

DANDOT CEMENT COMPANY LIMITED

Registered Office: 5 - Zafar Ali Road, Gulberg-V, Lahore, Pakistan
Postal Address: 43-A/S Zafar Ali Road, Gulberg V, Lahore, Pakistan
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June 28, 2021

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

Directors and Sponsors' Subscription of Right Shares

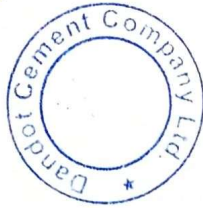
Dear Sir,

This is with reference to right shares issuance of Dandot Cement Company Limited. In this regard, we would like to inform you that Directors and Sponsors of the Company have subscribed their portion of right shares issue as per requirements of Pakistan Stock Exchange Limited. Auditor certificate confirming the receipt of Directors and Sponsors subscription of right shares is enclosed herewith.

Regards,

For and on behalf of **Dandot Cement Company Limited**

Muhammad Kamran
Company Secretary



June 25, 2021
307/2021

The Board of Directors,
Dandot Cement Company Limited,
Lahore.

Dear Sirs,

AUDITOR'S CERTIFICATE ON RECEIPT OF SUBSCRIPTION OF RIGHT SHARES FROM DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

We have been requested to provide you with a certificate on receipt of subscription amount from Directors and Substantial shareholders towards right shares issued by Dandot Cement Company Limited as required under clause 5 (Annexure I) of Pakistan Stock Exchange Limited (PSX) letter.

Scope of Certificate

This certificate is being issued by us as statutory auditors of the Company for onward submission to PSX.

Management Responsibility

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

Auditor's Responsibility

Our responsibility is to certify that amount of subscription has been received and sponsors loan converted to advance against subscription of right shares and report 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:

- Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of further 153,333,334 ordinary shares of Rs. 15/- each offered to the shareholders of the Company in proportion to the number of shares held by each shareholders i.e. right issue at a price of Rs. 15/- having face value of Rs. 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 by Directors and Substantial Shareholders of the Company, which is determined to be 108,838,183 ordinary shares i.e. approximately 71% of the total right issue
- Checked that Directors and Substantial Shareholders of the Company, who have undertaken to PSX under Form 1 to subscribe their portion of shares, have subscribed their portion of right shares at least three working days before commencement of trading of unpaid rights through adjustment of loan and making payment to the Company. In this regard we have performed following steps:

- Obtained copy of bank statements provided by the banks, certifying the receipt of subscription money amounting Rs. 84,840 into the following designated bank account:
Bank name: Bank of Punjab
Account No.: 6010003903700058
- Obtain confirmation from the Calicom Industries (Pvt.) Limited substantial shareholder of the Company, confirming to convert a portion of their loan receivable from the Company amounting to PKR. 1,632,487,905 as advance against subscription.
- 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. 84,840 has been received and Rs. 1,632,487,905 has been adjusted with loan payable to the Holding Company (Calicom Industries (Pvt.) Limited), against subscription of 108,838,183 right shares having face value of Rs. 10 each. Details of right shares and subscription money received from Directors and Substantial Shareholders are as under:


	Shares	Rupees
Holding Company (Calicom Industries (Pvt.) Ltd)	108,832,527	1,632,487,905*
Directors	5,656	84,840
Total	<u>108,838,183</u>	<u>1,632,572,745</u>

* Rs. 1,632.488 million adjusted against loan payable by the Company to the Holding 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 PSX, accordingly, this should not be used for any other purpose without our consent.

Yours faithfully,


CHARTERED ACCOUNTANTS

