



Dawood Hercules

12th February 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

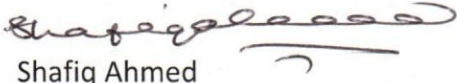
Notice of Extraordinary General Meeting

Enclosed please find a copy of the Notice of the Extraordinary General Meeting to be held on 6th March 2018 for circulation amongst the TRE Certificate Holders of the Exchange.

Kindly acknowledge receipt of the same.

Thanking you,

Yours sincerely,
For and on behalf of Dawood Hercules Corporation Limited


Shafiq Ahmed
Company Secretary

BOOK POST

**NOTICE OF EXTRAORDINARY
GENERAL MEETING**



Dawood Hercules

Dawood Hercules Corporation Limited
Dawood Centre, M.T. Khan Road, Karachi-75530
PABX: +92-21-35686001-16 www.dawoodhercules.com

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to all the shareholders of Dawood Hercules Corporation Limited (the Company) that an Extraordinary General Meeting of the Company will be held on Tuesday 6th March, 2018 at 10:30 a.m. at The Dawood Foundation Business Hub, Ground Floor, Dawood Centre M.T. Khan Road, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 49th Annual General Meeting held on 28th April 2017.

SPECIAL BUSINESS:

1. To consider and approve an Equity Investment and a Short Term Loan in the cumulative amount not exceeding PKR 17,430 million to be provided to Edotco Pakistan (Private) Limited and, in doing so, to pass the following Resolution with or without modification, as a Special Resolution under the Companies Act, 2017:

“RESOLVED BY WAY OF A SPECIAL RESOLUTION that, subject to the grant of all approvals and consents, as required under law, the Company shall invest, in the form of an Equity Investment and a Short Term Loan in the cumulative amount not exceeding PKR 17,430 million (Pakistani Rupees Seventeen Thousand Four Hundred and Thirty Million Only) (**“Cumulative Investment”**) in Edotco Pakistan (Private) Limited. Out of the Cumulative Investment, the loan amount shall not exceed PKR 10,130 million (Pakistani Rupees Ten Thousand One Hundred and Thirty Million Only) at a mark-up rate of 10% per annum.

FURTHER RESOLVED BY WAY OF A SPECIAL RESOLUTION that, for the purpose of giving effect to this Special Resolution, Chief Executive Officer and Chief Financial Officer & Company Secretary, be and are hereby authorized jointly to take all necessary actions and do all acts, deeds and things in the matter.”

2. To consider and if thought appropriate, pass with or without modification, the following ordinary resolutions in terms of applicable provisions of the Companies Act, 2017, to authorize and approve the disposal of the entire shareholding of the Company in The Hub Power Company Limited (**“HUBCO”**), being 172,582,000 ordinary shares in HUBCO (constituting approximately 14.91% of the outstanding paid-up capital of HUBCO) to Mega Conglomerate (Private) Limited:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2017 and subject to the grant of all approvals and consents, if any required under law, the Company do hereby sell and transfer its entire shareholding in The Hub Power Company Limited (**“HUBCO”**), being 172,582,000 ordinary shares in HUBCO (constituting approximately 14.91% of the outstanding paid-up capital of HUBCO) to Mega Conglomerate (Private) Limited on such terms and conditions as specified under the Agreement entered into with Mega Conglomerate (Private) Limited.

FURTHER RESOLVED THAT, Chief Executive Officer and Chief Financial Officer & Company Secretary, be and are hereby authorized jointly to do all acts, deeds and things, to execute such agreements, documents and papers and make any applications, including but not limited to any applications, notices, disclosures required to be filed with Securities and Exchange Commission of Pakistan, National Electric Power Regulatory Authority, Pakistan Stock Exchange Limited and any other regulatory authorities, and undertake all such steps for the purposes of sale and transfer of shares from the Company to Mega Conglomerate (Private) Limited as the aforesaid officers of the Company may deem fit in connection with the disposal of the entire shareholding of the Company in HUBCO.”

Statement of Material Facts under the Companies Act, 2017, setting forth all material facts pertaining to Special Businesses is attached.

By Order of the Board

Karachi
8th Febraury, 2018

Shafiq Ahmed
Company Secretary

NOTES:-

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from 28th February, 2018 to 6th March, 2018 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, Messrs. FAMCO Associates (Private) Limited, 8-F, Next to Hotel Faran, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi, by close of business (5:00 p.m.) on 27th February, 2018, will be treated as being in time to attend and vote at the meeting.

