to customers due to market conditions) and costs which are eroding the expected returns to shareholders, your Board of Directors (the "Board") engaged the services of Vetiva Capital Management Limited ("Vetiva") and Barwo & Ighodalo as Financial Adviser and Legal Adviser respectively to provide requisite advice to the Company on the proposed structure, its fairness and necessary regulatory engagement. DFM and its independent advisers have also engaged with Olam's advisers - Aluko & Oyeboade and Olawoyin & Olawoyin - to determine the optimal transaction structure that will minimize transaction and execution risks and eliminate or minimize prejudice to the Company's other shareholders.

Following negotiations with Olam and further to advice from its advisers on the fairness of the Proposal, the Board has resolved to recommend the Proposal to the shareholders for consideration at a meeting to be convened by an order of the Federal High Court. The Board has further resolved to effect the Proposal by way of a member's Scheme of Arrangement under Section 539 of the Companies and Allied Matters Act Chapter C20, Laws of the Federation of Nigeria 2004 ("Scheme of Arrangement") as your Board believes that same will serve the best interests of both the Company and its shareholders.

The Proposal which is to be presented for your consideration and approval at the Court-Ordered Meeting has already received the SEC and Federal Competition and Consumer Protection Commission's "No Objection". The terms and effects of the Scheme are explained further in an Explanatory Statement from Vetiva, the Financial Advisers to DFM's shareholders on Pages 14 to 19 of this document.

The Transaction is being undertaken by way of a Scheme as it presents an effective option for completing the process in a timely manner. Other transaction alternatives would result in a lengthier process which would not be in the best interest of any of the parties involved in this Transaction. Furthermore, this process would minimize the risk to the equity value of the shareholders which

DIRECTORS

NON EXECUTIVE: Mr. A. Ighodalo (Chairman), Mr. O. Alake, Mr. A. Ekpe, Mrs. Y. L. Wabi, mni,
EXECUTIVE: Mr. N. S. Mabe (GCEO) (South African), Ms. H. Dangote.



would result following the announcement of the Proposal. The Company has neither sought, nor obtained an undertaking to vote or procure votes (either in part or in whole) in favour of the Scheme.

BACKGROUND TO AND REASON FOR THE RECOMMENDATION

Over the past few years, the Company, and as a result, its shareholders, have suffered significant erosion in value as a result of the inconsistency in DFM's financial performance due to the challenging operating environment and strong macroeconomic headwinds specifically relating to the fall in global oil prices, depreciating exchange rates and higher input cost as a result of the 15% wheat levy introduced by the Federal Government of Nigeria in 2012 which could not be passed on to customers till 2015. These factors led to the Company recording continuous losses through 2013 – 2015. These operating losses severely threatened the going concern status of the Company with potential adverse systemic impact including 3,000 potential job losses. The Company was only able to witness an effective turnaround in its financial performance in 2016 and 2017 and thereby preserve and sustain value for shareholders due to the intervention and bail-out by its current core shareholder, Dangote Industries Limited in 2016 and the hard work and focus of your Board and management. Despite this, other underlying market factors such as the recent increase in the international price of wheat, the problems around the Apapa port, and increases in flour specific logistics costs has resulted in DFM recording lower revenues and consequently significant losses.

In view of the above, the Board believes that the market conditions will remain challenging in the foreseeable future and the Proposal represents an opportunity for shareholders to realise value at a sizeable premium. The Proposal formally states the intention of Olam to acquire the Company resulting in the Company being re-registered as a private company. The Proposal will be implemented through CFML and its designated nominee, who will receive all the shares under the Scheme upon the Scheme taking effect.

The Board believes that the following benefits and opportunities would be derived from the Scheme by the stakeholders of the Company:

1. Valid avenue for shareholders of DFM, other than Crown Flour, to unlock value from their investment in the Company and exit at an attractive pricing whilst mitigating any future erosion of value;
2. Create valuable synergies between the operations of Crown Flour and DFM following the Scheme resulting in improved revenue generation capacity, reduced operational costs and enhanced profitability; and
3. Enable Olam, focus on the flour business, to provide the necessary and required massive financial and detailed technical support required to maintain and expand DFM's business.

TREATMENT OF COMPETING OFFER RECEIVED PRIOR TO THE EFFECTIVE DATE

Where at any time before the Effective Date of the proposed Scheme, the Board of DFM receives a competing offer, the Board will, without prejudice to its fiduciary obligation to act in the best interest of all the stakeholders and mindful of the terms of the Binding Offer, review such offer for the ultimate benefit of the shareholders of the Company, whilst considering the stage at which such offer was received and any negative impact that could result to the Company as a result of the Board's acceptance of such competing offer.

RECOMMENDATION

The Board, as advised by Vetiva, considers the terms of the Scheme to be fair and are recommending the Scheme for the following reasons:

1. The proposed Scheme Consideration represents a total value of ₦24.00 per DFM share, a 124% premium to the last traded share price of the Company on 18 April, 2019, being the last business day prior to the date the Binding Offer setting out the Proposal was received



- and announced on the Exchange, and a 145% premium on the three-month weighted average share price of the Company as at 18 April, 2019;
2. Olam, with considerable experience in the FMCG space in many countries, including Nigeria, through Crown Flour, has the necessary expertise and technical know-how to drive the Company to a greater level of productivity and performance; and
 3. The proposed Scheme will ensure the sustainability of DFM as a going concern with its attendant multiplier effect and benefit to all stakeholders including employees, federal and state governments, tax authorities, creditors, consumers, customers, distributors, transporters and other suppliers.

The Scheme is supported and recommended by your Board of Directors and we urge you to vote in favour of the resolutions, which are to be proposed at the Court-Ordered Meeting scheduled to hold on Monday, 14 October, 2019. CFML, as party to whom the Scheme Shares would be transferred, will not exercise its right to vote at the Court-Ordered Meeting in accordance with the Rulebook of The NSE (2015) as amended. Thus, CFML will not be voting at the Court-Ordered Meeting.

Kindly complete and return the enclosed proxy form in accordance with the instructions thereon, whether or not you intend to attend the Court-Ordered Meeting in person. Please note that the lodging of a proxy form does not prevent you from attending and voting in person, should you subsequently decide to do so. However, in such instance, your proxy will not be entitled to attend or vote at the meeting.

We look forward to welcoming you or your proxy at the meeting.

Yours faithfully,



Mr. Asue Ighodalo
Chairman



Thursday, 29 August, 2019

To the Shareholders of Dangote Flour Mills Plc.

Dear Sir/Madam,

SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION OF DANGOTE FLOUR MILLS PLC.

INTRODUCTION

We issue this letter further to the binding offer letter dated 23 April, 2019 (the "Offer") from our parent company, Olam International Limited ("Olam") as well as the addendum thereto dated 01 August 2019 from Crown Flour Mills Limited (the "CFML" or the "Offeror"), to the Board of your company, with respect to our proposed acquisition of a total of 4,994,886,771 ordinary shares of 50 kobo each held by all shareholders of Dangote Flour Mills Plc. ("DFM" or the "Company") (other than CFML) for an aggregate consideration of ₦120,000,000,000.00 (One Hundred and Twenty Billion Naira) (the "Consideration").

BACKGROUND ON OFFEROR

CFML primarily engages in the business of wheat milling and pasta manufacturing. It has become over time one of the best and fastest growing companies in this sector in Nigeria. The Offeror also holds 5,113,229 ordinary shares representing 0.1% equity holding in DFM.

The Offeror's parent company, Olam, is a public company listed on the Singapore Exchange in Singapore and a leading global food and agri-business supplying food, ingredients, feed and fibre to over 19,800 customers worldwide. Olam's value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a sourcing network of an estimated 4.8 million farmers.

RATIONALE AND BENEFITS OF THE OFFER

DFM operates in an industry that continues to face intense competition from existing wheat millers, as well as new entrants. Continuing status quo could risk stagnation and decline in dividends and shareholder value.

We believe that the Offer presents you, as shareholders of DFM, an opportunity to monetise your investment in the Company at an attractive price. The Consideration would represent:

- total value of ₦24.00 (Twenty Four Naira) per DFM share,
- 124% premium to the last traded share price of the Company on 18 April, 2019*,
- 145% premium on the three-month weighted average share price of the Company as at 18 April, 2019.

There is no certainty that a similar or a better offer would be on the table for shareholders after this Offer has expired.

If our Offer is accepted, CFML intends to maintain and expand DFM's business; bringing together the Offeror and DFM would enable a broader reach across Nigeria, provide enhanced manufacturing capacity and create synergies to deliver improved products to customers. The Offeror is in a position to provide the strategic, financial and technical support that DFM requires to grow and remain competitive. DFM would enjoy synergies resulting from this proposed buy-out, leading to improved revenue generation capacity, reduced operating costs and enhanced profitability, while providing better value to its customers.

IN CONCLUSION

The advantages to you as a shareholder have been outlined above and represent an exceptional one-off chance to monetise your investment in cash and at an attractive premium. The Offeror is in a position to pay the proposed Consideration for DFM shares, being fully backed by an unequivocal and irrevocable statement of financial support by Olam and its banks.

Crown Flour Mill Limited

Head Office / Factory Tin Can Island Port | Gate No. 2 | Behind berth No. 1
Tin Can Island | Apapa | P. O. Box 5909 | Marina | Lagos | Nigeria
Beachland Estate | Sunrises Bus Stop | Oshodi - Apapa Expressway | Apapa.
Warri Factory New Port Complex | Warri | Delta State | www.olamgroup.com

Reg No: 8575



Olam Group Company

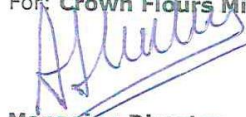
LETTER FROM CROWN FLOUR MILLS LIMITED TO THE SHAREHOLDERS OF DANGOTE FLOUR MILLS PLC

You may wish to note that the Board of your company, in its letter dated Thursday, 29 August, 2019 has recommended that you accept this Offer.

We therefore urge you to vote in favour of the resolutions which will be proposed at the Court-Ordered Meeting in respect of the Scheme.

Yours faithfully,

For: **Crown Flours Mills Limited**



Managing Director

(Anurag Shukla)

* being the last business day prior to the date our Offer was submitted to DFM and announced on the floor of the NSE



VETIVA

CAPITAL MANAGEMENT LIMITED
RC.485600

Plot 266b, Kofo Abayomi Street
Victoria Island
Lagos

Thursday, 29 August 2019

To: The Shareholders of Dangote Flour Mills Plc.

Dear Sir/Madam,

SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION OF DANGOTE FLOUR MILLS PLC

INTRODUCTION

You have been informed by the letter from the Chairman of the Board of Directors of Dangote Flour Mills Plc. ("DFM", the "Company" or the "Group"), presented on pages 9 to 11 of this Scheme Document, of the proposed acquisition of the Company involving Crown Flour Mills Limited's ("Crown Flour" or "CFML") proposal to acquire the entire issued and fully paid ordinary shares of 50 kobo each in DFM held by the Scheme Shareholders, not currently held by it (the "Proposal"). The acquisition will be effected through a Scheme of Arrangement pursuant to Section 539 of CAMA, of which the terms and conditions will be considered by you at the Court-Ordered Meeting.

We, the Financial Advisers, have been authorised by your Directors to write to you to explain the terms, provisions and effects of the Scheme, and provide you with other relevant information which we now present hereunder.

