

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that 43rd Annual General Meeting (AGM) of the shareholders of Kohat Cement Company Limited (the "Company") will be held on Thursday, October 27, 2022 at 11:00 A.M., at its registered office, Kohat Cement Factory, Rawalpindi Road, Kohat, to transact the following business:

## Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2022 together with Auditors' and Directors' Reports and Chairman's Review.
2. To appoint Auditors and to fix their remuneration.

The members are hereby notified that the retiring auditors M/s. KPMG Taseer Hadi & Co. Chartered Accountants have given their consent to act as Auditors of the Company and Board Audit Committee & the Board of Directors have also recommended their reappointment.

## Special Business

3. To ratify and approve transactions carried out with Related Parties in the ordinary course of business during the financial year ended June 30, 2022, under the authority of the special resolution passed in the last annual general meeting held on October 04, 2021.
4. To authorize the Chief Executive of the Company to approve all transactions with Related Parties carried out and to be carried out in the ordinary course of business during the financial year ending June 30, 2023 and till the date of next Annual General Meeting, and to further authorize him to take any and all necessary steps and to sign/execute any and all such documents/annexures on behalf of the Company as may be required.
5. To consider and if deemed fit, pass a special resolution, as proposed in the statement of material facts, with or without modification(s), pursuant to the provisions of Section 199 and all other applicable provisions of the Companies Act, 2017, for renewal of investment in the form of short-term running finance of upto PKR 600 Million in Ultra Kraft (Private) Limited, an associated company, as per terms and conditions disclosed to the members.
6. To consider and approve increase in Scale of Fee for Non-Executive Directors for attending meetings of the Board and its Committees.

Statement of material facts along with draft Special Resolutions are attached to this Notice.

## By order of the Board:



Muhammad Asadullah Khan  
Company Secretary  
Lahore: October 06, 2022

## Statement of Material Facts Pursuant to the Provisions of the Companies Act, 2017

This statement sets out the material facts concerning special business to be transacted at the Annual General Meeting of the Company to be held on October 27, 2022.

## Item No. 3: Ratification / Approval of Related Party Transactions

The Company carried out transactions with its related parties in the ordinary course of business at arms' length basis in accordance with the Policy of related party transactions approved by the Board of Directors and under the authority of special resolution of the members as passed

by them in the last annual general meeting held on October 04, 2021. All the related party transactions summarized below were presented before the Board of Directors for their review and consideration as recommended by the Board Audit Committee on quarterly basis pursuant to Clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

| Name of Related Party                 | Name of Interested Directors     | Nature of relationship  | Description of transaction  | Pricing Policy    | Amount (Rs.)  |
|---------------------------------------|----------------------------------|---|---|-------------------|---------------|
| Kohat Cement Educational Trust (KCET) | Mr. Aizaz Mansoor Sheikh         | Trustees of KCET  | Contribution made to KCET (which runs school within the vicinity of KCCL factory) | n/a               | 5,636,578     |
|                                       | Mr. Nadeem Atta Sheikh           |   |   |                   |               |
|                                       | Mr. Muhammad Rehman Sheikh       | Son of Mr. Aizaz Mansoor Sheikh   |   |                   |               |
|                                       | Mrs. Hafsa Nadeem                | Spouse of Mr. Nadeem Atta Sheikh  |   |                   |               |
|                                       | Mr. Muhammad Atta Tanseer Sheikh | Brother of Mr. Ibrahim Tanseer Sheikh (Trustee of KCET)   |   |                   |               |
| Ultra Pack (Private) Limited (UPPL)   | Mr. Aizaz Mansoor Sheikh         | Substantial shareholders and directors of ANS Capital which is holding Company of KCCL and UPPL | Purchase of poly propylene bags for packing of cement                             | Open Market Price | 1,576,500,108 |
|                                       | Mr. Nadeem Atta Sheikh           |   |   |                   |               |
|                                       | Mr. Muhammad Rehman Sheikh       |   |   |                   |               |
|                                       | Mrs. Hafsa Nadeem                | Shareholders of ANS Capital which is holding Company of KCCL and UPPL                           |   |                   |               |
|                                       | Mr. Muhammad Atta Tanseer Sheikh |   |   |                   |               |
| Ultra Kraft (Private) Limited (UKPL)  | Mr. Aizaz Mansoor Sheikh         | Substantial shareholders and directors of ANS Capital which is holding Company of KCCL and UKPL | Sale of cement  | Open market price | 9,043,040     |
|                                       | Mr. Nadeem Atta Sheikh           |   |   |                   |               |
|                                       | Mr. Muhammad Rehman Sheikh       |   | Purchase of paper bags for packing of cement                                      |                   | 13,982,625    |
|                                       | Mrs. Hafsa Nadeem                | Shareholders of ANS Capital which is holding Company of KCCL and UKPL                           |   |                   |               |
|                                       | Mr. Muhammad Atta Tanseer Sheikh |   |   |                   |               |

