

**TITAN CEMENT INTERNATIONAL S.A.**  
**ANNOUNCEMENT**

**ANNOUNCEMENT OF SUBMISSION OF A VOLUNTARY SHARE EXCHANGE TENDER OFFER MADE BY TITAN CEMENT INTERNATIONAL S.A. TO THE SHAREHOLDERS OF TITAN CEMENT COMPANY S.A., TO ACQUIRE ALL THE ORDINARY AND PREFERENCE SHARES ISSUED BY TITAN CEMENT COMPANY S.A. IN CONSIDERATION FOR SHARES OF TITAN CEMENT INTERNATIONAL S.A.**

16 April 2019

**Executive Summary**

- In accordance with Greek Law 3461/2006, as amended (the “**Law**”), “Titan Cement International S.A.”, a *société anonyme* incorporated under the laws of Belgium (“**TITAN Cement International**”), announces the submission of a voluntary share exchange tender offer (the “**Tender Offer**”) to acquire all of the ordinary registered shares (the “**Ordinary Shares**”) and preference shares (the “**Preference Shares**”) and together with the Ordinary Shares, the “**TITAN Shares**”), each having a par value of €3.45 and issued by “Titan Cement Company S.A.” (“**TITAN**”), in consideration for new ordinary shares issuable by TITAN Cement International (the “**Consideration Shares**”) at an exchange ratio of one Consideration Share for each TITAN Share (the “**Exchange Ratio**”).
- TITAN Cement International has applied for the primary listing and admission to trading of all its shares, including the Consideration Shares, on Euronext Brussels, one of the largest European stock exchanges, and for the secondary listing and admission to trading of such shares on Euronext Paris. TITAN Cement International also intends to apply for the secondary listing and admission to trading of all its shares on the Athens Exchange (“**ATHEX**”).
- The Founders (as defined below) and current sole shareholders of TITAN Cement International are members of the family which founded TITAN in 1911.
- The purpose of the Tender Offer is to facilitate the indirect listing of TITAN (and through it of TITAN’s subsidiaries, the “**TITAN Group**”) on Euronext Brussels, by means of the primary listing and admission to trading of all shares of TITAN Cement International on the securities market of Euronext Brussels. Pursuant to the Tender Offer, TITAN Cement International seeks to become the direct parent company of TITAN and the ultimate parent company of TITAN Group, with a shareholding structure where all TITAN shareholders will become TITAN Cement International shareholders.
- The principal objectives of the Tender Offer are to:
  - enhance the international nature of TITAN Group’s business activities;
  - link TITAN Group with a large international stock exchange, which will offer a broader and deeper investor base, thus enhancing of liquidity of its traded shares; and
  - broaden TITAN Group’s funding sources, improving its access to both the international debt capital markets and international banking institutions, to achieve more competitive financing costs.
- The Tender Offer does not signify any change in the strategic direction of TITAN Group; to the contrary, it is expected to be one more milestone in the dynamic growth path of TITAN Group, fully reflecting its international footprint and outlook.
- The successful completion of the Tender Offer will not cause any change to the range of operations, business activities, strategy and priorities of TITAN Group. The current executive

members of the Board of Directors of TITAN and the senior management of TITAN Group will continue to lead its business operations and its long-term strategy.

