

Maple Leaf Power Limited

Registered Office: 42-Lawrence Road, Lahore

Tel: 92-042-36278904-05, Fax: 92-042-36368721

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of the members of **Maple Leaf Power Limited** (the “Company”) will be held on **Friday, October 25, 2024 at 10:00 AM** at 42-Lawrence Road, Lahore, the Registered Office of the Company, to transact the following business: -

Ordinary Business:

- 1) To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2024 together with the Directors’ and Auditors’ Reports thereon.
- 2) To appoint Auditors for the year ending on June 30, 2025 and fix their remuneration. The Board has recommended the appointment of M/s. A. F. Ferguson & Co., Chartered Accountants, the retiring auditors who being eligible have offered themselves for re-appointment.

Special Business:

- 3) To consider and, if deemed fit, pass the following resolution as a special resolution under Section 199 of the Companies Act, 2017, with or without modification, as recommended by the Directors: -

“**Resolved** by way of special resolution that consent and approval of **Maple Leaf Power Limited** (the “Company”) be and is hereby accorded under Section 199 of the Companies Act, 2017 (the “Act”) for investment in the form of loans / advances from time to time to **Maple Leaf Cement Factory Limited**, a holding company of the Company, upto an aggregate sum of **Rs. 6,500 million** (Rupees six thousand five hundred million only) for a period of one year commencing November 01, 2024 to October 31, 2025 (both days inclusive) at the mark-up rate of one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher. Vide special resolutions passed in general meetings held on October 18, 2023 & March 12, 2024 by the shareholders, the Company was authorized to extend facilities of similar nature to the extent of Rs. 2,000 million & additional facility of Rs. 2,500 million respectively thus making a total facility of Rs. 4,500 million, which are valid till October 31, 2024.

Resolved further that Chief Executive and Secretary of the Company be and are hereby authorized **singly** to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of transactions in relation to the loans / advances to the holding company but not limited to filing of all the requisite statutory forms and all other documents with the Securities and Exchange Commission of Pakistan, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolution.”

- 4) To ratify and approve transactions conducted with the Related Party for the year ended June 30, 2024 by passing the following special resolution with or without modification: -

“**Resolved that** the transactions conducted with the Related Party as disclosed in note 27 of the audited financial statements for the year ended June 30, 2024 and

specified in the Statement of Material Information under Section 134(3) be and are hereby ratified, approved and confirmed.”

- 5) To authorize the Board of Directors of the Company to approve transactions with the Related Party for the financial year ending on June 30, 2025 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 the Related Party on case to case basis for the financial year ending on June 30, 2025.

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.”

BY ORDER OF THE BOARD

Sd-

(MUHAMMAD ASHRAF)

Company Secretary

Lahore: October 04, 2024

NOTES:

1. Share Transfer Books of the Company will remain closed from October 19, 2024 to October 25, 2024 (both days inclusive). Physical transfers received in order at Share Department, 42-Lawrence Road, Lahore, upto the close of business on October 18, 2024 will be considered in time for entitlement to the transferee, if any, and to determine voting rights of the shareholders for attending the annual general meeting.
2. A member eligible to attend, speak and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. Proxies in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time for holding the meeting.
3. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee should be attached with the proxy form.
4. The shareholders will be allowed to exercise their right to vote through postal ballot subject to the requirements of Sections 143 and 144 of the Act and the Companies (Postal Ballot) Regulations, 2018.

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

This statement sets out the material facts pertaining to the special business to be transacted at the forthcoming Annual General Meeting of the Company to be held on October 25, 2024.

AGENDA ITEM NUMBER 3 OF THE NOTICE –INVESTMENT IN MAPLE LEAF CEMENT FACTORY LIMITED IN THE FORM OF LOANS/ADVANCES:

Maple Leaf Cement Factory Limited, having its Registered Office at 42-Lawrence Road, Lahore (the “MLCFL”), is a holding company of the Company and holds 100% in the share capital of the Company and is a public listed company engaged in the business of manufacturing and sale of cement and the factory is located at Iskanderabad, District Mianwali.

The Board of Directors of the Company in their meeting held on September 09, 2024 has approved Rs. 6,500 million as loans / advances subject to approval of the members. The Company shall

extend the facility of loans / advances from time to time for working capital requirements to MLCFL in accordance with an agreement in writing including all relevant terms and conditions as prescribed in the Regulations.

