

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that the Extraordinary General Meeting of Octopus Digital Limited “the **Company**” will be held on Friday, 22 December 2023 at 11:00 A.M. at Nishat Hotel, Gate No. 7, Imperial Ball Room-A, Adjacent to Emporium Mall, Abdul Haq Road, Johar Town, Lahore, to transact the following business:

**A. ORDINARY BUSINESS**

1. To confirm the minutes of 6th Annual General Meeting held on 26 May 2023.

**B. SPECIAL BUSINESS**

2. To consider and if deemed fit, to pass with or without modifications, additions or deletions, the following Special Resolution of the Company, as recommended by the Board of Directors of the Company:

**RESOLVED** that, pursuant of Section 199 of the Companies Act, 2017, the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 and other prevailing laws, the Company to invest in Empiric AI (Private) Limited (“**EPL**”), a wholly owned subsidiary of Avanceon Limited (“**AVN**”), by the way of acquisition from **AVN** its entire equity stake in **EPL**, comprising of 47,500,000 (forty seven millions and five hundred thousand) ordinary shares, having face value of PKR 10/- each, constituting 100% of the issued and paid up capital of **EPL**, in consideration of Rs. 440,023,210/- (Rupees Four Hundred and Forty Million Twenty-Three Thousand Two Hundred Ten Only).

**FURTHER RESOLVED** that, this transaction to be settled by way of adjustments of short term/long term loan/receivables due on such terms and conditions as specified under the EPL Business Transfer/Sale Agreement (“**Agreement**”) dated 30 September 2023.

**FURTHER RESOLVED** that, Mr. Tanveer Karamat (CEO) and/or Mr. Faisal Nadeem Sheikh (CFO) and/or Mr. Ahsan Khalil (Company Secretary) be and are hereby authorized 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 the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and any other regulatory authorities, and undertake all such steps for the purposes of purchase/acquisition as the aforesaid officer(s) of the Company.

3. To consider and if deemed fit, to pass with or without modifications, additions or deletions, the following Special Resolution of the Company, as recommended by the Board of Directors of the Company:

**RESOLVED** that, pursuant of Section 199 of the Companies Act, 2017, the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 and other prevailing laws, Octopus Digital FZ-LLC, Dubai, UAE, a wholly owned subsidiary of the Company to invest in Octopus Digital Inc. Pennsylvania USA (formerly Engro Innovative, Inc.), a wholly owned subsidiary of Avanceon FZE, Dubai, UAE, which in turn is the wholly owned subsidiary of Avanceon Limited, by way of purchase/acquisition of its entire shareholding, in consideration of USD 2,550,000 (\$ Two Million Five Hundred and Fifty Thousand Only).

**FURTHER RESOLVED** that, this transaction to be settled by way of adjustments of short term/long term loan/liabilities due within the group on such terms and conditions as specified under the ODI Business Transfer/Sale Agreement ("**Agreement**") dated 30 September 2023.

**FURTHER RESOLVED** that, Mr. Tanveer Karamat (CEO) and/or Mr. Faisal Nadeem Sheikh (CFO) and/or Mr. Ahsan Khalil (Company Secretary) be and are hereby authorized 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 the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and any other regulatory authorities, and undertake all such steps for the purposes of purchase/acquisition as the aforesaid officer(s) of the Company.

**C. ANY OTHER BUSINESS:**

4. To transact any other business with the permission of the Chair.

By Order of the Board

**Ahsan Khalil | Company Secretary**

**Lahore | Dated: 01 December 2023**

**WEBLINK FOR ONLINE MEETING VIA ZOOM:**

Members are encouraged to attend the EOGM through video conference facility managed by the Company, follow the below link:

[https://us06web.zoom.us/webinar/register/WN\\_3KqJUO8KQR2OOWhk6ciycA#/registration](https://us06web.zoom.us/webinar/register/WN_3KqJUO8KQR2OOWhk6ciycA#/registration)

Guidance as how-to login on Zoom to attend the EOGM link:

<https://octopusdtl.com/investor-information/>

**NOTES:**

1. The share transfer books of the Company will be closed and no transfer of shares will be accepted for registration from Friday, 15 December 2023 to Friday, 22 December 2023 (both days inclusive). Transfer received in order at our Registrar, M/S FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi by the close of business hours on Thursday, 14 December 2023 will be treated to have been in time for the purposes of attend & vote at the meeting.
2. A member entitled to attend and vote at this Meeting shall be entitled to appoint another person, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking, and voting at the Meeting as are available to a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the company.
3. Members are required to timely notify any change in their address to Company's Shares Registrar, M/S FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi.

**FOR ATTENDING THE SHAREHOLDERS' MEETING**

1. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall authenticate his/her identity by his/her Computerized National Identity Card (CNIC) or passport at the time of online registration/attending the meeting.
2. The shareholders registered on CDC are also requested to provide their particulars ID numbers and account numbers in CDS at the time of online registration/attending the meeting.
3. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at the time of online registration/attending the meeting.

