

# Maple Leaf Cement Factory Limited



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**The General Manager,**  
Pakistan Stock Exchange Ltd,  
Stock Exchange Building,  
Stock Exchange Road,  
**Karachi.**

**PUCARS/ Courier**  
MLCF/PSX-4/65  
October 15, 2018

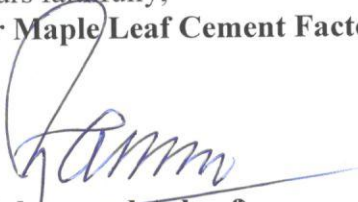
**Subject: QUARTERLY PROGRESS REPORT ON EXPANSION PROJECT OF MAPLE LEAF  
CEMENT FACTORY LIMITED**

Dear Sir,

In compliance with your letter No. PSX/C-927-5446 dated August 16, 2017 under clause 24 of Annexure-I "Documents/Information required for Issue of Right Shares", and sub-clause (ix) of Rule 5 of the Companies (Issue of Capital) Rules, 1996, we are pleased to present the Quarterly Progress Report on Expansion Project of Maple Leaf Cement Factory Limited for the period ended September 30, 2018, which is being attached herewith as "Annexure-A".

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours faithfully,  
**For Maple Leaf Cement Factory Limited**

  
**(Muhammad Ashraf)**  
**Company Secretary**

Encl. As above

CC:

- ◆ **The Director / HOD,**  
Surveillance, Supervision and Enforcement Department,  
Securities and Exchange Commission of Pakistan  
NIC Building, 63-Jinnah Avenue, Blue Area,  
**Islamabad**

**Fax# 051-9100440**

## MAPLE LEAF CEMENT FACTORY LIMITED

### PROGRESS REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2018

The following progress has been achieved on the Implementation of the expansion project of Maple Leaf Cement Factory Limited ("the Company").

#### **The Project:**

The Company has undergone to set up an additional dry process clinker production line of 7,300 tons per day grey clinker production, a brown field expansion at the Company's existing site in Iskandarabad, to enhance total grey cement capacity up to 18,000 tons per day. In this regard, the Company, after signing EPC contract, has opened Letter of Credit as on March 17, 2017 in favor of plant supplier, M/s. FLSmidth A/S, Denmark for supply and setting up of said production line.

Total project cost is estimated at Rs. 26 billion including the impact of recent devaluation of Pak Rupee. Project cost is being financed approximately 17% through right issue, 54% through bank loans and the rest through generation of cash from operations of the Company. Project is accelerating as per the plan and 77% of the total project cost, which amounts to Rs. 20 billion has been incurred and paid to-date.

An overview of the above project is given hereunder along with time line and cost status.

#### **1. Plant and machinery**

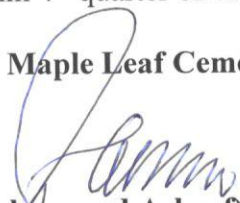
Letters of Credit ("LCs") for supply and setting up of engineering and equipment of complete cement plant from M/s FLSmidth A/S, Denmark amounting to Euro 79.6 million has been established through National Bank of Pakistan. Till the quarter ended September 30, 2018, total 140 shipments (Approx. 98%) have been received amounting to Euro 78.3 million.

#### **2. Civil work**

The contract for the civil construction and mechanical erection work has been awarded to Descon Engineering Limited. The construction work at sight is in full swing and approximately 77% of civil work has been completed. Further, 30% work of plant erection has been completed till September 30, 2018.

Commercial production from new line of 7,300 tons per day is expected to commence within 4<sup>th</sup> quarter of current financial year.

**For Maple Leaf Cement Factory Limited**

  
(Muhammad Ashraf)  
Company Secretary