2. Participation in the Extraordinary General Meeting:

All Members, entitled to attend and vote at the meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company. A corporate entity, being member, may appoint any person, regardless whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors / Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted to the Company along with a completed proxy form. The proxy holders are required to produce their original CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 hours before the time of the meeting.

- 3.** The members are requested to notify the Company / Share Registrar of any change in their address.
- 4.** CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
- A. For Attending the Meeting
- a. In case of Individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid Computerized National Identity Card (CNIC) or the original Passport at the time of attending the meeting.
 - b. In case of corporate entity, the Board of Directors' Resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
- B. For Appointing Proxies
- a. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.
 - b. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - c. The proxy shall produce original valid CNIC or original passport at the time of the meeting.
 - d. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
 - e. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

5. Computerized National Identity Card (CNIC) / National Tax Number (NTN):

CNIC or NTN of the shareholders is mandatory in terms of the directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(1)/2012 dated July 5, 2012 for the issuance of future dividend warrants etc., and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs or NTN are once again advised to provide the attested copies of their CNICs or NTN (if not already provided) directly to our Independent Share Registrar without any further delay.

6. Under second proviso to Section 242 of the Companies Act 2017, listed companies are required to pay declared cash dividends only through electronic mode directly into the bank accounts designated by the entitled shareholders. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc.

Accordingly, the shareholders of the company are requested to provide the following information for payment of cash dividend to be declared by the company through electronic mode directly in the bank account designated by you.

Title of Bank Account	
Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

The Shareholder will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur.

7. Consent for Video Conference Facility

Members can also avail video conference facility under the provision of section 134(1)(b) of the Companies Act, 2017 to participate in the general meeting and consent from members as per following format. The members must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the general meeting in order to participate in the meeting through video conference. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of Extraordinary General Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Dawood Hercules Corporation Limited, holder of _____ ordinary share (s) as per Registered Folio/CDC Account No _____ hereby opt for video conference facility at _____.

Signature of Members

8. The Company is in the process of setting up the e-voting facility in accordance with the requirements of the Companies (E-Voting) Regulations, 2016 and in this connection, a special resolution for alteration of the Articles of Association to allow e-voting facility was passed by the members in General Meeting held on 23rd April 2016. However, the e-voting facility cannot be made available to the Members for this meeting as other mandatory conditions prescribed under the aforesaid Regulations including the availability of accredited intermediary could not be satisfied.

Statement of Material Facts under the Companies Act, 2017

This statement sets out the material facts pertaining to the special business to be conducted at the forthcoming Extraordinary General Meeting of Dawood Hercules Corporation Limited (the "Company"), convened on 6th March, 2018:

Agenda Item 1 of Special Business:

Equity investment and a Short Term Loan in the cumulative amount not exceeding PKR 17,430 million to be provided to Edotco Pakistan (Private) Limited:

Sr. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2017	RELEVANT INFORMATION
(A)	Disclosure for all types of investments	
1	Name of associated company or associated undertaking	Edotco Pakistan (Private) Limited (EPPL)
2	Basis of relationship	Shareholders Agreement
3	Earnings per share for the last three years	Not applicable (being a new company incorporated and is the first year of its operations)
4	Break-up value per share, based on the latest audited financial statements	Not applicable
	<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>EPPL through its subsidiary company Tanzanite Tower (Private) Limited, owns ~700 telecommunication towers/sites whereas Deodar (Private) Limited wholly owned subsidiary of Tanzanite Tower (Private) Limited will acquire ~13,000 telecommunication towers/sites in Pakistan as a fresh investment. Accordingly, EPPL will own ~13,700 telecommunication towers in Pakistan.</p> <p>This will be the first year of operation of EPPL and its subsidiary Deodar (Private) Limited, however based on the investment analysis and the cash flows projections made by the investing company, it is projected that EPPL will have an IRR of ~23%.</p> <p>After desired equity injection</p> <p>Soon after capital injection</p> <p>As per the financial covenants signed with the syndicate of banks, the company will make payment of dividend after complying with the conditions precedents set out in the financing agreement.</p>