| Name of Related Party                      | Name of Interested Directors | Nature of relationship                                  | Description of transaction | Pricing Policy    | Amount (Rs.) |
|--|------------------------------|---|----------------------------|-------------------|--------------|
| Palace Enterprises (Private) Limited (PEL) | Mr. Aizaz Mansoor Sheikh     | Shareholders and Directors of PEL                       | Purchase of generator      | Open market price | 3,500,000    |
|  | Mr. Nadeem Atta Sheikh       |   |                            |                   |              |
|  | Mrs. Hafsa Nadeem            | Shareholder of PEL and spouse of Mr. Nadeem Atta Sheikh |                            |                   |              |
|  | Mr. Muhammad Rehman Sheikh   | Shareholder of PEL and son of Mr. Aizaz Mansoor Sheikh  |                            |                   |              |
|  | Mrs. Hijab Tariq             | Shareholder of PEL                                      |                            |                   |              |

The following resolution is proposed to be passed as Special Resolution with or without any modification:

**“Resolved** that following transactions carried out in the ordinary course of business at arm’s length basis with the related parties, in accordance with the Policy of related party transactions approved by the Board of Directors of Kohat Cement Company Limited, during the financial year ended June 30, 2022 be and are hereby ratified, approved and confirmed.

| Name of Related Party                 | Description of Transaction  | Amount (Rs.)  |
|---------------------------------------|---|---------------|
| Kohat Cement Educational Trust (KCET) | Contribution made to KCET (which runs a school within the vicinity of KCCL factory) | 5,636,578     |
| Ultra Pack (Private) Limited          | Purchase of poly propylene bags for packing of cement                               | 1,576,500,108 |
| Ultra Kraft (Private) Limited         | Sale of cement  | 9,043,040     |
|                                       | Purchase of paper bags for packing of cement  | 13,982,625    |
| Palace Enterprises (Private) Limited  | Purchase of generator   | 3,500,000     |

#### Item No. 4: Authorization to the Company to transact with certain related parties

The Company will continue to carry out transactions with its Related Parties (detailed as under) in its ordinary course of business at arm’s length basis during the financial year ending June 30, 2023 and till the date of next annual general meeting.

| Name of Related Party                 | Interested Directors             | Nature of Relationship  | Description of Transaction   | Pricing Policy    |
|---------------------------------------|----------------------------------|---|--|-------------------|
| Ultra Pack (Private) Limited (UPPL)   | Mr. Aizaz Mansoor Sheikh         | Substantial shareholders and directors of ANS Capital which is holding Company of KCCL and UPPL | Sale of cement and purchase of poly propylene bags for packing of cement,etc.                                    | Open market price |
|                                       | Mr. Nadeem Atta Sheikh           |   |  |                   |
|                                       | Mr. Muhammad Rehman Sheikh       | Shareholders of ANS Capital which is holding Company of KCCL and UKPL                           |  |                   |
|                                       | Mrs. Hafsa Nadeem                |   |  |                   |
|                                       | Mr. Muhammad Atta Tanseer Sheikh |   |  |                   |
| Kohat Cement Educational Trust (KCET) | Mr. Aizaz Mansoor Sheikh         | Trustees of KCET  | Contribution towards operational costs of a school within the vicinity of Kohat Cement Factory being run by KCET | n/a               |
|                                       | Mr. Nadeem Atta Sheikh           |   |  |                   |
|                                       | Mr. Muhammad Rehman Sheikh       | Son of Mr. Aizaz Mansoor Sheikh   |  |                   |
|                                       | Mrs. Hafsa Nadeem                | Spouse of Mr. Nadeem Atta Sheikh  |  |                   |
|                                       | Mr. Muhammad Atta Tanseer Sheikh | Brother of Mr. Ibrahim Tanseer Sheikh (Trustee of KCET)   |  |                   |
| Ultra Kraft (Private) Limited (UKPL)  | Mr. Aizaz Mansoor Sheikh         | Substantial shareholders and directors of ANS Capital which is holding Company of KCCL and UKPL | Sale of cement and purchase of paper bags for packing of cement,etc.   | Open market price |
|                                       | Mr. Nadeem Atta Sheikh           |   |  |                   |
|                                       | Mr. Muhammad Rehman Sheikh       | Shareholders of ANS Capital which is holding Company of KCCL and UKPL                           |  |                   |
|                                       | Mrs. Hafsa Nadeem                |   |  |                   |
|                                       | Mr. Muhammad Atta Tanseer Sheikh |   |  |                   |

The majority of directors are interested in the above transactions as mentioned above, therefore, such related party transactions need approval of the members under the provisions of the Companies Act, 2017. Accordingly, these transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The following resolutions are proposed to be passed as Special Resolutions with or without modification:

**“Resolved** that Kohat Cement Company Limited (the Company) be and is hereby authorized to carry out the transactions with its Related Parties (detailed as under) as and when required in the ordinary course of business at arm’s length basis during the year ending June 30, 2023 and till the next Annual General Meeting, without any limitation on the amounts of the transactions.

| Name of Related Party                 | Description of transaction   |
|---------------------------------------|--|
| Kohat Cement Educational Trust (KCET) | Contribution towards operational costs of a school within the vicinity of Kohat Cement Factory being run by KCET |
| Ultra Pack (Private) Limited          | Sale of cement and purchase of poly propylene bags for packing of cement   |
| Ultra Kraft (Private) Limited         | Sale of cement and purchase of paper bags for packing of cement  |

**Further Resolved** that Chief Executive of the Company be and is hereby authorized to undertake the transaction and take all necessary steps and to sign/execute any purchase order/document on behalf of the Company as may be required and to authorize any other officer of the Company to do so in order to implement the aforesaid Resolution(s)."

### **Item No. 5 – Approval for Investment by way of short-term running finance in Ultra Kraft (Private) Limited, an associated company.**

The Members of Kohat Cement Company Limited (the Company/KCCL) in their Extra Ordinary Meeting held on April 14, 2022 has approved investment by way of short-term running finance of upto PKR 600 Million in Ultra Kraft (Private) Limited (UKPL), an associated Company, to meet its working capital requirements for a period of one year starting from April 15, 2022 in accordance with Clause 5(7) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The UKPL requested to extend the facility for another one year. Although the aforesaid approval is valid till April 14, 2023; however, in order to avoid another EOGM the Board has recommended to consider and approve extension of the investment in this AGM.

The information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is as under:

#### **Brief about Ultra Kraft (Private) Limited:**

UKPL is a private limited company incorporated on September 03, 2020. KCCL and UKPL are subsidiaries of ANS Capital (Private) Limited (ANS). ANS holds 55% and 76% equity shares of KCCL and UKPL respectively. UKPL is setting up a Paper Sack manufacturing plant with production capacity of 120 million bags per annum. The plant is being set up in M3 Industrial City Faisalabad. The project was initiated in March 2021 and the installation of plant & machinery was completed in March, 2022. The expected date of commercial operations was April 2022; however, due to short supply of Kraft Paper in international market, the commercial production has yet not been started. Therefore, UKPL could not utilize the short term running finance facility of PKR 600 million till now; however, UKPL is hopeful that the commercial operations shall start during FY 2023 and it shall require the working capital facility and has accordingly requested the Company to extend the facility for another one year.

#### **Due Diligence:**

The necessary due diligence for the proposed investment was carried out by the senior management personnel of KCCL and reviewed by the disinterested directors, as the majority of the directors are interested in this transaction. Due diligence report shall be made available for inspection of members in the AGM.

#### **Audited Financial Statements of UKPL**

The audited financial statements of UKPL for the year ended 30 June 2022 shall be made available to the members for inspection at the AGM.

## Interest of Investee Company, its sponsors and directors in the Company

UKPL is not a member of the Company, however, its following sponsors/directors are employees/ members of the Company. They have no other interest except to the extent of their remunerations and the following shareholdings in the Company:

| Sr. No. | Name   | Shareholding in UKPL |       | Shareholding in KCCL |         | Position in KCCL              |
|---------|--|----------------------|-------|----------------------|---------|-------------------------------|
|         |  | No.                  | %age  | No.                  | %age    |                               |
| 1       | ANS Capital (Private) Limited, the holding Company/member/ sponsor of UKPL | 3,799,997            | 76%   | 110,482,320          | 55%     | Holding Company / Sponsor     |
| 2       | Mr. Ali Aizaz Sheikh, Chief Executive / Director of UKPL                   | 1                    | 0.00% | 780                  | 0.0004% | Member and full time employee |
| 3       | Mr. Faisal Atta Sheikh, Director of UKPL                                   | 1                    | 0.00% | 5,950                | 0.003%  |                               |
| 4       | Mr. Ibrahim Tanseer Sheikh, Director of UKPL                               | 1                    | 0.00% | 10,500               | 0.005%  |                               |

## Disclosures regarding associated company and investment

### (a) Regarding associated company: -

| Sr. | Requirements  | Information   |
|-----|---|---|
| i   | Name of associated company  | Ultra Kraft (Private) Limited (UKPL)  |
| ii  | Basis of relationship   | UKPL is an associated company of KCCL as both UKPL and KCCL are subsidiaries of ANS Capital (Private) Limited (ANS). ANS owns and controls 76% equity shares of UKPL and 55% equity shares of KCCL. |
| iii | Earnings per share for the last three years (PKR)   | N/A as UKPL has been incorporated on September 03, 2020 and has not yet commenced commercial operations.  |
| iv  | Break-up value per share, based on the latest audited financial statements for financial year ended June 30, 2022 | Rs. 104.89 – with Sponsors Loan<br>Rs. 8.54 – without Sponsors Loan   |

