



Dawood Hercules

1st April 2015

The General Manager

Karachi Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi-74000

Fax No. 021 - 111-573-329

The Secretary

Lahore Stock Exchange Limited
Lahore Stock Exchange Building
19, Khayaban-e-Aiwan-e-Iqbal
Lahore-54000

Fax No. 042 – 3636 8485

The Secretary

Islamabad Stock Exchange Limited
Islamabad Stock Exchange Building
55-B, ISE Towers, Jinnah Avenue
Islamabad

Fax No. 051 - 111-473-329

Dear Sir,

Press Release of Notice of Annual General Meeting

Please find enclosed herewith Notice of Annual General Meeting of Dawood Hercules Corporation Limited scheduled to be held on Friday, April 24, 2015. The same is being released to the press for publication on April 2, 2015.

Kindly acknowledge receipt of the same.

Yours truly,

For Dawood Hercules Corporation Limited

Shafiq Ahmed

Company Secretary

Encl.: As above

Dawood Hercules Corporation Limited

Dawood Centre, 9th Floor, M.T. Khan Road, Karachi-75530 PABX: +92-21-35686001 Fax: +92-21-35633972 www.dawoodhercules.com

DAWOOD HERCULES CORPORATION LIMITED
Dawood Centre, M.T. Khan Road, Karachi-75530

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 47th Annual General Meeting of the Dawood Hercules Corporation Limited (the "Company") will be held on Friday, 24th April, 2015 at 1130 hours at Pearl Continental Hotel, Club Road, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the Minutes of the Forty Sixth Annual General Meeting held on Monday, April 28, 2014.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended December 31, 2014 together with the Auditor's and Directors' Reports thereon.
3. To consider and, if thought fit, approve payment of final cash dividend of Rs. 1/- per share (10%) for the year ended December 31, 2014 as recommended by the Board of Directors.
4. To appoint Auditors for the year ending December 31, 2015 and to fix their remuneration.

SPECIAL BUSINESS:

5. **To consider and, if thought fit, pass with or without modification, the following special resolution in terms of Section 208 of the Companies Ordinance 1984, to purchase 7,735,000/- shares of The Hub Power Company Limited from Patek (Private) Limited – an associated company at the market price prevailing on the Karachi Stock Exchange on the date of acquisition:**

"RESOLVED that, as and by way of a Special Resolution and pursuant to Section 208 of the Companies Ordinance, 1984 and subject to such other approvals and consents, as may be necessary under the law, the Company do hereby acquire 7,735,000 ordinary shares of The Hub Power Company Limited from Patek (Private) Limited at the applicable quoted price of such shares on the Karachi Stock Exchange on the date of purchase and such other terms as may be determined jointly by any two of Mr. Samad Dawood (CEO), Mr. Shafiq Ahmed (CFO and Company Secretary) and Mr. Muhammad Asif Saad (Director) of the Company.

FURTHER RESOLVED THAT any two of Mr. Samad Dawood (CEO), Mr. Shafiq Ahmed (CFO and Company Secretary) and Mr. Muhammad Asif Saad (Director) be and are hereby authorized, from time to time, to do all acts, deeds and things, to execute such agreements, documents and papers and make such applications, including but not limited to any application required to be filed with the Competition Commission of Pakistan, Securities and Exchange Commission of Pakistan, stock exchanges and any other regulatory authorities, as the aforesaid officers of the Company may deem fit in connection with the acquisition of the ordinary shares of The Hub Power Company

Limited from Patek (Private) Limited pursuant to the foregoing resolution, including filing of the special resolution with the Securities & Exchange Commission of Pakistan.”

6. **To consider and, if thought fit, pass with or without modification, the following special resolution in terms of Section 208 of the Companies Ordinance 1984, for authorizing investment by way of loan to e2e Business Enterprises (Private) Limited - an associated company:**

“**RESOLVED that** as and by way of a Special Resolution and pursuant to section 208 of the Companies Ordinance, 1984 , the Company do hereby extend a loan of Rs. 90 million on commercial terms against the security of the shares of e2e Business Enterprises (Private) Limited (“e2eBE”), to e2eBE and that any two of Mr. Samad Dawood (CEO), Mr. Shafiq Ahmed (CFO and Company Secretary) and Mr. Muhammad Asif Saad (Director) of the Company be and are hereby jointly authorized to do all acts, deeds and things and sign any documents or papers, as may be required or considered necessary or incidental by the aforesaid officers of the Company from time to time, for making an investment by way of a loan in e2eBE, including filing of the special resolution with the Securities & Exchange Commission of Pakistan.”