	(V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	<ul style="list-style-type: none"> • EDOTCO Investment (Labuan) Limited: Equity Investment PKR 18,270 million • Dawood Hercules Corporation Limited Cumulative funds to be invested of amount not exceeding PKR 17,430 million inclusive of Loan, if required, of amount not exceeding PKR 10,130 million.
(B)	General disclosures:	
	<p>(I) maximum amount of investment to be made;</p> <p>(II) purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</p> <p>(III) sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <p style="padding-left: 20px;">(I) justification for investment through borrowings;</p> <p style="padding-left: 20px;">(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p style="padding-left: 20px;">(III) cost benefit analysis;</p> <p style="padding-left: 20px;">(IV) salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;</p> <p style="padding-left: 20px;">(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> <p style="padding-left: 20px;">(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> <p style="padding-left: 20px;">(VII) any other important details necessary for the members to understand the transaction;</p>	<p>Cumulative funds to be invested of amount not exceeding PKR 17,430 million inclusive of Loan, if required, of amount not exceeding PKR 10,130 million</p> <p>The investing company will benefit in the form of capital appreciation, dividend and interest/markup.</p> <p>The investment will be made through own funds</p> <p>Not applicable</p> <p>Not applicable</p> <p>Not applicable</p> <p>As per the commercial terms</p> <p>The directors are interested only to the extent of investment in the investing company.</p> <p>Not applicable</p> <p>None</p>

In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-		
(I)	maximum price at which securities will be acquired;	PKR 10.60 per share
(II)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	Not applicable
(III)	maximum number of securities to be acquired;	1,743,000,000 shares
(IV)	number of securities and percentage thereof held before and after the proposed investment;	Before proposed investment: Nil After proposed investment: upto 45%
(V)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Not applicable
(VI)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	Not applicable

In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-		
(I)	category-wise amount of investment;	Short Term Loan not to exceed: PKR 10,130 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	3M KIBOR Plus 100 basis points
(III)	rate of return for unfunded facilities, as the case may be, for the relevant period;	Not applicable
(IV)	rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	3M KIBOR plus 385 basis points (Fixed @10% per annum), however in case KIBOR exceed 8.50% per annum, the parties will decide higher rate.
(V)	particulars of collateral or security to be obtained in relation to the proposed investment;	The loan will be unsecured, however the holding company Edotco International (Lauban) Limited of the investee company will provide comfort letter/guarantee for the repayment of loan and markup.
(VI)	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; and	Not applicable
(VII)	repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The loan and markup will be repaid in one bullet payment by maturity date.

Agenda Item 2 of Special Business:

Disposal of the entire shareholding of the Company in The Hub Power Company Limited ("HUBCO")

The Company presently owns 172,582,000 ordinary shares in the Hub Power Company Limited ("HUBCO") (constituting approximately 14.91% of the outstanding paid-up capital of HUBCO). The Board of Directors of the Company have resolved to dispose, sell and transfer the entire shareholding of the Company in HUBCO to Mega Conglomerate (Private) Limited on such terms and conditions as specified under the Agreement executed between Mega Conglomerate (Private) Limited and Company ("**Proposed Transaction**"). The cumulative purchase price is PKR 18,379,983,000/-

Based on the annual audited accounts of the Company as at December 31, 2016, the value of the shares of HUBCO is approximately 37.3% of the total assets of the Company and as such may constitute a sizeable asset of the Company, the Board of Directors have desired to obtain the approval of the shareholders by way of an ordinary resolution pursuant to the applicable provisions of the Companies Act, 2017. The disposal, sale and transfer of the said shares of HUBCO by the Company will be subject to the acquirer having obtained all the requisite regulatory and/or corporate approvals required under the law and once all conditions precedent to the transaction (as specified in the Agreement) have been satisfied.

In relation to the proposed divestment of entire shareholding in HUBCO by the Company, please note as follows:

Sr. No.	Description of Information	Detail of Information
1.	Detail of Assets to be disposed of i.e. (description, cost, revalued amount (if available), book value, and approximate current market price/fair value)	The entire shareholding of the Company in The Hub Power Company Limited, comprising of 172,582,000 ordinary shares of Rs. 10 each (constituting approximately 14.91% of the outstanding paid-up capital of HUBCO) to Mega Conglomerate (Private) Limited. Cost: PKR 14,169 million Revalued Amount: Nil Book Value: PKR 14,169 million Current Market Value: PKR 16,670 million as at 6 February 2018
2.	The proposed manner of disposal of the said assets	The Company has entered into an Agreement with the buyer for the disposal of entire shareholding in HUBCO through Negotiated Deal Market at a price of PKR 106.50 per share. The transaction will be through normal banking channel.
3.	Reasons for the sale, lease or disposal of assets and the benefits expected to accrue to the shareholders therefrom.	To further diversify its investment portfolio and reduce risk on its investment portfolio.

