



FrieslandCampina nir

FrieslandCampina WAMCO Nigeria PLC

**PROPOSED
ACQUISITION OF SPECIFIED ASSETS AND LAND ASSOCIATED WITH
THE DAIRY MANUFACTURING BUSINESS OF NUTRICIMA LIMITED BY
FRIESLANDCAMPINA WAMCO NIGERIA PLC**

**EXPLANATORY NOTE TO SHAREHOLDERS AND
NOTICE OF EXTRA-ORDINARY GENERAL MEETING**

FOR THE PROPOSED TRANSACTION WHICH CONSTITUTES SPECIAL BUSINESS TO BE CONDUCTED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF FRIESLANDCAMPINA WAMCO NIGERIA PLC SCHEDULED TO BE HELD ON TUESDAY, 21 APRIL 2020 AT RADISSON BLU HOTEL, 38-40 ISAAC JOHN ST, IKEJA GRA, LAGOS AT 11 AM OR SOON THEREAFTER

18 MARCH 2020

EXPLANATORY NOTE TO SHAREHOLDERS

This Explanatory Note has been prepared for the information of FrieslandCampina WAMCO Nigeria Plc's shareholders in relation to the Special Business to be conducted at the Company's Extra-Ordinary General Meeting.

The purpose of this Explanatory Note is to provide the shareholders with the information known to the Company, which is material to a decision on how to vote for the resolutions proposed as Special Business in the accompanying Notice of Extra-Ordinary General Meeting. This Explanatory Note should be read in conjunction with the Notice of Extra-Ordinary General Meeting. The Directors recommend that the shareholders read this Explanatory Note in full before making any decision in relation to the resolutions.

DEFINITIONS

CAPITALISED TERM	MEANING
Asset Purchase Agreement	means the asset purchase agreement among (i) FC WAMCO Nigeria; (ii) Nutricima; (iii) MVUKL; (iv) PZCIL; (v) PZCGL; (vi) PZCN; (vii) PZCHL and (viii) FC Nederland dated 13 March 2020.
Completion Date	the fifth (5th) Business Day after the date on which the conditions are fulfilled or waived or such later date as Nutricima and FC WAMCO Nigeria may agree.
Disclosure Letter	means the letter addressed to FC WAMCO Nigeria from (i) Nutricima; (ii) MVUKL; (iii) PZCIL; (iv) PZCGL; and (v) PZCN in respect of the warranties contained in the Asset Purchase Agreement.
Effective Time	means 11.59.59 pm local time (Nigeria) on the Completion Date.
Estimated Stock Price	means NGN 2 billion
FCCPC	means the Federal Competition and Consumer Protection Commission.
FC Nederland	means FrieslandCampina Nederland B.V
FC WAMCO Nigeria	means FrieslandCampina WAMCO Nigeria Plc or the Company.
Initial Purchase Price	USD 20,280,000.
MVUKL	means Milk Ventures (UK) Limited.
NGN	means Nigerian Naira.
Nutricima	means Nutricima Limited.
Parties	means (i) Nutricima, (ii) FC WAMCO Nigeria, (iii) MVUK, (iv) PZCGL, (v) PZCIL, (vi) PZCN, (vii) PZCHL, and (viii) FrieslandCampina Nederland B.V.
Property Transfer Agreement	means the deed of assignment to be executed on the Completion Date between PZCN and FC WAMCO Nigeria.
PZ Cussons Plc	PZ Cussons Plc.
PZCGL	means PZ Cussons (Ghana) Limited.
PZCHL	PZ Cussons (Holdings) Limited.
PZCIL	means PZ Cussons (International) Limited.
PZCN	means PZ Cussons (Nigeria) Plc.
SEC	means the Securities and Exchange Commission.
Sellers	means (i) Nutricima, (ii) MVUKL, (iii) PZCIL, (iv) PZCGL, and (v) PZCN.
Proposed Transaction	means the purchase of specified assets and land associated with the dairy manufacturing and distribution operations of Nutricima by FC WAMCO Nigeria.
Transaction Documents	means: (i) the Asset Purchase Agreement; (ii) the Transitional Services Agreement; (iii) the Property Transfer Agreement; and (iv) the Disclosure Letter.
Transitional Services Agreement	means the transitional services agreement between (i) PZCN; and (ii) FC WAMCO Nigeria.
USD	means United States Dollars.