| Sr.  | Requirements  | Information  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
|--|---|--|--------|-------------------------|-------------------------|--------------------|---------------|---------------|----------------|--------------|------------|--------|-------------|-------------|-------------------------|-------------|-------------|---------------------|-------------|------------|--------|-------------------------|-------------------------|--------------|---------|------------|------------------------|-----|-----|--------------------------------|-------------|-----------|--|-------------|-----------|
| v  | Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest audited financial statements for the year ended June 30, 2022.   | <b>Balance Sheet</b> <table> <tr> <th>Rupees</th><th>June 30, 2022 (audited)</th><th>June 30, 2021 (audited)</th></tr> <tr> <td>Non-current Assets</td><td>1,377,216,929</td><td>1,080,265,702</td></tr> <tr> <td>Current Assets</td><td>420,471,943,</td><td>69,243,782</td></tr> <tr> <td>Equity</td><td>524,474,471</td><td>490,141,318</td></tr> <tr> <td>Non-current Liabilities</td><td>990,000,000</td><td>600,000,000</td></tr> <tr> <td>Current Liabilities</td><td>283,214,101</td><td>59,368,166</td></tr> </table><br><b>Profit and Loss Account</b> <table> <tr> <th>Rupees</th><th>June 30, 2022 (audited)</th><th>June 30, 2021 (audited)</th></tr> <tr> <td>Other Income</td><td>501,603</td><td>11,748,603</td></tr> <tr> <td>Profit from operations</td><td>n/a</td><td>n/a</td></tr> <tr> <td>Profit/ (Loss) before taxation</td><td>(8,992,064)</td><td>5,491,123</td></tr> <tr> <td>Profit/ (Loss) for the year after taxation</td><td>(9,166,847)</td><td>3,898,697</td></tr> </table> | Rupees | June 30, 2022 (audited) | June 30, 2021 (audited) | Non-current Assets | 1,377,216,929 | 1,080,265,702 | Current Assets | 420,471,943, | 69,243,782 | Equity | 524,474,471 | 490,141,318 | Non-current Liabilities | 990,000,000 | 600,000,000 | Current Liabilities | 283,214,101 | 59,368,166 | Rupees | June 30, 2022 (audited) | June 30, 2021 (audited) | Other Income | 501,603 | 11,748,603 | Profit from operations | n/a | n/a | Profit/ (Loss) before taxation | (8,992,064) | 5,491,123 | Profit/ (Loss) for the year after taxation | (9,166,847) | 3,898,697 |
| Rupees                                     | June 30, 2022 (audited)   | June 30, 2021 (audited)  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Non-current Assets                         | 1,377,216,929   | 1,080,265,702  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Current Assets                             | 420,471,943,  | 69,243,782   |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Equity                                     | 524,474,471   | 490,141,318  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Non-current Liabilities                    | 990,000,000   | 600,000,000  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Current Liabilities                        | 283,214,101   | 59,368,166   |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Rupees                                     | June 30, 2022 (audited)   | June 30, 2021 (audited)  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Other Income                               | 501,603   | 11,748,603   |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Profit from operations                     | n/a   | n/a  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Profit/ (Loss) before taxation             | (8,992,064)   | 5,491,123  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| Profit/ (Loss) for the year after taxation | (9,166,847)   | 3,898,697  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |
| vi   | <p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:</p> <p>(i) description of the project and its history since conceptualization;</p> <p>(ii) starting date and expected date of completion of work;</p> <p>(iii) time by which such project shall become commercially operational;</p> <p>(iv) expected time by which the project shall start paying return on investment; and</p> <p>(v) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</p> | <p>UKPL was incorporated on September 03, 2020 to set up a Paper Sack manufacturing plant with production capacity of 120 million bags per annum. The plant is being set up in M3 Industrial City Faisalabad.</p> <p>The project was initiated in March 2021 and the installation of plant &amp; machinery was completed in March 2022.</p> <p>Expected COD is in November 2022 which is subject to availability of Kraft Paper in international market.</p> <p>By December, 2023</p> <p>Total cash investments of PKR 779.771 million have been made by the sponsors and associated company till 30th June 2022, detailed as under:<br/> Sponsors &amp; their associates - PKR 531.771 m<br/> Associated Company - PKR 248 m</p>  |        |                         |                         |                    |               |               |                |              |            |        |             |             |                         |             |             |                     |             |            |        |                         |                         |              |         |            |                        |     |     |                                |             |           |  |             |           |