**FOR APPOINTING PROXIES:**

1. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the duly completed and stamped proxy form accordingly.
2. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
3. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
4. The proxy shall provide his/her CNIC or passport at the time of online registration/attending the meeting.
5. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.

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

This Statement is annexed to the Notice of the Extraordinary General Meeting of Octopus Digital Limited to be held on Friday, 22 December 2023 at which certain Special Business is to be transacted. The purpose of this Statement is to set forth the material facts concerning such special business;

**ITEM 2 & 3 OF AGENDA**

Sr. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2017	RELEVANT INFORMATION
<b>3(a)</b>	<b>Disclosure for all types of investments</b>	
	(A) Regarding associated company or associated undertaking: -	
	(i) Name of associated company or associated undertaking	<b>Agenda Item # 2</b> Empiric AI (Private) Limited  <b>Agenda Item # 3</b> Octopus Digital Inc. Pennsylvania USA
	(ii) basis of relationship;	<b>Agenda Item # 2</b> Associated undertaking (wholly owned subsidiary of Avanceon Limited)  <b>Agenda Item # 3</b> Associated undertaking (wholly owned subsidiary of Avanceon FZE, which in turn is wholly owned subsidiary of Avanceon Limited)
	(iii) earnings per share for the last three years (PKR);	<b>Agenda Item # 2</b> 2020: Negative EPS - Loss Rs. (197m) 2021: Negative EPS - Loss Rs. (211m) 2022: Negative EPS - Loss Rs. (99m) 2023: EPS Rs. 6.36/- – Profit Rs. 302m (09 months – September 2023)  <b>Agenda Item # 3</b>

		2020: Negative EPS - Loss USD (11,478/-) 2021: Negative EPS - Loss USD (14,135/-) 2022: Negative EPS - Loss USD (14,649/-) 2023: Negative EPS - USD (1,199,636/-) (09 months – September 2023)																																																				
	(iv) break-up value per share, based on latest audited financial statements 31 December 2022;	<b>Agenda Item # 2</b> Rs. (0.69)/- per share  <b>Agenda Item # 3</b> USD 5,394/- per share																																																				
	(v) financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	<b>Agenda Item # 2</b> <table><tr><td>Main items of Statement of Financial Position:</td><td></td></tr><tr><td></td><td>Rs. in ‘000’</td></tr><tr><td>Non-current Assets</td><td>80,742</td></tr><tr><td>Current Assets</td><td>455,445</td></tr><tr><td>Total Equity</td><td>269,501</td></tr><tr><td>Non-current Liabilities</td><td>-</td></tr><tr><td>Current Liabilities</td><td>266,686</td></tr></table> <table><tr><td>Main items of Profit and Loss Account:</td><td></td></tr><tr><td></td><td>Rs. in ‘000’</td></tr><tr><td>Sales Net</td><td>355,743</td></tr><tr><td>Profit from operations</td><td>302,212</td></tr><tr><td>Profit before taxation</td><td>302,212</td></tr><tr><td>Profit for the year</td><td>302,212</td></tr></table> <b>Agenda Item # 3</b> <table><tr><td>Main items of Statement of Financial Position:</td><td></td></tr><tr><td></td><td>USD</td></tr><tr><td>Non-current Assets</td><td>-</td></tr><tr><td>Current Assets</td><td>10,000</td></tr><tr><td>Total Equity</td><td>(37,758)</td></tr><tr><td>Non-current Liabilities</td><td>-</td></tr><tr><td>Current Liabilities</td><td>47,758</td></tr></table> <table><tr><td>Main items of Profit and Loss Account:</td><td></td></tr><tr><td></td><td>USD</td></tr><tr><td>Sales Net</td><td>-</td></tr><tr><td>Profit/(Loss) from operations</td><td>(1,199,636)</td></tr><tr><td>Profit/(Loss) before taxation</td><td>(1,199,636)</td></tr><tr><td>Profit/(Loss) for the year</td><td>(1,199,636)</td></tr></table>	Main items of Statement of Financial Position:			Rs. in ‘000’	Non-current Assets	80,742	Current Assets	455,445	Total Equity	269,501	Non-current Liabilities	-	Current Liabilities	266,686	Main items of Profit and Loss Account:			Rs. in ‘000’	Sales Net	355,743	Profit from operations	302,212	Profit before taxation	302,212	Profit for the year	302,212	Main items of Statement of Financial Position:			USD	Non-current Assets	-	Current Assets	10,000	Total Equity	(37,758)	Non-current Liabilities	-	Current Liabilities	47,758	Main items of Profit and Loss Account:			USD	Sales Net	-	Profit/(Loss) from operations	(1,199,636)	Profit/(Loss) before taxation	(1,199,636)	Profit/(Loss) for the year	(1,199,636)
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	(vi) in case of investment in	<b>Agenda Item # 2 &amp; 3</b>																																																				

