



# FLYING CEMENT COMPANY LIMITED

FLYING/545/386/2021

May 24, 2021

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

BY PUCAR & Courier

## **AUDITOR'S CERTIFICATE CONFIRMING RECEIPT OF FULL AMOUNT OF RIGHT ISSUE**

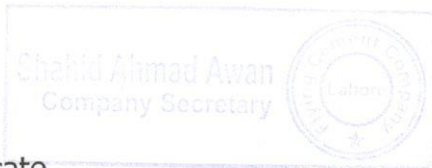
Dear Sir,

In continuation of our earlier correspondence and in compliance of Clause 8 of Annexure – II (Procedure to be complied with for issue of right shares) as per your letter No. PSX/C-1113-441, dated March 12, 2021, we enclose herewith the Certificate issued by our statutory auditors M/s. Naveed Zafar Ashfaq Jaffery & Co, Chartered Accountants confirming receipt of complete subscription amounting to Rs 2,000,000,000 (Two Billion Only).

Accordingly, you are requested to issue No Objection Certificate ("NOC") in the name of banker to the issue Meezan Bank Limited for release of subscription amount received in the bank account maintained for the purpose of Right Issue at your earliest.

Yours sincerely,  
For Flying Cement Company Limited,

  
Company Secretary.



Encl: Auditor's Certificate



Dated: May 24, 2021

**The Board of Directors  
Flying Cement Company Limited (the Company)  
1 Sarwar Colony, Sarwar Road,  
Lahore Cantt, Pakistan.**

Dear Sirs

### **AUDITORS' CERTIFICATE**

We have been requested to provide you with a certificate on receipt of full amount against issue of right shares as required under clause 8 (Annexure II) of Pakistan Stock Exchange Limited's (PSX) letter dated March 12, 2021.

### **Scope of Certificate**

This certificate is being issued by us as statutory auditors of the Company for onward submission to the Central Depository Company of Pakistan Limited (CDC) and PSX.

### **Management Responsibility**

It is the responsibility of the Company's management to ensure that aggregate subscription amount received is properly recorded in the books and records of the Company and to comply with all the legal requirement in this respect.

### **Auditors' Responsibility**

Our responsibility is to certify that the full amount of subscription has been received in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to procedures as mentioned below. This certificate is to be read in conjunction with our earlier certificate issued dated March 31, 2021.

- Obtained and checked certified true copy of the resolutions of the Board of Directors of the Company approving issue of further 200,000,000 ordinary shares of the Company, of PKR 10/- each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder i.e. right issue at a price of PKR 10/- in accordance with Section 83 of the Companies Act, 2017;

- Obtained and checked copy of letter issued under Section 83 of the Companies Act, 2017 for last date of payment / renunciation;
- Examined CDC right entitlement register to verify shares held physically and through CDC;
- Obtained copy of bank statements provided by the banks, certifying the receipt of subscription money amounting to Rs. 443,973,690 /- into the following designated bank accounts:  
Meezan Bank Limited: PK2070105181265
- Obtained management's representation that all requirements concerning allotment of shares in the name of CDC have been fulfilled.

### Certificate

Based on the procedures mentioned above, we certify that an amount of Rs. 443,973,690/- has been received in the designated bank account, and an aggregate loan amount from directors / sponsors of Rs. 1,556,026,310 /- has been adjusted as advance against subscription, collectively against subscription of 200,000,000 right shares having face value of Rs.10 /- each has been fully received by the Company. Details of right shares and subscription money received are as under:

	Shares	Amount (Rs)
Directors and sponsors	155,606,608	1,556,066,080 *
General Public and others	33,837,719	338,377,190
Underwriter-AKD Securities Ltd.	7,133,273	71,332,730
Underwriter-Growth Securities (Pvt) Ltd.	3,422,400	34,224,000
<b>Total</b>	<b>200,000,000</b>	<b>2,000,000,000</b>

\*including Rs. 1,556,026,310/-, adjusted against loan payable by the Company to Directors / Sponsors (i.e. as advance against subscription).

The movement of shares held physically and through CDC, taking into account the right share issuance is as follows

	Physically Held Shares	Shares held through CDC	Total Number of Shares
No. of shares before right issue	586,058	175,413,942	176,000,000
Right shares issued	130,123	199,869,877	200,000,000
No. of shares after right issue	716,181	375,283,819	376,000,000



The requirements with regard to the allotment of shares in the name of CDC have been complied with.

Further, in respect of above, we have been informed that there has/have been no condition(s) imposed by concerned regulatory bodies including but not limited to the Securities and Exchange Commission of Pakistan applicable at this stage that were required to be complied with by the company.

**Restriction on use and distribution**

This certificate is being issued in the capacity of statutory auditors of the Company on specific request of the management for onward submission to CDC and PSX; accordingly, this should not be used for any other purpose without our consent.

Yours faithfully,

Shahid Mohsin Shaikh – FCA (England & Wales)  
Engagement Partner