CORPORATE INFORMATION AND ADVISERS

DIRECTORS

NAME	POSITION
Mr. Jacobs Moyo Ajekigbe, OFR	Chairman
Mr. Bernard Cheruiyot Langat	Managing Director
Mr. Roel van Neerbos	Non-Executive Director
Rev. Isaac Ade Agoye	Non-Executive Director
Mrs. Oyinkan Ade-Ajayi	Non-Executive Director
Engr. Mustafa Bello	Non-Executive Director
Mr. Peter Eshikena	Non-Executive Director
Mr. Robert Steetskamp	Non-Executive Director
Mr. Dirk van Breen	Executive Director
Mrs. Ore Famurewa	Executive Director

COMPANY SECRETARY

Mrs. Olubukunola Olateru, FCIS

REGISTERED OFFICE

Plot 7b Acme Road Ogba Industrial Estate Ogba, Ikeja Lagos State.

ADVISERS

ROLE	NAME AND ADDRESS
Legal counsel to FrieslandCampina	Olaniwun Ajayi LP The Adunola, Plot L2, Banana Island, Ikoyi, Lagos, Nigeria
Legal counsel to FrieslandCampina	Abraham, Thompsons & Co 100, Opebi Road, Opebi, Lagos, Nigeria.
Legal counsel to FrieslandCampina	De Brauw Blackstone Westbroek N.V. Claude Debussylaan 80, 1082MD Amsterdam, the Netherlands
Legal counsel to FrieslandCampina	Hill Dickinson LLP The Broadgate Tower, 20 Primrose Street, London, EC2A 2EW
Financial adviser to FrieslandCampina	Stanbic IBTC Capital Limited IBTC Place Walter Carrington Cres, Victoria Island, Lagos, Nigeria
Registrar	First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos

INDICATIVE TIMETABLE OF PRINCIPAL EVENTS

EVENT	ACTION
Publication of the notice of the Extra-Ordinary General Meeting	18 March 2020
Latest date and time for receipt of Proxy Forms	19 April 2020
Extra-ordinary General Meeting	21 April 2020
Obtain FCCPC Approval of the Proposed Transaction	06 May 2020
Estimated Date of Completion of the Proposed Transaction.	22 May 2020

PART ONE – LETTER FROM THE CHAIRMAN

FrieslandCampina WAMCO Nigeria Plc (the Company)
Plot 7b Acme Road
Ogba Industrial Estate
Ikeja Lagos State.

Dear Shareholder,

1. Introduction

Early last year, PZ Cussons launched a competitive bid process for the sale of the dairy manufacturing business operations carried on by Nutricima in Africa (the Dairy Business), in which the Company and several other parties participated.

Following a series of discussions and formal exchanges between the Company and the Sellers, an Asset Purchase Agreement was later signed on 13 March 2020.

The Proposed Transaction presents an opportunity for the Company to further deliver on its core ambition of providing affordable daily nutrition through increased access to dairy products for low- and average-income earners in Nigeria.

This document is to assist with providing you with details of the Proposed Transaction and to illustrate why the Board considers the Proposed Transaction to be in the best interests of the Company and its shareholders.

2. Overview of the Proposed Transaction

In broad terms, the Proposed Transaction involves the purchase of specified assets and land associated with the Dairy Business by the Company.

As you are aware, Nutricima is a manufacturer and distributor of powdered milk, evaporated milk and ready to drink products in Africa. A summary of the scope of the Proposed Transaction structure is stated in paragraph 4 of this letter and in more detail in Part Two of the Explanatory Note.

3. Rationale for the Proposed Transaction

The Company seeks to pursue the Proposed Transaction for the following reasons:

- a. Enables us to live our Business Purpose
- b. Makes it possible to deliver on our key ambition of providing affordable dairy nutrition
- c. Expanding our capacity to meet the needs of vulnerable Nigerians
- d. Expanding local dairy content with our Dairy Development Programme
- e. Opportunity to leverage innovation to deliver relevant solutions
- f. Leveraging our dairy expertise and experience in Nigeria
- g. Positive impact on overall economy through employment opportunities

4. Overview of the Proposed Transaction Structure

The Proposed Transaction is structured as an asset deal whereby it is proposed that the Company shall purchase specified assets and land associated with the Dairy Business that are held by Nutricima and/or other members of the PZ Cussons Group.

The ownership of the assets of Nutricima is intertwined with certain other members of the PZ Cussons Group of companies. Further details and the scope of the asset perimeter is set out in Part 2 of this Explanatory Note.

The Proposed Transaction is conditional upon a majority of shareholders present at the Extra-Ordinary General Meeting, voting in favour of the Proposed Transaction and the parties to the Proposed Transaction obtaining the approval of the FCCPC.

The details of the Proposed Transaction consideration are set out in Part Two of this Explanatory Note.

5. Expected Impact on Employees

The Proposed Transaction is not likely to have any material adverse effect on the employees of the Company.

6. Action to be taken by Shareholders

In order to implement the Proposed Transaction, the Company must obtain the approval of its shareholders of the resolutions contained in the notice convening the Extra-Ordinary General Meeting, set out in page 10 of this Explanatory Note.

