



The articles of association of Al-Jouf Cement Company
Saudi Joint Stock Company



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Membership No.: 25493 - Licence No: 427

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رقم العضوية ٢٥٤٩٣ - ترخيص رقم ٤٢٧

Al Jouf Cement Company



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ص.ب ٤٢٧٩ الرياض ١١٤٩١ - السليمانية - شارع الضباب - عمارة الركن الفرنسي - الرياض - المملكة العربية السعودية - تلفون : ٠١١ ٤٦٤٠٥٠٠
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Section one: Company foundation

Article one: Foundation:

The company is established in accordance with the companies' law, a Saudi Joint Stock Company according to the following:

Article two: The company's name:

Al- Jouf Cement Company (Listed joint stock company).

Article three: Purposes of the company:

The company exercises and carries out the following purposes:

1. Production of all types of cement.
2. Practicing mining and quarrying and all that enables the company to obtain raw materials for the cement industry such as limestone, clay, gypsum, iron, kaolin and other materials needed for the cement industry.
3. Wholesale and retail trade in the company's products and building materials.
4. Establishment or participating in the establishment of industrial services companies for the purpose of providing maintenance and services to factories inside and outside the Kingdom.
5. Management and operation of cement factories.
6. Possession of lands, real estate and patents and using them to achieve their industrial purposes inside and outside the Kingdom.
7. Establishment or participating in the establishment of companies that complete or complement the company's activity and establishment of factories of cement derivatives such as ready-mix concrete, block factories, tile factories, and so on in the same field.
8. Commercial agencies.

The company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Article Four: Participation and ownership in companies:

The company may establish companies on its own with limited liability or closed joint stock, and it may also own shares and stocks in other existing companies or merge with them. In addition, it has the right to participate with others in the establishment of joint stock or limited liability companies after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these shares or stocks provided that this does not include mediation in their trading.



Article Five: The Company's Head Office

The head office of the company is located in the city of Riyadh. The company may establish branches, offices or agencies within the Kingdom by a decision of the Board of Directors in accordance with the provisions of the laws and regulations in force in the Kingdom.

Article Six: Duration of the Company

The term of the company is ninety-nine Gregorian years starting from the date of its registration in the Commercial Register. This period may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiry of its term.

Section Two: Capital and Shares

Article seven: Capital

The company's capital was set at 1,430,000,000,000 Saudi riyals (one billion four hundred and thirty million riyals), divided into (143,000,000) nominal shares of equal value. The value of each share is (10 Saudi riyals) all of which are ordinary cash shares.

Article Eight: Subscription in Shares

The founders subscribed in the entire capital shares amounting to (1,430,000,000 riyals) that is fully paid up.

Article 9: Premium Shares

The extraordinary general assembly of the company may, according to the principles set by the competent authority, issue premium shares or decide to purchase them or convert ordinary shares into premium shares or convert premium shares into ordinary ones. The premium shares do not give the right to vote in the general assemblies of shareholders. These shares give their owners the right to obtain a percentage greater than the common stock holders of the company's net profits after setting aside the statutory reserve.

Article 10: Sale of unpaid shares

The shareholder is obligated to pay the value of the share on the dates specified for this. If he fails to pay on the due date, the board of directors may, after being notified by publishing in a daily newspaper distributed in the area where the company's head office is located, notify him by a registered letter of selling the share in the public auction or the stock market according to conditions in accordance with the regulations set by the competent authority.

The company will collect the amounts due to it from the sale proceeds and return the remainder to the shareholder. If the sale proceeds are not sufficient to meet these amounts, the company



may collect the remainder from all of the shareholder's money. Nevertheless, the shareholder who defaulted on payment until the day of the sale may pay the value due from him in addition to the expenses incurred by the company in this regard.

The company cancels the sold share in accordance with the provisions of this article and gives the buyer a new share that replaces the number of the canceled share and records that in the shares register the process of sale including the name of the new owner.

