

SOILA PUBLIC LIMITED COMPANY



OFFER DOCUMENT

Voluntary offer to acquire all outstanding Shares in

OFFER DOCUMENT

In respect of

A conditional voluntary offer by SOILA Public Limited Company ("Company") to issue an initial public offer of 10,000,000 new ordinary shares at TZS 500 per share representing 25% of the total share.

The procedures for acceptance of the offer and other related information are set out below within this offer document and accompanying with Acceptance Form. Acceptances of the Offer should be received investor relationship of SOILA PLC.

Offer opens: Tuesday 1st March 2022

Offer closes: Saturday 31st December 2022

DIRECTORS DECLARATION

We, the directors of SOILA Public Limited Company have considered all statements of fact and opinion and, individually and collectively, accept full responsibility for the accuracy of the information given in this offer document. We, the directors of SOILA Public Limited Company, to the best of our knowledge and belief, confirm that there are no other facts, the omission of which would make any statement in this Offer Document misleading.

We, the directors declare that we are in compliance with the Good Corporate Governance Guidelines of the BRELA.

This Offer Document signed in Morogoro CBD on behalf of all the SOILA PLC directors in terms of powers of attorney granted on or about

25th February 2022.

By order of the Board

SOILA Public Limited Company

Ramadhan Shaha Magwila

Company Secretary

SOILA PLC, CEO STATEMENT

On behalf of SOILA PLC, we are excited at the prospect of acquiring a further 25% stake in the Company. The proposed acquisition will allow SOILA PLC to increase its shareholding in line with its stated objectives as set out in the company Prospectus, bringing about important benefits for our present and future shareholders, our employees, and customers.

SOILA PLC is majority owned share, one of the Tanzania Diversity Company based on agriculture, livestock, industrial, marketing and technology with a significant presence across all region in Tanzania

SOILA PLC ownership provides access to best contract farming, marketing, industrial and technology. This model of contract farming illustrates SOILA PLC commitment to the Tanzania agriculture and livestock business.

The Company will continue to provide innovative and affordable products and services to its customers, as well as adhere to the highest standards of corporate governance. SOILA PLC is supportive of the Company's vision to lead Tanzania into the commercial agriculture and livestock and change culture of agriculture and livestock through contract farming.

Ayubu Mbogo Massau

Managing director

SOILA PUBLIC LIMITED COMPANY

1.0 IMPORTANT INFORMATION

This document is an Offer Document by SOILA PLC to issue an initial public offer of 10,000,000 new ordinary shares at TZS 500 per share representing 25% of the total share. This document is important and should be read in its entirety. If you are in doubt about the contents of this document or what action to take, you are advised to contact our investor relationship.

The information contained in this Offer Document is provided in compliance with requirements of the Tanzania laws.

The Offer will close at 12:00pm Dar es Salaam time on Saturday 31 December 2022. The application procedure is in this offer document and in the accompanying with Acceptance form.

The making of the offer to persons who have registered addresses in, or who are located, resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organized under the laws of countries other than Tanzania, may be restricted by the laws or regulatory requirements of the relevant jurisdictions.

No action has been or will be taken by the Offeror, the Company, or any of their advisors, agents or associated persons, to permit a public offering or, subject to certain exceptions, distribution of this Offer Document (or any other offering or publicity materials or Letter(s) of Acceptance relating to the offer) in any jurisdiction where action for that purpose may be required, other than in Tanzania. Receipt of this Offer Document and/or a Acceptance Form will not constitute an invitation or offer of securities for subscription, sale, acquisition or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer. No person obtaining a copy of this Offer.

Document and/or Acceptance Form in any territory other than Tanzania may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Letter of Acceptance unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Letter of Acceptance could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements.

It is the responsibility of any person outside Tanzania wishing to participate in the offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required in such territory and paying any issue, transfer or other taxes due in such territory.

The Offer is open to any Eligible Shareholder of the Company.

2.0 DEFINITIONS OF GLOSSARY AND TERMS

Offer: means the Offeror's voluntary tender offer set out in this Offer Document;

Offeror: SOILA PLC, a public company incorporated and registered under the laws of the United Republic of Tanzania.

Offer Document: means this offer document;

Offer price: TZS 500 per offer share

Offer share: The 10,000,000 Shares to be acquired by the Offeror under this Offer Document.

Applicant: Person who duly completes and submits a Letter of Acceptance in accordance with the terms and conditions contained in this Offer Document and the Letter of Acceptance

Article of association: The memorandum and articles of association of the Company as amended from time to time

CMSA: Capital Markets and Securities Authority, the regulator of capital markets in Tanzania, established under section 6 of the Capital Markets and Securities Act, 1994 (as amended).

IPO: Initial Public Offering

Acceptance Form: The form to the SOILA PLC (for the Offeror) by a shareholder to indicate acceptance, in the format contained in Appendix III to this Offer Document

Shareholder: means one or more shareholders in the Company

Shares: means all outstanding shares in the Company from time to time under the Acceptance Period

Transaction: means the acquisition by the Offeror of the shares of the Company based on the Offer

Opening date: The first time and date for submissions of Applications being 9.00am Morogoro Time on 01 March 2022.