A proxy form is attached to the Notice of the Extra-Ordinary General Meeting at the end of this document. Please note that the Proxy Form should be completed, duly signed and stamped by the Commissioner of Stamp Duties and should be deposited with the Registrars, First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos not later than 48 hours before the time for holding the meeting.

7. Recommendation

Having considered the strategic considerations and benefits of the Proposed Transaction, as set forth in this Explanatory Note, the Board considers the Proposed Transaction and the resolutions to be in the best interest of the Company and its shareholders. Accordingly, the Board recommends that the shareholders vote in favour of the resolutions approving the Proposed Transaction.

Yours faithfully,



Mr. Jacobs Moyo Ajekigbe, OFR

PART TWO – PRINCIPAL TERMS OF THE PROPOSED TRANSACTION

The principal terms of the Proposed Transaction are set out in the following Transaction Documents:

1. The Asset Purchase Agreement;
2. The Transitional Services Agreement;
3. The Property Transfer Agreement; and
4. The Disclosure Letter.

1. Asset Perimeter

The Company shall purchase certain assets including, but not limited to, goodwill, fixed plant and machinery from Nutricima in accordance with the terms of the Asset Purchase Agreement. However, certain contracts (including Nutricima's contracts of employment with its current employees), Nutricima's cash in hand or at bank as at the Effective Time, debts, VAT refunds and other tax allowances, repayments and assets arising in relation to carrying on the Dairy Business prior to the Effective Time, are excluded from the Proposed Transaction perimeter.

The Company shall purchase the property situated at Plot 20A Ikorodu Industrial Scheme, Ikorodu, Lagos, Nigeria measuring 67,733.235 square metres (inclusive of any building thereon) from PZ Cussons Nigeria Plc in accordance with the terms of the Property Transfer Agreement.

With respect to the current employees of Nutricima, FC WAMCO Nigeria will offer new employment contracts in accordance with the terms of the Asset Purchase Agreement. The offer and acceptance process is expected to be concluded on or around the Completion Date.

2. Assumed and Excluded Liabilities

From the Completion Date, FC WAMCO Nigeria will assume all liabilities in relation to carrying on the Dairy Business after the Effective Time and incurred by FC WAMCO Nigeria after the Effective Time. However, liabilities in connection with carrying on the Dairy Business and/or the relevant assets on or before the Effective Time, liabilities in relation to the assets excluded from the asset perimeter, tax due by the Sellers or its affiliates and employee-related obligations incurred on or before the Effective Time are excluded from the Proposed Transaction perimeter.

3. Purchase Price

The purchase price payable by the Company is an aggregate of (i) the Initial Purchase Price; and (ii) the Estimated Stock Price.

The Initial Purchase Price shall be payable in NGN and will be converted to NGN at the I&E rate (Nafex) rate of exchange for the conversion of the USD to NGN published upon opening of business on the date of completion on <https://www.fmdqgroup.com/>.

4. Conditions to Completion

The sale and purchase of the specified assets and land associated with the Dairy Business under the Asset Purchase Agreement is conditional on the following:

- a. The parties to the Proposed Transaction having obtained the approval of the FCCPC unconditionally/No Objection Letter [or with conditions that are on terms satisfactory to the parties to the Transaction] in relation to the transactions contemplated by the Asset Purchase Agreement; and
- b. The general meeting of the shareholders of FC WAMCO Nigeria having adopted a resolution to approve the Proposed Transaction.

NOTICE OF EXTRA-ORDINARY GENERAL MEETING OF FRIESLANDCAMPINA WAMCO NIGERIA PLC

NOTICE IS HEREBY GIVEN, that an Extra-Ordinary General Meeting of FrieslandCampina WAMCO Nigeria Plc (the Company) will be held on 21 April 2020 at Radisson Blu Hotel, 38-40 Isaac John St, Ikeja GRA, Lagos at 11 am or soon thereafter, to transact the following business:

SPECIAL BUSINESS

To consider, and if thought fit, with or without amendments, pass the following sub-joined resolutions as ordinary resolutions of the Company:

1. That the proposed acquisition by the Company of specified assets and land associated with the dairy manufacturing and distribution operations of Nutricima Limited (the Dairy Business) (the Proposed Transaction), pursuant to the terms of that an Asset Purchase Agreement dated 13 March 2020 entered into among (i) the Company, (ii) Nutricima Limited, (iii) Milk Ventures (UK) Limited; (iv) PZ Cussons (International) Limited; (v) PZ Cussons Ghana Limited; (vi) PZ Cussons Nigeria Plc; (vii) PZ Cussons (Holdings) Limited and (viii) FrieslandCampina Nederland B.V. (the Asset Purchase Agreement) is hereby approved subject to obtaining all required regulatory approvals.
2. That the Board of Directors of the Company is hereby authorised to enter into, execute and deliver for and on behalf of the Company, the Transaction Documents and all other ancillary documents, including such other instruments and documents necessary and proper to consummate the Proposed Transaction.
3. That the Board of Directors of the Company is hereby authorized to take all necessary steps and to do such other acts or things as may be necessary, supplementary, consequential or incidental to giving effect to the Proposed Transaction subject to obtaining the regulatory approvals.