7. **To consider and if thought fit, pass with or without modification, the following special resolution in terms of Section 208 of the Companies Ordinance 1984, for pledge of shares of e2e Business Enterprises (Private) Limited held by the Company in favour of Pak Brunei Investment Company to secure the finance facility obtained by e2e Business Enterprises (Private) Limited - an associated company:**

“**RESOLVED that** as and by way of a Special Resolution, the Company do hereby give the guarantee and/or provide security in the form of pledge of ordinary shares of e2e Business Enterprises (Private) Limited (e2eBE) held by the Company in connection with a loan or loans made by Pak Brunei Investment Company Limited to e2eBE up to an aggregate sum of Rs. 300 million and in this regard any two of Mr. Samad Dawood (CEO), Mr. Shafiq Ahmed (CFO and Company Secretary) and Mr. Muhammad Asif Saad (Director) be and are hereby jointly authorized to do all acts, deeds and things and sign any documents and papers on behalf of the Company, as may be required or considered necessary or incidental in connection with the foregoing, including filing of the special resolution with the Securities & Exchange Commission of Pakistan.”

8. **To consider and if thought fit, pass with or without modification, the following resolutions as special resolutions for the alterations to be made in the Articles of Association of the Company:**

“**RESOLVED** that the Article 58, 65, 85(A), 86, 87, 87(A), 88(A), 89 and 90 of the Articles of Association of the Company be and are hereby altered to read as under:

- (58) Ten shareholders, provided at least 25 per cent of the total issued and paid-up capital is represented, entitled to vote and be present in person or by proxy, shall be a quorum for Ordinary or Extraordinary General Meetings.

- (65) If a poll is demanded as aforesaid, it shall be taken in the manner laid down in Section 168 of the Ordinance and either at once, or after an interval or on adjournment or otherwise, but in no event later than fourteen (14) days after the day scheduled for the meeting and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.
- (85A) The Directors may elect the Chairman of the Board and the Vice Chairman of the Board from amongst the non-executive directors of the Board, provided that the Chairman and the Chief Executive shall not be the same person.
- (86) The Board of Directors shall, on such terms and conditions as it may determine, appoint any person to be the Managing Director of the Company. The Managing Director shall be the Chief Executive of the Company and he/she shall exercise all of his/her powers and functions in relation to the management and administration of the affairs of the Company, subject to the general supervision and control of the Directors.
- (87) The Directors may from time to time and at any time appoint one of their numbers to be an executive director with such duties and powers as the Board may prescribe, provided that the executive directors shall not be more than one third of the elected directors, including the Chief Executive.
- (87A) At least one member of the Board of the Company shall be an independent director.
- (88A) The Board of Directors shall establish an Audit Committee, a Human Resource and Remuneration Committee, and from time to time establish any other committee or committees as it thinks fit. The Board of Directors, subject to applicable law, shall determine the responsibilities of the committees, the regulations that may be imposed upon them by the Board and select the members that shall comprise these committees.
- (89) Until otherwise determined by a General Meeting the qualifications of a Director, other than the Managing Director and Executive Director shall be his holding 100 shares at least, in his own name, provided that Directors representing interests holding the shares of the requisite value need not themselves hold the qualification shares.
- (90) Each director including alternate or substitute Director shall receive out of funds of the Company a fee and expenses for every meeting of the Board attended by him as may be determined by the Board from time to time, by means of a formal and transparent procedure.

RESOLVED FURTHER that Mr. Shafiq Ahmed, Company Secretary be and is hereby authorised to file the aforesaid Resolution and altered Articles of Association with Registrar Securities and Exchange Commission of Pakistan.”

Statements under section 160(1)(b) of the Companies Ordinance, 1984 relating to the aforesaid special businesses to be transacted at the said Annual General Meeting are attached.