**(b) General disclosures: -**

| Sr. | Requirements   | Information   |
|-----|--|---|
| i   | Maximum amount of investment to be made  | PKR 600 million   |
| ii  | Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment; | <p>To support the associated company in meeting its working capital requirements and to earn Markup on short term finance which shall increase the profitability of the Company and add to the shareholders' value.</p> <p>Period of investment is one year commencing from October 29, 2022.</p> |

| Sr.   | Requirements   | Information  |   |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
|---|--|--|---|-----------------------------|--|-------------------------|------------------------|------------|--------|----------|---------------------------------------|---------|-------|--------|---|-----------|-------|----------|
| iii   | Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-<br>(i) justification for investment through borrowings;<br>(ii) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and<br>(iii) cost benefit analysis; | The investment will be made from the Company's own funds.  |   |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
| iv  | Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;   | Agreement will be executed after approval of shareholders. Maximum amount of short- term running finance shall be PKR 600 million. Tenure shall be one year from October 29, 2022. Mark up shall be charged @ 3M KIBOR + 1.50% or at average borrowing cost of the Company, whichever is higher. Mark up shall be recovered on quarterly basis within 15 days of the end of the quarter. Non-payment of mark-up within stipulated time period shall entail a further mark-up/penalty at the rate of 5% per annum on unpaid amount.   |   |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
| v   | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;   | <p>UKPL and KCCL are subsidiaries of ANS Capital (Private) Limited.</p> <p>The directors, sponsors and majority shareholders of KCCL are also directors / members of ANS Capital (Private) Limited, holding company of UKPL as mentioned herein.</p> <p>None of the directors, sponsors, majority shareholders and their relatives have any interest directly or indirectly in the UKPL or the proposed arrangement, except that the following directors and their relatives have their shareholding/ directorship in ANS Capital (Pvt.) Limited, which is the holding company of UKPL.</p> <table><tr><th>Name of interested director, his relatives and position in KCCL</th><th>Shareholding in ANS Capital</th><th>%age of total share capital of ANS Capital</th><th>Position in ANS Capital</th></tr><tr><td>Aizaz Sheikh, Director</td><td>19,561,041</td><td>28.59%</td><td>Director</td></tr><tr><td>Shahnaz Aizaz, spouse of Aizaz Sheikh</td><td>499,501</td><td>0.73%</td><td>Member</td></tr><tr><td>Omer Aizaz Sheikh, son of Aizaz Sheikh and employee in KCCL</td><td>2,719,501</td><td>3.98%</td><td>Director</td></tr></table> | Name of interested director, his relatives and position in KCCL | Shareholding in ANS Capital | %age of total share capital of ANS Capital | Position in ANS Capital | Aizaz Sheikh, Director | 19,561,041 | 28.59% | Director | Shahnaz Aizaz, spouse of Aizaz Sheikh | 499,501 | 0.73% | Member | Omer Aizaz Sheikh, son of Aizaz Sheikh and employee in KCCL | 2,719,501 | 3.98% | Director |
| Name of interested director, his relatives and position in KCCL | Shareholding in ANS Capital  | %age of total share capital of ANS Capital   | Position in ANS Capital   |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
| Aizaz Sheikh, Director  | 19,561,041   | 28.59%   | Director  |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
| Shahnaz Aizaz, spouse of Aizaz Sheikh                           | 499,501  | 0.73%  | Member  |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |
| Omer Aizaz Sheikh, son of Aizaz Sheikh and employee in KCCL     | 2,719,501  | 3.98%  | Director  |                             |  |                         |                        |            |        |          |                                       |         |       |        |   |           |       |          |



| Sr. | Requirements | Information  |            |        |          |
|-----|--------------|--|------------|--------|----------|
|     |              | Ali Aizaz Sheikh son of Aizaz Sheikh and employee in KCCL                      | 2,819,501  | 4.12%  | Member   |
|     |              | Aminah Aizaz Sheikh daughter of Aizaz Sheikh                                   | 2,375,501  | 3.47%  | Member   |
|     |              | Azaan Mansoor Sheikh son of Omer Aizaz Sheikh                                  | 100,000    | 0.15%  | Member   |
|     |              | Nadeem Atta Sheikh, Director   | 28,647,044 | 41.87% | Director |
|     |              | Hafsa Nadeem, Director   | 1,895,501  | 2.77%  | Member   |
|     |              | Faisal Atta Sheikh, son of Nadeem Sheikh and Hafsa Nadeem and employee in KCCL | 100,000    | 0.15%  | Director |
|     |              | Asad Atta Sheikh, son of Nadeem Sheikh and Hafsa Nadeem and employee in KCCL   | 100,000    | 0.15%  | Director |
|     |              | Hamza Atta Sheikh, son of Nadeem Sheikh and Hafsa Nadeem                       | 100,000    | 0.15%  | Member   |
|     |              | Muhammad Rehman Sheikh, Director   | 2,819,501  | 4.12%  | Director |
|     |              | Muhammad Atta Tanseer Sheikh, Director   | 2,225,001  | 3.25%  | Member   |

