

June 22, 2020

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

Subject: **EXTRAORDINARY GENERAL MEETING OF POWER CEMENT LIMITED**

With reference to the subject cited above, the Extraordinary General Meeting of Shareholders of Power Cement Limited was held on Saturday, June 20, 2020 at 11:00 a.m. via video-link, and the approvals of the agenda items have been passed unanimously by the shareholders present or as proxies in the meeting who were entitled to vote therein.

Certified true copies of the resolutions passed during the Extraordinary General Meeting are enclosed as Annexure-I in compliance with the listing regulations.

Further, minutes of the Extraordinary General Meeting will be submitted to the exchange within the stipulated time.

Yours Sincerely,



Tahir Iqbal
Chief Financial Officer &
Company Secretary

ANNEXURE – I

Extracts of resolutions passed during the Extraordinary General Meeting of Power Cement Limited held on June 20, 2020

ORDINARY BUSINESS:

Resolved that The minutes of the last Extraordinary General Meeting of the Shareholders of the Company held on March 28, 2020 be and are hereby approved and the Chairman be and is hereby authorized to sign the minutes as token of confirmation.”

SPECIAL BUSINESS:

“Resolved that subject to approval of Securities and Exchange Commission of Pakistan, the Board of Directors be and are hereby authorized to offer and issue 244,585,320 Perpetual, Cumulative and Convertible Preference Shares at par (face value Rs.10/- each) in proportion of 23 Preference Shares for every 100 Ordinary Shares held by existing members on the following terms and conditions against payment of full amount:

1	Preferred Dividend Rate	Dividend @ 6 Month KIBOR plus 1.5% per annum will be paid from profits for that financial year or from accumulated profits / reserves, subject to approval by the Board of Directors.
2	Cumulative	The entitlement of Dividend shall not lapse if no Dividend is paid within that year and shall be carried forward to subsequent year(s).
3	Voting	The Preference Shareholders will have the right to vote.
4	Conversion Option	Preference shares shall be convertible at the Option of the Preference Shareholders in to ordinary shares of the Issuer. The Conversion Option can be exercised upon the expiry of 12 (twelve) months from the Issue Date by giving a thirty days’ notice in advance to the Issuer, however, the accumulation of Preferred Dividends shall cease at the time of filing of conversion notice with the Company’s registrar.
5	Conversion ratio	i. Conversion Ratio is to be determined by dividing the aggregate face value of Preference Shares plus the outstanding balance of any accumulated / accrued preferred dividend (if not paid till conversion) by Rs.7.5/-

		<ul style="list-style-type: none"> ii. There will be no change/ revision in the rate of preferred dividend in case of accumulation. iii. There is no upper limit of maximum accumulations of preferred dividends.
6	Listed/ unlisted	These Perpetual, Cumulative and Convertible Preference Shares will also be listed at the PSX after completion of necessary formalities.
7	Rights and privileges of Preference Shareholder	<p>The Preference Shareholders shall be entitled to:</p> <ul style="list-style-type: none"> i. Cash dividends in priority over any dividend to ordinary shareholders and holders of any subsequent issues / series of preference shares. ii. In case of liquidation, the Preference Shareholders shall be entitled to preferred liquidation rights prior to ordinary shareholders. iii. Receive annual financial statements of the Issuer and have access to the quarterly financial statements through PUCARS and Company's website. iv. Receive notice, attend general meeting of the Company and vote at meetings of the shareholders of the Company, except as otherwise provided by the Act, whereby the holders of such shares would be entitled to vote separately as a class i.e. with respect to voting entitlement of Preference Shareholders on matters / issues affecting substantive rights or liabilities of Preference Shareholders. <p>The Preference Shareholders shall not be entitled to:</p> <ul style="list-style-type: none"> i. Bonus or rights shares, in case the Company / Directors decide to increase the capital of the Company by issue of further shares except for the adjustment in Conversion Ratio provided hereinabove referred terms and conditions. ii. Participate in any further profit or assets of the Company, except the right of dividend being attached to the Preference Shares.
8	Entity rating	A- (A Minus) for the long term and A – 2 for the short term with stable outlook by JCR VIS
9	Governing law	The Instrument shall be subject to the laws of Islamic Republic of Pakistan and non-exclusive jurisdiction of the Pakistan Courts

Further Resolved that in case the Preference Shares or any numbers thereof are not subscribed by any existing Members, such unsubscribed Preference Shares may be offered by the Directors to any other Members willing to subscribe to such Preference Shares or to any other person or institution as may be considered appropriate by the Directors, on the same terms and conditions.

Further Resolved that the Company Secretary be and is hereby authorized to do all the acts, deeds and things necessary, including preparation, signing and submission of a formal application to the Securities and Exchange Commission of Pakistan (SECP), with all necessary documents, to represent the Company to the SECP and to respond to all queries and provide any clarification or feedback as may be required by the SECP, to incorporate any modification of the above Resolutions and/or the terms and conditions for issuance of Preference Shares as may be directed or advised by the SECP and to fulfill all legal, corporate and procedural formalities without the need to obtain any further approval of the Shareholders."

CERTIFIED TRUE COPY



Tahir Iqbal
Chief Financial Officer &
Company Secretary