

29<sup>th</sup> November 2018

**Executive Director**

Public Offering and Regulated Persons Department  
Securities Market Division  
Securities & Exchange Commission of Pakistan,  
National Insurance Corporation Building,  
63 Jinnah Avenue, Islamabad

**Company Secretary**

Dandot Cement Company Limited  
30-Sher Shah Block,  
New Garden Town,  
Lahore

**General Manager – Operations**

Pakistan Stock Exchange  
I.I Chundrigar Road,  
Karachi

**SUBJECT: PUBLIC ANNOUNCEMENT OF OFFER TO ACQUIRE UP TO 15,648,597  
ORDINARY SHARES (16.5%) OF DANDOT CEMENT COMPANY LIMITED**

Dear Sir(s),

On behalf of Calicom Industries (Pvt.) Limited, a private company limited by shares incorporated under the laws of Pakistan (the "Acquirer"), Pervez Ahmed Capital (Pvt.) Limited as the Manager to the Offer (the "Manager to the Offer") are submitting herewith a copy of Public Announcement of Offer to Acquire up to 15,648,597 ordinary shares of Dandot Cement Company Limited (the "Target Company") constituting approximately 16.5% of the issued share capital of the Target Company in accordance with the Securities Act, 2015 (the "Act") and the Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Regulations, 2017 (the "Regulations").

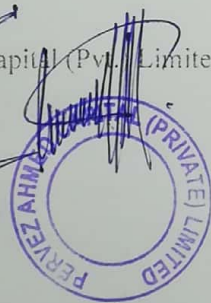
Please find enclosed the final Public Announcement of Offer. All other relevant documents required under Regulation 7(5) of the Regulations are also submitted to the Securities and Exchange Commission of Pakistan along with this Offer.

This announcement shall be published in one English and one Urdu daily newspaper on Tuesday i.e. 4<sup>th</sup> December 2018.

Warm Regards,

For Pervez Ahmed Capital (Pvt.) Limited,

Shahid Gul  
Company Secretary





**Calicom**

**PUBLIC ANNOUNCEMENT OF OFFER TO ACQUIRE 16.5% SHARES (15,648,597) AND CONTROL OF DANDOT CEMENT COMPANY LIMITED BY CALICOM INDUSTRIES (PVT.) LIMITED UNDER SECURITIES ACT, 2015**

**DISCLAIMER:** *IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DOCUMENT OF PUBLIC OFFER WITH THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY THE COMMISSION. THIS DOCUMENT HAS BEEN SUBMITTED TO THE COMMISSION FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE LAW/REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF DANDOT CEMENT COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DOCUMENT. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DOCUMENT. THE MANAGER TO THE OFFER PERVEZ AHMED CAPITAL (PVT.) LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. FOR THIS PURPOSE, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 27<sup>th</sup> NOVEMBER 2018 TO THE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT 2015.*

**PART A**

Brief description the acquisition:

Acquisition Through	Number of Shares	Percentage	Price per share (highest in case of SPA)
Share Purchase Agreement	63,542,787	67%	Rs. 12.59
Public Offer	15,648,597	16.5%	Rs. 12.59

**PART B**

The following information shall be disclosed:

**1. THE ACQUIRER**

**1.1 If acquirer(s) is a company**

(a)	Name and Registered address of the acquirer:	<b>Calicom Industries (Pvt.) Limited</b> <b>Address: 5-Zafar Ali Road, Gulberg-V, Lahore</b>
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(b)	Date and Jurisdiction of incorporation:	The company was incorporated on 26-09-2018 in Lahore, Pakistan.
(c)	The authorized and issued share capital:	Authorized capital: PKR 50,000,000 Issued share capital: PKR 50,000,000
(d)	If there is more than one acquirer, their relationship	N/A
(e)	Total number of voting shares of the target company already held by the acquirer and the persons acting concert, including any shares purchased through an agreement and relevant details of such agreement, including the share price agreed	The Acquirer does not hold any shares in the Target Company at present however Acquirer has entered into a share purchase agreement dated 7 <sup>th</sup> November 2018 with the Sellers for the purchase of 63,542,787 ordinary shares representing 67% of the total issued share capital of the Target Company at a price of Rs. 12.59 per ordinary share.
(f)	The number of shares issued since the end of the last financial year of the company.	Number of shares issued: 5,000,000 Value of Share: PKR 10/-
(g)	Details of any re-organization of the acquirer during the two financial years preceding the public announcement of offer.	N/A
(h)	Details of any Bank overdrafts or loans: other similar indebtedness: mortgages: charges: other material contingent liabilities of acquirer and subsidiaries (if any): and if there are no such liabilities statement to that effect:	<ul style="list-style-type: none"><li>• No overdrafts.</li><li>• No mortgages.</li><li>• No charges.</li><li>• Corporate Guarantee of Rs. 200 Million in favour of Habib Metropolitan Bank</li><li>• <u>Indebtedness</u><ul style="list-style-type: none"><li>➢ Loan from Directors: Rs. 170 Million (unsecured).</li><li>➢ Habib Metropolitan Bank: Bank Guarantee of Rs. 200 Million.</li></ul></li></ul>

