



POWER CEMENT LIMITED

September 16, 2020

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

SUBJECT: PREFERENCE RIGHT SHARES SUBSCRIPTION STATUS

In compliance with your Letter No. PSX/C-595-1324, Clause 7 of Annexure-II "**Procedure to be complied with for issue of right shares**", we are pleased to inform you that;

The Company's External Auditors vide their attached certificate have certified that the Company has received full amount of subscription in advance amounting to Rs.2,445,853,200/- from the Company's Sponsors in the bank accounts of the Company against complete subscription of 244,585,320 Preference Right Shares.

In addition to above, as of the last date of subscription i.e. September 08, 2020, the general public has deposited subscription money amounting to Rs.467,625,110/- for subscription of 46,762,511 Preference Right Shares and same shall be allotted to them as per PSX approved timeline schedule.

Yours Sincerely,

Tahir Iqbal
Chief Financial Officer &
Company Secretary



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

The Chief Financial Officer
Power Cement Limited
Arif Habib Centre
23 M.T. Khan Road
Karachi – 75530

Our ref KA-ZS-071

Contact Muhammad Taufiq

18 July 2020

Dear Sir,

Factual findings report in respect of Agreed Upon Procedures performed for the verification of injection of money by the Company's sponsor

We have performed the procedures agreed with you vide our engagement letter no. KA-ZS-063 dated 16 July 2020. Our engagement was undertaken in accordance with International Standard on Related Services (ISRS)-4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" applicable to agreed upon procedures engagements.

As mentioned in our above referred engagement letter, we have been informed that Power Cement Limited ("the Company") intends to issue preference shares by way of a rights issue and we were requested by the management to give our factual findings report on certain procedure performed for verifying the injection of cash by the Company's Sponsor in the Company's bank accounts. The procedure is mentioned in the paragraph below ('Procedure performed').

Our responsibility was only to give our factual findings report based on agreed upon procedure performed in accordance with International Standards on Related Services (ISRS) – 4400 "Engagement to Perform Agreed-Upon Procedure Regarding Financial Information" applicable to agreed upon procedures engagements. These factual findings are only to the extent of the procedure mentioned here.

Procedure Performed

As part of the engagement, the procedure performed is summarised as below:

- Checked that the amount received by the Company from Mr. Arif Habib (Sponsor of the Company) in the bank account along with the date of receipt.



KPMG Taseer Hadi & Co.

Power Cement Limited

*Agreed upon procedures in respect of verification of money by
the company's sponsor
18 July 2020*

Factual findings

Based on the procedures performed by us as mentioned above, we report as follows:

- In respect of procedure 1, we found that Rs. 2,445,853,200 (Rupees Two billion, four hundred and forty five million, eight hundred and fifty three thousand, two hundred only) have been received by the Company from Mr. Arif Habib (Sponsor of the Company) deposited with the following bank accounts of **Power Cement Limited**. Below are the details for amount received along with date of receipts.

S.No.	Bank account	Account Number of the Company	Amount received / (repaid)	Date of receipt
1	Summit Bank Limited	1-99-3-26001-714-107939	316,000,000	02-July-2019
2	Askari Bank Limited	0200008175	25,000,000	12-July-2019
3	Askari Bank Limited	0200008175	450,000,000	16-July-2019
4	National Bank of Pakistan	6045426346	600,000,000	15-July-2019
5	Bank Islami Pakistan Limited	100320387900001	210,000,000	16-September-2019
6*	National Bank of Pakistan	6045426346	(100,000,000)	25-September-2019
7	National Bank of Pakistan	4045421594	927,000,000	02-Janurary-2020
8	National Bank of Pakistan	6045426346	17,853,200	05-June-2020
Amount			2,445,853,200	

* Amount paid out of the receipts.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standard on Review Engagements, we do not express any assurance thereon. Furthermore, utilization / payment of the received amounts is not covered in the scope of this report.

Had we performed additional procedures or had we performed an audit or review of the financial information of the Company in accordance with International Standards on Auditing or International Standard on Review Engagements other matters might have come to our attention that would have been reported to you.

Our report is solely for internal use of the management of the Company and the Chief Executive Officer of the Company and for submission to the Securities and Exchange



KPMG Taseer Hadi & Co.

Power Cement Limited

*Agreed upon procedures in respect of verification of money by
the company's sponsor*

18 July 2020

Commission of Pakistan, Pakistan Stock Exchange and the lenders of the Company for the purpose mentioned above and should not be used for any other purpose or be distributed to any other person, in whole or in part, without our prior consent. This report relates only for the purpose mentioned above and does not extend to any financial statements of the Company taken as a whole. Our report shall not be submitted or presented in any Court of law or shall be included as part of any legal proceedings.

It has been assumed that all information and representation provided to us by the management of the Company are genuine without any omission.

Yours faithfully,

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