TZS: Tanzania Shillings

3.0 BACKGROUND AND REASONS OF THE OFFER

SOILA PLC is a company registered in the United Republic of Tanzania under the Companies Act, 2002 with its registered office at Morogoro region, Morogoro CBD district, Uwanja wa Taifa ward, postal code 67105, Kiswanya Street, mindu road, plot number 360, block B, house number 2.

SOILA PLC is the principal shareholder of the Company. As indicated in the IPO Prospectus, SOILA PLC has set share to increase its capital in the Company through shareholdings, the company release 10,000,000 shares to public as indicated on this offer document and offer price is TZS 500 per share. The Offer Price of TZS 500 per share is equivalent to the price offered at IPO. This transaction will increase the SOILA PLC shareholding in the Company to Which, representing 25% of the issued share capital of the Company.

The Offer is made following approval by the Company's Shareholders, at their Extraordinary Meeting held at White House Hotel, Morogoro on 25 February 2022 of Resolution authorizing SOILA PLC to increase its shareholding in the Company subject to increase its capital. The Offer Document has also been approved by the SOILA PLC Board.

This Offer Document contains an offer to acquire the Offer Shares at the Offer Price from the public on the terms and subject to the conditions set out in this Offer Document and the appended Acceptance Form.

3.1 ELIGIBILITY

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

3.2 MINIMUM SHARE FOR APPLICANT

The minimum number of share for applicant is 50 share, applicant required to start with 50 share and so on. Below that you're not allowed to buy share. Any Acceptance Form for a number of Offer Shares that is less 50 share per applicant will be ignored and of no effect.

3.3 ACCEPTANCE PROCEDURE

An applicant wishing to accept the offer must duly complete and sign the accompanying Offer Acceptance Form and return the same to the SOILA PLC from whom he or she obtained the form.

In order to accept the Offer, the shareholders are required to send the Letter of Acceptance (attached to this Offer Document), duly completed and signed, along with the requisite documents (as set out below) to the SOILA PLC at its address given herein by or before 12:00 pm on 31 December 2022. Please ensure that while filling the Letter of Acceptance, all the information required is provided, including the number of shares tendered. In the event that the Letter of Acceptance and the requisite documents are delivered within the stipulated time, the SOILA PLC will issue confirmation of the receipt of documents. Receipt by the SOILA PLC by the Closing Date of the duly completed and signed Letter of Acceptance along with the required documents will constitute acceptance of the Offer by the Shareholder(s). Completed Letters of Acceptance once submitted cannot be revoked by shareholders selling in the Offer

3.4 ALLOTMENT POLICY

Subject to SOILA article of association, the shares tendered pursuant to qualifying Letters of Acceptance shall be acquired by the Offeror in accordance with the Rules

3.5 TRANSFERS OF SHARES POST OFFER

The acquired Shares will continue to be on the SOILA PLC, and shall be freely transferable in accordance with the article of association. As of the date of this Offer, no intent, agreement, arrangement or understanding exists whereby any Shares acquired in pursuance of the Offer will be transferred to any other person

3.6 MODE OF PAYMENT

Funds shall be transferred into a designated receiving account of the SOILA PLC

4.0 PROCEDURES FOR AND TERMS AND CONDITIONS OF APPLICATION

4.1 TIMETABLE

The Offer will open at 9.00am Morogoro Time on Tuesday, 1st March 2022 and will close at 12.00pm Morogoro Time on Saturday, 31 December 2022. Acceptance Form must be submitted by hand or post and received by investor relationship of SOILA PLC. Any persons wishing to sell the Offer Shares must complete the Letters of Acceptance accompanying this Offer Document and return it to SOILA PLC.

4.2 DISTRIBUTION OF OFFER DOCUMENTS

Copies of this Offer Document, with the accompanying Acceptance Form, may be obtained from the SOILA PLC office or at its website www.soila.co.tz.

5.0 CORPORATE AND MANAGEMENT INFORMATION - SOILA PLC

5.1 INTRODUCTION

SOILA PLC is a diversity agriculture company providing a wide range of contract farming services, marketing service, agriculture loans through its SOILA SACCOS, industrial and technology (e-commerce) based on agriculture, also the company has a wide range of products such as maize floor ,cassava floor ,horticulture crop ,sunflower oil ,honey ,spices, dried fish ,rice and grain crops

5.2 SHAREHOLDINGS

Name	Nationality	No. of shares	Percentage (%)
SOILA PLC founding members	Tanzania	25, 390,000	63.475%
Public (other)-IPO	Various	10,000,000	25%
SOILA share (un-issued)	Tanzania	4,610,000	11.525%
Total		40,000,000	100%

5.3 THE BOARD

SOILA PLC has a unitary Board of 7 directors (including the Chairman) is non-executive director, 3 are executive directors including managing director and 3 are non-executive director.