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(i)	financial advisors of the acquirer:	N/A
(j)	Brief history and major areas of operation of the acquirer:	<b>The Acquirer was incorporated on 26.09.2018 as a private limited company under the Companies Act 2017, the registered office of the Acquirer is located at 5-Zafar Ali Road, Gulberg V, Lahore, and the major areas of its operation include to set up, organize, establish, manage, run, operate and new industrial undertaking or otherwise acquire, purchase interest, right, share in any existing cement or any other undertaking, mill, factory or business entity. The Acquirer also plans to make strategic investments in the cement sector.</b>
(k)	Name and addresses of sponsors or persons having control over the acquirer.	<b>(1) Mr. Taha Muhammad Naseem House No. 32, Askari Villas, Shami Rd., Lahore Cantt.  (2) Mr. Zaka Muhammad Naseem 45-B, Phase-I, DHA, Lahore Cantt</b>
(l)	Names and addresses of board of directors of acquirer:	<b>(1) Mr. Taha Muhammad Naseem House No. 32, Askari Villas, Shami Rd., Lahore Cantt.  (2) Mr. Zaka Muhammad Naseem 45-B, Phase-I, DHA, Lahore Cantt.</b>
(m)	brief audited financial details of the acquirer for a period of at least last five years including <ul style="list-style-type: none"><li>• income:</li><li>• expenditure:</li><li>• profit before depreciation</li><li>• interest and tax:</li><li>• depreciation:</li><li>• profit before and after tax:</li><li>• provision for tax:</li><li>• dividends:</li><li>• earnings per share:</li><li>• return on net worth:</li><li>• and book value per share:</li></ul>	<b>The Acquirer being a newly incorporated company will have its first financial year close on 30<sup>th</sup> June 2019. Hence, at present no financial period has been closed to date for the purposes of audit.</b>
(n)	details of any agreement or arrangement between the acquirer and the directors of the target company about any benefit which will be given to any director of the target company as compensation for loss of office or otherwise in connection with the acquisition.	<b>The Acquirer has not entered into any arrangement with the Directors of the Target Company about any benefit which will be given to any director of the Target Company as compensation for loss of office or otherwise in connection with the acquisition.</b>

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(o)	details of every material contract entered into not more than two years before the date of the public announcement of offer, not being a contract entered into the ordinary course of business carried on or intended to be carried on by the company.	<b>None.</b>
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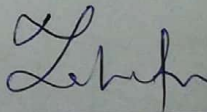
1.2 If Acquirer(s) is an individual: N/A


**2. DETAILS OF THE PUBLIC OFFER:**

(a)	Names, dates and editions of the newspapers where the public announcement of intention was published.	Name of the newspaper: Nawa I Waqt Date: 2 <sup>nd</sup> November 2018 Edition: Nationwide  Name of the newspaper: Business Recorder Date: 2 <sup>nd</sup> November 2018 Edition: Nationwide
(b)	The number and percentage of shares proposed to be acquired by the acquirer(s) from the shareholders through agreement, if any, the offer price per share and the mode of payment of consideration for the shares to be acquired.	<b>The Acquirer has entered into an SPA with the Sellers for the purchase of 63,542,787 ordinary shares representing 67% of the total issued capita of the Target Company at the price of Rs. 12.59 per ordinary share.</b>
(c)	Reasons for acquiring shares or control of the target company.	<b>The Acquirer proposes to acquire shares of the Target Company as it intends to invest in the cement sector as the future outlook of this sector is positive and profitable. The Target Company possesses much potential to become a profit generating business and is a good platform for the Acquirer to make its entry into the cement sector.</b>
(d)	Details regarding the future plan for the target company, including whether after acquisition the target company would continue as a listed company or not.	<b>The Acquirer intends to increase the production capacity of the Target Company and increase its efficiency and profitability. The Target Company will continue its operations as a listed company in the cement sector.</b>
(e)	In case of conditional offer, specify the minimum level of acceptance	<b>N/A. The Public Offer is not conditional upon any conditions or a minimum level of acceptance.</b>
(f)	In case there is an agreement with the present management, promoters or existing shareholders of target company, an overview of the important features of the agreement(s) including <ul style="list-style-type: none"> <li>• Acquisition price per share:</li> <li>• Number and percentage of shares to be acquired under the agreement(s)</li> <li>• Names and complete addresses of seller(s):</li> <li>• Names of parties to the agreement:</li> <li>• Date of agreement(s):</li> <li>• Manner of payment of consideration:</li> <li>• Additional information, if any.</li> </ul>	<b>The Acquirer has entered into an SPA with the existing shareholders namely Three Star Cement (Pvt.) Limited and others with the following salient features:</b>  <b>Acquisition price per share: Rs.12.59</b>  <b>Number and percentage of shares to be acquired under the agreement(s):</b> <b>number of shares: 63,542,787</b> <b>percentage: 67%</b>  <b>Names and complete addresses of seller(s):</b>