- TITAN's presence in Greece will remain unchanged, as its local production, investments in its activities and human capital, its continued contribution to the local economy and society will be maintained, as well as through the proposed secondary listing of the TITAN Cement International shares on the ATHEX.
- TITAN Cement International believes that TITAN Group, which operates in an international environment of intensifying competition, increasing uncertainties and multiple challenges, in a capital-intensive sector where access to capital is crucial to future growth, needs to take actions that would facilitate its access to funding under terms similar to those offered to its competitors. The Tender Offer aims to facilitate the continuation of TITAN Group's international reach, by strengthening its international profile and enabling the Group to fund its growth strategy under more competitive terms.
- TITAN Cement International's statutory seat is in Belgium, a country at the administrative center of the European Union, while its management function is based in Cyprus, a country where TITAN Group has a long-standing presence and experience.
- Upon the listing of its shares on Euronext Brussels, TITAN Cement International will adopt the corporate governance code of Belgium pursuant to Directive 2013/34/EU.
- The entry into force of the Tender Offer is subject to the following conditions:
  - (a) the approval by the Financial Services and Markets Authority ("**FSMA**") of Belgium of the prospectus of TITAN Cement International relating to the public offering of the Consideration Shares and the listing of all its shares on Euronext Brussels (the "**Prospectus**") and the approved Prospectus having been passported and notified to the Hellenic Capital Market Commission ("**HCMC**"); and
  - (b) the approval by HCMC of the information circular that TITAN Cement International has prepared in connection with the Tender Offer in accordance with the Law (the "**Information Circular**").
- Completion of the Tender Offer is subject to Euronext Brussels having approved the listing and admission of all shares of TITAN Cement International to trading on the securities market of Euronext Brussels, upon terms and conditions acceptable to TITAN Cement International (the "**Condition**").
- The effectiveness of the Tender Offer is subject to the pre-requisite that, as at the end of the acceptance period of the Tender Offer (the "**Acceptance Period**"), at least (i) 57,797,676 Ordinary Shares, corresponding to 75% of TITAN'S ordinary share capital and voting rights, and (ii) 5,676,720 Preference Shares, corresponding to 75% of TITAN's preference share capital (together the "**Minimum Number of Shares**") will have been lawfully and validly tendered to TITAN Cement International.

### **The Tender Offer**

1. In accordance with the Law, TITAN Cement International, a *société anonyme* incorporated under the laws of Belgium, with corporate registration number 0699.936.657 and registered address at Rue de la Loi 23, 7th floor, box 4, 1040 Brussels, Belgium, announces the submission of the Tender Offer to acquire all of the TITAN Shares, which TITAN Cement International does not hold, directly or indirectly, as at 16 April 2019 (the "**Tender Offer Date**"), namely (i) 59,730,373 Ordinary Shares representing approximately 77.51% of TITAN's ordinary share capital and voting rights and (ii) 7,541,344 Preference Shares, representing approximately 99.64% of TITAN's preference share capital as at that date.

TITAN is a Greek *société anonyme* registered with the General Commercial Registry with registration number 224301000 and registered seat at 22A Halkidos Street, 111 43 Athens. As at the Tender Offer Date, TITAN's paid-up share capital amounts to €291,982,221.60 and is divided into 77,063,568 Ordinary Shares and 7,568,960 Preference Shares. The Ordinary Shares and the Preference Shares are listed and traded on the main market of the ATHEX under the reference symbols "TITK" and "TITP", respectively.

2. The purpose of the Tender Offer is to facilitate the indirect listing of TITAN (and through it of TITAN Group) on Euronext Brussels, by means of the primary listing and admission to trading of all shares of TITAN Cement International on the securities market of Euronext Brussels, one of the largest European stock exchanges. Pursuant to the Tender Offer, TITAN Cement International seeks to become the direct parent company of TITAN and the ultimate parent company of TITAN Group with a shareholding structure reflecting the current shareholding structure of TITAN. TITAN Cement International has applied for the primary listing and admission to trading of all its shares, including the Consideration Shares, on Euronext Brussels, one of the largest European stock exchanges, and for the secondary listing and admission to trading of such shares on Euronext Paris, while TITAN Cement International intends to apply for the secondary listing and admission to trading of all its shares on the ATHEX, in each case subject to necessary approvals. Upon their listing and admission to trading on Euronext Brussels and Euronext Paris, Euronext Brussels will be the primary market for trading of the shares of TITAN Cement International, and transactions in such shares executed on Euronext Brussels and Euronext Paris will be cleared and settled through Euroclear Belgium. Subject to obtaining approval for the secondary listing of the shares of TITAN Cement International on the ATHEX, transactions in such shares executed on the ATHEX will be cleared and settled through the Athens Exchange Clearing House S.A. and the Hellenic Central Securities Depository S.A. ("**HCS**D").