Article Eleven: Issuance of Shares

The Shares are nominal and may not be issued for less than their nominal value, but may be issued for a higher value.

In this last case, the difference in value in an independent item is added within the shareholders' equity and it is not permissible to distribute it as profits to the shareholders. The share is indivisible for the company. If the share is owned by multiple people, they must choose one of them to represent them in the use of the rights related to it

These individuals will be jointly liable for the obligations arising from the ownership of the share.

Article 12: Trading in Shares

The shares subscribed by the founders may not be traded except after publishing the financial statements for two financial years, each of which is not less than twelve months from the date of the company's incorporation. The deeds of these shares are marked to determine its type and the date of the company foundation as well as the duration in which the shares may not be circulated.

However, during the prohibition period, it is permissible to transfer the ownership of shares in accordance with the provisions of the sale of rights from one of the founders to another founder, or from the heirs of one of the founders in the event of his death to third parties or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning these shares is for other founders. The provisions of this article apply to all what the founders subscribe with to in the event of an increase in the capital before the expiry of the prohibition period.

Article Thirteen: Shareholders Register

The company's shares are traded in accordance with the provisions of the Capital Market Law.

Article 14: Increasing the capital.

1. The Extraordinary General Assembly may decide to increase the company's capital provided that the capital has been paid in full. It is not required that the capital has been paid in full if the unpaid part of the capital relates to shares issued in exchange for



converting debt instruments or financing deeds into shares and the period set for converting them into shares has not expired yet.

2. The Extraordinary General Assembly may, in all cases, allocate the shares issued upon the capital increase, or part thereof, to the employees of the company and the subsidiaries or some of them, or any of that. The shareholders may not exercise the right of priority when the company issues the shares allocated to the employees.
3. The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase will have priority in subscribing to new shares issued in exchange for cash shares. These will be informed of their priorities by publication in a daily newspaper or by notifying them by registered mail of the decision to increase the capital, the terms of subscription, its duration and the date of its commencement and its expiry.
4. The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash shares or to give priority to non-shareholders in cases it deems appropriate for the interest of the company.
5. The shareholder has the right to sell or assign a pre-emptive right during the period from the time of the issuance of the General Assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights in accordance with the regulations set by the competent authority.
6. Subject to what was stated in Paragraph (4) above, the new shares must be distributed to the priority rights holders who requested subscription, in proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed the shares they have requested. The remainder of the new shares will be distributed to the priority rights holders who requested more than their share in proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed what they requested of the new shares, and the remaining shares are offered to third parties unless the Extraordinary General Assembly decides or the Capital Market Law provides otherwise.

Article 15: Capital Reduction

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if in case of loss losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (fifty-four) of the Companies Law. The reduction decision is not issued until after reading a special report prepared by the auditor on the causes and the obligations of the company as well as the impact of this reduction on these obligations.

If the reduction of the capital is made because it is more than the company's need, the creditors must be called to express their objections to it within sixty days from the date of publishing the reduction decision in a daily newspaper distributed in the area in which the company's head office is located.. If one of the creditors objects and submits his documents to the company on



the aforementioned date, the company must pay him his debt if it is due, or provide him with a sufficient guarantee to fulfill it if it is on a later date.

Section three: Board of directors

Article Sixteen: Company Management

The company is managed by a board of directors consisting of (seven members) elected by the ordinary general assembly of shareholders for a period not exceeding three years.

Article Seventeen: Expiry of the Board Membership

The membership of the Board will terminate upon the expiry of its term or upon the expiry of the member's eligibility for it in accordance with any law or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The member of the board of directors may retire, provided that it is at an appropriate time otherwise he will be liable before the company for the damages resulting from the retirement.

Article Eighteen: Vacant Position in the Council

If the position of a member of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, provided that he is among those who have sufficient experience and competence. The Ministry and the Capital Market Authority must be informed of this within five working days from the date of appointment. The appointment must be submitted to the Ordinary General Assembly in the first meeting. The new member completes the duration of the previous member. If the necessary conditions for the convening of the board of directors are not met because the number of its members is less than the minimum stipulated in the Companies Law or this system, the rest of the members must invite the ordinary general assembly to convene within sixty days to elect the necessary number of members.