THE TRANSACTION

The proposal is for Crown Flour to acquire the entire issued and fully paid ordinary shares of 50 kobo each in DFM held by the Scheme Shareholders, subsequent to which the Company would be delisted from the Main Board of the Nigerian Stock Exchange, the ordinary shares of the Company will be de-registered from the Securities and Exchange Commission ("SEC") and DFM will be re-registered as private company limited by shares.

The following are proposed under the terms of the Scheme:

1. The entire 4,994,886,771 ordinary shares of 50 kobo each in DFM held by the Scheme Shareholders of the Company will be transferred to Crown Flour;
2. As consideration for the transfer of the Scheme Shares, the Scheme Shareholders will be entitled to receive a cash consideration of Twenty Four Naira (₦24.00) for each Scheme Share held. The proposed Scheme Consideration represents a 124% premium on the share price of DFM as at the close of 18 April, 2019 being the last business day prior to the date the Proposal was received and announced on the floor of The Exchange; and a 145% premium on the three-month weighted average share price of the Company as at 18 April, 2019. Vetiva and the Board therefore consider this price fair and reasonable.
3. Upon conclusion of the Scheme, the outstanding and issued shares of DFM will be wholly held by Crown Flour, save for one (1) ordinary share which would be held by a nominee of CFML.

4. DFM would be delisted from the Main Board of the Nigerian Stock Exchange, the ordinary shares of the Company will be de-registered from the SEC and DFM will be re-registered as a private company limited by shares.

ADVANTAGES AND DISADVANTAGES OF THE SCHEME

Upon the Scheme being effective, the Scheme Shareholders would no longer enjoy the benefits of being shareholders of the Company and will have no opportunity to reinvest into the Company as DFM would be delisted and thereafter re-registered into a private company limited by shares and solely owned by CFML and its designated nominee. However, the Scheme Shareholders will receive immediate benefit from the Scheme through the opportunity given to recoup their investment at a premium to DFM's market share price as of the previous day to the date of the Proposal and mitigate future erosion of their investment in the Company which cannot be guaranteed. Furthermore, should the shareholders not approve the Scheme, they will be at a disadvantage given the probability of a further erosion in the value of the Company's shares, which will negatively impact their investments in DFM.

CONDITIONS PRECEDENT

The Scheme shall become effective and binding on the Shareholders of DFM subject to the following conditions:

- The Company does not (or is not expected to) suffer any Material Adverse Change to its business prior to or at the Effective Date.

"Material Adverse Change" as used herein shall mean any state of facts, circumstance, event, change, development, effect or occurrence that is materially adverse to the business, consolidated results of operations, assets, properties or financial condition of the Company taken as a whole, arising from: (i) any law, decree, requirement or order of any Nigerian governmental authority which (A) bans the importation of wheat into Nigeria or restricts the ability of the Company to import wheat into Nigeria, or (B) increases import duties and levies (including but not limited to custom duties, any applicable surcharges on custom duties, Comprehensive Import Supervision Scheme (CISS) levies, and ECOWAS Trade Liberalization Scheme (ETLS) levies) on the import of wheat by 100% or more collectively (over current rates), or (C) includes wheat on the list of items ineligible for foreign exchange at the Central Bank of Nigeria's official window; or (ii) any prolonged riot, insurrection or other hostilities; embargo, fire, flood, acts of God, acts of war or terrorism.

- It is approved by a majority representing at least three-quarters (3/4) in value of the Company's ordinary shares held by the Scheme Shareholders present and voting, either in person or by proxy at the Court-Ordered Meeting of DFM;
- The SEC approves, with or without modification, the terms and conditions of the Scheme as agreed by majority of the shareholders of the Company;
- The Court sanctions the Scheme of Arrangement, with or without modification;
- The certified true copy of the Court sanction is registered at the CAC;
- The result of the resolution passed by the Scheme Shareholders in respect of the Scheme at the Court Ordered Meeting and the sanction of the Court is the transfer of the legal and beneficial ownership of 100% of the Scheme Shares (that is all shares in the Company currently not held by Crown Flour) to Crown Flour; and
- The execution by the core shareholder of DFM, Dangote Industries Limited, of:
 - a.) Deed of Indemnity with Olam and/or Crown Flour indemnifying Olam against risk of potential liabilities related to all taxes, custom duty and employee gratuity and related employee liabilities for the periods prior to the Effective Date as set out in the Deed of Indemnity;
 - b.) Commercial Deed between DIL and DFM, which among other terms, restrains DIL from producing the same or similar goods as DFM and/or soliciting DFM employees for an agreed period; and

c.) Trademark License Deed with the Company, by which DIL grants the Company the license to use the "Dangote" name and logo for DFM products for an agreed period.

Once sanctioned by the Court and registered at the CAC, the Scheme of Arrangement will be binding on all the shareholders of the Company including those who did not attend the Meeting, or those who attended the Meeting and did not vote or who voted against the Scheme at the Meeting.

On the Effective Date, any share certificates representing the interests of the Scheme Shareholders shall cease to be valid. Furthermore, Scheme Shares previously held in dematerialized form shall also be expunged from the respective record of DFM shareholders maintained by the CSCS. In respect of the Scheme Shares, the information on the Register at the Qualification Date (and as confirmed by any information provided by the CSCS as at the Qualification Date) shall be the definitive proof of shareholding.

MEETING TO APPROVE THE SCHEME OF ARRANGEMENT AND VOTING RIGHTS

A meeting of the shareholders of the Company will be convened by Order of the Court for the purpose of considering and, if thought fit, approving the Scheme.

At the Court-Ordered Meeting, voting on the resolutions relating to the approval of the Scheme will be by poll (and not by show of hands). Each Scheme Shareholder present in person or by proxy will be entitled to one vote for every ordinary share held. The statutory majority required to pass the resolutions at the Court-Ordered Meeting is a majority representing not less than three-quarters (3/4) in value of the ordinary shares of members present and voting either in person or by proxy.

Actions to be taken

The appropriate proxy form for the Court-Ordered Meeting is enclosed. If you are unable to attend the meeting in person, you are requested to kindly complete the proxy form in accordance with the instructions thereon and return same as soon as possible to EDC Registrars Limited, 23, Olusoji Idowu street, Ilupeju, Lagos State, to arrive no later than 24 (twenty-four) hours before the time appointed for the Court-Ordered Meeting. The lodging of a proxy form, which, to be valid must be appropriately stamped, does not prevent you from attending the Court-Ordered Meeting and voting in person should you so wish. However, in such instance, your proxy will not be entitled to attend or vote.

Settlement

Settlement of the consideration to which each holder of Scheme Shares is entitled under the Scheme will be implemented in full in accordance with the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Olam or Crown Flour may otherwise be, or claim to be entitled, against such holder.

The Scheme Consideration will be paid in accordance with the settlement process stated in the "Scheme Consideration" paragraph below.

As far as the Company and the Financial Adviser are aware, no undertaking to vote has been secured, nor has any vote been procured in favour of the resolution to approve the Scheme. Crown Flour, party to whom the Scheme Shares would be transferred to, will not exercise their right to vote at the Court-Ordered Meeting in accordance with the Rulebook of The NSE (2015). Thus, Crown Flour will not be voting at the Court-Ordered Meeting.

Notice of the Court-Ordered Meeting is set out on pages 43 to 44 of this Scheme Document.

BASIS OF SCHEME CONSIDERATION

As consideration for the exchange of the Scheme Shares, each Scheme Shareholder shall receive the sum of ₦24.00 per share, for each DFM share owned.

The proposed Scheme Consideration represents a total value of ₦24.00 per DFM share, a 124% premium to the last traded share price of the Company on 18 April, 2019, being the last business day prior to the

date the binding offer letter was received from Olam and announced on the floor of the NSE, and a 145% premium on the three-month weighted average share price of the Company as at 18 April, 2019.

SETTLEMENT OF THE SCHEME CONSIDERATION

Scheme Consideration

DFM, Crown Flour, and the Registrar will enter into an escrow agreement (the "Escrow Agreement") with the Account Bank and will open an account to be designated as the "Dollar Scheme Consideration Account" into which the US Dollar equivalent of the Total Consideration will be deposited by Olam/Crown Flour by the Deposit Date. Once the Court Sanction is obtained and same is registered with the CAC, DFM shall provide CFM and the Account Bank with certified true copies of the Court Sanction issued by the Court and evidence of registration of the Court Sanction with the CAC. The Account Bank shall within a reasonable period of time, (and in any event within a period of three (3) Business Days after receipt of the aforementioned documents), convert and transfer the US Dollar equivalent of the Total Consideration from the Dollar Scheme Consideration Account to the Naira Scheme Consideration Account.

Where the Court Sanction of the Scheme is not received prior to or by 6pm Nigerian time on the Long Stop Date, CFML shall be entitled to unilaterally instruct the Account Bank to transfer the entire amount in the Dollar Scheme Consideration Account (inclusive of any accumulated interest) to an account designated by CFML and the Account Bank shall immediately transfer the amount standing in the Dollar Scheme Consideration Account to the said designated account. Notwithstanding the above, in the event that the Court Sanction is subsequently obtained prior to or by 6pm Nigerian time on the Terminal Date, DFM shall register same with the CAC and provide CFML and the Account Bank with certified true copies of the Court Sanction and evidence of registration of the Court Sanction with the CAC. CFML shall, not later than three (3) Business Days after receipt of the afore-mentioned documents (provided that same were provided to it prior to or by 6:00 pm Nigerian time on the Terminal Date), transfer the Total Consideration to the Naira Scheme Consideration Account for disbursement to the Scheme Shareholders.

The Scheme Consideration shall be denominated in Naira and will become due and payable by the Registrar to each Scheme Shareholder within four (4) Business Days of the Transfer Date.

Plans for Untraceable Holders

The Scheme Consideration to which each Scheme Shareholder shall become entitled pursuant to the Scheme becoming effective shall be a debt due and payable by Olam/Crown Flour to each Scheme Shareholder and shall be retained with the Account Bank until the Final Payment Date in accordance with the terms of the Escrow Agreement.

Where any Scheme Consideration is not claimed by a Scheme Shareholder within six (6) months after the Effective Date (the "Unclaimed Money Deadline"), such Scheme Consideration becomes unclaimed monies. A Scheme Shareholder shall be deemed untraceable if his/her/its whereabouts cannot be ascertained by the Registrar by the end of the eighteenth (18th) month after the Unclaimed Money Deadline. Where Scheme Shareholders entitled to unclaimed monies remain untraceable twenty-four (24) months after the Effective Date the Registrar shall transfer all such unclaimed monies to the National Investors Protection Fund in accordance with the directive of the SEC.

Plans for Holders of Scheme Shares subject to Encumbrance

Settlement in respect of Scheme Shares held in the Company which have been pledged as collateral or are subject to a lien or other similar encumbrances, to the knowledge of and with notification to the Company and/or the Registrar, may be withheld by the Registrar, pending satisfactory discharge of the encumbrance.

PROVISION FOR DISSENTING SHAREHOLDERS

There are no specific arrangements for shareholders who vote against the Scheme. Under the provisions of Section 539 of CAMA, the Scheme binds the Shareholders and the Company where the statutorily required majority of shareholders votes in favour of the Scheme and same is sanctioned by the Court. All shareholders of the Company will be entitled to the Scheme Consideration, pro rata their respective shareholding in the Company.

RELATED PARTY

As at the date of this Scheme, other than as stated in this Scheme Document, no other associate or related party to CFML/Olam currently hold any shares in DFM.