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

By Order of the Board

Shafiq Ahmed
Company Secretary

Karachi
7th March 2015

Notes:

CLOSURE OF SHARE TRANSFER BOOKS

The Share transfer books of the Company will remain closed from 17th April 2015 to 24th April 2015 (both days inclusive). Transfers received in order at the office of our Registrar, Messrs. FAMCO Associates (Pvt) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi by the close of business (5:00 p.m.) on 16th April 2015 will be treated in time for the purpose of attending and voting at the AGM and also for the above entitlement to the transferees.

PARTICIPATION IN THE ANNUAL GENERAL MEETING

A member entitled to attend and vote at the meeting may appoint any other person as his/her proxy to attend and vote. A Corporation being a member may appoint any person, whether or not a member of the Company as its Proxy. A Proxy, duly appointed, shall have such rights as respects speaking and voting at the Meeting as are available to a member.

In order to be effective, Proxy Forms, duly filled and signed, must be received at the Registered Office of the Company, not less than forty eight (48) hours before the Meeting.

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

- i. 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.
- ii. 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

- i. 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 the above requirement.
- ii. Attested copies of valid CNIC or the passport of the beneficial owners and the Proxy shall be furnished with the Proxy Form.
- iii. The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- iv. 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 the proxy form to the Company.
- v. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the forms.

CNIC NUMBER

As instructed by Securities & Exchange Commission of Pakistan (SECP) vide their letter No. EMD/D-II/Misc./2009-1342 dated April 4, 2013 dividend warrants cannot be issued without insertion of CNIC Numbers; therefore, all shareholders holding physical shares were requested to submit copies of their valid CNICs/NTN Certificates along with the folio numbers to the Company's Share Registrar: Messrs. FAMCO Associates (Pvt) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi. No dividend will be payable unless the CNIC number is printed on the dividend warrants, so please let us have your CNIC numbers, failing which we will not be responsible if we are not able to pay the dividend.

DIVIDEND MANDATE

In order to make process of payment of cash dividend more efficient, SECP vide circular No. 8(4) SM/CDC 2008 dated April 5, 2013 have issued instructions so that the shareholders can get their dividend credited in their respective bank accounts electronically without any delay. You may therefore authorize the Company to credit the dividend directly to your bank account for all future dividends declared by the Company. Accordingly all non CDC shareholders are requested to send their bank account details to the Company's Registrar. Shareholders who hold shares with Participant/Central Depository Company of Pakistan (CDC) accounts are advised to provide the mandate to the concerned Stock Broker/Central Depository Company of Pakistan Ltd. (CDC).

TAXATION FOR FILERS AND NON FILERS UNDER THE PROVISIONS OF INCOME TAX ORDINANCE 2001

Pursuant to the provisions of Finance Act 2014, the rate of deduction of income tax under section 150 of the Income Tax Ordinance 2001 from dividend payment have been revised for filers of Income Tax return @ 10% and Non filer of Income Tax return @ 15%. In case of Joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if no notification, each joint holder shall be assumed to have an equal number of shares.

| Company Name | Folio/CDS Account No. | Total Shares | Principal Shareholder | | Joint Shareholder | |
|--------------|-----------------------|--------------|-----------------------|----------------------------------------|-------------------|----------------------------------------|
| | | | Name & CNIC No. | Shareholding proportion (No.of Shares) | Name & CNIC No. | Shareholding proportion (No.of Shares) |
| | | | | | | |

The CNIC number/NTN details is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by Federal Board of Revenue (FBR) from time to time.

Individuals including all joint holders holding physical share certificates are therefore requested to submit a copy of their valid CNIC to the company or its Registrar if not already provided. For shareholders other than individuals, the checking will be done by matching the NTN number, therefore the Corporate shareholders having CDC accounts are requested in their own interest to provide a copy of NTN certificate to check their names in the ATL before the book closure date to their respective participants/CDC, whereas corporate shareholders holding physical share certificates should send a copy of their NTN certificate to the Company or its Share Registrar. The Shareholders while sending CNIC or NTN certificates, as the case may be must quote their respective folio numbers.

Further, all shareholders are advised to immediately check their status on ATL and may, if required take necessary action for inclusion of their name in the ATL. The Company as per the new Law, shall apply 15% rate of withholding tax if the shareholder's name, with relevant details, does not appear on the ATL, available on the FBR website on the first day of book closure and deposit the same in the Government Treasury as this has to be done within the prescribed time.

Consent for Video Conference Facility

Members can also avail video conference facility. In this regard please fill the following and submit to registered address of the Company 10 days before holding the general meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at 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.