Article Nineteen: Powers of the Council

With due regard to the competencies established for the General Assembly, the Board of Directors will have the widest powers in managing the company in order to achieve its objectives

It may exercise all the actions and works that fall within the purposes of the company stipulated in its articles of association, conduct its affairs inside and outside the Kingdom, dispose of its assets, property and real estate. Besides, it has the right to purchase and accept it and pay the price, mortgage, release of mortgage, sale, evacuation, receipt of the price, and delivery of the



appraiser provided that the minutes of the board of directors and the rationale for its decision to dispose the company's assets, property and real estate include the following conditions:

1. The board must specify in the sale decision the reasons and justifications for it.
2. The sale must be close to the same price.
3. The sale must be present except in cases of necessity and with sufficient guarantees.
4. This act does not result in the suspension of some of the company's activities or burdening it with other obligations.

The board of directors may also contract for loans with government finance funds and institutions, regardless of their term, and the commercial loans whose terms do not exceed the end of the company's term, taking into account the following conditions:

1. The board of directors must specify in its decision the aspects of using the loan and how to repay it.
2. In the terms of the loan and the guarantees provided regarding it, it must be taken into account the interest of the company and its shareholders and the general guarantees of the creditors.

The Board of Directors will also have the right of compromise, assignment, contract, commitment and association in the name and on behalf of the company. The Board of Directors may carry out all acts and actions that would achieve the objectives of the company.

The company's board of directors will, in the cases it deems appropriate, have the right to discharge the company's debtors from their obligations in accordance with what serves its interest, provided that the minutes of the board of directors and the rationale for its decision include the following conditions:

1. The discharge must be at least one full year after the debt arose.
2. The discharge must be for a specified amount as a maximum per year for one debtor.
3. The discharge is a right of the Council, so it may not be delegated.

It is to be noted that all of these powers and authorities are inside and outside the Kingdom of Saudi Arabia. The Council may also, within the limits of its competence, delegate one or more of its members or third parties to carry out certain work or works.

Article 20: Remuneration of Council Members

The remuneration of the board of directors consists of a certain percentage of the profits. This remuneration may be a specific amount, attendance allowance for meetings, or in kind benefits. It is permissible to combine two or more of these benefits within the limits of what is stipulated in the companies' law and regulations. The report of the board of directors sent to the Ordinary General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remunerations, expenses allowance and



other benefits. It must also include a statement of what the members of the Board received in their capacity as workers or administrators or what they received in return for technical or administrative work or consultancy in addition to a statement of the number of council sessions and the number of sessions attended by each member from the date of the last meeting of the general assembly.

Article twenty- one: Powers of the Chairman, Vice-chairman, Managing Director and Secretary:

The Board of Directors appoints from among its members a Chairman and a Vice-Chairman and it may appoint a Managing Director. It is not permissible to combine the position of Chairman of the Board of Directors with any other executive position in the company.

The president will have the power to call the council to meet and preside over the council's meetings. The Chairman of the Board is responsible for representing the company in its relations with others, before the judiciary, government agencies, the notary, courts, committees for settling disputes of all kinds, arbitration bodies, civil rights, police departments, chambers of commerce and industry, private bodies, companies and institutions of all kinds, issuing legal agencies, appointing and dismissing agents and lawyers, pleading, defending, litigating, conciliation, acknowledgment, denial, waiver, acquittal, arbitration, accepting judgments and objecting to them on behalf of the company, and signing all types of contracts, documents including but not limited to the articles of incorporation of companies in which the company participates with all its amendments and appendices, signing agreements, instruments, and evacuations before the notary public and the official bodies, loan agreements and rescheduling agreements with funds and government financing institutions, banks, financial houses, guarantees, and mortgages, releasing them, collecting the company's rights, paying its obligations, selling, buying, evacuation, accepting, receiving, delivering, denouncing, leasing, arresting, paying, entering into tenders, opening accounts, credits, withdrawals, deposits at banks, issuance and signature of bonds, checks, remittances, promissory notes and all commercial papers, appointing employees, contracting with them, determining their salaries, dismissing them from service, requesting visas, bringing in employees and workers from abroad, obtaining residency and work permits, transferring and waiving sponsorships, delegating or entrusting in part or in full. The chairman delegate and authorize others within his competencies of powers or to take an action or a specific act or to carry out certain work or works. He is entitled to cancel this delegation or authorization partially or in full.