TAXATION

Under the Companies Income Tax Act Cap C21 Laws of the Federation of Nigeria 2004, the implementation of the Scheme of Arrangement as proposed will not give rise to any taxation disadvantages to the Scheme Shareholders, either with respect to capital gains tax or stamp duty. The Capital Gains Tax Act Cap C1 Laws of the Federation of Nigeria 2004 exempts any gains realised by a person from a disposal of shares from capital gains tax. Furthermore, the Stamp Duties Act Cap S8 Laws of the Federation of Nigeria 2004 exempts instruments for the transfer of shares from the payment of stamp duty. However, this statement is not intended to be, and should not be construed to be, legal or tax advice.

Shareholders who are in any doubt about their taxation position, or who are subject to taxation in a jurisdiction outside Nigeria, are strongly advised to consult their professional advisers without delay as to the consequences of the Scheme in view of their circumstances.

INFORMATION ON OLAM INTERNATIONAL LIMITED AND CROWN FLOUR MILLS LIMITED

Olam is a leading food and agri-business company supplying food, ingredients, feed and fibre to over 19,800 customers worldwide. The company's value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a sourcing network of an estimated 4.8 million farmers.

Olam currently has a strong presence in Nigeria through the operations of its wholly owned subsidiary, Crown Flour. It is also a shareholder in DFM, with 5,113,229 ordinary shares representing 0.1% equity holding in the Company owned through Crown Flour.

Crown Flour was incorporated as a private limited liability company on 24 May, 1971 and is currently a wholly owned subsidiary of Olam. In 2009, Crown Flour merged with Inter State Flour Mills Limited and Mix & Bake Flour Mill Industries Limited with a primary objective to create an enlarged entity capable of competing more effectively with other participants in the FMCG industry. In 2010, Crown Flour was acquired by Olam. Crown Flour is engaged in the milling of wheat flour and has grown over time to become one of the largest flour milling companies in Nigeria.

FURTHER INFORMATION

Your attention is drawn to the following information contained in the appendices to this Scheme Document. Shareholders are encouraged to read the whole of this Scheme Document including documents contained within this document and not just rely on the summarised information included in this Explanatory Statement and in other parts of the Document.

| | |
|---------------|---|
| Appendix I: | Further information on Dangote Flour Mills Plc. on pages 27 to 37. |
| Appendix II: | Further information on Crown Flour Mills Limited on pages 38 to 40. |
| Appendix III: | Statutory and General Information on pages 41 to 42. |
| Appendix IV: | Notice of Court-Ordered Meeting on pages 43 to 44 |

CONCLUSION AND RECOMMENDATION

Your Board, having considered the terms and conditions of the Scheme as well as the benefits thereof, recommend that you vote in favour of the resolutions which will be proposed at the Court-Ordered Meeting.

Yours faithfully,

A handwritten signature in black ink, consisting of a large, loopy 'C' followed by a horizontal line that loops back under the 'C'.

Chuka Eseka
Group Managing Director/CEO
Vetiva Capital Management Limited

SCHEME OF ARRANGEMENT

(Pursuant to Section 539 of the Companies and Allied Matters Act Cap C20 LFN 2004)

BETWEEN



DANGOTE FLOUR MILLS PLC.

AND

THE HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50KOBO EACH

PRELIMINARY

- A. In this Scheme, as herein defined, the following expressions have the following meanings where the context so admits:

| | |
|--|--|
| "ACCOUNT BANK" | Access Bank Plc., a limited liability company duly incorporated under the laws of the Federal Republic of Nigeria and licensed to carry on banking business in Nigeria, with which the Total Consideration will be deposited or such other replacement bank as may be appointed jointly by the Company and the Offeror |
| "ACT" OR "ISA" | Investments and Securities Act No. 29 of 2007 |
| "BOARD OF DIRECTORS" OR THE "BOARD" | Board of Directors of DFM whose names appear on page 7 of the Scheme Document |
| "BUSINESS DAY" | Any day other than a Saturday, Sunday or official public holiday declared by the Federal Government of Nigeria, on which banks are opened for business in Nigeria |
| "CAC" | The Corporate Affairs Commission |
| "CAMA" | Companies and Allied Matters Act CAP C20 LFN 2004 |
| "COURT-ORDERED MEETING" OR "COM" | The meeting of the Shareholders of DFM convened by order of the Court and held pursuant to Section 539 of the CAMA, notice of which is set out on pages 43 to 44 of the Scheme Document |
| "COURT SANCTION" | the order of the Court sanctioning the Scheme |
| "CROWN FLOUR" OR "CFML" | Crown Flour Mills Limited |
| "CSCS" | Means Central Securities Clearing System Limited, the electronic clearing and depository system for securities transactions in Nigeria |
| "CTC" | Certified True Copy |
| "DEPOSIT DATE" | The date falling five (5) Business Days after the receipt by CFML and the Account Bank of the Deposit Notice |
| "DEPOSIT NOTICE" | The notice together with SEC's formal approval of the Scheme to be issued by DFM to CFML and the Account Bank specifying the SEC approval date, the Deposit Date and the Long Stop Date. |
| "DFM", THE "COMPANY" OR THE "GROUP" | Dangote Flour Mills Plc. |

SCHEME OF ARRANGEMENT

| | |
|--|--|
| "DOLLAR SCHEME CONSIDERATION ACCOUNT" | The United States Dollar bearing interest yielding account to be opened and maintained with the Account Bank, and into which CFM shall deposit the US dollar equivalent of the Total Consideration by the Deposit Date |
| "EFFECTIVE DATE" | The date on which the CTC of the Court sanction is registered with the CAC |
| "EXPLANATORY STATEMENT" | The statement issued by the Financial Adviser to DFM, for the purpose of explaining the terms, conditions and effects of the Scheme, which is set out on pages 14 to 19 of the Scheme Document |
| "FCCPC" | Federal Competition and Consumer Protection Commission |
| "FGN" | Federal Government of Nigeria |
| "FINANCIAL ADVISER" | Vetiva Capital Management Limited |
| "FINAL PAYMENT DATE" | Two (2) years from the Effective Date of the Scheme |
| "FORM OF PROXY" OR "PROXY FORM" | The attached form of proxy for use in connection with the Court-Ordered Meeting of the shareholders of the Company |
| "LFN" | Laws of the Federation of Nigeria |
| "LONG STOP DATE" | The date falling on a Business Day that is 8 (eight) weeks after receipt of the SEC's formal approval of the Scheme |
| "THE NSE" OR THE "EXCHANGE" | The Nigerian Stock Exchange |
| "NAIRA SCHEME CONSIDERATION ACCOUNT" | The Naira bearing account to be opened by the Registrar and maintained with the Account Bank, and into which the Account Bank shall deposit the Total Consideration for the purposes of effecting the payment of the Scheme Consideration to the Scheme Shareholders |
| "NIPF" | National Investors Protection Fund |
| "OLAM" | Olam International Limited |
| "QUALIFICATION DATE" | The close of business on the business day immediately preceding the Effective Date; being the date on which the Company's register of members has been updated for the purpose of determining the shareholders eligible to receive Scheme Consideration |
| "RECORD DATE" | The date for determining shareholders eligible to attend and vote at the Court Ordered Meeting to be convened for the Scheme subject to the rules of The NSE |
| "SCHEME CONSIDERATION" | Twenty Four Naira (₦24.00) for every Scheme Share which will be paid to each Scheme Shareholder as consideration for the Scheme Shares to be transferred pursuant to the Scheme |
| "SCHEME CONSIDERATION ACCOUNTS" | The Dollar Scheme Consideration Account and the Naira Scheme Consideration Account |
| "SCHEME DOCUMENT" | This document setting out the Scheme, the Explanatory Statement, the Notice of the Court-Ordered Meeting and the various appendices contained therein in relation to the Scheme |
| "SCHEME SHARES" | 4,994,886,771 issued and fully paid ordinary shares of 50 kobo each in DFM (not held by Crown Flour), representing 99.9% shareholding in the Company held by the Scheme Shareholders and which are to be transferred pursuant to the Scheme |
| "SCHEME SHAREHOLDERS" | Registered holders of the Scheme Shares as at Record Date, and includes persons entitled to the Scheme Shares by way of transmission |
| "SEC" OR THE "COMMISSION" | Securities & Exchange Commission |

SCHEME OF ARRANGEMENT

| | |
|--|--|
| "TERMINAL DATE" | 31 st December, 2019 |
| "THE SCHEME" OR "THE TRANSACTION" | The proposed Scheme of Arrangement between DFM and the holders of its issued and fully paid ordinary shares of 50 kobo each, pursuant to section 539 of CAMA |
| "TOTAL CONSIDERATION" | The total sum of One Hundred and Twenty Billion Naira (₦120,000,000,000) payable to the Scheme Shareholders as cash consideration for the Scheme Shares |
| "TRANSFER DATE" | The date on which the notice of payment of the Total Consideration into the Naira Scheme Consideration Account sent by the Account Bank is received by CFM, DFM and the Registrar |
| "UNTRACEABLE HOLDERS" | Scheme Shareholders whose whereabouts cannot be ascertained after reasonable efforts have been made to find them including contacting their last known and/or registered addresses and publication in national daily newspapers. |

- B. The authorised share capital of the Company is ₦3,000,000,000.00 comprised of 6,000,000,000 ordinary shares of ₦0.50 each, out of which ₦2,500,000,000.00 comprising of 5,000,000,000 ordinary shares of ₦0.50 each are issued and fully paid. The shareholding structure of the Company as at the date of the Scheme is as follows:

| Shareholder | No. Of Ordinary Shares Held | % |
|----------------------------|-----------------------------|--------------|
| Dangote Industries Limited | 3,783,277,052 | 75.7 |
| Crown Flour Mills Limited | 5,113,229 | 0.1 |
| Others | 1,211,609,719 | 24.2 |
| Total | 5,000,000,000 | 100.0 |

THE SCHEME

The Scheme shall be comprised of the following elements:

1. Transfer of the Scheme Shares

Upon the Scheme becoming effective, the Scheme Shares shall be transferred to Crown Flour, a minority shareholder of DFM and its designated nominee.

2. Consideration for the Scheme Shares

The consideration for the transfer of the Scheme Shares shall be a cash consideration of Twenty-Four Naira (₦24.00) per Scheme Share which amounts to a Total Consideration of One Hundred and Twenty Billion Naira (₦120,000,000,000).

