

NOTICE OF 49TH ANNUAL GENERAL MEETING

Notice is hereby given to all the shareholders of Dawood Hercules Corporation Limited (the "Company") that the 49th Annual General Meeting of the Company will be held on 28th April 2017 at 10:00 a.m. at Ground Floor, Dawood Centre M.T. Khan Road, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 48th Annual General Meeting held on 23rd April 2016.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st December 2016 together with the Auditors' and Directors' Reports thereon.
3. To approve the payment of final cash dividend at the rate of Rs. 2 per share i.e. (20%) as recommended by the Board of Directors. This is in addition to the interim cash dividend at the rate of Rs. 13.50 per share i.e. (135%) already paid to the shareholders, thus making a total cash dividend of Rs. 15.5 per share i.e (155%) for the year ended 31st December 2016.
4. To appoint Auditors for the year ending 31st December 2017 and to fix their remuneration.
5. To elect nine (9) directors of the Company as fixed by the Board of Directors in accordance with Section 178(1) of the Companies Ordinance, 1984 for a period of three (3) years commencing from 29th April 2017. Names of the retiring directors are given below:

1. Mr. Hussain Dawood
2. Mr. Samad Dawood
3. Mr. M. Abdul Aleem
4. Mr. Shahzada Dawood
5. Ms. Sabrina Dawood
6. Mr. Parvez Ghias
7. Mr. Shabbir Hussain Hashmi
8. Mr. Frank Murray Jones
9. Mr. Hasan Reza Ur Rahim
10. Mr. Saad Raja

SPECIAL BUSINESS:

6. To approve transmission of annual audited financial statements, auditors' report and directors' report etc. ("annual audited accounts") to members through CD/DVD/USB at their registered address as allowed by the Securities and Exchange Commission of Pakistan.

"RESOLVED THAT approval of the members of Dawood Hercules Corporation Limited be and is hereby accorded for transmission of Annual Reports including the Annual Accounts, Notice of the General Meetings and other information contained therein either through CD/DVD or USB, instead of transmitting the same in hard copies."

Statement under section 160(1)(b) of the Companies Ordinance, 1984, setting forth all material facts pertaining to the Special Business to be transacted at the said Annual General Meeting is attached.

7. To transact any other business of the Company with the permission of the Chair.

By Order of the Board

Karachi
February 28, 2017

Shafiq Ahmed
Company Secretary

Notes:

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from 21st April 2017 to 28th April 2017 (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 Thursday, 20th April 2017, will be treated as being in time for the purposes of payment of final cash dividend to the transferees and to attend and vote at the meeting.

2. Participation in the Annual 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. For Election of Directors

The term of office of the present Directors of the Company will expire on 28th April 2017. In terms of Section 178 (1) of the Companies Ordinance, 1984, the directors have fixed the number of elected directors at nine (9) to be elected in the annual general meeting for the next term of three years.

The present Directors are interested to the extent that they are eligible for re-election as Directors of the Company.

Any person who seeks to contest the election of directors shall, whether he/she 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 above said meeting;

- 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 178(3) of the Companies Ordinance, 1984;

- c) Consent to act as director on Form 28 under section 184 of the Companies Ordinance, 1984.
 - d) A detailed profile along with his/her office address as required under SECP's SRO 634(1)2015 dated July 10, 2014.
 - e) An attested copy of Computerized National Identity Card (CNIC);
 - f) A declaration that:
 - He/she is not ineligible to become a director of the Company under any applicable laws and regulations (including listing regulations of Stock Exchange).
 - He/she is not serving as a director of more than seven listed companies. Provided that this limit shall not include the directorship in the listed subsidiaries of a listed holding company.
 - Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor director or officer of a corporate brokerage house.
 - He/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles.
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. Submission of copies of CNIC (Mandatory)

Pursuant of the directives of the Securities & Exchange Commission of Pakistan (SECP) Dividend Warrants shall mandatorily bear the Computerized National Identity Card (CNIC) numbers of shareholders. Shareholders are therefore requested to fulfill the statutory requirements and submit a copy of their valid CNIC (if not already provided) to the Company's Share Registrar, FAMCO Associates (Private) Limited without any delay.