If the percentage of the TITAN Shares which will be eventually tendered ranges between 75% and below 90% of each class of such shares, the remaining TITAN Shares of the relevant class which will not be held by TITAN Cement International will continue to trade on the ATHEX in parallel with the TITAN Cement International shares which will trade primarily on Euronext Brussels and secondarily on the ATHEX and Euronext Paris, subject to obtaining approval for their listing on these stock exchanges.

3. The following current shareholders of TITAN, namely Andreas Canellopoulos, Leonidas Kanellopoulos, Nellos - Panagiotis Canellopoulos, Takis - Panagiotis Canellopoulos, Pavlos Kanellopoulos, Dimitri Papalexopoulos, Alexandra Papalexopoulou and Eleni Papalexopoulou (together the "**Founders**"), are the founders and hold up to the date hereof 100% of the share capital in TITAN Cement International. As at the Tender Offer Date, the Founders hold 17,333,195 Ordinary Shares, corresponding to approximately 22.49% of TITAN's ordinary share capital and voting rights, and 27,616 Preference Shares, corresponding to approximately 0.36% of TITAN's preference share capital, that is 17,360,811 TITAN Shares in aggregate, corresponding to approximately 20.51% of TITAN's total paid-up share capital (together the "**Founders' Shares**").

As a result of a shareholders' agreement dated 16 April 2019, the Founders became "persons acting in concert" (as defined in article 2, paragraph (e) of the Law) among themselves and with TITAN Cement International for the purposes of the Tender Offer (the Founders in such capacity, the "**Concerted Persons**"). Consequently, as at the Tender Offer Date, TITAN Cement International indirectly holds approximately 22.49% of the total voting rights in TITAN. The Founders have stated that they will tender their respective Founders' Shares for Consideration Shares, on the same terms and subject to the same conditions as all other TITAN shareholders, such that all TITAN Shares tendered are held directly by TITAN Cement International.

4. The Tender Offer Date is the date on which TITAN Cement International initiated the Tender Offer process by informing the HCMC and the board of directors of TITAN of the Tender Offer and submitted to them a draft of the Information Circular, in accordance with article 10, paragraph 1 of the Law.

#### **Consideration and Tender Offer Structure**

5 In accordance with the first sentence of paragraph 1 of article 9 of the Law, TITAN Cement International offers (i) one Consideration Share for each Ordinary Share, and (ii) one Consideration Share for each Preference Share, in each case which are lawfully and validly tendered during Acceptance Period (the “**Tendered Shares**”).

In particular, holders of TITAN Shares who lawfully and validly accept the Tender Offer (the “**Accepting Shareholders**”) will be entitled to elect to receive, for each Tendered Share (i) one Consideration Share held in book-entry form through Euroclear Belgium, or (ii) one Consideration Share held in book-entry form at the Dematerialised Securities System (“**DSS**”) through the HCSD.

6. Titan Cement International will assume payment of the duties levied in favor of the HCSD on the registration of the off-exchange transfer of the Tendered Shares transferred to TITAN Cement International in accordance with article 7 of the Codified Decision 1 (session 223/28.1.2014) of the Board of Directors of the HCSD, as in force, which would otherwise be payable by the Accepting Shareholders. Such duties amount to 0.08% of the value of the Tendered Shares transferred and are calculated in accordance with the abovementioned provision.

As derives from the letter of the Independent Authority for Public Revenue dated 19 November 2018 the transfer of the Tendered Shares to TITAN Cement International in consideration for Consideration Shares will not be subject to the tax provided for by article 9 paragraph 2 of Law 2579/1998 in favour of the Greek State, which amounts to 0.20% and is imposed on sales of shares listed on the ATHEX, since such transfer will not qualify as a sale under such law. As a result, Accepting Shareholders receiving Consideration Shares (irrespective of whether they are held through Euroclear Belgium or at the DSS through the HCSD) will not be required to pay such tax.