3. Settlement of the Scheme Consideration

- Crown Flour shall fund the Dollar Scheme Consideration Account with the US Dollar equivalent of the Total Consideration by the Deposit Date.
- Once the Court Sanction is obtained and same is registered with the CAC, DFM shall provide CFM and the Account Bank with certified true copies of the Court Sanction issued by the Court and evidence of registration of the Court Sanction with the CAC. The Account Bank shall within a reasonable period of time, (and in any event within a period of 3 (three) Business Days after receipt of the aforementioned documents), convert and transfer the US Dollar equivalent of the Total Consideration from the Dollar Scheme Consideration Account to the Naira Scheme Consideration Account.
- Where the Court Sanction of the Scheme is not received by 6:00 pm Nigerian time on the Long Stop Date, CFML shall be entitled to unilaterally instruct the Account Bank to transfer the entire amount in the Dollar Scheme Consideration Account (inclusive of any accumulated

- interest) to an account designated by CFML and the Account Bank shall immediately transfer the amount standing in the Dollar Scheme Consideration Account to the said designated account.
- d. Notwithstanding the refund of the amount standing in the Dollar Scheme Consideration Account to CFML pursuant to clause (c) above, in the event that the Court Sanction is subsequently obtained prior to or by 6:00 pm Nigerian time on the Terminal Date, DFM shall register same with the CAC and provide CFML and the Account Bank with certified true copies of the Court Sanction and evidence of registration of the Court Sanction with the CAC. CFML shall (provided the certified true copies of the Court Sanction and evidence of registration of the Court Sanction were provided to it prior to or by 6:00 pm Nigerian time on the Terminal Date) not later than three (3) Business Days after receipt of the afore-mentioned documents, transfer the Total Consideration to the Naira Scheme Consideration Account for disbursement to the Scheme Shareholders.
- e. The Scheme Consideration to which each Scheme Shareholder shall become entitled shall be payable by the Account Bank to the Holders, upon instruction from the Registrar, and may be remitted by way of electronic transfer to each holder by the Registrar within four (4) Business Days from the Transfer Date.
- f. Scheme Shareholders who have registered for the electronic payment system (e-dividend) with the Registrar will receive a direct credit of the amounts due to them from the Scheme Consideration in their registered account with their respective nominated banks.
- g. Scheme Shareholders who are yet to register for the electronic payment system (e-dividend) with the Registrar are advised to contact the Registrar by Friday, 20th September, 2019 to initiate and conclude the e-dividend registration by Friday, 27th September, 2019.
- h. Payment of the Scheme Consideration due in respect of the Scheme Shares shall be made in Nigerian Naira by way of e-remittance to bank accounts in respect of which the Registrar has e-dividend mandates. The Registrar shall ensure that all payments are fulfilled in accordance with applicable legal and regulatory framework for payment in Nigeria. Receipt of the Total Consideration into the Naira Scheme Consideration Account shall be a complete discharge of the Company and CFML's obligations with respect to payment of the Total Consideration.
- i. Settlement of the consideration to which each holder is entitled under the Scheme will be implemented in full in accordance with the Scheme without regard to any lien, write off, set off, counterclaim or other analogous right to which Crown Flour/Olam may otherwise be, or claim to be entitled, against such holder.
- j. As directed by the SEC, where any Scheme Consideration is not claimed by a Scheme Shareholder within six (6) months after the Effective Date (the "Unclaimed Money Deadline"), such Scheme Consideration becomes unclaimed monies. A Scheme Shareholder shall be deemed untraceable if his/her/its whereabouts cannot be ascertained by the Registrar by the end of the eighteenth (18th) month after the Unclaimed Money Deadline. Where Scheme Shareholders entitled to unclaimed monies remain untraceable twenty-four (24) months after the Effective Date the Registrar shall transfer all such unclaimed monies to the NIPF in accordance with the directive of the SEC.
- k. These provisions on payment of Scheme Consideration by the Registrar to the Scheme Shareholders shall be in effect for a period of two (2) years and shall take effect from the Effective Date.

4. **Registration of the Court Sanction**

Following the grant of the Court Sanction, a certified true copy of the Court Sanction shall be delivered to the CAC for registration pursuant to Section 539(4) of CAMA.

5. **Conditions Precedent**

The Scheme shall become binding on all the Shareholders as from the Effective Date, irrespective of whether or not they attended or voted at the Court-Ordered Meeting (and if they attended and voted, irrespective of whether or not they voted in favour of the Scheme), if:

- a. The Company does not (or is not expected to) suffer any Material Adverse Change to its business prior to or at the Effective Date.

“Material Adverse Change” as used herein shall mean any state of facts, circumstance, event, change, development, effect or occurrence that is materially adverse to the business, consolidated results of operations, assets, properties or financial condition of the Company taken as a whole, arising from: (i) any law, decree, requirement or order of any Nigerian governmental authority which (A) bans the importation of wheat into Nigeria or restricts the ability of the Company to import wheat into Nigeria, or (B) increases import duties and levies (including but not limited to custom duties, any applicable surcharges on custom duties, Comprehensive Import Supervision Scheme (CISS) levies, and ECOWAS Trade Liberalization Scheme (ETLS) levies) on the import of wheat by 100% or more collectively (over current rates), or (C) includes wheat on the list of items ineligible for foreign exchange at the Central Bank of Nigeria’s official window; or (ii) any prolonged riot, insurrection or other hostilities; embargo, fire, flood, acts of God, acts of war or terrorism.

- b. It is approved by a majority representing at least three-quarters (3/4) in value of the Company’s ordinary shares held by the Scheme Shareholders present and voting, either in person or by proxy at the Court-Ordered Meeting of DFM;
- c. The SEC approves, with or without modification, the terms and conditions of the Scheme as agreed by majority of the shareholders of the Company;
- d. The Court sanctions the Scheme of Arrangement, with or without modification;
- e. The CTC of the Court sanction is registered at the CAC;
- f. The result of the resolution passed by the shareholders in respect of the Scheme at the Court Ordered Meeting and the sanction of the Court is the transfer of the legal and beneficial ownership of 100% of the Scheme Shares (that is all shares in the Company not held by Crown Flour) to Crown Flour; and
- g. The execution by the core shareholder of DFM, Dangote Industries Limited of:
 - i) Deed of Indemnity with Olam and/or Crown Flour indemnifying Olam against risk of potential liabilities related to all taxes, custom duty and employee gratuity and related employee liabilities for the periods prior to the Effective Date as set out in the Deed of Indemnity;
 - ii) Commercial Deed between DIL and DFM , which among other terms, restrains DIL from producing the same or similar goods as DFM and/or soliciting DFM employees in accordance with the terms of the Commercial Deed for an agreed period; and
 - iii) Trademark License Deed with the Company, by which DIL grants the Company the license to use the “Dangote’ name and logo for DFM products specified in the Deed for an agreed period.

6. **Consequences of the Scheme**

- a. *Certificates and Dematerialised holdings*

As from and including the Effective Date, all certificates representing the interests of Scheme Shareholders in the Scheme Shares shall cease to be valid or shall have no effect. Furthermore, Scheme Shares previously held in dematerialized form shall also be expunged from the respective record of DFM shareholders maintained by the CSCS. The Company’s Register of

Members will also be updated to exclude the names of all the current shareholders of DFM except Crown Flour and CFML's designated nominee; DFM will be fully owned by Crown Flour.

b. Plans for employees and directors of DFM after the Scheme

The Scheme is not intended nor expected to affect existing employment rights of any current employee of DFM.

Where DFM deems appropriate in accordance with business requirements, DFM may assess and rationalise its need for manpower. Any addition or reduction of manpower shall be in accordance with DFM's existing policies, relevant employment terms and applicable laws.

c. Taxation

Under the Companies Income Tax Act Cap C21 Laws of the Federation of Nigeria 2004, the implementation of the Scheme of Arrangement as proposed will not give rise to any taxation disadvantages to the Scheme Shareholders, either with respect to capital gains tax or stamp duty. The Capital Gains Tax Act Cap C1 Laws of the Federation of Nigeria 2004 exempts any gains realised by a person from a disposal of shares from capital gains tax. Furthermore, the Stamp Duties Act Cap S8 Laws of the Federation of Nigeria 2004 exempts instruments of transfer of shares from the payment of stamp duty. However, this statement is not intended to be, and should not be construed to be, legal or tax advice.

Any Scheme Shareholder who is in any doubt as to his/her tax position should consult his/her own professional advisers without delay as to the consequences of the Scheme in view of his/her own circumstances.

7. Effectiveness

The Scheme shall become effective on the day on which a CTC of the Court sanction is registered at the CAC and shall become binding on all shareholders of the Company, including those who were absent at the Court-Ordered Meeting, those who attended but did not vote, and those who voted against this Scheme at the Court-Ordered Meeting.

8. Modification

The Board of Directors of the Company are authorised to consent, on behalf of all parties concerned, to any modification(s) of or additions to the Scheme which the Court may deem fit to approve or any condition which the Court may impose.

Dated this 29th day of August, 2019

MARKET PRICE INFORMATION

The Company's shares are listed on the NSE. The annual high and low market prices of the Company's shares on the NSE for the five most recent financial years ending 31 December, and YTD 2019 are shown below:

| Year | ₹ High (date) | ₹ Low (date) |
|-------------|----------------------|---------------------|
| 2014 | 10.23 (2 Feb) | 4.16 (19 Dec) |
| 2015 | 5.14 (4 Apr) | 1.13 (29 Dec) |
| 2016 | 5.99 (12 May) | 0.83 (13 Jan) |
| 2017 | 12.59 (13 Dec) | 3.58 (17 Mar) |
| 2018 | 16.90 (11 Jan) | 5.50 (11 Jan) |
| 2019 (YTD) | 18.80 (30 Apr) | 5.60 (09 Jan) |

The monthly high and low market prices of the Company's shares on the NSE for each of the last twelve months ending 30 April, 2019 are presented in the table below:

| Month | ₹ High (date) | ₹ Low (date) |
|----------------|----------------------|---------------------|
| May 2018 | 8.55 (28 May) | 12.05 (2 May) |
| June 2018 | 10.70 (12 Jun) | 8.95 (4 Jun) |
| July 2018 | 10.20 (5 Jul) | 8.25 (26 Jul) |
| August 2018 | 9.00 (3 Aug) | 7.60 (15 Aug) |
| September 2018 | 8.40 (11 Sep) | 7.15 (24 Sep) |
| October 2018 | 8.10 (10 Oct) | 6.00 (31 Oct) |
| November 2018 | 6.25 (27 Nov) | 5.50 (1 Nov) |
| December 2018 | 6.95 (24 Dec) | 6.15 (3 Dec) |
| January 2019 | 6.65 (3 Jan) | 5.60 (9 Jan) |
| February 2019 | 12.05 (26 Feb) | 5.80 (1 Feb) |
| March 2019 | 9.50 (13 Mar) | 11.60 (22 Mar) |
| April 2019 | 18.80 (30 Apr) | 8.00 (4 Apr) |

BACKGROUND INFORMATION

History and Business

DFM was established in 1999 as a division of Dangote Industries Limited, with an initial installed capacity of 500 Metric Tonnes per Day ("MT/Day") and business activities spanning flour milling, processing and marketing of branded flour. Following the completion of the restructuring in 2006, all the assets, liabilities and business undertakings of the erstwhile flour division of DIL were transferred to the Company. In 2007, the Company undertook an Initial Public Offer and was subsequently listed on the Nigerian Stock Exchange in February 2008.

In October 2012, Tiger Brands Limited ("Tiger Brands") concluded the acquisition of 3,167,716,667 ordinary shares of 50 kobo each in the Company (representing 63.35% of the total issued ordinary share capital of DFM) from DIL and consequently became the majority shareholder in the Company. The Company's name was subsequently changed to Tiger Branded Consumer Goods Plc. in August 2015.

However, due to the challenging operating environment and strong macroeconomic headwinds specifically relating to the fall in global oil prices and depreciating exchange rates, the Company recorded continuous losses in the post-acquisition period, in spite of growth in market share and sales volume, which resulted in substantial erosion of shareholders' value and significant impairment of the investment in the books of Tiger Brands.

Accordingly, in November 2015, after considerable and lengthy deliberations, DIL acquired Tiger Brands' shareholding in DFM. DIL agreed to the proposal on the basis that DFM would continue to operate as a going concern (which preserves value for the minority retail shareholders), thereby ensuring that DFM met its obligations to its stakeholders. This was notwithstanding the fact that the flour and allied businesses of DFM are no longer part of the Dangote Group's strategic focus.

