

## **NOTICE OF 38<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting (AGM) of Pioneer Cement Limited (the Company) will be held at 64-B/1, Gulberg-III, Lahore on **Monday, October 28, 2024 at 03:00 p.m.** to transact the following business:-

### **ORDINARY BUSINESS**

1. To confirm the minutes of last AGM held on October 27, 2023.
2. To receive, consider and adopt the audited financial statements together with Directors' Report for the year ended June 30, 2024 and auditor's report thereon.
3. To approve cash dividend on ordinary shares of the Company. The directors have recommended a Final Cash dividend at 100% i.e. Rs.10 per share. This is in addition to the interim dividend of 50% i.e. Rs. 5 per share already paid. Total dividend will be 150% i.e. Rs.15 per share.
4. To appoint Statutory Auditors of the Company for the year ending June 30, 2025 and to fix their remuneration. The present auditors, M/s KPMG Taseer Hadi & Co., Chartered Accountants, retire and being eligible, have offered themselves for reappointment.

### **SPECIAL BUSINESS**

5. To consider and if deemed fit, ratify and approve (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions, in terms of Sections 207 and / or 208 of the Companies Act, 2017, with or without modification:

"RESOLVED THAT the transactions carried out by the Company with related parties, during the year ended June 30, 2024, as disclosed in note 41 of the financial statements of the Company for the said period, and specified in the Statement of Material Information under Section 134(3), be and are hereby ratified and confirmed.

FURTHER RESOLVED THAT the Board of Directors of the Company is authorized to approve the related party transactions, for the year ending June 30, 2025, these related party transactions shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation."

6. To transact any other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Lahore  
September 18, 2024  
NOTES:

Talha Saif  
Company Secretary

### **1. Closure of Share Transfer Books**

The share transfer books of the Company shall remain closed from October 21, 2024 to October 28, 2024 (both days inclusive) for the purpose of holding AGM. Transfer requests received at the Company's Registrar office M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore prior to the close of business hours on October 20, 2024 will be treated in time for the purpose of entitlement of dividend and attending the AGM.

### **2. Participation in the AGM, via physical presence including through proxy**

A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote on his/her behalf. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the meeting.

- a. The CDC shareholders are requested to bring original CNIC/Passport for the purpose of identification to attend the meeting.
- b. In case of corporate entity, the Board's Resolution or power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

### **3. Payment of Cash Dividend Electronically (E-mandate)**

Under the provisions of Section 242 of the Companies Act, 2017 and Circular No.18/2017, it is mandatory for a listed Company to pay cash dividend to its shareholders ONLY through electronic mode directly into bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to:

- a) The Registrar of the Company, M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore in case of physical shareholders.
- b) The Broker/Participant/CDC account services in case the shares are held in CDC.

Shareholders having physical shares are requested to immediately notify the change in address, if any.

Shareholders who have not yet submitted copy of their CNIC/NTN Certificate to the Company are requested to send the same at the earliest.

#### **4. E-voting and Postal Ballot**

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified vide SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

##### **i) E-Voting Procedure**

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and e-mail addresses on or before October 20, 2024.

(b) The web address, login details, will be communicated to members via email.

(c) Identity of the members intending to cast vote through E-Voting shall be authenticated through login.

(d) E-Voting lines will start from October 25, 2024, 9:00 a.m., and shall close on October 27, 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution has been casted by a member, he / she shall not be allowed to change it subsequently.

##### **ii) Postal Ballot**

(a) Members may alternatively opt for voting through postal ballot. For convenience of the members, the ballot paper is annexed to this notice and the same is also available on the Company's website [www.pioneercement.com](http://www.pioneercement.com) to download.

(b) The members shall ensure that duly filled and signed ballot paper, along with copy of CNIC should reach the Chairman of the meeting through post at 64-B/1, Gulberg-III, Lahore by Sunday, October 27, 2024 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC/record of the Company. A postal ballot received after this time / date shall not be considered for voting.

#### **5. Withholding tax on Dividend**

According to clarification by FBR, withholding tax will be deducted separately on 'Filer' and 'Non-Filer' status of Principal shareholder as well as joint holder(s) based on their shareholding proportions.

In the light of above, kindly arrange to provide us shareholding proportions of yourself as principal shareholder and your joint holder(s) in respect of ordinary shares held, enabling us to compute withholding tax on each shareholder accordingly.

Additionally, shareholders are informed that the rates of deduction of income tax from dividend payments under section 150 of the Income Tax Ordinance 2001 are as follows:

- |     |  |     |
|-----|--|-----|
| (a) | Rate of tax deduction for filer of income tax returns  | 15% |
| (b) | Rate of income tax for non-filer of income tax returns | 30% |

Where the required documents are not submitted, the Company will be constrained to treat the non-complying shareholders as non-filer thereby attracting a higher rate of withholding tax.

## **6. Unclaimed Shares and Dividend**

As per section 244 of the Act, any shares issued, or dividend declared by the Company that remained unclaimed and/or unpaid for a period of three (03) years from the due date are required to be deposited with Securities and Exchange Commission of Pakistan for credit of Federal Government after issuance of notices to the Shareholders to file their claim. The details of shares issued, and dividend declared by the Company which have remained due for more than three years were sent to Shareholders.

Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Company in the given time, the Company shall after giving notice in the newspaper having circulation, proceed to deposit the unclaimed and/or unpaid amount and shares with the Federal Government in compliance of section 244(2) of the Act mentioned *supra*.

## **7. Distribution of Annual Report and Notice of Meetings Through Email (Optional)**

Shareholders who wish to receive annual reports and notice of the general meetings through email are requested to provide the following particulars through a letter duly signed by them containing:

- a. Name

- b. Registered Folio/ CDC Account No.
- c. Email/ Postal address
- d. CNIC Number
- e. Shareholding
- f. Contact Number

Shareholders are also requested to notify any change in their email/postal addresses to the Share Registrar of the Company.

#### **8. Participation in the AGM Proceeding via the Video Conference Facility**

In compliance with Section 134(1)(b) of the Companies Act, 2017, if the Company receives request from members holding aggregate 10% or more shareholding, residing at a geographical location to participate in the meeting through video link facility, at least 10 days prior to the date of general meeting, the Company will arrange video link facility in that city.

To avail this facility, please provide following information and submit to Registered Office of the Company.

“I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of Pioneer Cement Limited and holder of \_\_\_\_\_ ordinary shares as per Registered Folio/ CDC Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.”

Signature of member

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the general meeting along with complete information necessary to enable them to access the facility.

#### **9. Conversion of Physical Shares into Book- Entry Form (i.e. CDC Account).**

Section 72 of the Companies Act, 2017 requires every company to replace its physical shares with book-entry form within the period to be notified by the SECP.

The shareholders having physical shareholding are accordingly encouraged to open their account with Investor Account Services of CDC or Sub-account with any of the brokers and convert their physical shares into scrip less form. This will facilitate the shareholders 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 Pakistan Stock Exchange Limited.

#### **10. Online facilitation to Shareholders**

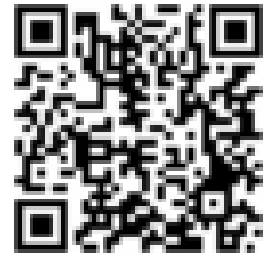
In order to facilitate our shareholders, the Company shall also provide online facility for participation in AGM. Shareholders interested in attending the AGM online are

hereby requested to get themselves registered with the Company Secretary office by sending an e-mail on [shares@pioneercement.com](mailto:shares@pioneercement.com) with subject: "Registration for AGM" at the earliest but not later than 72 hours before the meeting along with a valid copy of both sides of CNIC, Folio/CDC Account Number, and cell number.

After due verification, the Company shall share relevant details with the shareholders through email.

#### **11. Circulation of Annual Report through QR Code and Through Weblink**

In accordance with the Section 223 of the Companies Act, 2017 and pursuant to SRO 389(I)/2023 dated 21 March 2023 of the Securities & Exchange Commission, the Company has obtained Shareholders' approval in the 37th Annual General Meeting of the Company held on 27th October 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through following QR Code and <http://www.pioneercement.com>.



Weblink at

## STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This Statement sets out the material facts pertaining to the Special Business item to be transacted at the AGM of the Company.

Agenda Item Number 5 of the notice - Ratification and approval (to the extent applicable) of the related party transactions / arrangements conducted / to be conducted by the Company

The Company in the ordinary course of business enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

As some/majority of the Directors of the Company may be deemed to be interested in certain arrangements / transactions with related parties, including due to their shareholding or common directorships in related entities/parties. All the related party transactions have been disclosed in Note 41 to the financial statements for the year ended June 30, 2024. Such transactions were to be placed before the members in next AGM for their ratification / confirmation. Accordingly, these transactions are being placed before the AGM for ratification / confirmation by the members.

<b>Name / Relationship with the Company</b>	<b>Nature of transaction</b>	<b>Rupee in thousands</b>
<b><u>Common Directorship</u></b>		
Imperial Developers and Builders	- Project supervision and consultancy fee	150,000
(Private) Limited	- Operations and Maintenance charges	135,600
Haleeb Foods Limited	- Rent charged	34,596
	- Reimbursement of Operations and Maintenance charges	67,800
	- Other reimbursements	34,650

The Company carries out transactions and enters into arrangements with its related parties primarily on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions / arrangements entered into with related parties require the approval of the Board Audit

Committee, which is chaired by an Independent Director of the Company. Upon the recommendation of the Board Audit Committee, such arrangements / transactions are placed before the Board of Directors for approval.

The nature of relationship with these related parties has also been indicated in the Note 41 to the financial statements of the Company for the year ended June 30, 2024. The Directors are interested in the resolution only to the extent of their common directorships and shareholdings (to the extent applicable) in such related parties.

Accordingly, the members are requested to ratify and confirm the transactions with related parties as disclosed in the financial statements of the Company for the year ended June 30, 2024.

Furthermore, the Company will be entering into arrangements and conducting transactions with its related parties in the ordinary course of business, during the year ending June 30, 2025. As some or a majority of the Directors of the Company may be deemed to be interested in certain arrangements or transactions, inter alia, due to their shareholding or common directorships in related entities, and in order to promote transparent business practices, an approval from the members is being sought to authorize the Company to conduct such related party transactions and enter into arrangements with related parties, and further to authorize and grant power to the Board of Directors to approve related party transactions to be conducted by the Company during the financial year ending June 30, 2025 (irrespective of composition of the Board and interest of the Directors). The related party transactions as aforesaid for the year ending June 30, 2025 shall be deemed to have been approved by the members.