Name of director	Designation	Status
Ayubu Massau	Managing director	Executive
Adriano Dominic	Director	Non-Executive
Josberth Kitale	Director	Non-Executive
Hamis Abdallah	Director	Executive
Catherine Gideon	Director	Executive
Kevin Kachinga	Director	Non - executive
Happyness Kanyagha	Director	Non-executive

6.0 CORPORATE AND MANAGEMENT INFORMATION – SOILA PLC

6.1 BOARD MEETINGS

The SOILA PLC Board meets quarterly and has a formal schedule of matters referred to it for decision and also delegate's specific responsibilities to Board Committees. The Board takes overall responsibility for the SOILA PLC success. Its role is to exercise leadership and sound judgment in directing SOILA PLC to achieve sustainable growth and act in the best interests of shareholders.

6.2 BOARD COMMITTEES

The Board has established committees for Audit, Risk and Compliance, Nomination, Remuneration, and Social and Ethics and an Executive Committee to which certain functions have been delegated. The Board, however, retains overall responsibility for the activities of SOILA PLC, including the implementation of corporate strategy. The non-executive directors contribute their extensive experience and knowledge to the Board's committees. All committees operate under Board-approved terms of reference, which are updated from time to time to stay abreast of developments in corporate law, on Corporate Governance and governance best practice.

6.3 RISK MANAGEMENT

SOILA PLC has a mature risk management framework that is comprise internal and external risk factors and control procedures to improve risk identification, assessment and monitoring. The Board considers business risks when setting strategies, approving budgets and monitoring progress against budgets.

6.4 GOING CONCERN

The Board regularly reviews the facts and assumptions on which it relies to determine whether the business is a going concern and, based on these reviews, the Board continues to view SOILA PLC as a going concern with sufficient working capital for its normal operational needs for the foreseeable future. The going concern basis has been adopted in preparing the consolidated annual financial statements. The directors have no reason to believe that the SOILA PLC would not be a going concern in the foreseeable future based on forecasts and available cash resources.

6.5 SUSTAINABILITY

Sustainability is an integral part of SOILA PLC business strategy. In SOILA PLC efforts to meaningfully transform the lives of the societies where it operates, SOILA PLC has committed to use its contract farming model to contribute towards 8 of 17 United Nations Sustainable Development Goals published in 2015, and to transform its business into a fully commercial company.

6.6 SOCIAL RESPONSIBILITY

SOILA PLC is involved in various projects aimed at improving the living standards of the communities in Tanzania. SOILA PLC will contribute to a range of projects and has a corporate social responsibility policy in place.

6.7 REMUNERATION

The Remuneration Committee is responsible for the assessment and approval of a broad remuneration strategy for SOILA PLC, including short term incentives for executive and senior management. The remuneration strategy is aimed at rewarding employees at market related levels and in accordance with their contribution to SOILA PLC operating and financial performance in terms of basic pay as well as short term incentives.

6.8 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the SOILA PLC offices and the Registrar:

- (i) The Memorandum of Incorporation of SOILA PLC;
- (ii) This Offer Document.

APPENDIX: 1 ACCEPTANCE FORM

PUBLIC OFFER – ACCEPTANCE FORM

[FILL WITH CAPITAL LETTERS ONLY]

SOILA PLC;

Registered office of company : Morogoro region, Morogoro CBD district, Uwanja wa Taifa ward, postal code 67105, Kiswanya Street, mindu road, plot number 360, block B, house number 2.

For use in accepting the voluntary offer made by SOILA PLC. Described in the offer document dated 01 March 2022 to purchase the outstanding shares of SOILA PLC. Capitalized terms used in this Acceptance Form shall have the same meaning as set out in, and be deemed to be construed in accordance with, the Offer Document. The terms and conditions for the Offer is set forth in the Offer Document,

Share guidelines

- The Offer Document dated 01 March 2022 (“Offer Document”) and published on behalf of SOILA PLC (“the Offeror”) with respect to the proposed acquisition by the Offeror (through Public Offer) of 10,000,000 ordinary shares (representing 25% of the total issued and paid up ordinary share capital of the Company, at TZS500 per ordinary share (the “Offer Price”) on the terms and conditions set out in the Offer Document.
- I/we the undersigned do hereby communicate my/our Irrevocable Acceptance with respect to the sale to the Offeror of the shares of the Company as tendered below (“tendered shares”) at the Offer Price and request you to kindly process my/our application, on the terms and conditions set out in the Offer Document and such other terms agreed by the Offeror and Acceptor

PUBLIC OFFER TO ACQUIRE THE COMPANY'S SHARES

1.1 Shareholder Details

Individual Shareholders Only		
Full name		
Address		
National ID/ Vote ID		
Telephone		
Email		
For organization Shareholders Only:		
Name of shareholder		
Authorized officers	Name:	Designation:
	Name:	Designation:
Address		
National ID/ Vote ID		
Telephone		
Email		

SHARE DETAILS

No. of share to be tendered	Bank account for cash payment	Right holder registered

Acceptance:

By duly executing and delivering this Acceptance Form I/we represent and warrant that that I/we have received the

Offer Document, and accept the Offer to sell my/our Shares in the Company according to the terms and conditions of the Offer as set forth in the Offer Document.

SIGNATURES

Place	Date	Binding signature	Telephone

For official use only;

Name	Date	Binding signature	SOILA PLC stamp