#### **Squeeze-Out - Sell-Out - Delisting of TITAN Shares**

7. If, at the end of the Acceptance Period, at least (i) 69,357,212 Ordinary Shares, corresponding to 90% of TITAN’s ordinary share capital and voting rights, and/or (ii) 6,812,064 Preference Shares, corresponding to 90% of TITAN’s preference share capital have been lawfully and validly tendered to TITAN Cement International:

(a) TITAN Cement International will exercise its right to require, as applicable:

- (i) all the remaining holders of Ordinary Shares to transfer to TITAN Cement International all their Ordinary Shares, in exchange for, at the election of the relevant holder, either one Consideration Share for each Ordinary Share, or payment of an amount in cash per Ordinary Share equal to €19.64 (the “**Ordinary Share Cash Consideration**”); and
- (ii) all the remaining holders of Preference Shares to transfer to TITAN Cement International all their Preference Shares, in exchange for, at the election of the relevant holder, either one Consideration Share for each Preference Share, or payment of an amount in cash per Consideration Share equal to €18.98 (the “**Preference Share Cash Consideration**”),

in each case in accordance with article 27 of the Law and the decision 1/644/2013 of the HCMC (the “**Right of Squeeze-Out**”), and

(b) TITAN Cement International will have the obligation to acquire all TITAN Shares that are offered to it within a period of three months from the publication of the results of the Tender Offer:

- (i) either through on-the-exchange transactions against payment in cash of (1) the Ordinary Share Cash Consideration in respect of the Ordinary Shares or (2) the Preference Share Cash Consideration in respect of the Preference Shares;
- (ii) or in either case, by delivery of the Consideration Shares at the Exchange Ratio,

in each case at the election of the relevant holders of TITAN Shares, in accordance with article 28 of the Law and the decision 1/409/2006 of the HCMC (the “**Right to Sell-Out**”).

It is noted that the Right of Squeeze-out and the Right to Sell-out will be exercised for the class of TITAN Shares in respect of which the relevant threshold of 90% will have been reached or crossed.

8. The Ordinary Share Cash Consideration and the Preference Share Cash Consideration meet the criteria of the fair and reasonable consideration for each relevant class of TITAN Shares, according to article 9 of the Law, since:

- (a) according to the data of the ATHEX, the average stock market price (“**ASMP**”) for the Ordinary Share and the Preference Share during the six months preceding the Tender Offer Date amounts to €19.64 and €18.98, respectively;
- (b) neither Titan Cement International nor the Concerted Persons acquired TITAN Shares during the twelve months preceding the Tender Offer Date; and
- (c) according to the valuation performed by the auditing firm GRANT THORNTON S.A. CHARTERED ACCOUNTANTS & MANAGEMENT CONSULTANTS (the “**Valuator**”) in accordance with article 9, paragraphs 6 and 7 of the Law (the “**Valuation**”), the Ordinary Share and the Preference Share were valued at €19.43 and €17.52, respectively.

The Valuation was performed, as during the six months preceding the Tender Offer Date, the transactions made in Ordinary Shares and Preference Shares did not exceed 10% of the total Ordinary Shares and Preference Shares, respectively, and as a result the requirement laid down in article 9, paragraph 6, item (b) of the Law was triggered, while the events contemplated in items (a) and (c) of this provision have not occurred.

According to the statement of the Valuator and Titan Cement International, the Valuator meets the criteria laid down in paragraph 7 of article 9 of the Law and more specifically it (i) is of recognised repute, (ii) has the necessary organisation, staff and experience in valuations of businesses, and (iii) is independent of Titan Cement International and TITAN, and in particular it does not have and it did not have during the last five years any professional relationship or cooperation with Titan Cement International or the Concerted Persons and/or with TITAN and its related parties. Moreover, according to TITAN’s statement, the Valuator is independent of TITAN and in particular it does not have and it did not have during the last five years any professional relationship or cooperation with TITAN and its related parties.