In case of non-availability of a valid copy of Shareholders' CNIC in the records of the Company, the Company shall withhold the Dividend Warrants in terms of Section 251 (2) (a) of the Companies Ordinance 1984, which will be released by the Company only upon submission of a valid copy of the CNIC in compliance with the aforesaid SECP directives.

6. Consent for Video Conference Facility

Members can also avail video conference facility at Lahore and Islamabad. 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.

If the Company receives consent 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 date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate Members regarding venue of video conference facility at least 5 days before the date of the Annual 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 Register Folio/CDC Account No _____ hereby opt for video conference facility at _____.

Signature of Members

7. Withholding Tax on Dividend

The Government of Pakistan through Finance Act, 2016 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction withholding tax on the amount of dividend paid by the Companies. These tax rates are as under:

- (a) For filers of income tax returns : 12.5%
- (b) For non-filers of income tax returns : 20.0%

Shareholders who are filers are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the

website of FBR by the first day of book closure, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 20% instead of 12.5%.

Withholding tax on Dividend in case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal Shareholder) for deduction of withholding tax on dividend of the Company, Shareholders are requested to please furnish the shareholding ratio detail of themselves as Principal Shareholder and their Joint Holders, to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach to Company's Share Registrar before book closure otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holders(s).

Requirement of valid tax exemption certificate for claiming exemption from withholding tax:

As per FBR Circulars C. No. 1 (29) WHT/2006 dated 30 June 2010 and C. No. 1 (43) DG (WHT) /2008- Vol. II -66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part – IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure otherwise tax will be deducted on dividend as per applicable rates

8. Payment of Cash Dividend Electronically (Optional)

The SECP has initiated e-dividend mechanism through its Notification 8(4) SM/CDC 2008 of April 5, 2013. In order to avail benefits of e-dividend shareholders are hereby advised to provide details of their bank mandate specifying: (i) title of account, (ii) IBAN / account number, (iii) bank name, (iv) branch name, code and address to Company Share Registrar. Shareholders who hold shares with CDC or Participants/ Stock Brokers, are advised to provide the mandate to CDC or their Participants/ Stock Brokers.

Shareholders can use the standardized "Dividend Mandate Form" available on our Share registrar's website www.famco.com.pk

9. Audited Financial Statements Through E-Mail:

SECP through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the Members of the Company through email. Therefore, all Members who wish to receive the soft copy of Annual Report are requested to send their email addresses. The consent form for electronic transmission can be downloaded from the Company's website www.dawoodhercules.com.

The Company shall, however, provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request. The Company shall place the financial statements and reports on the Company's website, at least twenty-one (21) days prior to the date of the Annual General Meeting in terms of SRO 634(1)/2014 dated July 10, 2014 issued by the SECP.

STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984

This Statement is annexed to the Notice of the 49th Annual General Meeting of Dawood Hercules Corporation Limited to be held on Friday, 28th April 2017 at which Special Business is to be transacted. This statement set forth the material facts concerning such Special Business.

Agenda Item (6) Transmission of Annual Audited Financial statements through CD/DVD/ USB

Securities and Exchange Commission of Pakistan vide its S.R.O. 470(I)2016 dated 31st May 2016 allowed Companies to transmit their Annual Reports including the Annual Accounts, Notice of the General Meeting and other information contained therein, to its members either through CD/DVD or USB, at their registered addresses. However, shareholders will have option available with them to request for a hard copy free of cost subject to submission of duly filled request form (available on Company's website).

Those shareholders who wish to receive hard copies for all future Annual Reports shall submit their preference in writing. Kindly also note that in pursuance of SRO 787(I) 2014 dated 8th September 2014, the Company will continue to provide Annual Audited Accounts through email to those shareholders who will give their consent in this regard. A standard request form has been made available at our website – <http://www.dawoodhercules.com> either to opt to receive future Annual Reports through email or in hard copies or otherwise request for hard copy of the accounts if and when needed. The scanned copy of the duly filled & signed form may be emailed at info@dawoodhercules.com or the same can be submitted through post/courier to Company's Share Registrar M/s. FAMCO Associates (Private) Limited, 8-F, Next to Hotel Faran, Block-6, P.E.C.H.S, Shahrah-e- Faisal, Karachi.

None of the Directors of the Company have any direct or indirect interest in the above said special business.