| Sr. Requirements |  | Information   |           |       |          |
|------------------|--|---|-----------|-------|----------|
|                  |  | Ibrahim Tanseer Sheikh, brother of M Atta Tanseer Sheikh and employee in KCCL   | 2,225,007 | 3.25% | Director |
|                  |  | Mujtaba Tanseer Sheikh brother of M Atta Tanseer Sheikh   | 2,225,001 | 3.25% | Member   |
| vi               | in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and | <p>KCCL in its EOGM held on April 14,2022 approved to issue a Corporate Guarantee for an amount of up to PKR 400 million for a period of seven (7) years in favour of National Bank of Pakistan (NBP) along with lien / charged / mortgage on immovable property of the Company, to secure long term financial assistance to be extended by NBP to Ultra Kraft (Private) Limited</p> <p>KCCL issued a Corporate Guarantee amounting to PKR 390 million in favor of NBP on behalf of UKPL and also mortgaged its commercial properties bearing plot no 36 and 37, Block P, Gulberg-II, Lahore.</p> <p>Investment of PKR 600 million approved in the form of short term running finance in EOGM held on April 14, 2022 for a period of one year; which has not yet been utilized by Ultra Kraft (Private) Limited. This limit is proposed to be renewed for period of one year commencing October 29, 2022, if approved by the members in this AGM.</p> |           |       |          |
| vii              | any other important details necessary for the members to understand the transaction;   | N/A   |           |       |          |

**(c) Additional disclosure in case of investments in the form of loans, advances and guarantees: -**

| Sr. Requirements |   | Information   |  |  |  |
|------------------|---|---|--|--|--|
| i                | Category-wise amount of investment;   | Short-term running finance of upto PKR 600 million.   |  |  |  |
| ii               | Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period | Average borrowing cost of KCCL on similar financing facilities available to the Company from different commercial banks during July 2021 to June 2022 is three months Kibor + 1.1%  |  |  |  |
| iii              | Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;  | KCCL shall charge mark-up at the rate of 1.50% above three months KIBOR or at the average borrowing cost of the Company, whichever is higher. Non-payment of mark-up within stipulated time period shall entail a further mark-up/penalty at the rate of 5% per annum on unpaid amount. |  |  |  |

| Sr. | Requirements  | Information  |
|-----|---|--|
| iv  | Particulars of collateral or security to be obtained in relation to the proposed investment   | Cross Corporate Guarantee of UKPL  |
| v   | If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable | There are no conversion features in the subject facility.  |
| vi  | Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.   | The short term running finance facility shall be available to UKPL for one year which may be utilised during the said period of one year at the convenience of UKPL. Mark up shall be paid by UKPL on quarterly basis within 15 days of the end of each quarter. Non-payment of mark-up within stipulated time period shall entail a further mark-up/penalty at the rate of 5% per annum on unpaid amount. |

#### Draft special resolutions:

The following resolutions are proposed to be passed as Special Resolutions with or without any modification:

**“Resolved** that approval of members of Kohat Cement Company Limited (the “Company”) be and is hereby accorded and the Company be and is hereby authorized in terms of Section 199 and other applicable provisions of the Companies Act, 2017, for renewal of investment by way of short term running finance of upto PKR 600 Million in Ultra Kraft (Private) Limited (UKPL), an associated Company, to meet its working capital requirements for a term of one year from October 29, 2022 at a mark-up rate of 1.50% above three months KIBOR or at the average borrowing cost of the Company, whichever is higher, which shall be paid by UKPL within fifteen (15) days of end of each quarter and as per other terms and conditions disclosed to the members and non-payment of mark-up within stipulated time period shall entail a further mark-up/penalty at the rate of 5% per annum on unpaid amount.

**Further Resolved** that Chief Executive of the Company or any officer of the Company authorized by him be and is hereby authorized to enter into agreement with UKPL in line with the terms approved by the members and to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s)/documents and to complete all legal formalities including filing of documents as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolutions.

#### Item No. 6 – Approval for increase in Scale of Fee for attending meetings of the Board and its Committees by the Non-Executive Directors.

The Board of Directors in its meeting held on July 07, 2022 has recommended to the members of the Company to consider and approve the increase in the remuneration/fee of the Non-Executive Directors (excluding the Chairman of the Company) for attending meetings of Board and its Committees.

The following is the existing and recommended fee structure for Non-Executive directors.

|                               | Existing    |                   | Proposed    |                   |
|-------------------------------|-------------|-------------------|-------------|-------------------|
|                               | BOD Meeting | Committee Meeting | BOD Meeting | Committee Meeting |
| Independent Directors         | 50,000      | 50,000            | 75,000      | 75,000            |
| Other Non-Executive Directors | 25,000      | 25,000            | 30,000      | 30,000            |

Further, an Independent Non-Executive Director residing outside the city of meeting, shall also be entitled for reimbursement of travelling, boarding and lodging at Rs. 60,000/- per visit (Existing Rs. 50,000/-) for attending the meetings in person.

Interest of the Directors – All the non-executive directors (except the Chairman) are interested to the extent of their entitlement to the meeting fee whereas Mr. Aizaz Sheikh, Chairman is deemed interested being father of Mr. Muhammad Rehman Sheikh, non-executive director and Mr. Nadeem Atta Sheikh, Chief Executive is deemed interested being the spouse of Mrs. Hafsa Nadeem, non-executive director.