The Valuation report dated 12 April 2019 was submitted to the HCMC and is being published contemporaneously with this announcement.

9. Furthermore, following completion of the Tender Offer and/or the exercise of the Right of Squeeze-out or the Right to Sell-out, as the case may be, TITAN Cement International, holding 100% of the ordinary and/or the preference share capital of TITAN, intends to request the convocation of a General Meeting of the relevant class of TITAN’s shareholders to resolve upon the submission of an application to the HCMC requesting the delisting of the relevant class of the TITAN Shares from the ATHEX, in accordance with article 17, paragraph 5 of Law 3371/2005, at which (General Meetings) TITAN Cement International will exercise its voting rights in favour of such resolution.

#### **Conditions of the Tender Offer**

- 10. The entry into force of the Tender Offer is subject to the following conditions:
  - (a) the approval of the Prospectus by the FSMA and the approved Prospectus having been passported and notified to HCMC; and
  - (b) the approval of the Information Circular by the HCMC.
- 11. Completion of the Tender Offer is subject to the satisfaction of the Condition.

Moreover, the effectiveness of the Tender Offer is subject to the pre-requisite that, as at the end of the Acceptance Period, at least the Minimum Number of Shares will have been lawfully and validly tendered to TITAN Cement International, namely at least (i) 57,797,676 Ordinary Shares, corresponding to 75% of TITAN's ordinary share capital and voting rights, and (ii) 5,676,720 Preference Shares, corresponding to 75% of TITAN's preference share capital.

If either (i) the above pre-requisite of the Minimum Number of Shares or (ii) the Condition is not satisfied as at the end of the Acceptance Period, the Tender Offer will *ipso jure* lapse, namely it will have no legal effect, and TITAN Shares tendered will be returned to their holders.

12. Neither TITAN Cement International nor the Concerted Persons intend to purchase TITAN Shares from the date of this announcement until the end of the Acceptance Period.

### **Financial Advisor/Listing Agent of TITAN Cement International**

13. HSBC France (the "**Advisor**"), a credit institution and investment firm licensed by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) regulated by the Autorité des marchés financiers and the ACPR, supervised by the European Central Bank, and authorized under the E.U. Directive 2014/65/EU to provide in Greece the services referred to in items (6) and (7) of Annex I to Law 4514/2018, acts for TITAN Cement International as (i) its exclusive advisor in respect of the Tender Offer, in accordance with article 12 of the Law, and (ii) its exclusive listing agent in connection with the listing and admission to trading of all its shares on each of Euronext Brussels, Euronext Paris and the ATHEX.

The Advisor has also certified to the HCMC that TITAN Cement International (i) has taken all appropriate measures to be able to issue and deliver the Consideration Shares to the holders of TITAN Shares who will accept the Tender Offer and (ii) has the necessary wherewithal to pay the duties in favour of the HCSD referred to in paragraph 6 above, in accordance with and subject to the terms and conditions of the Tender Offer. However, the Advisor provides no guarantee, within the meaning of Articles 847 et seq. of the Greek Civil Code, for the performance of the delivery, payment and other obligations undertaken by TITAN Cement International under the Tender Offer.

The Advisor acts for TITAN Cement International exclusively and does not act for any other person in relation to the Tender Offer and the proposed listing of the TITAN Cement International shares on Euronext Brussels, ATHEX and Euronext Paris, and the Advisor shall not consider any other person as its client in relation to any of the foregoing.

The Advisor does not "act in concert" (according to the definition of article 2(e) of the Law) with TITAN Cement International and does not intend to act for the account, to the benefit of or in cooperation with TITAN Cement International, in relation to potential purchases of TITAN Shares until the end of the Acceptance Period. Nonetheless, the Advisor and companies related to the Advisor may purchase or sell TITAN Shares as a direct or indirect result of their client facilitation activities.