The Managing Director is also responsible for the powers delegated to him by the Board of Directors.

The Board of Directors, at its discretion and by a decision thereof, determines the special remuneration the Chairman obtains, ice-Chairman and the Managing Director, in addition to the



remuneration prescribed for members of the Board of Directors, in accordance with the provisions of the Companies Law and its Regulations.

The board of directors appoints a secretary to be chosen from among its members or from others to be responsible for recording the minutes of the board of directors' meetings, recording and keeping the decisions issued by these meetings, in addition to exercising other powers entrusted to him by the board of directors. The board determines its remuneration.

Article twenty-two: Board Meetings

The Board of Directors meets at least four times a year upon the invitation of its Chairman. The invitation must be in writing, via fax or authenticated e-mail. The Chairman of the Board must invite the Board to a meeting as requested by two of the members.

Article twenty-three: Board meeting quorum

The Board meeting is not held unless attended by at least half of the members, provided that the number of attendees is not less than 3 members.

- (A) The member of the Board of Directors may represent more than one member in attending the same meeting.
- (B) The delegation must be established in writing and for a specific meeting.
- (C) The representative may not vote on decisions that the law prohibits the delegated member from voting on.
- (D) The Board meetings can be conducted by telephone, videoconference, or using modern technologies.
- (E) The Board decisions are issued by a majority of the opinions of the attending members.
When the votes are equal, the side of the chairman will prevail.

The decisions of the Council are issued by the majority of the opinions of the members present or represented therein. When the opinions are equal, the side with which the chairperson voted will prevail.

Article twenty four: The Board's deliberations

The deliberations and decisions of the Board of Directors are recorded in minutes signed by the Chairman of the Board, the members of the Board of Directors present and the Secretary. These minutes are recorded in a special register signed by the Chairman and the Secretary. The electronic applications can be used to approve the minutes of the Board and its affiliated committees.

Section four: Shareholders' Assemblies:



Article twenty-five: Attending the assemblies

Each subscriber, regardless of the number of his shares, has the right to attend the constituent assembly and each shareholder has the right to attend the general assembly of shareholders. In addition, he may assign another person other than the members of the board of directors or the company's employees to attend the general assembly on his behalf.

Article twenty-sixth: The Constituent Assembly

The founders invite all subscribers to hold a constituent assembly within forty-five days from the date of the Ministry's decision to authorize the establishment of the company. For the meeting to be valid, the presence of a number of subscribers representing at least half of the capital is required. If this quorum is not available, the second meeting must be held an hour after the end of the period specified for the first meeting provided that the invitation for the first meeting includes that. In all cases, the second meeting will be valid regardless of the number of subscribers represented in it.

Article twenty seven: Competences of the Constituent Assembly

The Constituent Assembly is concerned with the matters mentioned in Article (63) of the Companies Law.

Article twenty-eight: Competencies of the Ordinary General Assembly

Except for the matters that it is not allowed to legally amend, the ordinary general assembly is concerned with all matters relating to the company. The Extraordinary General Assembly must be held at least once a year during the six months following the end of the company's financial year. Other Ordinary General Assemblies may be called whenever the need arises.

Article twenty-nine: Competencies of the Extraordinary General Assembly

The Extraordinary General Assembly is concerned with amending the company's articles of association with the exception of matters that are prohibited from amending by law. It may issue decisions on matters originally within the competences of the Ordinary General Assembly under the same terms and conditions prescribed for the Ordinary General Assembly.