The Directors have carried out their due diligence for the proposed investment and duly signed recommendations of the due diligence report / undertaking has been kept at the Registered Office of the Company and shall also be available for inspection of members in the general meeting along with the latest audited and interim financial statements of the associated company.

Information under Regulation 3(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (the “Regulations”).

3(1)(a) Disclosure for all types of investments

(A) Regarding associated company or associated undertaking: -

Ref. No.	REQUIREMENT	INFORMATION		
(i)	Name of associated company or associated undertaking;	Maple Leaf Cement Factory Limited (the “MLCFL”)		
(ii)	Basis of relationship;	MLCFL is a holding company of the Company and holds 100% of the aggregate paid-up capital of the Company.		
(iii)	Earnings per share for the last three years;	(Rupees)		
		Year	Basic	Diluted
		30.06.2022	3.30	3.30
		30.06.2023	4.18	4.18
	30.06.2024	4.98	4.98	
(iv)	Break-up value per share, based on latest audited financial statements;	As on June 30, 2024 With revaluation surplus Rs. 49.69 Without revaluation surplus Rs. 45.90		
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements;	Based on the audited financial statements for the financial year ended 30 June 2024 the financial position of MLCFL is as under: -		
		Particulars	Amount Rs.(000)	
		Paid up capital	10,475,626	
		Capital reserves	33,197,422	
		Revenue reserves: Un-appropriated profits	4,927,636	
		Surplus on revaluation of fixed assets	4,015,224	
		Total equity	52,615,908	
		Current liabilities	18,597,800	
		Current assets	26,867,837	
		Revenue	66,452,348	
		Gross profit	20,964,284	
		Operating profit	13,069,734	
		Profit for the year	5,272,527	
		Earnings per share (Rs.)	4.98	

(B) General Disclosures:-														
Ref. No.	REQUIREMENT	INFORMATION												
(i)	Maximum amount of investment to be made;	Rs. 6,500 million (Rupees six thousand five hundred million only).												
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	<p>Purpose: To earn income on the loans and/or advances to be provided to MLCFL from time to time for working capital requirements of MLCFL.</p> <p>Benefits: The Company will receive mark up at the rate of one percent above three months KIBOR or one percent above its average borrowing cost, whichever is higher. This shall benefit Company's cash flow by earning profit on idle funds.</p> <p>Period: For a period of one year from November 01, 2024 to October 31, 2025.</p>												
(iii)	Source of funds to be utilized for investment and	Loan and/or advance will be given out of own funds of the Company.												
	where the investment is intended to be made using borrowed funds, - (I) Justification for investment through borrowings; (II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) Cost benefit analysis;	N/A												
(iv)	Salient features of agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	<table border="1"> <thead> <tr> <th>Nature</th> <td>Loan / advance</td> </tr> </thead> <tbody> <tr> <th>Purpose</th> <td>To earn mark-up / profit on loan / advance being provided to MLCFL which will augment Company's cash flow.</td> </tr> <tr> <th>Period</th> <td>One Year</td> </tr> <tr> <th>Rate of Mark-up</th> <td>One percent above three months KIBOR or one percent above the average borrowing cost of Company, whichever is higher.</td> </tr> <tr> <th>Repayment</th> <td>Principal plus mark-up/ profit upto October 31, 2025</td> </tr> <tr> <th>Penalty charges</th> <td>@3-months KIBOR plus one percent in addition to the outstanding amount(s).</td> </tr> </tbody> </table>	Nature	Loan / advance	Purpose	To earn mark-up / profit on loan / advance being provided to MLCFL which will augment Company's cash flow.	Period	One Year	Rate of Mark-up	One percent above three months KIBOR or one percent above the average borrowing cost of Company, whichever is higher.	Repayment	Principal plus mark-up/ profit upto October 31, 2025	Penalty charges	@3-months KIBOR plus one percent in addition to the outstanding amount(s).
		Nature	Loan / advance											
		Purpose	To earn mark-up / profit on loan / advance being provided to MLCFL which will augment Company's cash flow.											
		Period	One Year											
		Rate of Mark-up	One percent above three months KIBOR or one percent above the average borrowing cost of Company, whichever is higher.											
		Repayment	Principal plus mark-up/ profit upto October 31, 2025											
Penalty charges	@3-months KIBOR plus one percent in addition to the outstanding amount(s).													