In addition, the following Directors of the Company and its associated undertakings are also shareholders in HUBCO to the extent of the percentages in the issued capital of HUBCO as specified below:

Sr. No.	NAME OF DIRECTOR/ASSOCIATED COMPANIES	PERCENTAGE SHAREHOLDING IN HUBCO
1.	Mr. Hussain Dawood (including spouse)	0.40%
2.	Mr. Shahzada Dawood	0.10%
3.	Mr. Samad Dawood	0.63%
4.	Ms. Sabrina Dawood	0.05%
5.	Cyan Limited	0.86%
6.	Hajiani Hanifa Bai Memorial Trust	0.47%
7.	The Dawood Foundation	0.08%
8.	Dawood Corporation (Private) Limited	0.02%
9.	Asian Cooperative Society	0.00%

Inspection of documents:

All documents including agreements related to special business have been kept at the registered office of the company and can be inspected during business hours till the date of the meeting.



Dawood Hercules

Proxy Form

I/We _____
of _____ being a member of Dawood Hercules Corporation Limited and holder
of _____ Ordinary Shares, as per:

Share Register Folio No. _____ and/or _____
CDC Participant IDNo. _____ Sub A/c No. _____
hereby appoint _____ of _____, or failing him/her _____

of _____, as my/our proxy to attend, speak and vote for me/us and on my/our behalf, at the
Extraordinary General Meeting (EGM) of the Company to be held at The Dawood Foundation Business Hub,
Ground Floor, Dawood Centre, M.T. Khan Road, Karachi on Tuesday 6th March, 2018, at 10:30 a.m. and at
any adjournment thereof.

Signed this _____ day of _____ 2018.

WITNESSES -1 :

Signature : _____
Name : _____
Address : _____
CNIC No. : _____
Passport No. : _____

Signature on
Revenue Stamps
of Rupees Five

Signature should agree with
the specimen signature with
the Company.

WITNESSES -2 :

Signature : _____
Name : _____
Address : _____
CNIC No. : _____
Passport No. : _____

IMPORTANT:

1. This Proxy Form, duly completed, must be deposited at the Company's Registered Office, not less than forty eight hours before the meeting.
2. CDC shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.
3. All proxies attending the EGM are requested to bring their original CNIC/Passport for identification.



Dawood Hercules

نمائندگی کا فارم

میں رہم _____ ساکن _____
 بحیثیت ممبر داؤد ہرکولیس کارپوریشن لمیٹڈ کے رکن و حامل _____ عام حصص بمطابق شیئر رجسٹرڈ فولیو نمبر _____
 اور ری ای سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کمانڈ نمبر _____ محترم _____
 ساکن _____ یا بصورت دیگر محترم _____
 ساکن _____ کو اپنی جگہ بروز منگل مورخہ ۶ مارچ ۲۰۱۸ بوقت ۱۰:۳۰ بجے صبح بمقام داؤد فاؤنڈیشن بزنس جب، گراؤنڈ فلور،
 داؤد سینٹر، ایم ٹی خان روڈ، کراچی میں منعقد یا ملتوی ہونے والے کھٹی کے غیر معمولی اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا کرتی ہوں۔

دستخط _____ بروز _____ ۲۰۱۸

مطلوبہ (پانچ روپے کا)
 ریونیو ٹیکسٹ چسپاں کریں اور دستخط کریں

گواہ (۱)

دستخط گواہ: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر یا: _____

پاسپورٹ نمبر: _____

دستخط کھٹی کے پاس پہلے سے محفوظ دستخطی نمونہ کے مطابق ہونے ضروری ہیں۔

گواہ (۲)

دستخط گواہ: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر یا: _____

پاسپورٹ نمبر: _____

نوٹ:

- تمام نامزدگیاں اسی صورت میں موثر ہوں گی جب پر کسی فارم، نام کھٹی کے رجسٹرڈ آفس میں اجلاس کے مقررہ وقت سے ۳۸ گھنٹے قبل موصول ہوں۔
- سی ڈی سی شیئر ہولڈرز اور ان کے نمائندوں سے فرد افراد درخواست ہے کہ وہ اپنے کمپیوٹر یا ڈیجیٹل قومی شناختی کارڈ کی تصدیق شدہ نقل یا پاسپورٹ، نمائندگی فارم داخل کرنے سے قبل اس کے ساتھ منسلک کریں۔
- تمام پر کسی ہولڈرز اپنی شناخت کے لئے اجلاس کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ ضرور پیش کریں۔



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