	<p>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>(V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>	N.A.
	<b>(B) General disclosures: -</b>	
	(i) maximum amount of investment to be made;	<p><b>Agenda Item # 2</b> Rs. 440,023,210/-</p> <p><b>Agenda Item # 3</b> USD 2,550,000</p>
	(ii) purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	<p><b>Agenda Item # 2</b> This investment will make Empiric AI (Private) Limited part of Octopus Digital Limited as earlier envisaged completing the corporate alignment.</p> <p>The optimization of costs due to synergy and effective utilization of Octopus Digital Limited resources has already turned the company into profits.</p> <p><b>Agenda Item # 3</b> This acquisition / transfer is in line with the objective of starting Octopus Digital Limited business in USA. It would also help the company utilize the tax benefit of the accumulated loss as tax benefits in future.</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>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p><b>Agenda Item # 2</b> Short Term Loan / Receivables outstanding as of 30 September 2023 shall be utilized to offset the transaction. (I) N.A. (II) N.A. (III) N.A.</p> <p><b>Agenda Item # 3</b> To be settled by way of adjustments of short term/long term loan/liabilities due within the group on such terms and conditions as specified under the ODI Business Transfer/Sale Agreement dated 30 September 2023. (I) N.A. (II) N.A. (III) N.A.</p>
	<p>(iv) salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;</p>	<p><b>Agenda Item # 2</b> 1. Short Term Loan / Receivables outstanding as of 30 September 2023 shall be utilized to offset the transaction. 2. The whole entity Empiric AI (Pvt) Limited shall be transferred to Octopus Digital Limited. 3. 100% equity / shares shall be transferred to Octopus Digital Limited.</p> <p><b>Agenda Item # 3</b> 1. Long Term Loan / Receivables outstanding as of 30 September 2023 shall be utilized to offset the transaction. 2. The entity Octopus Digital Inc. shall be transferred to Octopus Digital FZ-LLC (subsidiary of the company). 3. 100% equity / shares shall be transferred Octopus Digital FZ-LLC (subsidiary of the company).</p>
	<p>(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><b>Agenda Item # 2</b> None of the directors, sponsors, majority shareholders and their relatives have any interest in the associated company or proposed transaction except as below.  The current shareholdings by the directors are: Bakhtiar Hameed Wain – 01 Share @ Rs. 10/- Tanveer Karamat – 01 Share @ Rs. 10/-</p> <p><b>Agenda Item # 3</b> None of the directors, sponsors, majority shareholders and their relatives have any interest in the associated company or proposed transaction except as below.</p>

	(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	<b>Agenda Item # 2 &amp; 3</b> None
	(vii) any other important details necessary for the members to understand the transaction;	<b>Agenda Item # 2 &amp; 3</b> None
3(b)	In case of Equity Investment, following disclosures in addition to those provided under clause (a) above	
	(i) Maximum price at which securities will be acquired.	<b>Agenda Item # 2</b> Rs. 440,023,120/-  <b>Agenda Item # 3</b> USD 2,550,000/-
	(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.	<b>Agenda Item # 2 &amp; 3</b> N.A.
	(iii) Maximum number of securities to be acquired.	<b>Agenda Item # 2</b> 47,500,000 shares of Rs. 10/- each  <b>Agenda Item # 3</b> 1,000 shares of total value USD 4,323,439/-
	(iv) Number of securities and percentage thereof held before and after the proposed investment	<b>Agenda Item # 2</b> Before Investment: Nil  After Investment 47,500,000 shares of Rs. 10/- each (100%)  <b>Agenda Item # 3</b> Before Investment: Nil  After Investment 1,000 shares of total value USD 4,323,439/- (100%)
	(v) Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	<b>Agenda Item # 2 &amp; 3</b> N.A.
	(vi) Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities.	<b>Agenda Item # 2</b> Rs. 440,023,120/-  <b>Agenda Item # 3</b> USD 2,550,000/-

4	Other information to be disclosed to the members	
4(1)	<p>If the associated company or associated undertaking or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 199 of the Act.</p>	<p><b>Agenda Item # 2</b></p> <p>The associated company (Empiric AI (Private) Limited) and its sponsors, majority shareholders and their relatives have no interest in the investing company or proposed transaction, except to the extent of their shareholding in the investing company.</p> <p>02 directors in the associated company are also directors in the investing company (Octopus Digital Limited) their shareholdings are:</p> <p>Mr. Bakhtiar Hameed Wain – 01 Share Mr. Tanveer Karamat – 67,501 Shares</p> <p><b>Agenda Item # 3</b> N.A.</p>
4(3)	<p>Latest annual audited financial statements of the associated company or associated undertaking along with the latest interim financial statements, if any, shall be made available for inspection of the members in the general meeting called for considering investment decisions in such associated company or associated undertaking pursuant to section 199 of the Act.</p>	<p><b>Agenda Item # 2 &amp; 3</b></p> <p>Latest annual audit financial statements and latest interim financial statements shall be made available in the meeting.</p>

Pursuant to requirements of Section 134(3) of the Companies Act 2017, the documents referred including this Agenda(s) and resolution(s) are available at the registered office of the Company and can be inspected during office hours.