Article thirty: Invitation of Assemblies

The General or private assemblies of shareholders are held upon the invitation of the Board of Directors. The Board of Directors must invite the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing (5%) of the capital at least. The request must be in writing, explaining the request for the association's contract and the justifications of the request for the invitation to the assembly, signed by the shareholder and specifying the date of the request. The auditor may invite the assembly to convene if the board did not invite the assembly within thirty days from the date of the auditor's



request. The invitation to convene the general assembly must be published in a newspaper distributed in the company's head office at least twenty-one days before the date fixed for the meeting. However, it may be sufficient to send the invitation on the mentioned date to all shareholders by registered letters. A copy of the invitation and the agenda are sent to the Capital Market Authority within the period specified for publication

Article thirty-one: Record of attendance of the assemblies

Shareholders who wish to attend the general or special assembly must register their names at the company's head office or the place specified by the company for holding the assembly prior to the time specified for convening the assembly as determined by the company in the assembly announcement.

Article Thirty-two: Quorum of the Ordinary General Assembly Meeting

Holding the Ordinary General Assembly meeting is not held valid unless attended by shareholders representing at least a quarter of the capital. If the necessary quorum is not available to hold this meeting, the second meeting will be held an hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes an announcement that this meeting has been held. In all cases, the second meeting will be valid regardless of the number of shares represented therein

Article thirty three: Quorum of the Extraordinary General Assembly Meeting

The meeting of the Extraordinary General Assembly is not valid unless attended by shareholders representing half of the capital. If this quorum is not available in the first meeting, the second meeting must be held an hour after the end of the period specified for convening the first meeting, provided that the invitation to hold the first meeting includes an announcement of the possibility of holding this meeting. In all cases, the second meeting will be valid if attended by a number of shareholders representing at least a quarter of the capital. If the necessary quorum is not available in the second meeting, an invitation is sent to a third meeting to be held in the same conditions stipulated in Article (Thirty) of these bylaws. The third meeting will be valid regardless of the number of shares represented therein after the approval of the competent authority.

Article Thirty-fourth: Voting in the Assemblies

Each subscriber has a vote for each share he represents in the Constituent Assembly. Each shareholder has a vote for each share in the general assemblies. The cumulative vote must be used in electing the Board of Directors.

Article Thirty-fifth: Decisions of the Assemblies



The decisions in the Constituent Assembly are issued by an absolute majority of the shares represented therein and the decisions of the Ordinary General Assembly are issued by an absolute majority of the shares represented in the meeting. Furthermore, the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting unless it is a decision related to an increase or decrease in the capital, extending the term of the company, dissolving it before the expiry of the period specified in its articles of association or by merging it with another company, the decisions of the assemblies will not be valid unless they are issued by a majority of three quarters of the shares represented in the meeting.

Article thirty-sixth: Discussion in the Assemblies

Each shareholder has the right to discuss the topics included in the assembly's agenda and to direct questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the shareholders' questions to the extent that does not jeopardize the company's interest. If the shareholder finds that the answer to his question is not convincing, he will resort to the assembly and its decision in this regard is effective

Article thirty-seven: Presidency of assemblies and preparing minutes

The meetings of the general assemblies of shareholders are chaired by the chairman of the board of directors or his deputy in case he is absent, or whoever is delegated by the board of directors from among its members for that in the absence of the chairman and his deputy.

Minutes of the meeting of the assembly will be drawn up containing the number of shareholders present or represented, the number of shares they hold in person or by power of attorney, the number of votes assigned to them, the decisions taken, the number of votes it approved or refused, and an adequate summary of the discussions that took place at the meeting. Minutes are recorded on a regular basis after each meeting in a special register signed by the assembly's president, secretary and vote -collector.