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		<p><b>Three Star Cement (Pvt.) Ltd.,</b> 30 Sher Shah Block, New Garden Town, Lahore</p> <p><b>Mr. Mansoor Rasheed</b> 30 Sher Shah Block, New Garden Town, Lahore</p> <p><b>Mr. Saud Rasheed</b> 30 Sher Shah Block, New Garden Town, Lahore</p> <p><b>Names of parties to the agreement:</b> Calicom Industries (Pvt.) Ltd. (Buyer) Three Star Cement (Pvt.) Ltd. (Seller) Mr. Mansoor Rasheed (Seller) Mr. Saud Rasheed (Seller)</p> <p><b>Date of agreement(s):</b> 7<sup>th</sup> November 2018</p> <p><b>Manner of payment of consideration: Cash Payment</b></p>
(g)	Numbers of shares already held by the acquirer along with the date(s) of acquisition. Also state whether it was purchased through open market or acquired through negotiated deal.	N/A. The Acquirer does not hold any shares of the Target Company previously.
(h)	Minimum level of acceptance, if any.	N/A. No minimum level of acceptance is fixed.

**3. OFFER PRICE AND FINANCIAL ARRANGEMENTS:**

**3.1 Justification for the offer price**

(a)	Disclosure about the form of consideration for the shares to be acquired through the public offer.	Shares will be acquired against cash payment by means of bank draft/pay order in Pak Rupees.
(b)	Disclosure of the total amount of consideration to be paid for the shares to be tendered during the public offer (assuming full acceptances).	Total Amount of consideration to be paid shall be a maximum of Rs. 197,015,836.
(c)	Whether the shares of the target company are frequently traded or infrequently traded in the light of criteria prescribed in regulations 13 of these regulations.	The shares of the Target Company are not frequently traded on the Pakistan Stock Exchange in light of the criteria prescribed in the Regulations.

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(d)	Justification for the offer price for the shares of the target company in the light of criteria contained in regulation 13 of these regulations.	<p><b>In relation to the offer price to be offered to the public under Regulation 13, since the shares of the Target Company are not frequently traded, the criteria for determining the price of shares to be offered to the public is the highest amongst prices stated under Regulation 13(2). These prices are as follows:</b></p> <ol style="list-style-type: none"><li>1. The negotiated weighted average price under the SPA for the acquisition of voting shares of the Target Company which is Rs. 12.59 per ordinary share.</li><li>2. The highest price paid by the Acquirer for acquiring the voting shares of the Target Company during six months prior to the date of public announcement of offer is not applicable because no shares have been purchased.</li><li>3. Price per share arrived at on the basis of net asset value carried out by the chartered accountant firm based on the audited financial data not older than six months from the date of public announcement of offer made by the Manager to the Offer. In case of fixed assets, being the part of total assets, the chartered accountant firm shall obtain the services of a valuer to carry out the value of fixed assets, whose name appears on the list of panel valuers maintained by Pakistan Banks Association, which is Rs. (21.5488) per ordinary share (based on the valuation certificate issued by Irfan and Company Chartered Accountants after taking into account the results of the asset valuation conducted by Surwal.</li></ol> <p>Based on the above the public offer is being made at Rs. 12.59 per ordinary share which is the highest amongst the above.</p>
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**3.2 Financial arrangements**

