

POWER CEMENT LIMITED

April 25, 2017

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: Notice of Extra Ordinary General Meeting (EOGM) of Power Cement Limited

Dear Sir,

In compliance with the requirements of Listing Regulations of Pakistan Stock Exchange we are pleased to enclose herewith Notice of EOGM of the Company for its circulation to the Certificate holders of the Exchange and same Notice shall be transmitted to the Company's shareholders.

Yours faithfully,

Tahir Iqbal
Chief Financial Officer &
Company Secretary

- CC: 1. **Enforcement and Monitoring Division**
Securities and Exchange Commission of Pakistan,
63, Jinnah Avenue, N.I.C. Building
Blue Area
Islamabad
2. M/s. Technology Trade (Pvt.) Limited, Dagia House, 241-C, Block 2, PECHS,
Off Shahra e Quadeen, Karachi

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of Power Cement Limited (“**the Company**”) will be held on Saturday MAY 20, 2017 at 11:00 a.m at Beach Luxury Hotel, M.T. Khan Road, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the Extra Ordinary General Meeting held on March 06, 2017.

SPECIAL BUSINESS:

2. *To consider and if thought fit to pass the following Special Resolution with or without modification(s), addition or deletion:*

“Resolved that the approval of members of Power Cement Limited be and is hereby accorded offer and allot 104,658,670 ordinary shares having face value of Rs.10/- each at a premium of Rs.2.5/- per share by the way of allotment otherwise than the Right Shares under Section 86(1) of the Companies Ordinance, 1984, to a consortium of FLSmidth & Co. (Denish global engineering company), IFU (Denish Investment Fund) and IIP (IFU Investment Partners), (“**the Consortium**”), not saleable for Five (05) years, subject to the approval of shareholders by way of a Special Resolution and thereafter approval of the SECP.

Further resolved that the shares issued will rank pari-passu in all respects with the existing shares of the Company except these shares will not be entitled for 162% Right Shares announced on 25th April 2017.

Further resolved that the Chief Executive Officer and the Company Secretary (“the Authorized Officers”) be and are hereby singly and severally authorized to get approval from SECP to issue ordinary shares to Consortium and to do all acts, deeds and things, take any or all necessary actions including appointment of consultant(s)/ advisers and to complete all legal formalities and file all necessary documents to the Stock Exchange and CDC as may be necessary or incidental for the purpose of implementing the aforesaid resolution.

Further resolved that the aforesaid resolutions shall be subject to any amendment, modification, addition or deletion as may be deemed appropriate and as approved by the shareholders or as may be suggested, directed and advised by the SECP which suggestion, direction and advice shall be deemed to be part of this resolution without the need to pass a fresh Resolution. The above mentioned Authorized Officers be and are hereby authorized to make any such amendment, modification, addition or deletion as may be required without the need to obtain any further approval of the Shareholders.”




Statement under Section 160(1)(b) of the Companies Ordinance 1984 containing material facts concerning special business to be transacted as special resolution at the Extraordinary General Meeting is attached with the notice.

Any Other Business

- 1) To consider any other business with the permission of the Chair.

By order of the Board


Company Secretary
Tahir Iqbal

Karachi, April 25, 2017

Notes:

1. Share transfer books of the Company will remain closed from May 16, 2017 to May 23, 2017 (both days inclusive). Transfers received in order at the office of our registrar, M/s. Technology Trade (Pvt.) Limited, Dagia House, 241-C, Block 2, PECHS, Off Shakra e Quadeen, Karachi, by the close of business on May 15, 2017 will be treated in time for the determination of entitlement of shareholders to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
3. Procedure including the guidelines as laid down in Circular No. I- Reference No. 3(5-A) Misc/ARO/LES/96 dated 26th January 2000 issued by Securities & Exchange Commission of Pakistan:
 - (i) Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
 - (ii) In the case of corporate entity, Board of Directors' resolution/power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
 - (iii) In order to be effective, the proxy forms must be received at the office of our registrar not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, NIC numbers and signatures.
 - (iv) In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - (v) In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith form of proxy.

Members are requested to promptly notify any change in address by writing to the office of the registrar.



STATEMENT UNDER SECTION 160 (i)(b) OF THE COMPANIES ORDINANCE, 1984

This Statement sets out the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of the Company to be held on Saturday May 20, 2017.

As disclosed in the Company's announcement of financial results of April 25, 2017 that the Board of Directors of the Company has decided to expand production facility by 7700 tons per day (2.5 million tons per annum), taking the total capacity to around 3.4 million tons per annum. The expansion has a Total Project Cost of PKR 24.92 Billion (inclusive of IDC, Contingencies and Buffer for exchange fluctuation). In addition to fresh equity of Rs.8.722 billion, PKR 16.197 Billion is being raised as debt.

Accordingly, the Board of Directors of the Company has approved 162% Right Issue consisting of 593,065,796 Ordinary Shares having face value of Rs.10/- each at a premium of Rs.2.5/- per share to the Company's existing shareholders and in addition of this it has also decided offer and allot 104,658,670 ordinary shares having face value of Rs.10/- each at a premium of Rs.2.5/- per share by the way of allotment otherwise than the Right Shares under Section 86(1) of the Companies Ordinance, 1984, to a consortium of FLSmidth & Co. (Denish global engineering company), IFU (Danish Investment Fund) and IIP (IFU Investment Partners), ("**the Consortium**"), subject to the approval of shareholders by way of a Special Resolution and thereafter approval of the SECP.

The requisite material facts concerning the special business are as follows:

1) Justification for Issue of Shares otherwise than Right shares and not as right shares;

These shares are not saleable in secondary market for Five (05) years. The Company will benefit from the equity investment as FLSmidth & Co. (Denish global engineering company) will retain a continuing stake in the future of the Company. In addition, the Company will benefit from FLSmidth consortium nominating a Board Member who will bring technical expertise as well as international best practices to the management of the Company.

2) Names of the persons to whom shares will be issued;

Consortium of IFU (Danish Investment Fund), IIP (IFU Investment Partners) and FLSmidth & Co. (Denish global engineering company), ("**the Consortium**").