DFM today, has five (5) mills strategically located across Nigeria (Apapa, Kano, Calabar, Ilorin and Ikorodu) with combined total installed milling capacity of 7,300 MT/Day and is currently the second largest flour miller in Nigeria with a market share of 16%.

PROFILE OF BOARD OF DIRECTORS

The Company's Board of Directors is made up of six (6) members comprising, four (4) Non-Executive Directors and two (2) Executive Directors.

Mr. Asue Ighodalo – Chairman

Asue Ighodalo is a founding partner of Banwo & Ighodalo, one of the foremost commercial law firms in Nigeria. He obtained his first degree in Economics from the University of Ibadan, a law degree from the London School of Economics and Political Science; and was admitted into the Nigerian Bar in July 1985.

His core areas of practice are Corporate and Project Finance, Securities and Capital Markets, Energy & Natural Resources, and Mergers & Acquisitions. Asue is a member of the Nigerian Bar Association (immediate past Chairman of the Section on Business Law of the Nigerian Bar Association), International Bar Association (Section on Energy and Natural Resources Law), Association of International Petroleum Negotiators, Nigerian Institute of Directors, Nigerian Economic Summit Group (board member), Commercial Law and Taxation Committee of the Lagos Chamber of Commerce and Industry and Chartered Institute of Taxation of Nigeria.

Asue is also the Chairman, Board of Directors, Sterling Bank Plc. He sits on the boards of other public and private companies, Non-Governmental Organizations (NGO's) and statutory bodies including Mainstreet Technologies Limited. Okomu Oil Palm Company Plc. Christopher Kolade Foundation, FATE Foundation and the Nigeria Sovereign Investment Authority (NSIA).

Asue has been consistently ranked as "Tier 1" or "Leading lawyer" in all of his areas of practice by the leading legal directories. He has authored many articles in leading law publications and also delivered several presentations on diverse subjects.

Mr. Olakunle Alake – *Non-Executive Director*

Olakunle Alake is the Group Managing Director of Dangote Industries Limited. He was appointed to the Board of Dangote Industries Limited in 2001 and has since been instrumental to the growth of the parent company and its subsidiaries. He holds a bachelor's degree in Civil Engineering from Obafemi Awolowo University, Ile-Ife (1983) and is a fellow of the Institute of Chartered Accountants of Nigeria.

He joined Dangote Industries Limited in 1990, after six years at PricewaterhouseCoopers. He has held several management positions in Dangote Industries Limited, including Financial Controller and Head of Strategic Services. He has deep finance and accounting experience and brings substantial experience in finance, mergers and acquisitions to the Board.

Mr. Arnold Ekpe – *Non-Executive Director*

Mr. Arnold Ekpe is the Honorary President of the Business Council for Africa, UK; non-executive Chairman of SFRE, a Luxembourg investment company; non-executive director of Crown Agents Bank and Crown Agent Investment Management; and trustee of Vision for a Nation, a U.K. registered global charity for the visually impaired.

He has degrees in Mechanical Engineering and Business Administration from Manchester University in 1976 and Manchester Business School respectively which he obtained in 1979.

Mrs. Yabawa Lawan Wabi mni – *Non-Executive Director*

Mrs. Yabawa Lawan Wabi, mni is a graduate of Accounting, Ahmadu Bello University Zaria (1983). She is a member of the Institute of Certified Public Accountants of Nigeria, Chartered Institute of Taxation, Member, National Institute and Fellow of Association of National Accountants of Nigeria.

She is a seasoned public servant who started her illustrious career as an Accountant II with Borno State Government in 1985 and rose to become the Accountant General in the office of the Accountant-General (June 2003-June 2007), Permanent Secretary, Ministry of Local Government & Chieftaincy Affairs of the Federal Republic of Nigeria between 2010-2011.

She served as a Non-Executive Director of Mainstreet Bank (2011-2014) and Member, Infrastructure Concession Regulatory Commission (2013-2015).

She was appointed a Non-Executive Director in Unity Bank Plc. in February 2015 where she serves till date.

She has worked at various times in various capacities and gained considerable experience in both the public and private sectors of the nation's economy.

Mr. Thabo Mabe – *Executive Director*

Mr. Thabo Mabe is the current Group Chief Executive Officer of DFM. He holds a BSC in Chemistry which he obtained in 1986 from Fort Hare University in South Africa. He started his working career in Unilever Plc. where he served in various capacities with practical involvement in manufacturing, production, sales and other spheres of work in the Company. He held various leadership positions until he rose to become the CEO of Unilever Nigeria Plc.

He headed the multinational Company for over 4 years leading to its tremendous transformation which has been sustained till date.

He joined the services of Dangote Flour Mills Plc. on the 1st July, 2014 as the Group Chief Executive Officer and a director on the Board of the Company with the vast experience which span over years.

Ms. Halima Dangote – *Executive Director*

Halima Aliko Dangote holds a Bachelor's Degree in Marketing from the American Intercontinental University, London, United Kingdom (2005) and a master's degree in business administration obtained from Webster Business School, London, United Kingdom (2006). She started her career as a business analyst with KPMG Professional Services in Lagos, Nigeria before she joined the Dangote Industries Limited in 2008. She has held a number of key roles at Dangote Industries Limited including Special Assistant to the President/Chief Executive, with a wide span of strategic and operational responsibilities.

She currently serves as the Executive Director in charge of Commercial activities at DFM.

APPENDIX I: FURTHER INFORMATION ON DANGOTE FLOUR MILLS PLC.

SHARE CAPITAL HISTORY

DFM was incorporated with an initial share capital of ₦100,000,000.00 comprising of 100,000,000 ordinary shares of ₦1.00 each. As at the date of this Scheme Document, the authorized share capital of the DFM was ₦3,000,000,000.00 comprising 6,000,000,000 ordinary shares of ₦0.50 each, of which ₦2,500,000,000.00 comprising 5,000,000,000 ordinary shares of ₦0.50 each have been issued and fully paid up. The changes to DFM's authorized and issued share capital since incorporation are summarized below:

| Year | Authorised (₦) | | Issued & Fully Paid-up (₦) | | Consideration |
|-------------|----------------|---------------|----------------------------|---------------|---|
| | Increase | Cumulative | Increase | Cumulative | |
| 2004 | 100,000,000 | 100,000,000 | 100,000,000 | 100,000,000 | Cash |
| 2005 | 1,400,000,000 | 1,500,000,000 | 900,000,000 | 1,000,000,000 | Scheme shares to DIL |
| 2006 | - | 1,500,000,000 | 500,000,000 | 1,500,000,000 | Bonus shares (1,000 to every 2,061) |
| 2007 | - | 1,500,000,000 | 125,000,000 | 1,625,000,000 | Bonus shares (1 for every 12) |
| 2007 | 1,500,000,000 | 3,000,000,000 | 525,000,000 | 2,150,000,000 | Consideration to DIL for acquisition of shares in Dangote Agrosacks Limited |
| 2007 | - | 3,000,000,000 | 350,000,000 | 2,500,000,000 | Consideration to DIL for shares in Dangote Pasta Limited |
| 2008 - 2018 | - | 3,000,000,000 | - | 2,500,000,000 | |

SHAREHOLDING STRUCTURE

As at the date of this Scheme Document, the 5,000,000,000 ordinary shares of ₦0.50 each in the issued and fully paid up ordinary share capital of DFM were held as follows:

| Shareholder | No. Of Ordinary Shares Held | % |
|----------------------------|-----------------------------|--------------|
| Dangote Industries Limited | 3,783,277,052 | 75.7 |
| Crown Flour Mills Limited | 5,113,229 | 0.1 |
| Others | 1,211,609,719 | 24.2 |
| Total | 5,000,000,000 | 100.0 |

No shareholder other than Dangote Industries Limited holds more than 5% of the issued share capital of the Company as at the date of this Scheme Document.

DIRECTORS' BENEFICIAL INTEREST

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

| Shareholder | Direct Shareholding | Indirect Shareholding | Total Shareholding | % Holding |
|----------------------------|---------------------|-----------------------|--------------------|-----------|
| Mr. Olakunle Alake | 2,377,500 | Nil | 2,377,500 | 0.05 |
| Mr. Arnold Ekpe | Nil | Nil | Nil | Nil |
| Mr. Asue Ighodalo | Nil | Nil | Nil | Nil |
| Mrs. Yabawa Lawan Wabi Mni | Nil | Nil | Nil | Nil |
| Mr. Thabo Mabe | Nil | Nil | Nil | Nil |
| Ms. Halima Dangote | Nil | Nil | Nil | Nil |

SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this Scheme Document, the Company has the following subsidiaries and associates:

| Subsidiaries | Country of Incorporation | Shareholding (%) |
|-------------------------|---------------------------------|-------------------------|
| Dangote Pasta Limited | Nigeria | 99.0 |
| Dangote Noodles Limited | Nigeria | 90.0 |

INDEBTEDNESS

As at the date of this Scheme Document, the Company has no indebtedness other than in the ordinary course of business.

PREMISES

The head office of DFM is situated at Terminal E, Greenview Development Building (2nd Floor), Apapa Wharf, Lagos.

EXTRACTS FROM MEMORANDUM AND ARTICLES OF ASSOCIATION OF DANGOTE FLOUR MILLS PLC.

MEMORANDUM OF ASSOCIATION

38. To acquire and undertake the whole or any of the business, goodwill and assets of any person, firm or company carrying on or proposing to carrying on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, or company, or to acquire an interest in, amalgamate with or enter into partnership or into any arrangement or sharing profits or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of acts or things aforesaid or property acquired, any shares, debentures, debentures stocks or securities so received.

48. To sell or otherwise dispose of the whole or any part of the business or property of the company, either together or in portions, for such consideration, and the company may think fit, and in particular for shares, debentures or securities or any company purchasing the same.

ARTICLES OF ASSOCIATION

TRANSFER OF SHARES

7. Subject to the restrictions contained in these Articles, any member may transfer all or any of his shares, by an instrument of transfer which must be in writing in the usual common form or such other form as the Directors may approve and must be left at the office accompanied by the certificate of the shares to be transferred, and such evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares, and be permanently deposited in the custody of the Board.

8. The instrument of transfer of a share shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect of the share.

9. The company may refuse to recognize any instrument of transfer unless:
 - (a). such fee as the Company may from time to time require, is paid to the Company in respect thereof; and

- (b). the instrument of transfer is left at the registered office for registration and is accompanied by the certificates of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
- (c). the instrument of transfer is in respect of only one class of shares.

The transfer books and the Register of Shareholders and debenture holders respectively may be closed at such times, and for such periods as the Directors may from time to time determine, provided always that they shall not be closed by more than thirty days in any year.

There shall be paid to the Company in respect of the registration or nothing in the Register, of any probate, letters of administration, certificate of marriage or death, Power of Attorney, instrument recording a change of name, designation or other document relating to or affecting the title of any share, such fee as the Directors may from time to time require or prescribe.

TRANSMISSION OF SHARES

- 23. In the case of the death of a registered member, the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognized by the company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
- 24. Any person becoming entitled to a registered share in consequence of the death or bankruptcy of any member may upon producing such evidence of title as the Directors shall require, and subject as hereinafter provided, either elect to be registered himself as holder of the share, or elect to have some person nominated by him registered as the transferee of the shares; but the Company shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
- 25. If the person so becoming entitled elects to be registered himself; he shall deliver or send to the Company a notice in writing signed by him and stating that he so elects and if he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share.
- 26. A person entitled to a registered share by transmission shall be entitled to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, or (unless the Articles provide otherwise) to any of the rights or privileges of a member, unless and until he shall have become a member in respect of the share.

