



The Company Secretary
Power Cement Limited
Arif Habib Centre
23 M.T. Khan Road
Karachi

18 August 2023

Our reference ASR 0643

Dear Sir

As requested, we, the statutory auditors of Power Cement Limited (the Company), confirm the following after our verification of the books and records of the Company:

- I. The conversion of 36,342,043 voting, cumulative, convertible preference shares into ordinary shares of the Company amounts to 48,456,054 ordinary shares of Rs. 10 each during the period September 15, 2021 to January 5, 2022 is inline and permissible under Clauses 8 and 13.B of the Company's Articles of Association and as per the terms and conditions of issue of preference shares approved by the members of the company through special resolution passed on June 20, 2020.
- II. The Company has complied with relevant regulatory requirements pursuant to the cancellation and conversion.
- III. There has been no payment to preference shareholders in lieu of cancellation as cancellation results in issuance of ordinary shares which has been recorded in the name of CDC.
- IV. Number of shares outstanding as at September 15, 2021 (before conversion) and as at September 23, 2021 (after conversion), of preference shares into ordinary shares are as follows:

	Ordinary shares Number of shares	Preference shares Number of shares
Shares (before conversion)	1,063,414,434	244,585,320
Number of shares converted	5,431,999	(4,074,000)
Shares (after conversion)	<u>1,068,846,433</u>	<u>240,511,320</u>

- V. Number of shares outstanding as at September 23, 2021 (before conversion) and as at November 11, 2021 (after conversion), of preference shares into ordinary shares are as follows:

	Ordinary shares Number of shares	Preference shares Number of shares
Shares (before conversion)	1,068,846,433	240,511,320
Number of shares converted	40,357,389	(30,268,043)
Shares (after conversion)	<u>1,109,203,822</u>	<u>210,243,277</u>

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VI. Number of shares outstanding as at November 11, 2021 (before conversion) and as at January 5, 2022 (after conversion), of preference shares into ordinary shares are as follows:

	Ordinary shares	Preference shares
	Number of shares	
Shares (before conversion)	1,109,203,822	210,243,277
Number of shares converted	2,666,666	(2,000,000)
Shares (after conversion)	<u>1,111,870,488</u>	<u>208,243,277</u>

2. In respect of the above conversion the following documents/ information have been verified:

- Review of the calculation of the conversion as per terms and conditions of issue of preference shares approved by the members of the Company through special resolution passed on June 20, 2020;
- Cancellation confirmation letters filed by the Company to Central Depository Company (CDC);
- Confirmation letters issued by CDC in respect of conversion of preference shares into ordinary shares;
- CDC's transactional statement of both ordinary shares and preference shares for the period September 15, 2021 to January 5, 2022;
- Extracts of special resolutions passed during the extra ordinary general meeting of the Company regarding the terms and conditions of issue of preference shares; and
- Joint Registrar of Companies certified true copies of Form 3 – Return of allotment.

3. This certificate is issued in relation to "Procedures for partial cancellation of securities in CDS due to redemption or conversion" and is not to be used or distributed for any other purpose or to be presented in any court of law. This certificate is restricted to the facts stated herein.

Yours truly