

# **NOTICE OF EXTRAORDINARY GENERAL MEETING**



# DAWOOD HERCULES CORPORATION LIMITED

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the Members of the Company will be held on Monday, May 22, 2023 at 11:00 AM at the Dawood Foundation Business Hub, Ground Floor, Dawood Centre, M.T. Khan Road, Karachi and via video link facility to transact the following business:

To elect seven (7) directors of the Company as fixed by the Board of Directors, in accordance with Section 159(1) of the Companies Act, 2017 for a term of three (3) year commencing from May 22, 2023. Names of the retiring directors who are eligible for re-election are given below:

1. Mr. Hussain Dawood
2. Mr. Abdul Samad Dawood
3. Mr. Shahzada Dawood
4. Ms. Sabrina Dawood
5. Mr. Parvez Ghias
6. Mr. Hasan Reza Ur Rahim
7. Mr. Shabbir Hussain Hashmi
8. Mr. Kamran Nishat
9. Mr. Zamin Zaidi

Attached to this Notice being sent to the Members is the Statement of Material Facts under the Companies Act, 2017.

By Order of the Board

**Imran Chagani**  
Company Secretary

Place: Karachi  
Dated: April 21, 2023

## NOTES:

### 1. Video Conference Facility for Extraordinary General Meeting (EGM) of shareholders:

As per the directive issued by Securities and Exchange Commission of Pakistan ("SECP"), the Company has made arrangements of video conference facility to ensure that shareholders can also participate in the EGM proceeding via video link.

The members and their proxies who intends to attend the EGM through video-link must register their particulars by sending an email at [company.secretary@dawoodhercules.com](mailto:company.secretary@dawoodhercules.com). The members registering to connect through video-link facility are required to mention their name, folio number and number of shares held in their name in the email with subject 'Registration for DH Corp EGM' along with valid copy of their CNIC/Passport. Video link and login credentials will be shared with the members whose emails, containing all the required particulars, are received at the given email address at least 24 (twenty four) hours before the time of the EGM.

### 2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from May 16, 2023 to May 22, 2023 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, (PABX No 021-34380101-5) and email [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk), by close of business on May 15, 2023, will be considered in time to attend and vote at the EGM.

### 3. Election of Directors

The term of office of the present Directors of the Company will expire on May 22, 2023. In terms of Section 159(1) of the Companies Act, 2017, the Directors have fixed the number of elected directors at seven (7) to be elected for the next term of three year.

Any person who seeks to contest the election of directors shall, whether he is a retiring director or otherwise, file with the Company the following documents and information at its registered office not later than fourteen days before the day of the EGM:

- a) His/her Folio No./CDC Investors Account No./CDC Participant No./Sub-Account No.
- b) Notice of his/her intention to offer himself/herself for the election of directors in terms of Section 159(3) of the Companies Act, 2017.
- c) Consent to act as director on Form 28 under section 167 of the Companies Act, 2017.
- d) A detailed profile along with his/her office address for placement onto the Company's website <https://www.dawoodhercules.com>.
- e) The independent directors shall be elected as per requirements of Section 166 of the Companies Act, 2017. Any member intending to contest as independent director shall submit a declaration that he/she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
- f) An attested copy of Computerized National Identity Card (CNIC).
- g) A declaration that:
  - He/she is not serving as a director of more than seven listed companies.
  - He/she is not ineligible to become a Director of a listed company under Section 153 of the Companies Act, 2017 and any other applicable laws and regulations.
  - He/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles of Association of Company and Pakistan Stock Exchange Limited Regulations.

#### **4. Participation in the EGM:**

All members, entitled to attend and vote at the EGM, 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 its representative to attend the EGM through resolution of its Board of Directors. Proxy Forms in English and Urdu languages are attached with the notice circulated to the shareholders.

In case of appointment of proxy by a 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 valid CNICs or original passports at the time of the EGM.

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

CDC account holders will further have to follow the under mentioned guidelines as laid down by the SECP.

##### **A. For Attending the EGM**

- 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 CNIC or the original passport at the above-mentioned email address at least 48 (forty-eight) hours before the EGM.
- b. In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of the nominee shall be shared on the above-mentioned email address at least 48 (forty eight) hours before the EGM (unless it has been provided earlier).

##### **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 above mentioned email address at least 48 (forty eight) hours before the meeting.
- d. In case of corporate entity, the board of directors' resolution / power of attorney with specimen signature shall be submitted on the email address mentioned above at least 48 (forty eight) hours before the EGM (unless it has been provided earlier) along with proxy form to the Company.
- e. Proxy form will be witnessed by 2 (two) persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

#### **5. Postal Ballot and E-voting:**

Pursuant to Companies (Postal Ballot) Regulations 2018 where the number of contestants is more than the number of directors to be elected, members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through E-voting, in accordance with the requirements and procedure contained in the aforesaid Regulations.