Section five: Auditing Committee

Article Thirty-eighth: Formation of the Committee

An audit committee will be formed by a decision of the Ordinary General Assembly. The number of its members must not be less than three and not more than five members who are not members of the Executive Board of Directors, whether from shareholders or others and among a member specialized in financial and accounting matters is chosen. The resolution determines the duties of the committee, the rules of its work and the remuneration of its members. If the position of one of the committee members becomes vacant during the committee's work cycle, the board has the right to appoint a temporary member, provided that this appointment is presented to the



nearest general assembly of shareholders for approval. The new member completes the term of his predecessor.

Article Thirty-nine: Committee meeting quorum

For the audit committee meeting to be valid, the presence of the majority of its members is required, and its decisions are issued by the majority of the votes of present members. In case the votes are equal, the side with whom the chairman of the committee voted will prevail

Article Forty: The Committee's competencies

The Audit and Monitoring Committee is concerned with the company's business. For this purpose, it has the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the Executive Management. It may ask the board of directors to invite the company's general assembly to convene if the board of directors obstructs its work or the company suffers serious damage or losses

Article forty-one: Reports of the Audit Committee

The Audit Committee must consider the company's financial statements, reports and notes submitted by the auditor and express its views on them, if any. It must also prepare a report on its opinion regarding the adequacy of the internal control system in the company and the other work it has undertaken that are included within its jurisdiction. The board of directors must deposit sufficient copies of this report at the company's head office at least twenty-one days before the date of convening the general assembly to provide each of the shareholders with a copy of it. The report must be read during the assembly.

Section Six: Auditor

Article forty-two: Appointing the auditor

The company must have an auditor (or more) from among the auditors licensed to work in the Kingdom, to be appointed annually by the Ordinary General Assembly and to determine his remuneration and term of work.

The assembly may also at any time change it without prejudice to its right to compensation if the change occurred at an inappropriate time or for an illegal reason.

Article Forty Three: Powers of the Auditor:

The auditor has the right at any time to review the company's books, records and other documents. He also has the right to request data and clarifications that he deems necessary to obtain in order to verify the company's assets and obligations and other matters that are within the scope of his work. The Chairman of the Board of Directors must enable him to carry out his duty. If the auditor encounters difficulty in this regard, he must prove this in a report submitted



to the board of directors. If the board does not facilitate the work of the auditor, he must request the board of directors to invite the ordinary general assembly to consider the matter.

Section Seven: Company Accounts and Profit Distribution

Article Forty four: The fiscal year

The company's fiscal year begins on the first of January and ends on December 31 of each year, provided that the first fiscal year begins from the date of its registration in the Commercial Register and ends on December 31 of the following year.

Article forty-five: Financial Documents

1. At the end of each company's financial year, the board of directors must prepare the company's financial statements and a report on its activity and financial position for the past fiscal year. This report includes the proposed method for distributing profits. The Board must place these documents at the disposal of the auditor at least forty-five days before the date set for the convening of the General Assembly.
2. The chairman of the company's board of directors, its general manager and its financial manager must sign the documents referred to in paragraph (1) of this article, and copies of them must be deposited at the company's head office at the shareholders' disposal at least twenty-one days before the date set for holding the general assembly.
3. The chairman of the board of directors must provide the shareholders with the company's financial statements, the board of directors' report, and the auditor's report unless they are published in a daily newspaper distributed in the company's head office. He must also send a copy of these documents to the Ministry as well as to the Capital Market Authority, at least fifteen days before the date of the General Assembly.

Article forty-six: Profits distribution

The company's annual net profits are distributed as follows:

1. 10% of the net profits must be set aside to form the statutory reserve of the company. The Ordinary General Assembly may decide to discontinue this deduction when the said reserve reaches 30% of the paid capital.
2. The Ordinary General Assembly, according to the proposal of the Board of Directors, may set aside a percentage of the net profits to form a consensual reserve for a specific purpose or purposes
3. The Ordinary General Assembly may decide to form other reserves, to the extent that achieves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned assembly may also deduct sums from the net profits for the establishment of social institutions for the company's workers or to assist the existing ones.