The following resolutions are proposed to be passed as Special Resolutions with or without any modification:

**“Resolved** that the Scale of Fee for attending meetings of the Board and its Committees of Kohat Cement Company Limited by the Non-Executive Directors (except the Chairman of the Board of Directors) be and is hereby approved w.e.f. 1st July 2022 as under:

|                               | BOD Meeting | Committee Meeting |
|-------------------------------|-------------|-------------------|
| Independent Directors         | 75,000      | 75,000            |
| Other Non-Executive Directors | 30,000      | 30,000            |

**Further Resolved** that Rs. 60,000/- per visit in lump sum on account of travelling, boarding and lodging for attending Board & its Committee meetings in person, by the Independent Directors residing outside city of Meeting be and is hereby approved.”

## Notes:

### 1. Closure of Share Transfer Books

The register of members and the share transfer books of the Company will remain closed from Friday, October 21, 2022 to Thursday, October 27, 2022 (both days inclusive). Physical transfers / CDS transactions IDs received in order at the Company's Independent Share Registrar Office, M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, up to the close of business on Thursday, October 20, 2022 will be treated in time for the purpose of attending the AGM.

### 2. Right to appoint Proxy

A member is entitled to appoint a proxy in his/her place to attend, speak and vote instead of him/her. A member can appoint only one proxy in his/her place who can exercise all rights of a member in the meeting. The instrument appointing a proxy, duly stamped and signed, and the power of attorney or other authority (if any) under which it is signed or a notariably certified copy of the power of attorney or authority must be deposited at the Head Office of the Company, 37-P, Gulberg-II, Lahore not later than 48 hours (excluding non-working days) before the time of the meeting. A proxy must be a member of the Company and all members are entitled to inspect during the business hours of the Company all proxies lodged with the Company. Form of proxy in English and Urdu Language is enclosed herewith and also available on Company's website: [www.kohatcement.com](http://www.kohatcement.com).

### 3. Attendance through Video-Conference

Pursuant to the provisions of the Companies Act, 2017, the shareholder(s) residing in a city holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the annual general meeting. The demand for video-link facility shall be received by the Company Secretary at the head office of the Company, 37-P, Gulberg II, Lahore, at least seven (7) days prior to the date of the meeting on the Standard Form which can be downloaded from the Company's website: [www.kohatcement.com](http://www.kohatcement.com).

### 4. Attendance through Electronic Medium

The Company shall provide video link facility for attending this meeting for the safety and well-being of the members and general public. The members are encouraged to attend the

AGM online through ZOOM, by following the below guidelines:

- a. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) to the Company Secretary through WhatsApp at 0300-4513435 or email ID; mis@kohatcement.com by October 22, 2022.

| Name of member | CNIC No. | CDC Account No/Folio No. | Cell Number | Email address |
|----------------|----------|--------------------------|-------------|---------------|
|                |          |                          |             |               |

- b. The members who shall be registered after the necessary verification shall be provided a zoom link in email to attend the meeting. The Login facility will remain open from start of the meeting till its proceedings are concluded.
- c. Members may send their comments / suggestions on any of the agenda item to Company Secretary on his email ID; mis@kohatcement.com or WhatsApp no.0300-4513435.

#### **5. Intimation of Change in Address**

The members are requested to notify the change of their registered addresses, if any, immediately to Company's Independent Share Registrar.

#### **6. Placement of Annual Report on Website & its Circulation through DVD/CD**

The Annual Report containing financial statements of the Company for the year ended 30 June 2022 along with Auditors and Directors Report thereon, the Chairman's Review and notice of AGM etc. have been circulated through CDs and have also been placed on the company's website: [www.kohatcement.com](http://www.kohatcement.com).

The shareholders who wish to receive hard copy of the Annual Report may send to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

#### **7. Transmission of Annual Report through Email**

In pursuance of the directions given by SECP vide SRO 787 (1)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Report in future through email instead of receiving the same by post are advised to give their formal consent along with their valid email address on a standard request form available on the Company's website: [www.kohatcement.com](http://www.kohatcement.com) and send the said form duly filled in and signed to the Company's Share Registrar.

#### **8. Attendance at AGM**

A corporation or company being a member of the Company may appoint any of its officials or any other person through a resolution of its board of directors to attend and vote at the meeting.

The members should quote their folio number/ CDS IDs in all correspondence with the Company and should bring original document at the time of attending the AGM.

CDC account holders will further have to follow the following guidelines as laid down in Circular No. 1 dated 26th January 2000 issued by the Securities & Exchange Commission of Pakistan.

#### **For attending the meeting**

- i) In case of individuals, the account holder or sub account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/ her original computerized national identity card (CNIC) or original passport at the time of attending the meeting.