Dated this 18th day of March 2020.

BY ORDER OF THE BOARD



Olubukunola Olateru, FCIS (Mrs.)
FRC/2018/ICSAN/00000017968
Company Secretary/Legal Adviser

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her place. A proxy need not be a member but a member may act as a proxy, although he is not entitled on his own behalf to attend and vote at the meeting at which he acts as proxy. A proxy form is enclosed herewith. Proxy forms must be completed and deposited at the office of the Company's Registrars, First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos, not later than 48 hours before the time of the meeting.

**FRIESLANDCAMPINA WAMCO NIGERIA PLC
EXTRA-ORDINARY GENERAL MEETING TO BE HELD AT RADISSON BLU HOTEL,
38-40 ISAAC JOHN ST, IKEJA GRA, LAGOS ON TUESDAY, 21 APRIL 2020 AT 11 AM**

I/We (Block capitals please)

*

.....
being a shareholder/member(s) of FrieslandCampina WAMCO Plc,
hereby appoint of

.....
or failing him, as my/our proxy to act and vote on
my/our behalf at the Extra-Ordinary General Meeting of the
Company to be held at 11 am on Tuesday, 21, April 2020 or any
adjournment thereof.

Dated this.....day of.....2020

Shareholder's Signature.....

NOTE:

1. A member (shareholder) who is unable to attend the Extra-Ordinary General Meeting is allowed by law to vote by proxy and the above proxy form has been prepared to enable you to exercise your right to vote if you cannot personally attend the Meeting.
2. This Proxy Form should be completed, duly signed and stamped by the Commissioner of Stamp Duties and should be deposited with the Registrars, First Registrars & Investor Services Limited, Plot 2, Abebe Village Road, Iganmu, Lagos not later than 48 hours before the time for holding the meeting. The member (shareholder) or his/her duly appointed proxy must detach and produce the Admission Card to obtain entrance to the meeting.
3. This Proxy Form should not be completed and sent to the Registrars if the member will be attending the meeting.
4. If executed by a corporation, this form must be sealed with its common seal.
5. In the case of joint shareholders, any of such may complete the form, but the names of all joint shareholders must be stated.
6. 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.

Sub-joined Ordinary Resolutions

- a. The proposed acquisition by the Company of specified assets and land associated with the dairy manufacturing and distribution operations of Nutricima Limited (the Dairy Business) (the Proposed Transaction), pursuant to the terms of an Asset Purchase Agreement dated 13 March 2020 entered into among (i) the Company, (ii) Nutricima Limited, (iii) Milk Ventures (UK) Limited; (iv) PZ Cussons (International) Limited; (v) PZ Cussons Ghana Limited; (vi) PZ Cussons Nigeria Plc; (vii) PZ Cussons (Holdings) Limited; and (viii) FrieslandCampina Nederland B.V. (the Asset Purchase Agreement) is hereby approved subject to obtaining all required regulatory approvals.
- b. That the Board of Directors of the Company is hereby authorised to enter into, execute and deliver for and on behalf of Company, the Transaction Documents and all other ancillary documents, including such other instruments and documents necessary and proper to consummate the Proposed Transaction.
- c. That the Board of Directors of the Company is hereby authorized to take all necessary steps and to do such other acts or things as may be necessary, supplementary, consequential or incidental to giving effect to the Proposed Transaction subject to obtaining the regulatory approvals.

For	Against	Abstain

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. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

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

FRIESLANDCAMPINA WAMCO NIGERIA PLC

EXTRA-ORDINARY GENERAL MEETING ADMISSION CARD

Please admit the shareholder named on this Card or duly appointed proxy to the Meeting to be held at 11 am on Tuesday, 21 April 2020 at Radisson Blu Hotel, 38-40 Isaac John St, Ikeja GRA, Lagos.

Name and Address of Shareholder

Shareholder's Name

Shareholder

Address

Proxy

Number of Shares

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

Account Number

Signature.....

Important:

This admission slip must be produced by the shareholder or his/her Proxy who need not be a member of the company to gain entrance to the Extra-Ordinary General Meeting.

Shareholders or their Proxies are requested to sign the admission slip before attending the meeting.

Mrs. Olubukunola Olateru, FCIS
Company Secretary

Affix Postage
Stamp Here

The Managing Director
First Registrars & Investor Services Limited,
Plot 2, Abebe Village Road,
Iganmu,
Lagos.