### **Important Notices**

#### ***General***

- The Tender Offer described herein is addressed to holders of TITAN Shares and only to persons to whom it may be lawfully addressed. The Tender Offer will be made in the territory of the Hellenic Republic. The making of the Tender Offer to specific persons who are residents in or nationals or citizens of jurisdictions outside the Hellenic Republic or to custodians, nominees or trustees of such persons (the "**Excluded Shareholders**") may be made only in accordance with the laws of the relevant jurisdiction. It is the responsibility of the Excluded Shareholders and each person wishing to accept the Tender Offer to inform themselves of and ensure compliance with the laws of their respective jurisdictions in relation to the Tender Offer. If you have any doubts as to your status, you should consult with your professional advisor in the relevant jurisdiction.

- The Tender Offer is not being made, directly or indirectly, by mail or by any means in or into the United States of America, Australia, Canada, Japan or any other jurisdiction within which, under its laws, rules and regulations, the submission, the making or the presentation of the Tender Offer or the mailing or distribution of the Information Circular to be approved by the HCMC, the Prospectus to be approved by the FSMA, a declaration of acceptance and any other document or material relevant thereto (together, the “**Relevant Documents**”) is illegal or contravenes any applicable legislation, rule or regulation (together, the “**Excluded Territories**”). Accordingly, copies of any such Relevant Documents and materials will not be, and must not be, directly or indirectly, mailed, distributed or otherwise sent to anyone or from anyone in or into or from any Excluded Territory.
- The Consideration Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. TITAN Cement International has no intention to register any part of the Tender Offer in the United States or make a public offering of the Consideration Shares in the United States. Any securities sold in the United States will be sold only to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A.
- No person receiving a copy of this announcement or of any Relevant Document in any jurisdiction outside the Hellenic Republic may treat any such document as if it constituted a solicitation or offer to such person and under no circumstances may such person use any Relevant Document if, in the relevant jurisdiction, such solicitation or offer may not be lawfully made to such person or if such Relevant Document may not be lawfully used without breaching any legal requirements. In those instances, any such Relevant Document is sent for information purposes only.
- This regulatory announcement does not contain, constitute or form part of any offer or invitation to sell or subscribe or any solicitation of any offer to purchase or subscribe for any securities in any jurisdiction, and neither this regulatory announcement (nor any part of it) nor the fact of its distribution form the basis of, or may be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.
- The information contained in this announcement is for general information only and does not purport to be full or complete. This announcement does not constitute, or form part of, an offer or invitation to sell or issue, or any solicitation of an offer to purchase securities and any purchase of, or application for, shares in TITAN Cement International to be exchanged in connection with the Tender Offer should only be made on the basis of information contained in the Prospectus and any supplements thereto, as the case may be. After its approval, the Prospectus is expected to be available at the registered office of TITAN Cement International located at Rue de la Loi 23, 7th floor, box 4, 1040, Brussels, Belgium and published as required by law. This announcement is not a prospectus. Investors should not purchase or apply for any securities referred to in this announcement except on the basis of information that will be contained in the Prospectus. The Prospectus will contain certain detailed information about TITAN Cement International and its business, management, risks associated with investing in TITAN Cement International, as well as financial statements and other financial data. This announcement cannot be used as basis for any investment agreement or decision.

### ***European Economic Area***

- This announcement is only addressed to and directed at persons in member states of the European Economic Area (“**EEA**”), other than Greece, who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the relevant Member State of the EEA) and any implementing measure in each relevant Member State of the EEA (the “**Prospectus Directive**”) (“**Qualified Investors**”). In addition, in the United Kingdom, this

announcement is being distributed only to, and is directed only at, Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") and Qualified Investors falling within Article 49(2)(a) to (d) of the Order, and (ii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). The offering of Consideration Shares will only be available to, and any invitation, offer or agreement to subscribe for, purchase, or otherwise acquire Consideration Shares will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this announcement or any of its contents.

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