4. After that, a percentage of not less than 5% of the paid-up capital of the company must be distributed to the shareholders
5. Taking into account the provisions stipulated in Article twenty of this Bylaw, Article seventy-six of the Companies Law, after the above, a percentage not exceeding 10% of the remainder must be allocated as remuneration for the Board of Directors provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.
6. The remaining amounts are then distributed to the shareholders as an additional share in the profits
7. After fulfilling the controls from the competent authorities, the company may distribute semi-annual and quarterly profits.

Article Forty Seven: Entitlement to profits

The shareholder is entitled to his share of the profits in accordance with the resolution of the General Assembly issued in this regard. The resolution indicates the maturity date and the date of distribution. The eligibility for profits must be for the owners of shares registered in the shareholders' records at the end of the day specified for entitlement.

Article forty-eight: Distribution of profits for premium shares

1. If no profits are distributed for any financial year, then no profits may be distributed for the following years except after paying the percentage specified in accordance with the provisions of Article 114 of the Companies Law for premium Shareholders for that year.
2. If the company fails to pay the specified percentage in accordance with the provisions of Article one hundred and fourteen of the profits for a period of three consecutive years, the special assembly of the owners of these shares, convened in accordance with the provisions of Article eighty-ninth of the Companies Law, may decide either that they attend the meetings of the company's general assembly and participate in voting or appoint their representatives to the board of directors in proportion to the value of their shares in the capital until the company is able to pay all the priority profits allocated to the owners of these shares for the previous years.

Article forty-nine: Company losses

1. If the losses of the joint-stock company amount to half of the paid-up capital, at any time during the fiscal year, any official in the company or the auditor must immediately inform the Chairman of the Board of Directors. The Chairman of the Board of Directors must immediately inform the members of the Board of that. The board of directors must, within fifteen days of becoming aware of this, invite the extraordinary general assembly to meet within forty-five days from the date of his knowledge of the losses, to decide either to increase or decrease the company's capital in accordance with the provisions of the



- Companies Law to the extent that the percentage of losses decreases to less than half of the paid-up capital, or the company is dissolved before the term specified in this Companies Law
2. The company is considered dissolved by the force of the companies' Law if the general assembly did not meet within the period specified in paragraph (1) of this article, or if it met and was unable to issue a decision on the matter or if it decided to increase the capital in accordance with the conditions prescribed in this article and the subscription for all the capital increase has not taken place within ninety days from the issuance of the assembly's decision of the increase.

Chapter Eight: Disputes

Article fifty: Liability lawsuit

Each shareholder has the right to file a liability lawsuit for the company against the members of the board of directors, if the mistake made by them causes a special damage to him. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists. The shareholder must inform the company of his intention to file the lawsuit.

Section nine: Dissolution and liquidation of the company

Article Fifty-one: Expiration of the Company:

As soon as the company completes the liquidation cycle, the company enters the liquidation cycle and retains the legal personality to the extent necessary for liquidation. The decision of voluntary liquidation is issued by the extraordinary general assembly.

The liquidation decision must include the appointment of the liquidator, determining his powers and fees, restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation must not exceed five years. This period may not be extended for more than that except by a judicial order, and the authority of the company's board of directors ends with its dissolution. However, they remain in charge of the company's management, and they are considered liquidators for others until the liquidator is appointed, and the shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their powers that do not conflict with the competencies of the liquidators.

Section Ten: Final Provisions

Article fifty-two:

The Companies Law and its regulations will be applied in everything that is not provided for in this Law.



Article fifty-three:

This Law will be deposited and published in accordance with the provisions of the Companies Law and its regulations

Company name: Jouf Cement Company Closed Joint Stock Company	Articles of Association	Ministry of Commerce (Department of Shared Services)
Commercial Register (1010225259)	Date 28/8/1443 AH	Faisal Al Belawi

Published as per the resolutions of the extraordinary assembly held on: 15/3/2022 AD