(a)	Disclosure about the security arrangement made in pursuance of Section 123 of the Act.	The Acquirer has provided to the Manager to the Offer, a bank guarantee amounting to Rs. 200 Million.
(b)	Disclosure about the adequate and firm financial resources to fulfil the obligations under the public offer.	The Acquirer has made adequate financial arrangements for the fulfillment of its obligations under the public offer to the satisfaction of the Manager to the Offer through a bank guarantee amounting to Rs. 200 Million.
(c)	A statement by the manager to the offer that the manager to the offer is satisfied about the ability of the	Pervez Ahmed Securities (Pvt.) Limited, appointed as the Manager to the Offer,

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acquirer to implement the public offer in accordance with the requirements of the Act and these regulations.	capable of implementing the public offer as per the Regulations and has been issued a certificate dated 27 <sup>th</sup> November 2018 in this regard.
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**4. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:**

(a)	Detailed procedure for acceptance of offer by shareholder of the target company.	<p>In order to accept the public offer, the shareholders are required to send the letter of acceptance (attached to the offer letter), duly completed and signed, along with the requisite documents (as set out below) to the Manager to the Offer, at its registered address i.e. 20-K, Gulberg II, Lahore, on or before 5 pm on 27<sup>th</sup> January 2019 (Closing Date). Please ensure that with the letter of acceptance, all required information is provided including the number of shares to be tendered.</p> <p>In the event the letter of acceptance and requisite documents are delivered within the stipulated time, the Manager to the Offer will issue confirmation for the receipt of documents (provisional receipt).</p> <p>Receipt by the Manager to the Offer by the Closing Date of the duly completed signed letter of acceptance along with the required documents will constitute acceptance of the Public Offer.</p> <p>Completed letters of acceptance once submitted cannot be revoked by shareholders.</p> <p>Public Offer will remain open for acceptance for seven days starting from 21<sup>st</sup> January 2019 to 27<sup>th</sup> January 2019 during business hours i.e. 9 am to 5 pm. Acceptances received after working hours on the Closing Date shall not be entertained and the Offer period shall not be extended.</p> <p>Copies of letters of acceptance form shall also be available at the offices of the Acquirer and the Manager to the Offer or on the website of Pervez Ahmed Capital (Private) Limited i.e. <a href="http://www.pacplpk.com">www.pacplpk.com</a></p>
(b)	Details of the CDC account in which shares are required to be tendered by eligible shareholders on acceptance during the acceptance period.	<p><b>CDC Account Details:</b></p> <p>Participant ID No.: 15925  Name: Pervez Ahmed Capital (Private) Limited –Manager to the Offer Calicom Industries (Private) Limited</p>

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**5. STATEMENTS BY THE ACQUIRERS:**

(a)	Statements by the acquirer for assuming responsibility for the information contained in the document (in the case where the acquirer is a company such a statement shall be made by the directors of the company).	<b>Directors of the Acquirer i.e. Calicom Industries (Pvt.) Limited assume responsibility for the information contained in this document.</b>
(b)	A statement by the acquirer to the effect that each of the acquirers including persons in concert, if any, will be severally and jointly responsible for ensuring compliance with the Act and the regulations.	<b>The Acquirer confirms that it will be responsible for ensuring compliance with the Securities Act 2015 and the Regulations.</b>
(c)	A statement by the acquirer that the public offer is being made to all the shareholders who have voting shares of the target company and (except the persons acting in concert with acquires) whose names appear in the register of shareholders as on the date of book closure.	<b>The Acquirer confirms that the public offer is being made to all the shareholders who have voting shares of the Target Company (except the Sellers) and whose names appear in the register of shareholders as on the date of book closure.</b>
(d)	A statement by the acquirer that all statutory approvals for the public offer have been obtained.	<b>The Acquirer confirms that all statutory requirements for the public offer as required under the Act and the Regulations have been complied with.</b>
(e)	Disclosure as to whether relevant provisions of the Act and the regulations have been complied with.	<b>The Acquirer confirms that all relevant provisions of the Act and the Regulations have been complied with.</b>
(f)	A statement to the fact if any director(s) of the acquirer is also a director on the board of directors of target company.	<b>No director(s) of the Acquirer is also a director on the board of directors of the Target Company.</b>
(g)	A statement by the acquirer as to whether or not any voting share acquired in pursuance to the public offer shall be transferred to another person and if that is the case the names of such persons shall be disclosed.	<b>The shares will remain in the Acquirer's name.</b>

**SIGNATURE:**

Taha Muhammad Naseem  
Chief Executive Officer  
Date: 29<sup>th</sup> November 2018  
Lahore



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