6. The Company has placed the Notice of EGM along with Proxy Form on its website <https://www.dawoodhercules.com>.

**Attention of the Shareholder is drawn towards the following:**

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

All those individual members holding physical shares who have not yet recorded their CNIC No., are once again reminded to immediately submit the copy of their CNIC to Company's Share Registrar, FAMCO Associates (Private) Limited, 8-F, near Hotel Faran, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi. Members while sending CNIC must quote their respective folio numbers. The corporate members having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate entities having physical shares should send a copy of their NTN certificates to Company's Share Registrar. The corporate members while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

**2. Payment of Cash Dividend Electronically**

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.

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.

Name of Shareholder	
Folio Number	
CNIC Number	
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	
Signature of Member	

Note: Signature must match specimen signature registered with the Company

The shareholders are also required to intimate the changes, if any in the above-mentioned information to the Company and the Share Registrar as soon as these occur. In case of shares held electronically, then the above electronic credit mandate form must be submitted directly to shareholder(s)' broker/participant/CDC account services.

**3. Withholding Tax on Dividend**

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001 withholding tax on dividend income will be deducted for 'filer' and 'non-filer' shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all shareholders are advised to ensure that their names appear in the latest available ATL on FBR website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Share Registrar, M/s. FAMCO Associates (Private) Limited, of the Company by the first day of book closure.

According to the FBR, withholding tax in case of joint accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal shareholder as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are

requested to provide the shareholding proportions of the principal shareholder and the joint holder(s) in respect of shares held by them to our Share Registrar, M/s. FAMCO Associates (Private) Limited, in writing. In case the required information is not provided to our Registrar it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s).

#### **4. Zakat Declaration**

The members are requested to submit their Zakat Declarations to the Share Registrar in order to claim exemption from deduction of Zakat.

#### **5. Unclaimed Dividend**

Shareholders, who by any reason, could not claim their dividends/shares, if any, are advised to contact our Share Registrar, FAMCO Associates (Private) Limited, 8-F, near Hotel Faran, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, to collect / enquire about their unclaimed dividend/shares, if any.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

#### **6. Transmission of Notices of Meeting:**

Please note that we are sending Notice of EGM through emails to those shareholders whose email addresses are available with the Company and rest shareholders will be dispatched the printed Notice of EGM and Proxy form through Book Post.

#### **7. Deposit of Physical Shares into CDC Accounts**

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e., May 31, 2017.

Furthermore, Securities and Exchange Commission of Pakistan vide its letter CSD/ED/Misc/2016-639-640 dated March 26, 2021, has directed all listed companies to pursue such shareholders who are still holding shares in physical form to convert the same into book entry form. In this regard, shareholder having physical shareholding are requested to open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

## STATEMENT OF MATERIAL FACTS UNDER THE COMPANIES ACT, 2017

Persons eligible under Section 153, meet the criteria under Section 166 of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulation, 2018, may submit their nominations to be elected as independent directors. However, it is noteworthy to mention that independent directors shall be elected in the same manner as other directors are elected in terms of Section 159 of the Companies Act, 2017. Their names shall be listed on the data bank of independent directors maintained by Pakistan Institute of Corporate Governance.

### UPDATE UNDER CLAUSE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017, WITH RESPECT TO THE SPECIAL RESOLUTION PASSED AT THE GENERAL MEETINGS

#### SPECIAL RESOLUTION PASSED AT THE EXTRAORDINARY GENERAL MEETING HELD ON NOVEMBER 21, 2022:

In the Extraordinary General Meeting of the Company held on November 21, 2022, a special resolution was passed to make long term investments in the shares of following associated companies.

	Total Investment Approved
• Engro Fertilizers Limited	- PKR 2 billion
• Engro Polymers & Chemicals Limited	- PKR 2 billion
• Engro Powergen Qadirpur Limited	- PKR 350 million
• Frieslandcampina Engro Pakistan Limited	- PKR 1 billion

The Company has so far made investment only in the shares of Engro Fertilizers Limited upto PKR. 104.9 million.

There is no deviation from the approved timeline of investment as the special resolution dated November 21, 2022 is valid for five (5) years.

#### SPECIAL RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING HELD ON APRIL 27, 2019:

In the Annual General Meeting of the Company held on April 27, 2019, a special resolution was passed to extend the following short term funded and unfunded financing facilities for the following associated companies.

	Total Investment Approved
• Dawood Lawrencepur Limited	- PKR 5 billion
• Tenaga Generasi Limited	- PKR 1 billion
• Cyan Limited	- PKR 2 billion
• Engro Corporation Limited	- PKR 6 billion
• Engro Fertilizers Limited	- PKR 2 billion
• Engro Polymers & Chemicals Limited	- PKR 2 billion
• Engro Energy Limited	- PKR 2 billion
• Engro EXIMP Agriproducts (Private) Limited	- PKR 1 billion

The Company has not made any investment so far in the above associated companies.

There is no deviation from the approved timeline of investment as the special resolution dated April 27, 2019 is valid for five (5) years.



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