(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;	Investing Company is a wholly owned subsidiary company of MLCFL and Six Directors are common in both the companies may be deemed to be interested to the extent of their shareholding. None of the Directors or their relatives or associates are interested in any of the above resolution in any way except as members of the Company.
(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	Similar nature of loans / advances upto Rs.2,000 million for period effective November 01, 2023 to October 31, 2024 and additional Rs. 2,500 million for period from April 01, 2024 to October 31, 2024, thus making a total Rs. 4,500 million for a period of one year, from time to time for working capital requirements to MLCFL have been approved by members vide special resolutions passed in the general meetings held on October 18, 2023 and March 12, 2024 respectively which are valid till October 31, 2024. There is no impairment and/or write off against the above facilities.
(vii)	Any other important details necessary for the members to understand the transaction;	N/A

3(1)(c) Investments in the form of loans, advances:

Ref. No.	REQUIREMENT	INFORMATION
(i)	Category-wise amount of investment;	Short term loan for working capital requirements for a period of one year as dilated in preamble.
(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 the Company is Nil% for the year ended June 30, 2024.
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Mark-up will be charged from MLCFL at one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment;	No collateral is considered necessary since MLCFL is a holding company of the Company.
(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	N/A

	conversion may take place the time when the conversion may be exercisable; and	
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The loan / advance would be for a period of one year from November 01, 2024 to October 31, 2025 (both days inclusive). MLCFL will pay interest / mark-up on quarterly basis whereas repayment of principal amount shall be on or before October 31, 2025.

Disclosure under Regulation 4(1):

Five Directors including Sponsors of associated / holding company i.e. MLCFL are also the members of the Company and are interested to the extent of their shareholding as under: -

Name	%age of shareholding in MLCFL	%age of shareholding in the Company
Mr. Tariq Sayeed Saigol	0.0031	0.0000002
Mr. Taufique Sayeed Saigol	0.0015	0.0000002
Mr. Sayeed Tariq Saigol	0.0010	0.0000002
Mr. Waleed Tariq Saigol	0.0011	0.0000002
Mr. Danial Taufique Saigol	0.0005	0.0000002

Agenda Item No. 4 of the Notice – Ratification and approval of the related party transactions for the year ended June 30, 2024.

Transactions conducted with the related parties have to be approved by the Board of Directors on quarterly basis. However, during the year since majority of the Company's Directors were interested due to their common directorships and therefore these transactions are being placed for the approval by shareholders in the Annual General Meeting. In last Annual General Meeting of the Company, in order to promote transparent business practices, the shareholders had authorized the Board of Directors to approve transactions with the related parties from time-to-time on cases to case basis for the year ended June 30, 2024 and such transactions were deemed to be approved by the shareholders. Such transactions were to be placed before the shareholders in the next annual general meeting for their formal approval/ratification. Accordingly, these transactions are being placed before the shareholders in this meeting for their formal approval/ratification.

All transactions with related parties to be ratified have been disclosed in the note 27 to the financial statements for the year ended June 30, 2024. Party-wise details of such related party transactions are given below: -

Name of Related Party and Relationship	Relationship	Nature of Transactions	2024	2023
Rupees in thousand				
Maple Leaf Cement Factory Limited	Holding Company (Equity:100%)	Coal purchased from Holding Company	6,180,773	5,035,036
		Sale of electricity (inclusive of sales tax)	8,778,003	6,938,828
		Advance tax deducted u/s 235	-	62,526
		Long term loan provided to Holding Company	2,500,000	-
		Sale of steam (inclusive of sales tax)	63,937	179,378
		Sale of scrap (inclusive of sales tax)	32,942	23,960
		Rent charged by Holding Company	479	436
		Payments made on the Company's behalf by Holding Company	134,831	157,792

		Payment made by the Company on behalf of Holding Company	26,101	5,011
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Agenda Item No. 5 of the Notice – Authorization for the Board of Directors to approve the related party transactions during the year ending on June 30, 2025.

The Company shall be conducting transactions with its related parties during the year ending on June 30, 2025 as per the approved policy with respect to ‘transactions with related parties’ in the normal course of business. The majority of Directors are interested due to their common directorships in the holding and/or associated companies. In order to promote transparent business practices, the shareholders are required to authorize the Board of Directors to approve transactions with the related parties from time-to-time and on case to case basis for the year ending on June 30, 2025, which transactions shall be deemed to be approved by the Shareholders. 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 shareholding and/or only their common directorships in such related parties.