The Company will intimate members regarding venue of conference facility at least 5 days before the date of 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

AUDITED FINANCIAL STATEMENTS THROUGH EMAIL:

SECP through its Notification SRO 787 (I)/2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members of the Company through e-mail. Therefore, all members of the Company who desire to receive soft copy of Annual Report are requested to send their e-mail addresses.

CHANGE OF ADDRESS

Shareholders (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Company's Registrar. All the shareholders holding their shares through the CDC are requested to please update their addresses and Zakat status with their participants. This will assist in the prompt receipt of Dividend.

Statement under Section 160 (1)(b) of the Companies Ordinance, 1984

These statements are annexed to the Notice of the Forty Seventh Annual General Meeting of Dawood Hercules Corporation Limited to be held on Friday, 24th April 2015, at which certain Special Businesses are to be transacted. These Statements set forth the material facts concerning such Special Businesses.

AGENDA ITEM (5) (SEEKING APPROVAL OF INVESTMENT IN ASSOCIATED UNDERTAKINGS, ACQUISITION OF HUBCO SHARES FROM PATEK PRIVATE LIMITED):

| # | NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012 | RELEVANT INFORMATION THE HUB POWER COMPANY LIMITED |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established | <ul style="list-style-type: none"> • The Hub Power Company Limited (Hubco) 3.43% shareholding • Common directorship |
| 2. | Purpose, benefits and period of investment | <p>Purpose</p> <ul style="list-style-type: none"> • To consolidate the investments in Hubco by purchase of shares held by associated company – Patek (Private) limited <p>Benefit</p> <ul style="list-style-type: none"> • To increase revenue and in turn shareholder's value <p>Period of investment</p> <ul style="list-style-type: none"> • Long term |
| 3. | Maximum amount of investment | Rs 695.14 million (as at 17.3.2015) |
| 4. | Maximum price at which securities will be acquired | Market price prevalent at the time of purchase |
| 5. | Maximum number of securities to be acquired | 7,735,000 |
| 6. | Number of securities/units and percentage thereof held before and after the proposed investment | Before: 39,707,000 (%age: 3.43%) After: 47,442,000 (%age :4.10) |
| 7. | In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired | Rs.76.97 |
| 8. | Break-up value of securities intended to be acquired on the basis of the latest audited financial statements | Rs. 26.83 (30.6.2014) |
| 9. | Earning/(Loss) per share of the associated company or associated undertaking for the last three years | 2014: Rs 5.66, 2013: Rs. 8.11, Rs. 2012: 7.08 |
| 10. | Sources of fund from which securities will be acquired | Long term finance |
| 11. | If the securities are intended to be acquired using borrowed funds; a . Justification for investment through borrowings; and | The cost of borrowing at 11% is lower than the average return of Karachi Stock Exchange which is around 27% for the period January 14 to December 14. |

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| | b. detail of the guarantees and assets pledged for obtaining such funds | The shares of the Hub Power Company will be pledged as security towards the borrowing. |
| 12. | Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment | Not applicable |
| 13. | 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 | None of the directors, sponsors, majority shareholders and their relatives, have interest in the proposed acquisition, except to the extent of their shareholding in the associated company or associated undertaking or the transaction under consideration |
| 14. | Any other important details necessary for the members to understand the transaction | The Hub Power Company Limited is an associated company of the Company. As part of consolidation of investment under the holding Company, the investment held by the associated company is being transferred into the Holding Company. This transfer is intended to have the effect of increased revenues and will in turn result in increased pay out to the shareholders of the Company in the form of dividends. |
| 15. | In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, disclose further information as follows: <ul style="list-style-type: none"> • Description of the project and its history since conceptualization. • Starting and expected date of completion of work. • Time by which such project shall become commercially viable. • Expected time by which the project shall start paying return on investment. | Not applicable |