MEETINGS

- 45. A General Meeting to be known as the Annual General Meeting shall be held once in every Calendar year at such time (not being more than fifteen (15) months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors, and shall specify the Meeting as such in the notice calling it.

APPENDIX I: FURTHER INFORMATION ON DANGOTE FLOUR MILLS PLC.

46. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
47. The Directors may convene an Extraordinary General Meeting whenever they deem fit, and if at any time there are not within Nigeria sufficient directors capable of acting to form a quorum, any director may convene an Extraordinary General Meeting.

NOTICE OF MEETING

48. (a). All General Meeting shall be called by twenty-one days' notice in writing from the date on which the notice was sent out. And a General Meeting called by a shorter notice shall be deemed to have been duly called if it so agreed.

(b). The notice of a Meeting shall specify the place, date and time of the Meeting, and the general nature of the business to be transacted at the Meeting in sufficient details to enable those to whom it is given to decide whether to attend or not, and where the meeting is to consider a Special Resolution shall set out the terms of the resolution.
49. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting of the Company or if there is no such Chairman or if he is not present within thirty minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall elect one of their number to be chairman of the meeting.
50. If at meeting, no directors is willing to act as Chairman or of no Director is present within thirty minutes after the time appointed for holding the meeting, the members present shall choose one of their numbers to be chairman of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

51. All business shall be deemed special that is transacted at an Annual General Meeting with the exception of declaring a dividend, the consideration of the Accounts, Balance Sheets; and the Reports of the Directors and Auditors, the election of Directors in the place of those retiring and the appointment of and the fixing of the remuneration of the Auditors, and the appointment of the members of the audit committee which shall be ordinary business.
52. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business and unless it is otherwise provided, one third of the total members of the Company or 25 (twenty-five) members (whichever is less) present in person or by proxy shall be a quorum.
53. If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved in any either case it shall adjourned to the same day in the next week, at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members of whatever class present shall be a quorum.
54. 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 (before or on declaration of the result of a show of hands) demanded by the Chairman or at least three members entitled to vote at the meeting or by the holders present in person or by proxy of at least one-tenth part of the total voting rights of all members having the right to vote at the meeting or by a member or members holding shares on which

an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid upon all the shares conferring that right. Unless a poll is so demanded, a declaration by the Chairman that a resolution has on show of hands been carried or carried unanimously, or by a particular majority or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof without proof of the number of proportion for the votes recorded in favour of or such resolution. A proxy need not be a member of the Company.

55. A proxy may take part in the proceedings of general meetings as if he were a member whom he represents.

VOTE OF MEMBERS

56. On a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote for each share held by him.

57. If any member be a lunatic, idiot, or *non-compos mentis*, he may vote, whether on a show of hands or at a poll, by his committee, curator bonis, or other legal curator, and such last-mentioned persons may give their votes by proxy on a poll.

58. If two or more persons are jointly entitled to a share, then, in voting upon any question, the vote of a senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

59. Save as herein expressly provided, no person other than a member duly registered who shall, after a call shall have been made, paid all amounts for the time being use from him and payable to the company in respect of his shares, share be entitled to be present or to vote on any question either personally or by proxy, or as proxy for another member, at any General Meetings.

60. Votes may be given either personally or by proxy. On a show of hands a member present only by proxy shall not be entitled to vote except that member is a corporation. Only members entitled to attend and vote at a meeting shall act as a proxy, except in the case of a corporation.

61. Any corporation which is a member of this Company may, by resolution of its Directors or other governing body authorize any person to act as its representative at any meeting of this Company or of any class of members thereof, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands.

62. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if such appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorized.

63. (1) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, shall be deposited at the registered office or head office of the Company or at such other place within Nigeria as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of poll; and in default, the

instrument of proxy shall not be treated as valid and the person named therein shall not be entitled to vote.

64. 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 revocation of the proxy or of the authority under which it was executed, or the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
65. Any instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

"DANGOTE FLOUR MILLS Plc."

"I being a member of **DANGOTE FLOUR MILLS Plc.**

"appoint,

"of

"and failing him

"of

"to vote for me and

"on my behalf at the (Annual, Extraordinary

"or adjourned, as the case may be) General

"Meeting of the Company to be held on the

" day of and at every

"adjournment thereof.

"As witness my hands thisday of

Or in such other form as the Directors may from time to time approve.

APPENDIX I: FURTHER INFORMATION ON DANGOTE FLOUR MILLS PLC.

FIVE YEAR FINANCIAL SUMMARY

Statement of Profit or Loss and Other Comprehensive Income

The following is a summary of the Group's audited Statement of Comprehensive Income for the five-year period ended 31 December, 2018.

| | 2018 | 2017¹ | 2016 | 2015 | 2014 |
|--|--------------------|-------------------------|-------------------|---------------------|--------------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 |
| Revenue from contracts with customers | 112,341,977 | 124,693,945 | 105,765,324 | 48,026,674 | 41,268,771 |
| Cost of sales | (102,099,765) | (95,066,974) | (76,417,616) | (43,558,620) | (38,057,750) |
| Gross profit | 10,242,212 | 29,626,971 | 29,347,708 | 4,468,054 | 3,211,021 |
| Other income | 2,262,052 | 1,141,059 | 1,382,450 | 1,177,590 | 302,997 |
| Distribution and administrative expenses | (12,620,631) | (13,995,303) | (11,804,608) | (9,788,360) | (7,993,657) |
| Net impairment gains/ (losses) on financial assets | 514,708 | (297,639) | (2,889,611) | (4,434,575) | (1,952,584) |
| Operating profit/(loss) | 398,341 | 16,475,088 | 16,035,930 | 8,577,291 | (6,432,223) |
| Finance income | 1,999,499 | 3,200,695 | 670,662 | 2,613 | 10,398 |
| Finance costs | (3,588,911) | (2,840,555) | (4,887,626) | (3,891,530) | (2,863,188) |
| (Loss)/profit before taxation | (1,191,071) | 16,835,228 | 11,818,966 | (12,466,208) | (9,285,013) |
| Taxation | 33,184 | (6,964,140) | (1,249,679) | (213,097) | 3,006,708 |
| (Loss)/profit from continuing operations | (1,157,887) | 9,871,088 | 10,569,287 | (12,679,305) | (6,278,305) |
| Profit from discontinued operation (attributable to equity holders of the company) | - | 5,258,118 | - | - | 168,797 |
| (Loss)/profit for the year | (1,157,887) | 15,129,206 | 10,569,287 | (12,679,305) | (6,109,508) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive (loss)/income for the year | (1,157,887) | 15,129,206 | 10,569,287 | (12,675,305) | (6,109,508) |

¹ Restated

APPENDIX I: FURTHER INFORMATION ON DANGOTE FLOUR MILLS PLC.

Statement of Financial Position

The following is a summary of the Group's audited Statement of Financial Position as at 31 December, 2018.

| | 2018 | 2017¹ | 2016 | 2015 | 2014 |
|---|--------------------|-------------------------|-------------------|--------------------|-------------------|
| | N'000 | N'000 | N'000 | N'000 | |
| Assets | | | | | |
| Non-Current Assets | | | | | |
| Property, plant and equipment | 36,047,311 | 30,713,256 | 25,103,593 | 23,027,073 | 26,342,645 |
| Investment property | 427,426 | 437,484 | - | - | - |
| Intangible assets | 124,897 | 239,218 | - | - | - |
| Investment in subsidiary | - | - | - | - | - |
| Deferred Tax | - | - | 4,159,474 | 4,753,851 | 4,928,320 |
| | 36,599,634 | 31,389,958 | 29,263,067 | 27,780,924 | 31,270,965 |
| Current Assets | | | | | |
| Inventories | 27,644,800 | 28,347,918 | 10,784,629 | 5,738,870 | 5,429,059 |
| Amount due from subsidiaries | - | - | - | - | - |
| Trade and other receivables | 12,147,231 | 8,992,460 | 9,480,169 | 5,102,397 | 6,933,990 |
| Amount due to related parties | 6,137,432 | 5,916,838 | 5,787,872 | 7,414,953 | 6,619,923 |
| Cash and cash equivalents | 38,214,551 | 54,125,522 | 23,658,102 | 3,317,838 | 4,547,552 |
| | 84,144,014 | 97,382,738 | 49,710,772 | 21,574,058 | 23,530,524 |
| Non-current assets held for sale | - | - | 6,143 | - | - |
| Total Assets | 120,743,648 | 128,772,696 | 78,979,982 | 49,354,982 | 54,801,489 |
| Equity and Liabilities | | | | | |
| Equity | | | | | |
| Share capital | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Share premium | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 |
| Capital reserves | 21,412,878 | 21,412,878 | 23,276,829 | 6,588,637 | 6,588,637 |
| Retained earnings | (650,691) | 2,121,367 | (12,443,563) | (23,052,118) | (10,524,972) |
| Equity attributable to equity holders of parent | 34,780,799 | 37,561,857 | 24,860,878 | (2,435,869) | 10,091,277 |
| Non-controlling interests | (124,684) | (110,296) | (674,572) | (635,304) | (483,145) |
| Total Equity | 34,665,115 | 37,451,561 | 24,186,306 | (3,071,173) | 9,608,132 |
| Liabilities | | | | | |
| Non-Current Liabilities | | | | | |
| Borrowings | 204,590 | 371,256 | 5,860,194 | 999,908 | 5,044,448 |
| Deferred tax | 3,133,166 | 3,581,464 | 1,526,319 | 1,486,995 | 1,470,936 |
| | 3,337,756 | 3,952,720 | 7,386,513 | 2,486,903 | 6,515,384 |
| Current Liabilities | | | | | |
| Trade and other payables | 17,288,879 | 16,789,043 | 16,240,882 | 9,929,759 | 9,841,355 |
| Amount due to subsidiaries | - | - | - | - | - |
| Borrowings | 64,818,254 | 69,249,108 | 30,377,313 | 39,824,967 | 28,665,342 |
| Current tax payable | 633,644 | 1,330,264 | 788,968 | 184,526 | 171,276 |
| | 82,740,777 | 87,368,415 | 47,407,163 | 49,939,252 | 38,677,973 |
| Total Liabilities | 86,078,533 | 91,321,135 | 54,793,676 | 52,426,155 | 45,193,357 |
| Total Liabilities and Equity | 120,743,648 | 128,772,696 | 78,979,982 | 49,354,982 | 54,801,489 |

APPENDIX I: FURTHER INFORMATION ON DANGOTE FLOUR MILLS PLC.

Statement of Cash Flows

The following is a summary of the Group's five (5) year audited Cash Flow Statements for the period ended December 31, 2018.

