

**NOTICE OF 23<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the shareholders of **PAKCEM LIMITED** (Formerly Lafarge Pakistan Cement Limited) ("the Company") will be held on Wednesday, October 14, 2015, at 1:00 p.m. at the Registered Office, Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad to transact the following business:

**ORDINARY BUSINESS**

1. To confirm the minutes of Extraordinary General Meeting held on June 25, 2015.
2. To receive and adopt the audited accounts of the Company for the period ended June 30, 2015 along with Directors' and Auditors' reports thereon.
3. To approve and declare cash dividend of Rs. 0.25 per share for the period ended June 30, 2015 as recommended by the Board of Directors.
4. To appoint Auditors for the year ending June 30, 2016 and to fix their remuneration. The retiring auditors namely M/s KPMG Taseer Hadi & Co., Chartered Accountants, Islamabad, being eligible, offer themselves for re-appointment.
5. To transact any other business which may be placed before the meeting with the permission of the chair.

**SPECIAL BUSINESS**

6. To consider and if thought fit to pass the following resolutions with or without modification as a special resolution:

***"RESOLVED THAT the "Intercompany Services Fee Agreement" to be executed between the Company and Bestway Cement Limited, as discussed be and is hereby approved and that agreement be engrossed in duplicate and the common seal of the Company be affixed thereto in accordance with the Company's Articles of Association.***

***FURTHER RESOLVED THAT the Chief Executive Officer and/or the Chief Financial Officer of the Company be and are hereby authorized to singly sign and execute this agreement on behalf of the Company and take all necessary actions in this regard."***

**OTHER BUSINESS**

7. Any other business with the permission of the chair.

By Order of the Board

Sehar Husain  
Company Secretary

Islamabad:  
September 23, 2015

**Notes:**

1. The share transfer books of the Company will remain closed from 08-10-2015 to 14-10-2015 (both days inclusive) to determine entitlement for attending Annual General Meeting and to receive dividend.

**PAKCEM HOUSE**

18 - B, Kaghan Road, F-8 Markaz,  
Islamabad - Pakistan.  
UAN: +92 51 111 111 722, Fax: +92 51 281 7300

**Registered Office**

Bestway Building, 19-A, College Road,  
F-7 Markaz, Islamabad - Pakistan.  
Ph: +92 51 2654856-64, Fax: +92 51 265 4865





2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.
3. CDC shareholders entitled to attend and vote at this meeting, shall produce his/her original CNIC or passport to prove his/her identity. Representatives of corporate members should bring the usual documents required for such purpose. The members are requested to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
4. Shareholders are requested to immediately notify to M/s THK Associates (Pvt.) Limited, the Share Registrar of the Company, of change in their address, if any.
5. Shareholders are informed that w.e.f. July 01, 2015 rate of withholding tax has been increased to 17.5% in respect of non filers and 12.5% for filers of the income tax returns. The shareholders are advised to e-file their returns as the Department places the names of the e-filers on their website and to provide their NTN to the Shares Registrars of the Company for availing the benefit of lower withholding rate.
6. Members who have not yet submitted a photocopy of their computerized National Identity Cards to the Company are requested to send the same at the earliest to the Share Registrar which is mandatory for dispatch of dividend warrants.

**STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984**

This Statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on October 14<sup>th</sup>, 2015:

The Company's holding company, Bestway Cement Limited (Bestway), has the professional, technical and other specialized capabilities to provide ongoing valuable services for the benefit of Pakcem Limited with the view of promoting cost optimization and sustainable growth of its business as a whole (the Services). Furthermore, Bestway Cement Limited's senior management and executive oversight provides value to and benefits the Company as an entity in the cement operations group. As a result of the acquisition of majority shareholding of the Company and management change of control, Bestway is endeavoring to devote the appropriate time, attention, and energies to the performance of the Services, and utilizing best efforts in the furtherance of the business of the Company. In consideration for the Services performed by Bestway Cement Limited, the Company shall pay an annual fee of Rs.300 million. The Board of Directors of the Company believe that the Agreement will have a positive impact on the business and would help its future operations and growth of the company.

The justification for entering into the Agreement is the growing volume of work of senior management of the Bestway in managing the day to day operations of the Company without any fixed remuneration or reward. However, whilst cost of management efforts may be impractical to charge directly, a cost/benefit relationship can be reasonably identified. The Agreement therefore provides for a practical and consistent allocation method for costs incurred for the general benefit of the group as well as the Company specifically.

For this purpose the approval of the shareholders is solicited for passing the special resolutions specified in the notice of meeting.

The directors have no interest in the special business.

The above mentioned Agreement is available at registered office of the Company for inspection during the office hours (2:30 to 5:30 p.m.) from October 9, 2015 to October 13, 2015.

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