AGENDA ITEM (6) (TO SEEK APPROVAL FOR AUTHORIZING INVESTMENT BY WAY OF LOAN TO e2e BUSINESS ENTERPRISES PRIVATE LIMITED, AN ASSOCIATED COMPANY):

| S.No | NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012 | RELEVANT INFORMATION |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Name of associated company or associated undertaking along with the criteria based on which the associated relationship established | <ul style="list-style-type: none"> • e2e Business Enterprises (Private) Limited • 39% investment |
| 2 | Amount of loan or advances | Rs 90 million |
| 3 | Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans and advances | <p>Purpose</p> <ul style="list-style-type: none"> • To meet the construction requirement of the project • To ensure timely completion of the project <p>Benefit</p> <p>The completion of project will results in distribution of profits to the Company and resultantly increase in shareholder's return</p> |
| 4 | In case any loan has already been granted to the said associated company or associated undertaking on the basis of its latest financial statements | Not applicable |
| 5 | Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Rate of the relevant period | 10.72% (3M KIBOR plus 250 bps) |
| 6 | Rate of interest or markup, profit, fees or commission etc. to be charged | 13.22% (3M KIBOR plus 500bps) |
| 7 | Sources of funds where loans or advances will be given | Own funds |
| 8 | Where loans or advances are being granted using borrowed funds: <ul style="list-style-type: none"> • Justification for granting loan or advances out of borrowed funds • Details of guarantee/ assets pledged for obtaining such funds, if any and • Repayment schedule of borrowings of the investing company | Not applicable |
| 9 | Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any; | Shares of e2e Business Enterprises (Private) Limited held by the sponsor of e2e Supply Chain Management (Private) Limited with 20% margin |
| 10 | If the loan or advances carry conversion | Not applicable |

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| | feature i.e it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable | |
| 11 | Repayment schedule and terms of loans or advances to be given to investee company | <ul style="list-style-type: none"> • The tenor of loan is 15 months • The repayment will be in one bullet payment of entire amount on the completion of the aforesaid period • Markup is payable quarterly |
| 12 | Salient feature of all agreement entered or to be entered with its associated company or associated undertaking with regard to proposed investment | None |
| 13 | 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 | None of the directors, sponsors, majority shareholders and their relatives, have interest in the proposed acquisition, except to the extent to their shareholding in the associated company or associated undertaking or the transaction under consideration |
| 14 | Any other important details necessary for the members to understand the transaction; and | Not applicable |
| 15 | <p>In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information is required, namely:</p> <ul style="list-style-type: none"> • A description of the project and its history since conceptualization • Starting date and expected date of completion | <p>The project is to establish 12,000 tons crude Rice Bran Oil (RBO) extraction unit to process 70,000 tons Rice Bran followed by conversion of the crude RBO to recover 9,700 tons of high quality edible oil at full seasonal capacity. The Rice Bran will be sourced from the rice growing areas of Punjab. The total cost of the project is currently estimated at Rs. 1.20 billion and involves installation of modern solvent extraction plant. The project is sponsored by e2e Supply Chain Management (Private) Limited, a leading logistics service provider in Pakistan. Other shareholders are Mr. Ibrahim Shamsie, Mr. Ali Al Makky and Mr. Irfan Mustafa.</p> <p>The project company was established in January 2012 and the expected date of completion of the project is March 2015.</p> |

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| | <ul style="list-style-type: none"> • Time by which such project shall become commercially operational • Expected return on total capital employed in the project • Funds invested or to be invested by the promoters distinguishing between cash and non cash amounts | <p>The project has an estimated payback period of 3 years and is expected to be commercially viable in the first year of its operation.</p> <p>29.6%</p> <p>Cash : PKR 238 million Non cash : Nil</p> |
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ITEM (7) OF THE AGENDA (TO SEEK APPROVAL FOR PLEDGE OF SHARES OF e2e BUSINESS ENTERPRISES LIMITED HELD BY THE COMPANY IN FAVOR OF PAK BRUNEI INVESTMENT COMPANY TO SECURE THE FINANCE FACILITY OBTAINED BY e2e BUSINESS ENTERPRISES PRIVATE LIMITED, AN ASSOCIATED COMPANY:

M/s. e2e Business Enterprises (Private) Limited, an associated company, has obtained a long term loan of Rs 300 million from Messrs. Pak Brunei Investment Company Limited as a project financing facility for the construction and procurement of machinery. One of the conditions for the aforesaid loan is the furnishing of security in the form of 51% shares held by all the shareholders of e2e Business Enterprises (Private) Limited. As a result the Company is also required to pledge 51% of its 23.7 million ordinary shares in e2e Business Enterprises (Private) Limited, which works out to 12.1 million shares.