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash generated from operations | 3,133,606 | 3,160,642 | 12,703,560 | (819,232) | (376,547) |
| Finance income | 1,999,499 | 3,188,435 | 670,662 | 2,613 | 10,398 |
| Finance costs | (3,588,911) | (2,840,555) | (3,647,053) | (2,731,563) | (2,709,889) |
| Tax (paid)/received | (1,111,734) | (208,225) | (11,536) | (9,319) | (74,572) |
| Net cash generated from operating activities | 432,460 | 3,300,297 | 9,715,633 | (3,557,501) | (3,150,610) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Purchase of property, plant and equipment | (10,796,241) | (9,911,832) | (4,026,479) | (1,313,463) | (1,113,115) |
| Proceeds from the sale of property and Equipment | 50,330 | 996 | 4,313 | 2,260 | 23,911 |
| Proceeds from sale of non current assets held for Sale | - | 3,750,000 | - | - | 7,553,750 |
| Net cash used in investing activities | (10,745,911) | (6,160,836) | (4,022,166) | (1,311,203) | 6,464,546 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Net(decrease)/increase in long and short term Borrowings | (4,597,520) | 33,327,959 | 16,602,685 | 3,065,719 | 827,248 |
| Dividends paid | (1,000,000) | - | - | - | - |
| Net cash (used in)/generated from Financing activities | (5,597,520) | 33,327,959 | 16,602,685 | 3,065,719 | 827,248 |
| Net(decrease)/increase in cash and cash equivalents | (15,910,971) | 30,467,420 | 22,296,152 | (1,802,985) | 4,141,184 |
| Cash and cash equivalents at end of the year | 54,125,522 | 23,658,102 | 1,361,950 | 3,164,935 | (976,249) |
| Total cash and cash equivalents at end of the year | 38,214,551 | 54,125,522 | 23,658,102 | 1,361,950 | 3,164,935 |

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices of Vetiva Capital Management Limited, Plot 266B, Kofo Abayomi Street, Victoria Island, Lagos during normal business hours on any weekday (except holidays) until the Effective Date:

1. Certificate of Incorporation of the Company
2. The Memorandum and Articles of Association of the Company
3. The audited financial statements of the Company for the years ended 2017 and 2018
4. The Material Contracts referred to on page 41
5. The Board Resolution approving the Scheme of Arrangement
6. Consent Letters from the Directors of the Company as well as the Parties to the Scheme.

APPENDIX II: FURTHER INFORMATION ON CROWN FLOUR MILLS LIMITED

CORPORATE INFORMATION

Crown Flour Mills Limited ("Crown Flour" or "CFML") was incorporated as a private limited liability company on 24 May, 1971 and is currently a wholly owned subsidiary of Olam International Limited ("Olam"). In 2009, Crown Flour merged with Inter State Flour Mills Limited and Mix & Bake Flour Mill Industries Limited with a primary objective to create an enlarged entity capable of competing more effectively with other participants in the FMCG industry. In 2010, Crown Flour was acquired by Olam. Crown Flour is engaged in the milling of wheat flour and has grown over time to become one of the largest flour milling companies in Nigeria.

The head office of CFML is situated at 1, Tincan Island Port Gate 2, Ajeromi Ifelodun, Apapa, Lagos, Nigeria.

OPERATIONS AND BUSINESSES

CFML's key product offerings include Bread Flour, Noodle Flour, Confectionary Flour, Semolina, Spaghetti and Macaroni. These products are distributed across Nigeria and form an important source of input for the bakers and the noodles and biscuit industries. Over the years CFML has become one of the key industry participants in Nigeria.

PROFILE OF BOARD OF DIRECTORS

Mehra Saurabh

Mehra Saurabh holds a Bachelor of Engineering from the Delhi College of Engineering, Delhi, India as well as an MBA (Finance & Marketing) from the Management Development Institute, Gurgaon, India.

He joined Olam in 1999 and held several offices in the Group's Ghana office from 1999 to 2006. In 2006 he joined West African Cocoa team where he managed the physical and futures trading books until 2009. In 2009, he joined Olam's Grains team where he supervised the Group's acquisition of Crown Flour in 2010. He currently serves as the Group Business Head- Wheat Milling.

Kanth Prakash

Kanth Prakash holds a Bachelor of Technology as well as a Masters in Business Administration. He joined Olam in 1998 as the Head of Imports Business. He was involved in establishing Olam's rice milling business as well as managing the Group's government as well as external relationships within Nigeria. Prior to joining Olam, Prakash worked in India across the Fashion Retail, Pharmaceutical and Fast-Moving Consumer Goods industries in several sales and marketing roles.

Srivathsan Venkataramani

Srivathsan Venkataramani joined Olam in 1994 and has more than 25 years of experience in the commodities industry. He has held various positions in the Group, including country head, Ghana; country head, Nigeria; and regional head, West and Central Africa. He is currently the managing director and CEO for Africa and the Middle East, with oversight responsibility for the fertiliser business.

He is the vice-chairman of the Singapore Business Federation, a member of the NTU-SBF Centre for African Studies executive committee as well as on the advisory board of the Pan African University Lagos (Lagos Business School). He has also been on the advisory committees for the Ministry of Agriculture and the Ministry of Trade and Industry in Nigeria.

Shukla Anurag

Shukla Anurag commenced his career in 1991 at Cadbury India Limited where he worked until 2004 in several capacities including Projects In-charge and Factory Manager. He subsequently joined Foster's India Limited worked as the All India Operations Head until 2005. He spent the next four years at Firstsource (formerly ICICI OneSource) as Vice President Business Development. Following this, he worked at MEDALL Healthcare Pvt. Limited as Executive Vice President, Strategy and Corporate Initiatives until 2011 when he joined East in Britannia Industries Limited as Regional Manufacturing Head. He then joined Olam and currently serves as the Managing Director of Crown Flour.

He obtained a Bachelors of Technology from the Indian Institute of Technology as well as a number of Senior Management certifications from Indian Institute of Management Calcutta and Ahmedabad.

Balaji Chandrasekaran

Balaji Chandrasekaran holds a Bachelors in Arts (Corporate) from the University of Madras which he obtained in 1989 as well as a Chartered Accountancy certificate from the Institute of Chartered Accountants of India which he earned in 1992.

He commenced his career in 1992 at Kumbhat & Co (India) where he served as the company's Audit Manager. He subsequently joined Indo Asian, Finance Limited (India) as Chief Accountant and worked with the company from 1994- 1996. He then worked with Larsen & Turbo Limited from 1996-2005 where he served in several capacities and eventually rose to become the company's Regional Accountant (East and North). He had a brief stint in 2005 with Global Steel Holdings Limited as the Manager Finance and Accounts and went on to join First Aluminium Nigeria PLC as Financial Controller in 2006. In 2008, he joined the Olam Group and currently works as a Senior Vice President.

INTERESTS IN DFM'S SHARES

CFML is currently a shareholder in DFM holding 5,113,229 ordinary shares in the Company which represents 0.1% equity interest in DFM.

SOURCES OF CASH FOR THE DFM'S SHARES

Olam, as the parent company of CFML, will provide an unequivocal and irrevocable financial support to CFML for the satisfaction of the Scheme Consideration, using undrawn committed loan facilities, for which a bank confirmation from Standard Chartered Bank (Singapore) Limited has been provided.

INTENTION FOR DFM AS A WHOLLY OWNED SUBSIDIARY OF CFML

CFML intends to maintain and expand DFM's business; bringing together both companies – CFML and DFM, would enable a broader reach across Nigeria, provide enhanced manufacturing capacity and create synergies to deliver improved products to customers.

CFML is in a position to provide the strategic, financial and technical support that DFM requires to grow and remain competitive. DFM would enjoy synergies resulting from this proposed buy-out, leading to improved revenue generation capacity, reduced operating costs and enhanced profitability, while providing better value to its customers.

TERMS AND CONDITIONS

Olam's proposal for the acquisition, through its wholly owned subsidiary, Crown Flour, of the entire issued and fully paid ordinary shares of 50 kobo each in DFM held by the Scheme Shareholders, is subject to the following terms and conditions:

The Company does not (or is not expected to) suffer any Material Adverse Change to its business prior to or at the time of Closing.

"Material Adverse Change" as used herein shall mean any state of facts, circumstance, event, change, development, effect or occurrence that is materially adverse to the business, consolidated results of operations, assets, properties or financial condition of the Company taken as a whole, arising from: (i) any law, decree, requirement or order of any Nigerian governmental authority which (A) bans the importation of wheat into Nigeria or restricts the ability of the Company to import wheat into Nigeria, or (B) increases import duties and levies (including but not limited to custom duties, any applicable surcharges on custom duties, Comprehensive Import Supervision Scheme (CISS) levies, and ECOWAS Trade Liberalization Scheme (ETLS) levies) on the import of wheat by 100% or more collectively (over current rates), or (C) includes wheat on the list of items ineligible for foreign exchange at the Central Bank of Nigeria's official window; or (ii) any prolonged riot, insurrection or other hostilities; embargo, fire, flood, acts of God, acts of war or terrorism.

APPENDIX II: FURTHER INFORMATION ON CROWN FLOUR MILLS LIMITED

- The result of the resolution passed by the shareholders in respect of the Scheme at the Court Ordered Meeting and the sanction of the Court is the transfer of the legal and beneficial ownership of 100% of the Scheme Shares (that is all shares in the Company currently not held by Crown Flour) to Crown Flour; and
- The execution by the core shareholder of DFM, Dangote Industries Limited ("DIL"), of
 - a.) Deed of Indemnity with Olam and/or Crown Flour indemnifying Olam against risk of potential liabilities related to all taxes, custom duty and employee gratuity and related employee liabilities for all periods prior to the Effective Date;
 - (b) Commercial Deed between DIL and DFM, which among other terms, restrains DIL from producing the same or similar goods as DFM and/or soliciting DFM employees
 - (c) Trademark License Deed with the Company, by which DIL grants the Company the license to use the "Dangote" name and logo for DFM products

APPENDIX III: STATUTORY AND GENERAL INFORMATION

RESPONSIBILITY STATEMENT

The information contained in this Scheme Document in relation to DFM has been supplied by the Company. The Board of Directors of DFM have taken all reasonable care to ensure that the facts stated and opinions expressed in this Scheme Document with regard to the Company are all fair and accurate and hereby confirm, having made all reasonable enquires, that to the best of their knowledge and belief, no material facts concerning the Company have been omitted. The Directors hereby accept responsibility for the information provided.

RELATED PARTY INFORMATION

Olam currently holds 5,113,229 ordinary shares in DFM, representing 0.1% equity interest in the Company through its wholly owned subsidiary, Crown Flour.

The Chairman of the Board of DFM, Mr. Asue Ighodalo, is also a founding partner of the Legal Advisers to DFM, Banwo & Ighodalo.

Other than as stated above, there are no related party interests with respect to the Transaction.

SUMMARY OF CLAIMS AND LITIGATION

Of the eight (8) cases the Company is involved in, DFM has been sued as defendant in five (5) cases by various individuals and organizations and is counter-claimant in one (1) of the five (5) cases in which it is a Defendant. Also, DFM is claimant in one (1) case instituted by it; appellant in one (1) case in which judgment had previously been delivered against it, and respondent in one (1) case in which judgment had been delivered in its favour.

The aggregate monetary claim in the eight (8) cases against DFM is ₦435,831,964.41 (Four Hundred and Thirty-Five Million, Eight Hundred and Thirty-One Thousand, Nine Hundred and Sixty-Four Naira, Forty-One Kobo) while the sum counter-claimed by DFM is ₦99,540,000 (Ninety-Nine Million, Five Hundred and Forty Thousand Naira). Please note that the amounts referred to herein, do not include interest, costs and other claims which can only be ascertained after final resolution of each matter.

