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The shareholders of  
Societe Libanaise des Ciments Blancs SAL  
Beirut, Lebanon

Dear Sirs

**SOCIETE LIBANAISE DES CIMENTS BLANCS SAL  
ARTICLE 158 OF THE LEBANESE CODE OF COMMERCE  
YEAR ENDED 31 DECEMBER 2022**

In accordance with the requirements of Article 158 of the Lebanese Code of Commerce, we list below the transactions between the Company and the persons mentioned in paragraphs 1 and 2 of Article 158 of the Lebanese Code of Commerce that require prior authorization from the Board of Directors based on our audit of the financial statements for the year ended 31 December 2022, on which we have issued our report dated 20 June 2023 and on representations received from the management.

Balances with related parties as at 31 December 2022 were as follows:

	<i>LL (000)</i>
<b>Due to a shareholder</b>	
Holcim Liban SAL	<b>68,019,518</b>
<b>Due to a related party</b>	
Societe Carrire de Jieh SAL	<b>13,007</b>
<b>Loan to the parent company</b>	
Holcim Liban SAL	<b>12,060,000</b>

Transactions with related parties were as follows for the year ended 31 December 2022:

The Company benefits from technical services provided by Holcim Liban SAL against fees computed on the fixed basis of 4% of gross sales. These services amounted to LL (000) 6,065,542 during the year 2022.

The Company purchased raw materials and combustibles from Holcim Liban SAL amounting to LL (000) 28,566,767 during 2022.

Other services, consisting of staff costs and other costs charged by Holcim Liban SAL amounted to LL (000) 8,894,821 for the year 2022.

During 2008, the Company granted a loan to Holcim Liban SAL amounting to US\$ 5,000,000 (equivalent to LL (000) 7,537,500 at official rate) which was increased to US\$ 8,000,000 (equivalent to LL (000) 12,060,000 at official rate) during 2009. The loan matures on 31 December 2024. Interest income during 2022 on the loan to Holcim Liban SAL amounted to LL (000) 431,927.

The management of the Company has confirmed to us that:

- There are no other transactions, contracts, agreements or other commitments during the year between the Company and the persons mentioned in paragraphs 1 and 2 of Article 158 of the Lebanese Code of Commerce, that are subject to prior authorization from the Board of Directors, in accordance with the provisions of this Article.
- All other operations, contracts, agreements and commitments between the Company and the persons mentioned in paragraphs 1 and 2 of this article during the year ended 31 December 2022 were within the normal course of operations between the Company and its customers and are exempted from this requirement and the provisions of the article.

Article 158 of the Lebanese Code of Commerce states in all cases, the authorization is not considered effective until it is approved by the General Assembly of the Shareholders. We do not have any comments in that respect.



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20 June 2023  
Beirut, Lebanon