For the above purpose, approval of the members is being sought through a Special Resolution.

None of the directors of the Company is, either directly or indirectly, concerned or interested in the aforesaid special business.

ITEM (8) OF THE AGENDA (TO SEEK APPROVAL FOR ALTERATION IN THE ARTICLES OF ASSOCIATION OF THE COMPANY):

| ORIGINAL CLAUSES OF THE ARTICLES | PROPOSED AMMENDED CLAUSES OF THE ARTICLES |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 58. Five shareholders, provided at least 25 per cent of the total issued and paid-up capital is represented, entitled to vote and be present in person or by proxy, shall be a quorum for Ordinary or Extraordinary General Meetings. | 58. Ten shareholders, provided at least 25 per cent of the total issued and paid-up capital is represented, entitled to vote and be present in person or by proxy, shall be a quorum for Ordinary or Extraordinary General Meetings. |
| 65. If a poll is demanded as aforesaid, it shall be taken in the manner laid down in Section 168 of the Ordinance and either at once, or after an interval or on adjournment or otherwise, but in no event later than one (1) day after the day scheduled for the meeting and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. | 65. If a poll is demanded as aforesaid, it shall be taken in the manner laid down in Section 168 of the Ordinance and either at once, or after an interval or on adjournment or otherwise, but in no event later than fourteen (14) days after the day scheduled for the meeting and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. |
| 85. (a) The Directors may elect one of their numbers as the Chairman of the Board and the another number as the vice Chairman of the Board. | 85. (a) The Directors may elect the Chairman of the Board and the Vice Chairman of the Board from amongst the non-executive directors of the Board, provided that the Chairman and the Chief Executive shall not be the same person. |
| 86. The Board of Directors shall, on such terms and conditions as it may determine, appoint one of their number to be the Managing Director of the Company. The Managing Director shall be the Chief Executive of the Company and he shall exercise all his powers and functions in relation to the management and administration of the affairs of the Company subject to the general supervision and control of the Directors. | 86. The Board of Directors shall, on such terms and conditions as it may determine, appoint any person to be the Managing Director of the Company. The Managing Director shall be the Chief Executive of the Company and he/she shall exercise all of his/her powers and functions in relation to the management and administration of the affairs of the Company, subject to the general supervision and control of the Directors. |
| 87. The Directors may from time to time and at any time appoint one of their number to be an Executive Director with such duties and powers as the Directors may prescribe. | 87. The Directors may from time to time and at any time appoint one of their number to be an executive directors with such duties and powers as the Board may prescribe, provided that the executive directors shall not be more than one third of the elected directors, including the Chief Executive. |

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| | 87A. At least one member of the Board of the Company shall be an independent director. |
| 88. (a) The Directors may from time to time and at any time delegate any of their powers to an Executive Committee composed of the Managing Director and the Executive Director appointed in accordance with Articles 86 and 87. The Executive Committee shall conform to any regulations that may be imposed upon it by the Directors. (b) The Directors may from time to time and at any time create a committee or committees consisting of two or more persons to undertake any general or specific function. Any committee so formed shall conform to any regulation that may be imposed upon it by the Directors | 88. The Board of Directors shall establish an Audit Committee, a Human Resource and Remuneration Committee, and from time to time establish any other committee or committees as it thinks fit. The Board of Directors, subject to applicable law, shall determine the responsibilities of the committees, the regulations that may be imposed upon them by the Board and select the members that shall comprise these committees. |
| 89. Until otherwise determined by a General Meeting the qualifications of a Director, other than the Managing Director and Executive Director shall be his holding shares of the value of Rs. 25,000 at least, in his own name, provided that Directors representing interests holding the shares of the requisite value need not themselves hold the qualification shares. | 89. Until otherwise determined by a General Meeting the qualifications of a Director, other than the Managing Director and Executive Director shall be his/her holding 100 shares at least, in his/her own name, provided that Directors representing interests holding the shares of the requisite value need not themselves hold the qualification shares |
| 90. Each Director including alternate or substitute Director shall receive out of the funds of the Company a fee and expenses for every meeting of the Board attended by him as may be determined by the Board from time to time. | 90. Each director including alternate or substitute Director shall receive out of funds of the Company a fee and expenses for every meeting of the Board attended by him/her as may be determined by the Board from time to time, by means of a formal and transparent procedure. |