

PRIME CEMENT LTD

MEMORANDUM AND ARTICLES OF
ASSOCIATION

KIGALI, RWANDA

2019

Certified True Copy of the Original
Sign: *[Signature]* Date: 22/10/2019
LILIAN JOHN TEMBA
Advocate, Notary
Public & Commissioner for Oaths

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[Signature]

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MEMORANDUM AND ARTICLES OF ASSOCIATION

CHAPTER ONE

Name of the Company – PRIME CEMENT LTD

Article 1:

A private limited liability by shares Company to be known as **PRIME CEMENT LTD** ('Company' is hereby established. The laws of the Republic of Rwanda and these Articles of Association shall govern it.

Objects

Article 2:

The objective for which the company is established are:

- *Manufacture of cement, lime and plaster*
- *Manufacture of articles of concrete, cement and plaster,*

The Registered Office

Article 3:

The head-office of the Company shall be located in Kigali the capital city of the Republic of Rwanda. It may be transferred to any other place in the Republic of Rwanda when the General meeting so decides.

Article 4:

The Company may upon a decision by the general meeting establish branches or subsidiaries in the Republic of Rwanda as well as elsewhere in the world.

Article 5:

The registration of the Company shall be complete upon entering its name in the register of the companies. The Company shall continue to exist for an unknown period of time. It may however be dissolved by the general meeting.

CHAPTER TWO

SHARE CAPITAL — SHARES

Authorized Capital Shares

Article 6:

The authorized share capital of the Company is Two billion and two hundred and fifty Million Rwandese Francs (2,250,000,000 RWF) divided into 6,000,000 shares of 375 Rwandese Francs (RWF) each.

The shares to be allocated for in the following manner:

1. **MILLENNIAL GROUP LIMITED**, Hundred percent (100%) shares valued at Two billion and two hundred fifty Million (2,250,000,000) Rwandese Francs.

Subject to the process and approval of the general meeting, new shareholders may be incorporated into the company.

Article 7:

The liability of members is limited by shares.

Article 8:

In accordance with relevant legal provisions, a register of shareholders shall be kept at the head-office. Any shareholder and any other interested party may have access to the same. This access to the register shall not involve its removal from the Head Office.

Transfer of shares

Article 9:

The transfer of any shares in the company shall be in writing and relevant legal documents completed in accordance with the , signed by the transferor to the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered into the register of the members in respect thereof. All instruments of transfer, when registered, shall be retained by the company. A share certificate shall be issued to the transferee upon successful transfer and registration of shares.

Article 10:

Subject to the provisions of article 12, no shares in the company shall be transferred unless and until the rights of pre-emption after conferred shall have been exhausted.

Article 11:

Every member who desires to transfer any share or shares shall give to the company notice in writing of such desire. The matter shall then be decided upon in the general meeting.

Article 12:

The rights of pre-emption conferred in article 10 hereof shall not apply to

- (a) Any share already approved in writing by all members;
- (b) Any transfer to the spouse, child, brother, sister or parent of that same member;
- (c) Any transfer by the personal representative of a deceased member to the widow, child, brother, sister or parent of that deceased member;
- (d) Any transfer by the trustees, executors or administrators of a deceased member to new trustees, executors or administrators,
- (e) Any transfer of a corporate member to an associated company (i.e. any holding company or subsidiary of such corporate member and any other subsidiary of any holding company);
- (f) Any transfer by a corporate member to a company formed to acquire the whole or a substantial part of the undertaking and assets of such corporate member as part of the scheme of amalgamation or reconstruction.

Article 13:

The Board may refuse to register any transfer of any share to a person they reject by a two thirds majority.

Article 14:

In case of the death of a member, the survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person recognized by the company as having any title to his shares;

Article 15:

Any person becoming entitled to a share in consequence of a death of a member shall, upon such evidence being produced as may from time to time be required by the General Meeting, have the right either to be registered as a member in respect of the share(s) or instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made as per a legally registered will of the deceased, and the Board shall, in either case, have the right to refuse or suspend registration as it would have had in the case of a transfer of the share(s) by the deceased person before death.

Article 16:

A person immediately becoming entitled to a share(s) by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share(s) except that he shall be entitled in respect of it to exercise any right conferred by the company in relation to general meetings of the company, provided that the General meeting may at any time, give notice requiring any such person to elect either to be registered himself or immediately transfer the share to a registered holder as per will of the original holder (deceased), and if notice is not complied with within three months after the date of service thereof, the General meeting may, thereafter, withhold payment of dividends and other monies payable in respect of the share until compliance with the notice has been effected.

Article 17:

The company may from time to time by ordinary resolution, increase its share capital by such sum to be divided into shares of such amounts, as the resolution shall prescribe.

Article 18:

The company may from time to time, by special resolution of the general meeting consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares.

Article 19:

The company may from time to time, by a special resolution of the general meeting reduce its share capital in any manner subject to what is authorized by law.

Article 20:

Shares are indivisible. In case there are several claimants to one share, all rights arising from share will be suspended until the rightful owner of the share is determined in a general meeting .

CHAPTER THREE

MANAGEMENT

Article 21:

The Company shall be managed by Management experts to be appointed by the company for three-year term, which may be renewed. The company may also dismiss them before the expiry of the term but only in accordance with regulations to be laid down by the company. Any shareholder with the necessary expertise may also be entrusted with the management of the company. Until the general meeting decides otherwise, **Mr. Alexis Bayigamba** shall be entrusted with overseeing the management of the company.

Article 22:

The management experts shall have full powers to manage and administer the assets and activities of the company within the limits of the company objectives. It shall be within their powers to carry out all those duties, which are not expressly reserved for the general meeting either by the law or by these articles of association.

Accounts and audit

Article 23:

Auditors shall be appointed annually by resolution of a duly constituted general meeting and the general meeting shall determine their duties.

CHAPTER FOUR

GENERAL MEETING

Article 24:

The fully constituted General meeting shall convene once a year at the head office of the company or at any other place mentioned in the notice of the meeting. This shall be called the "ordinary meeting". Shareholders shall form the general meeting.

Article 25:

An extra-ordinary General meeting shall be convened whenever necessary or upon the request of any of the shareholders. This shall be called "special meeting".

Article 26:

Resolutions of the General meeting shall be signed by the shareholders and shall be kept in a special register to be found at the company's head-office.

Article 27:

All business shall be deemed special that is transacted at an extra ordinary general meeting and also all business transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheets, the reports of the management team and auditors, the appointment of auditors and the management team, as well as the determination of their remuneration.

Proceeding at general meetings

Article 28:

A general meeting shall be called by at least 14 days' notice. A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting.

The notice shall specify the day, time and place of the meeting and the general nature of the business to be transacted.

The Notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors, if any.

Article 29:

No business shall be transacted at a general meeting unless quorum is present when the meeting proceeds to business. Save as is otherwise provided in these Articles, two members present in person or by expressly written appointed proxy or, in the case of a corporation represented by its designated official shall be a quorum, One member holding the proxy of one or more other members or one person holding the proxies of two more members shall not constitute a quorum.

Article 30:

The members present shall choose from among themselves a chairperson of the meeting only if the company chairman is not present or name a proxy to chair the meeting.

Article 31:

The resolutions of the general meeting shall be reached on a basis of consensus by the majority of shareholders.

CHAPTER FIVE

BALANCE SHEET-DIVIDENDS

Article 32:

The financial year starts on the 1st January and ends on the 31st of December of the same year. The first financial year starts on the day the company is entered into the register of companies and ends on 31. December of the same year.

Article 33:

The Management shall cause proper accounts to be kept with respect to:

- (a) All sums of money received and expended by the company and the matters in respect of which the receipt and expenditure took place;
- (b) All sales and purchase of goods by the company, and;
- (c) The assets and liabilities of the company.
- (d) Dividends paid to the shareholders of the company

Article 34:

The Management shall from time to time cause to be prepared and to be laid before the company in a General meeting such profit and loss accounts, balance sheets and such other reports that shall be required by the general meeting.

Article 35:

(1) The profits of the company available for dividends and resolved for distribution shall be presented to the General meeting.

(2) The company in a general meeting may determine the dividends to be paid;

No dividend shall be payable except out of profits of the company or in excess of the amount recommended by the general meeting.

CHAPTER SIX

WINDING UP

Article 36:

If the company's share capital for any reason reduces by 1/2, then the Chairman shall cause the matter to be tabled before an extra-ordinary general meeting, which will decide on the winding up of the company. If the company takes the decision to wind up, the members shall appoint a liquidator who with the authority of an extra-ordinary resolution shall carry out the liquidation. The costs of liquidation shall be borne by the company.

Article 37:

(1) If the company shall be wound up the assets remaining after payment of debts and liabilities of the company and the costs of the liquidation, will be applied, first, in repaying to the members the amounts paid or credited as paid up on the shares held by them respectively and the balance (if any) shall be distributed among the members in proportion to the number of shares held by them respectively;

(2) In a winding up, all the assets of the company including any shares or securities in other companies shall be dissolved as part of the liquidation exercise.

CHAPTER SEVEN MISCELLANEOUS
PROVISIONS

Article 38:

For any matter not taken care of by the articles of association, the laws governing companies in the Republic of Rwanda shall govern the members.

Article 39:

All disputes involving the company shall first be brought to the attention of the general meeting and when the general meeting fails to resolve the matter, it shall be referred to an arbitrator agreed upon by the meeting. When the dispute is resolved it shall be taken to the court of competent jurisdiction in the Republic of Rwanda.

This is done at Kigali, on 02/07/2019

THE SUBSCRIBERS

For and on behalf

MILLENNIAL GROUP LIMITED

Mr. Alexis Bayigamba

