



KPMG Taseer Hadi & Co.
Chartered Accountants
351 Shadman-1, Jail Road,
Lahore 54000 Pakistan
+92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

The Chief Financial Officer
Kohat Cement Company Limited
37 – P, Gulberg II
Lahore

Our ref LA-IA-238AA-23
Contact Bilal Ali

08 August 2023

Dear Sir

Statutory Auditor's Certificate with respect to buy back of 5 million ordinary shares by Kohat Cement Company Limited ("the Company")

We have been requested to provide you with a certificate on the annexed statement ("Annexure A") of Kohat Cement Company Limited ("the Company") in relation to the buyback of 5 million ordinary shares.

Scope of Certificate

In accordance with Annexure B of the "Procedures for Buy Back of Shares" issued by Central Depository Company of Pakistan Limited (CDC) addressed to the Company's management representative, here in-after referred to as "Applicable Procedures", we were required to provide certificate on the following matters:

- (a) Paid-up capital position before cancellation;
- (b) Number of shares registered in the name of CDC in Issuers's / the Company's books that were cancelled; and
- (c) Revised paid-up capital after cancellation.

Management Responsibility

It is the management's responsibility to ensure compliance with requirements of Applicable Procedures in connection with the buyback of 5 million ordinary shares.

The management of the Company is also responsible for sufficiency and appropriateness of the procedures to be performed for their purposes and we accept no responsibility with respect to the sufficiency and appropriateness of such procedures performed. Further, we have no obligation to perform any procedures beyond those agreed.

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Auditor's Responsibility

Our responsibility is to certify the Company's compliance with the matters as mentioned under the "Scope of Certificate" above in accordance with 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants firm issued by Institute of Chartered Accountants of Pakistan. However, our verification was limited to procedures mentioned below:

- a) Obtained signed copy of the annexed statement from the Company containing details about the payments aggregating Rs. 869,946,576 by the Company to the brokers with respect to buy-back of 5 million ordinary shares.
- b) Verified the payments aggregating Rs. 869,946,576/- made by the Company to the brokers by tracing individual payment transactions to the statements of the Company's following Bank Account No:
 - United Bank Limited (A/c no. 0109 0002 3832 0035) = Rs. 295,828,008
 - Habib Bank Limited (A/c no. 0001 7279 7954 6152 & 0001 7279 7954 6055) = Rs. 557,308,577
 - Allied Bank Limited (A/c no. 0010 0002 4675 0034) = Rs. 16,809,991
- c) Agreed paid-up capital position i.e. 200,861,297 fully paid ordinary shares each having face value of Rs. 10 as at 08 Aug 2023 (i.e. before cancellation of 5 million ordinary shares bought back) from the Company's books of accounts.
- d) Checked that 5 million ordinary shares bought back by the Company are registered in the name of CDC in the Company's book.
- e) Checked arithmetical accuracy of the Company's calculation about the revised paid-up capital i.e. 195,861,297 fully paid ordinary shares each having face value of Rs 10 after envisaged cancellation of 5 million ordinary shares as stated in the annexed statement.

Certificate

Based on our procedures mentioned above, we certify that:

- a) Payment aggregating Rs. 869,946,576/- was made by the Company to the brokers with respect to buyback of 5 million ordinary shares.
- b) Paid-up capital position is 200,861,297 fully paid ordinary shares before cancellation each having face value of Rs. 10 per share;
- c) Number of shares bought back by the Company i.e. 5 million ordinary shares were registered in the name of CDC in the Company's books; and

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- d) Revised paid-up capital of the Company shall be 195,861,297 fully paid ordinary shares after cancellation each having face value of Rs. 10 per share.

This certification engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Restriction on use and distribution

This certificate is issued by us in the capacity of statutory auditors of the Company upon request of management for onward submission to CDC in accordance with the Applicable Procedures and is not to be used or distributed to any other party. This certificate is restricted to the facts stated herein and the attached statement.

The annexed statement has been initialed by us for identification purpose only.

Yours sincerely

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Statement Containing Details about the Payments Made By the Company With Respect To Buy-Back and Cancellation of 5 Million Ordinary Shares

In accordance with the Special Resolution passed by the members of **KOHAT CEMENT COMPANY LIMITED** (the Company) on February 21, 2023 and further in terms of the Regulations 4(2) and 10(b) and of the Listed Companies (Buy-Back of shares) Regulations, 2019 (the Buy-Back Regulations), the Company made a public announcement on February 22, 2023 for Buy-Back upto 5 Million issued ordinary shares of the Company having face value of Rs 10 each during the purchase period commencing from March 01, 2023.

In this respect, we confirm as follows:


1. Effective March 01, 2023 till August 3, 2023, the Company has bought back 5 Million issued ordinary shares of the Company each having face value of Rs 10.
2. The brokers through which the shares were bought back and to whom the payments were made in connection thereof are as follows:

Broker Name	No. of shares bought back	Amount of shares bought back (Rupees)
Foundation Securities Limited	2,845,997	505,958,653
Topline Securities Limited	2,052,203	347,177,932
AKD Securities Limited	101,800	16,809,991
	5,000,000	869,946,576

3. Paid-up capital of the Company was **200,861,297** fully paid ordinary shares each having face value of Rs 10 before buy-back and cancellation of 5 million ordinary shares.
4. Number of shares bought back by the Company i.e. 5 million ordinary shares were registered in the name of CDC in the Company's Members Register.
5. Currently 5 million ordinary share bought back by the Company are held in Investor Account No. 03525-124356 maintained with Central Depository Company of Pakistan Limited (CDC), especially opened for the purposes of buy-back in terms of Regulation 6(b) of the Buy-Back Regulations.
6. Revised paid-up capital of the Company after the buy-back and cancellation of 5 million ordinary shares is Rs. **195,861,297** fully paid ordinary share having face value of Rs 10.

The Company has duly complied with the requirements of the "Procedure for Buy Back of Shares" issued by CDC.

For and on behalf of Kohat Cement Company Limited


Asadullah Khan
Company Secretary
Dated: August 08, 2023



Head Office: 37-P, Gulberg II, Lahore - Pakistan.
UAN: +92-42-11-111-KCCL (5225) Fax: +92-42-3575-4084, 3587-4990
Web: www.kohatcement.com