MATERIAL CONTRACTS

The following agreements have been/will be entered into by the parties to the Scheme and are considered material to this Scheme:

1. A Financial Services Agreement between DFM and Vetiva which sets out the terms and conditions under which Vetiva has agreed to act as Financial Adviser to DFM in respect of the Scheme.
2. The Addendum to Binding Offer dated Thursday, 01 August, 2019 received from CFML with respect to the proposed acquisition of DFM.
3. A Trademark License Deed to be entered into by Dangote Industries Limited ("DIL") and DFM which grants DFM the license to use the "Dangote" name and logo for DFM products.
4. A Commercial Deed to be entered into by DIL and DFM which among other terms, restrains DIL from producing the same or similar goods as DFM and/or soliciting DFM employees.
5. An Escrow Agreement to be entered into among DFM, CFML, the Account Bank and the Registrars with respect to the set up and management of the Scheme Consideration Account.

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

CONSENTS OF PARTIES TO THE SCHEME

The following have given, and have not withdrawn, their consents to the issue of this Scheme Document and references to their names in the form and context in which they appear herein:

DIRECTORS OF DFM

Mr. Asue Ighodalo

CHAIRMAN

Mr. Arnold Ekpe

NON-EXECUTIVE DIRECTOR

APPENDIX III: STATUTORY AND GENERAL INFORMATION

| | | |
|---------------------------------|--|--------------------------------------|
| | Mr. Olakunle Alake | <i>NON-EXECUTIVE DIRECTOR</i> |
| | Mrs. Yabawa Lawan Wabi (MNI) | <i>NON-EXECUTIVE DIRECTOR</i> |
| | Mr. Thabo Mabe | <i>EXECUTIVE DIRECTOR</i> |
| | Ms. Halima Dangote | <i>EXECUTIVE DIRECTOR</i> |
| COMPANY SECRETARY | Mrs. Aisha Ladi Isa | |
| FINANCIAL ADVISER | Vetiva Capital Management Limited | |
| LEGAL ADVISER | Banwo & Ighodalo | |
| REGISTRARS | EDC Registrars Limited | |
| STOCKBROKER | Vetiva Securities Limited | |
| ACCOUNT BANK | Access Bank Plc. | |
| SOLICITOR TO THE OFFEROR | Aluko & Oyebode Olawoyin & Olawoyin | |

GENERAL INFORMATION

1. Except as otherwise disclosed in this document, no share or loan of DFM is under option nor agreed conditionally or unconditionally to be put under option.
2. Except as disclosed herein, the Directors of DFM have not been informed of any holding representing 5% of the issued share capital of DFM.
3. Except as otherwise disclosed in this document, there are no founders, management or deferred shares or any outstanding shares in DFM.
4. Except as otherwise disclosed in this document, there are no material services agreement between DFM and any of their directors and employees other than in the course of business.
5. Except as otherwise disclosed in this document, there are no contracts which are or may be material, entered into by DFM with other parties other than in the course of ordinary business.
6. The costs, charges and expenses of and incidental to the Scheme will be payable by DFM.

**IN THE FEDERAL HIGH COURT OF NIGERIA
IN THE LAGOS JUDICIAL DIVISION
HOLDEN AT IKOYI LAGOS**

SUIT NO: FHC/L/CS/ 1507/ 2019

**IN THE MATTER OF AN APPLICATION UNDER SECTION 539 OF THE COMPANIES AND ALLIED MATTERS ACT CAP
C20 LAWS OF THE FEDERATION OF NIGERIA, 2004 (CAMA)**

IN RE:

DANGOTE FLOUR MILLS PLC. (RC. 501757).....APPLICANT

NOTICE IS HEREBY GIVEN that by order of the Federal High Court, sitting in Lagos (hereinafter referred to as the "Court") dated Friday, 30th August 2019 made in the above matter, the Court has directed that a meeting (the "Meeting") of the holders of the fully paid up ordinary shares of Dangote Flour Mills Plc. ("DFM" or the "Company") be convened for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of Arrangement between DFM and the holders of its fully paid ordinary shares of 50 kobo each (the "Scheme"). The Scheme is explained in detail in the Explanatory Statement on pages 14 to 19 of the Scheme Document.

The Meeting will be held at 10:00am on Monday, 14 October, 2019 at Muson Centre, Onikan, Lagos Island, Lagos (or any such other venue as the Company's directors may deem appropriate) at which place and time all the aforesaid shareholders are requested to attend. Registration of shareholders will commence two (2) hours before the scheduled time of the meeting. Copies of the Scheme Document and the Explanatory Statement pursuant to Sections 539 and 540 of CAMA are enclosed herewith.

At the Meeting, the following sub-joined resolutions will be proposed, and if thought fit, passed as a Special Resolution of the Company:

THAT:

- a. The Scheme of Arrangement as contained in the Scheme Document dated Thursday, 29 August, 2019, with or subject to such modification, addition or condition agreed at the Meeting and/or approved or imposed by the Securities and Exchange Commission ("SEC") and/or the Court, a print of which has been submitted at the Meeting and, for purposes of identification, endorsed by the Chairman, be and is hereby approved;
- b. Subject to the sanction of the Court:
 - (i) That as consideration for the transfer of the Scheme Shares, each holder of the Scheme Shares shall receive ₦24.00 per share;
 - (ii) That as a result of the Scheme, the legal and beneficial ownership of 100% of the shareholding of the Company, (not currently held by Crown Flour Mills Limited or any of its subsidiaries or affiliates), be transferred to Crown Flour Mills Limited and any other nominees of Crown Flour Mills Limited;
- c. the Board of Directors of the Company be and are hereby authorised to take all actions deemed necessary to give effect to the aforementioned resolutions of the Company or as may become necessary to put the Scheme of Arrangement into effect and to consent to any modification of the Scheme that the Court or the relevant regulatory authorities shall deem fit to impose or approve."

By the order of the Court, the Court has appointed Mr. Asue Ighodalo (or failing him, Mr. Arnold Ekpe, or failing them both, any other Director of the Company appointed in their stead by the shareholders present at the Meeting) to act as Chairman of the said meeting and has directed the Chairman to report the results thereof to the Court.

Voting at the Meeting shall be by poll. **Shareholders may vote in person or they may appoint a proxy, whether a shareholder or not to attend the vote in their stead.**

In compliance with the Rulebook of The Nigerian Stock Exchange (2015), Crown Flour Mills Limited, a wholly owned subsidiary of Olam International Limited and party to whom (together with its nominee), the Scheme Shares would be transferred, will not exercise its right to vote at the Meeting.

In addition to the questions that Shareholders can ask at the Meeting, the Shareholders may submit questions on the Scheme to the Company prior to the date of the Meeting. All such questions must be submitted to the Company Secretary on or before 10:00 am on Friday, 11 October, 2019.

A Proxy Form is being sent to each shareholder. In the case of joint shareholders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names appear in the Register of Members of DFM.

It is requested that the duly executed and stamped Proxy Form (together with any power of attorney or other authority under which the Proxy Form is signed, or a notarised copy of such power of attorney or other authority) be lodged at the office of the Registrars, as shown on the Proxy Form, not less than 24 hours before the time appointed for the Court-Ordered Meeting.

Please note that the lodging of a Proxy Form does not prevent you from attending the meeting and voting in person should you so wish. However, in such instances, your proxy will not be entitled to attend or vote.

The Scheme will be subject to the subsequent sanction of the Court.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 23 September, 2019 to Friday, 27 September, 2019 (both dates inclusive) for the purpose of determining attendance.

Entitlement to attend and vote at the Meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the contents of the Register of Members of the Company on Friday, 27 September, 2019.

Changes to, entries in the Register of Members of the Company after that date and time shall be disregarded for the purposes of the Meeting.

Dated this Friday, 6th September 2019

AISHA LADI ISA
COMPANY SECRETARY

Banwo & Ighodalo
48, Awolowo Road
Ikoyi, Lagos.



SCHEME OF ARRANGEMENT BETWEEN DANGOTE FLOUR MILLS PLC. AND THE HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50 KOBO EACH

COURT-ORDERED MEETING of Dangote Flour Mills Plc. to be held at 10.00 am on Monday, 14th October, 2019 at Muson Centre, Onikan, Lagos Island, Lagos (the "Meeting").

I/We of being a member/members of Dangote Flour Mills Plc., hereby appoint* **or failing him, *** **as my/our proxy to act and vote for me/us on my/our behalf at the Court-Ordered Meeting** of the Company to be held on 14th October, 2019 or at any adjournment thereof.

Dated thisday of 2019

Shareholder's Signature
(A Corporation must execute and affix a common seal)

| SPECIAL RESOLUTION | | | |
|---|------------|----------------|----------------|
| <p><i>That:</i></p> <p>a. <i>The Scheme of Arrangement as contained in the Scheme Document dated Thursday, 29 August, 2019, with or subject to such modification, addition or condition agreed at the Meeting and/or approved or imposed by the Securities and Exchange Commission ("SEC") and/or the Court, a print of which has been submitted at the Meeting and, for purposes of identification, endorsed by the Chairman, be and is hereby approved;</i></p> <p>b. <i>Subject to the sanction of the Court:</i></p> <p style="margin-left: 20px;"><i>(i) That as consideration for the transfer of the Scheme Shares, each holder of the Scheme Shares shall receive ₦24.00 per share;</i></p> <p style="margin-left: 20px;"><i>(ii) That as a result of the Scheme, the legal and beneficial ownership of 100% of the shareholding of the Company, (not currently held by Crown Flour Mills Limited or any of its subsidiaries or affiliates), be transferred to Crown Flour Mills Limited and any other nominees of Crown Flour Mills Limited;</i></p> <p>c. <i>the Board of Directors of the Company be and are hereby authorised to take all actions deemed necessary to give effect to the aforementioned resolutions of the Company or as may become necessary to put the Scheme of Arrangement into effect and to consent to any modification of the Scheme that the Court or the relevant regulatory authorities shall deem fit to impose or approve</i></p> | | | |
| <p>Please indicate how you wish your votes to be cast on the sub-joined resolution set out above by placing an "x" in the appropriate space.</p> | For | Against | Abstain |

- NOTE:**
1. A member (shareholder) entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead.
 2. In the case of joint shareholders, any of such may complete the form, but the names of all joint shareholders must be stated.
 3. Please insert the names of two alternate persons who you may wish to act as your proxy in the blank spaces on the form (marked*), whether such persons are members of the Company or not, who will attend the Meeting and vote on your behalf.
 4. Voting at the meeting will be by poll.
 5. Please sign this Proxy Form and return it to reach the office of the Registrars not later than 24 hours before the time appointed for the meeting and ensure that the proxy form is dated, signed and stamped by the Commissioner for Stamp Duties. If executed by a corporate body, the proxy form should be sealed with the Common Seal.
 6. The member (shareholder) or his/her duly appointed proxy must detach and produce the Admission Card to obtain entrance to the meeting. The lodging of a Form of Proxy will not prevent you from attending the Meeting and voting in person should you so wish. However, in such instances, the proxy will not be allowed to vote.

Before posting the above form, please tear off this section and retain it to facilitate your admission to the Meeting

DANGOTE FLOUR MILLS PLC. COURT-ORDERED MEETING ADMISSION CARD

Please admit the shareholder named on this Admission Card or his duly appointed proxy to the Court-Ordered Meeting to be held at **10.00 am on Monday, 14th October, 2019 at Muson Centre, Onikan, Lagos Island, Lagos.**

Name and Address of Shareholder

| | |
|---------------------|--|
| Name of Shareholder | |
| Address | |

| | |
|--|-------------|
| | Shareholder |
| | Proxy |

Please tick [x] appropriate box for admission to the meeting

Number of Shares

Account Number

Signature.....

THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRARS