

LUCKY CEMENT LIMITED
NOTICE OF 25th ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the members of **Lucky Cement Limited** will be held on Friday, September 28, 2018 at 10:30 a.m., at the registered office of the Company situated at factory premises in Pezu, District Lakki Marwat, Khyber Pakhtunkhwa to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the year ended June 30, 2018 together with the Board of Directors' and Independent Auditors' reports thereon.
2. To declare and approve final cash dividend @ 80% i.e. PKR 8/- per share in addition to the interim dividend @50% i.e. PKR 5/- per share already paid making a total cash dividend of PKR. 13.00 per share i.e. 130% for the year ended June 30, 2018, as recommended by the Board of Directors.
3. To appoint Auditors and fix their remuneration for the year ending June 30, 2019. The present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.
4. To elect seven (7) Directors of the Company as fixed by the Board of Directors in its meeting held on July 31, 2018, in terms of Section 159 of Companies Act, 2017 (The Act) for a term of three (3) years commencing immediately after the conclusion of the meeting. The names of retiring Directors are as follows:

- | | |
|------------------------------|---------------------------------|
| 1. Mr. Muhammad Yunus Tabba | 5. Mrs. Mariam Tabba Khan |
| 2. Mr. Muhammad Ali Tabba | 6. Mrs. Zulekha Tabba Maskatiya |
| 3. Mr. Muhammad Sohail Tabba | 7. Mr. Tariq Iqbal Khan |
| 4. Mr. Jawed Yunus Tabba | 8. Mr. Muhammad Abid Ganatra |

SPECIAL BUSINESS:

5. To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2018 by passing the following special resolution with or without modification:

"RESOLVED THAT the transactions conducted with Related Parties as disclosed in the note 36 of the unconsolidated financial statements for the year ended June 30, 2018 and specified in the Statement of Material Information under Section 134 (3) be and are hereby ratified, approved and confirmed."

6. To authorize the Board of Directors of the Company to approve transactions with Related Parties for the financial year ending June 30, 2019 by passing the following special resolution with or without modification:

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending June 30, 2019.

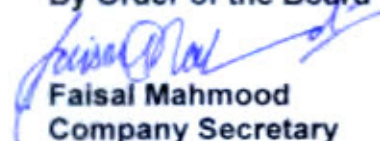
RESOLVED FURTHER that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

ANY OTHER BUSINESS:

7. To transact any other business with the permission of chair.

(Attached to this Notice is a Statement of Material Facts covering the above-mentioned Special Business, as required under Section 134(3) of the Companies Act, 2017).

By Order of the Board



Faisal Mahmood
Company Secretary

Karachi: August 31, 2018

Notes:

1. Closure of Shares Transfer Books

The Share Transfer Books of the Company shall remain closed from Friday September 14, 2018 to Friday, September 28, 2018 (both days inclusive). Transfers received in order at our Share Registrar / Transfer Agent M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 at the close of business on Thursday, September 13, 2018 shall be treated in time for the purpose of Annual General Meeting and payment of cash dividend, if approved by the shareholders.

2. Participation in General Meeting

A member entitled to attend and vote may appoint another member as his / her proxy to attend and vote instead of him / her.

An individual beneficial owner of shares must bring his / her original CNIC or Passport, Account and Participant's I.D. numbers to prove his / her identity. A representative of corporate members, must bring the Board of Directors' Resolution and / or Power of Attorney and the specimen signature of the nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

3. Nomination for Directorship

Any person who seeks to contest the election of Directors shall file with the Company at its registered office not later than 14 days before the date of meeting, notice of his / her intention to offer himself/herself for the election of the Directors, together with:

- a) Consent to act as Director as required under Section 167(1) of Companies Act 2017;
- b) Declaration in respect of being compliant with the requirements of the Code of Corporate Governance and the eligibility criteria as set out in the Companies Act, 2017 to act as Director of a listed Company; and
- c) Detailed profile along with office address for placement onto the Company's website within seven days prior to the date of election in terms of SRO dated December 10, 2015.

4. Payment of Cash Dividend Electronically (Mandatory Requirement)

In accordance with the provisions of Section 242 of the Companies Act and Companies (Distribution of Dividends), Regulation 2017, a listed company, is required to pay cash dividend to the shareholders **ONLY** through electronic mode directly into the bank account designated by the entitled shareholders. In this regards, Lucky Cement Limited has already sent letters and Electronic Credit Mandate Forms to the shareholders and issued various notices through publication in newspapers requesting the shareholders to comply with the requirement of providing their International Bank Account Number (IBAN).

Those shareholders who have still not provided their IBAN are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 (in case of shareholding in Physical Form).

i. Shareholders details	
Name of the Shareholder(s)	
Folio # /CDS Account No (s)	
CNIC No (Copy attached)	
Mobile / Landline no	
ii. Shareholders' Bank details	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch's Name and Address	

In case of non-provision of IBAN, the Company will have to withhold the cash dividend according to SECP directives.

5. Withholding tax on Dividend

I) The Government of Pakistan through Finance Act, 2014 had made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. These tax rates are as under:

- | | |
|--|-----|
| a) For filers of income tax returns: | 15% |
| b) For non-filers of income tax returns: | 20% |

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 20%, all the shareholders whose names are not entered into the Active Tax Payer List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend i.e. September 21, 2018; otherwise tax on their cash dividend will be deducted @ 20% instead of 15%.

II) For any query/problem/information, the investors may contact the Company and / or the Share Registrar: The Manager, Share Registrar Department, Central Depository Company Pakistan Limited, Telephone Number: 0800-23275 (Toll Free), email address: info@cdcpak.com and/ or The Manager Corporate Secretarial, Telephone Number: 111-786-555 Ext: 2231 email address: company.secretary@lucky-cement.com

III) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas, corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar i.e. Transfer Agent, M/s. Central Depository Company of Pakistan Limited. The shareholders while sending NTN or NTN Certificates, as the case may be, must quote Company name and their respective folio numbers.

(IV) As per the clarification issued by FBR, withholding tax will be determined separately on "Filer/Non-Filer" status of principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to the Registrar and Share Transfer Agent in writing as follows:

Folio / CDC Account No.	Principal Shareholder			Joint Shareholder(s)	
	Total Shares	Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

6. Submission of the CNIC/NTN details (Mandatory)

In accordance with the notification of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 779(1)/2011 dated August 18, 2011 and SRO 83(1)/2012 dated July 5, 2012, dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, Members who have not yet submitted copy of their valid CNIC or NTN in case of corporate entities are requested to submit the same to the Company's Shares Registrar. In case of non-compliance, the Company may withhold dispatch of dividend warrants under intimation to Regulator till such time they provide the valid copy of their CNIC as per law.

7. Request for Video Conference Facility

In term of SECP's Circular No. 10 of 2014 dated May 21, 2014 read with the provisions contained under section 134(1)(b) of the Act, if the Company receives request /demand from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city, subject to availability of such facility in that city.

In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Annual General Meeting (AGM). After receiving the request/demand of members having 10% or more shareholding in aggregate, the Company will intimate members regarding venue of video conference facility at least five (5) days before the date of AGM along with complete information necessary to enable them to access such facility.

REQUEST FOR VIDEO CONFERENCE FACILITY

I/We/Messrs., _____ of
_____, being Member(s) of Lucky Cement Limited,
holder of _____ ordinary share(s) as per Folio # _____ and
/ or CDC Participant ID & Sub-Account No. _____, hereby,
opt for video conference facility at
_____ city.

Signature of the Member(s)

(Please affix company stamp in case of corporate entity)

8. Change of Address

The members are also requested to notify change in their address, if any, to our Share Registrar / Transfer Agent M/s. Central Depository Company of

Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400.

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

1. Item Number 6 of the notice – Ratification and approval of the related party transactions

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2017. However, during the year since majority of the Company's Directors were interested in certain transactions due to their common directorships in the group companies, the quorum of directors could not be formed for approval of these transactions pursuant to section 207 of the Companies Act, 2017 and therefore these transactions are being placed for the approval by shareholders in the Annual General Meeting.

All transactions with related parties to be ratified have been disclosed in the note 36 to the unconsolidated financial statements for the year ended June 30, 2018. Party-wise details of such related party transactions are given below:

Name of Related Party	Transaction Type	PKR in '000'
Aziz Tabba Foundation	Sales	234
	Donations	150,000
Energas Terminal (Private) Limited	Reimbursement of expenses to company	114
Gadoon Textile Mills Limited	Sales	26,273
	Reimbursement of expenses from company	1,027
ICI Pakistan Limited	Sales	22,821
	Purchases	6,022
Kia Lucky Motors Pakistan Limited	Sales	61,504
	Investments made during the year	3,312,564
	Sale of fixed assets	5,586
LCL Holdings Limited	Reimbursement of expenses to company	44,858
	Investments made during the year	60
Lucky Air (Private) Limited	Services	8,354,984
	Reimbursement of expenses to company	27,180
Lucky Energy (Private) Limited	Sales	60
	Dividends	426
		195,209

Lucky Foods (Private) Limited	Reimbursement of expenses to company	5,366
Lucky Holdings Limited	Reimbursement of expenses to company	1,236
Lucky One (Private) Limited	Sales	58,738
Lucky Paragon ReadyMix	Sales	330,261
Lucky Textile Mills Limited	Sales	4,965
Nutrico Morinaga (Private) Limited	Sales	36,947
YB Holdings (Private) Limited	Reimbursement of expenses to company	5,165
YB Pakistan Limited	Investment	10
	Dividends	125,043
Yunus Energy Limited	Dividend received	137,557
Yunus Textile Mills Limited	Sales	14,708
	Dividends	364,587
Directors	Meeting fee	1,531
Directors and close family members	Dividends	1,290,751
Key Management Personnel	Salaries and benefits	203,883
	Retirement Benefits	28,508
	Dividends	68

The company carries out transactions with its related parties 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 entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Board Audit Committee, such transactions are placed before the board of directors for approval.

Transactions entered into with the related parties include, but are not limited to, sale of cement, dividends paid and received, investments made (in accordance with the approval of shareholders and board where applicable) and salaries and other benefits paid to the key management personnel.

The nature of relationship with these related parties has also been indicated in the note 36.1 to the unconsolidated financial statements for the year ended June 30, 2018. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

2. Item number 7 – Authorization for the Board of Directors to approve the related party transactions during the year ending June 30, 2019

The Company shall be conducting transactions with its related parties during the year ending June 30, 2019 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the subsidiary / associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending June 30, 2019, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their common directorships in such related parties.