- ii) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee along with his original CNIC or original passport shall be produced (unless it has been provided earlier) at the time of the meeting.  
For appointing proxies
- i) In case of individuals, the account holder or sub account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the requirements stated above.
- ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the Proxy Form.
- iii) The proxy shall produce his/ her original CNIC or original passport at the time of the meeting.
- iv) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature along with his original CNIC or original passport shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

The members attending the meeting physically shall be required to comply with the Covid-19 related SOPs issued by the Federal/Provincial Governments/Departments.

#### **9. Deposit of Physical Shares in to CDC Account:**

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form. This will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange. Further, Section 72 of the Companies Act, 2017 (the Act), states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the promulgation of the Act.

# FORM OF PROXY

## 43rd Annual General Meeting

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of Kohat Cement Company Limited (the Company) and holder of \_\_\_\_\_ (No.) Ordinary shares as per Share Register Folio No. \_\_\_\_\_ and/or CDC Participant I.D. No. \_\_\_\_\_ and Sub Account No. \_\_\_\_\_ hereby appoint \_\_\_\_\_ of \_\_\_\_\_, another member of the Company having Folio No. \_\_\_\_\_ and/or CDC Participant I.D. No. \_\_\_\_\_ and Sub Account No. \_\_\_\_\_ (or failing him \_\_\_\_\_ of \_\_\_\_\_ having Folio No. \_\_\_\_\_ and/or CDC Participant I.D. No. \_\_\_\_\_ and Sub Account No. \_\_\_\_\_) as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, October 27, 2022 at 11:00 A.M. at the registered office of the Company, Kohat Cement Factory, Rawalpindi Road, Kohat and at any adjourned meeting thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Signature:

Please affix  
Rupees Ten  
revenue stamp

### Witnesses:

1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
CNIC or  
Passport No. \_\_\_\_\_

2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
CNIC or  
Passport No. \_\_\_\_\_

### Note:

1. In order to be effective, a proxy, duly stamped and signed, and the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of the power of attorney or authority must be deposited at the Head Office of the Company, 37-P, Gulberg-II, Lahore not later than 48 hours (excluding non-working days) before the time of the meeting. No person shall be appointed as a proxy who is not a member of the Company qualified to vote except that a Company/ Corporation being a member may appoint a person who is not a member for attending and voting at the meeting.
2. Shareholders and their proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the company.

## کوہاٹ سیمنٹ کمپنی لمیٹڈ

پراکسی فارم

تینتالیسواں سالانہ اجلاس عام

میں مٹنی / مسماۃ

ساکن رہائندہ

ضلع \_\_\_\_\_ بحیثیت ممبر کوہاٹ سیمنٹ کمپنی لمیٹڈ (سی ڈی سی / فولیو نمبر \_\_\_\_\_) مٹنی / مسماۃ

ساکن \_\_\_\_\_ (سی ڈی سی / فولیو نمبر \_\_\_\_\_) کو ایلو و عتقار (پراکسی) مقرر کرتا ہوں، تاکہ وہ میری جگہ اور میری طرف سے کمپنی

کے سالانہ اجلاس عام جو بتاریخ 27 اکتوبر 2022ء بروز جمعرات صبح 11:00 بجے کمپنی کے رجسٹرڈ آفس کوہاٹ سیمنٹ فیکٹری، راولپنڈی روڈ، کوہاٹ میں منعقد ہو رہا ہے میں

یا اس کے کسی ملوثی شدہ اجلاس میں ووٹ ڈالے

یہ پراکسی فارم آج مورخہ \_\_\_\_\_ کو درج ذیل گواہان کی موجودگی میں دستخط ہوا۔

دستخط شیئر ہولڈر:

برائے ہمہ پائی۔ اوروپے مالیت کی ریونو

سٹیپ چپاں کریں۔

## گواہان

1-

دستخط:

2-

دستخط:

نام:

نام:

پتہ:

پتہ:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

یا

پاسپورٹ نمبر:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

یا

پاسپورٹ نمبر:

## نوٹ:

۱۔ پراکسی (نمائندے) کو فعال بنانے کے لئے نامزدگی کا فارم (پراکسی) میٹنگ سے کم از کم 48 گھنٹے (علاوہ ہفتہ وار سرکاری تعطیلات) قبل کمپنی کو موصول ہو جانا چاہئے، کوئی بھی شخص پراکسی (نمائندہ) مقرر نہیں کیا جاسکتا اور نہ وہ ووٹ دینے کا اہل ہو سکتا ہے جو کمپنی کا ممبر نہ ہو، ماسوائے کہ کمپنی کارپوریشن ایسے شخص کو غیر معمولی اجلاس میں شرکت اور ووٹ دینے کیلئے نامزد کر سکتی ہے جو ممبر نہ ہو۔

۲۔ حصص داران اور ان کے نمائندوں سے درخواست ہے کہ وہ پراکسی فارم کے ہمراہ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول جمع کروائیں۔