

Notice of Annual General Meeting

Notice is hereby given that the 3rd Annual General Meeting ("AGM") of Service Global Footwear Limited (the Company) will be held on **Thursday, the April 28, 2022 at 10:00 a.m.** at Shalimar Tower Hotel, Adjacent Servis House, 2 - Main Gulberg, Lahore, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2021, together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.
2. To approve the final cash dividend of Rs. 2 per share i.e. 20% as recommended by the Board of Directors for the year ended December 31, 2021.
3. To appoint Auditors and to fix their remuneration. The members are hereby given notice that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M/s. Riaz Ahmad & Company, Chartered Accountants for re-appointment as auditors of the Company.

Special Business:

4. To consider and if deemed fit and pass with or without modification, a resolution as Special Resolution, as proposed in the Statement of Material Facts, pursuant to the provisions of Section 199 of the Companies Act, 2017 for renewal of the investment in the form of working capital loan of up to PKR 4.5 Billion (Rupees Four Billion Five Hundred Million Only) in Service Industries Limited, a holding / associated company, approved by the shareholders vide special resolution dated June 30, 2021 and expiring on June 30, 2022, for a further period of one year till June 30, 2023 with all other terms and conditions of the investment to remain unchanged.
5. To consider and if deemed fit and pass with or without modification a resolution as Special Resolution, as proposed in the Statement of Material Facts, pursuant to the provisions of Section 199 of the Companies Act, 2017 to increase the long-term equity investment in Service Long March Tyres (Private) Limited, an associated company from PKR 2,175,215,000 (Rupees Two Billion One Hundred Seventy Five Million Two Hundred Fifteen Thousand) to up to PKR 2,525,215,000 (Rupees Two Billion Five Hundred Twenty Five Million Two Hundred Fifteen Thousand).

(Annexed to the notice being circulated to the shareholders is a statement of material facts and draft special resolutions pertaining to special business to be transacted at the AGM).

By Order of the Board

Lahore
April 07, 2022

WAHEED ASHRAF
Company Secretary



NOTES:

1. The Share Transfer Books of the Company will remain closed from April 22, 2022 to April 28, 2022 (both days inclusive). Transfers received in order by our Shares Registrar, M/s. Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore by the close of business on April 21, 2022 will be considered in time for the purpose of entitlement of final cash dividend and to attend and vote at the AGM.
2. A member of the Company entitled to attend and vote at the Annual General Meeting may appoint another member as his / her proxy to attend and vote in place of him / her at the meeting. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the time of meeting. A proxy must be a member of the Company. Proxy Forms in Urdu and English languages are attached to the notice circulated to the shareholders.
3. Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No. 1 of 2000.

A. For Attending the Meeting

- a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or, original Passport at the time of attending the Meeting.
- b. In case of corporate entity, the Board's 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 holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
 - e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
4. The members can also participate in the Annual General Meeting through video link facility.

To attend the AGM through video link, members and their proxies are requested to register their following particulars by sending an e-mail at shareholders@servis.com.



Folio / CDC Account No.	No. of shares held	Name	CNIC No.	Cell No.	Email address

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address by or before the close of business hours (5:00 p.m.) on April 22, 2022.

- In accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to submit Electronic Credit Mandate directly to the shareholder's Broker/Participant/CDC Account Services.
- The Government of Pakistan has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

For filers of income tax returns	15%
For non-filers of income tax returns	30%

To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 30% all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend will be deducted @30% instead of 15%.

In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax will be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Folio / CDC Account No.	Name of Shareholder	CNIC	Shareholding	Total Shares	Principal/Joint Shareholder
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The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or the Shares Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

- A valid tax exemption certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Income Tax Ordinance, 2001 and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Shares Registrar prior to the date of book closure otherwise tax will be deducted according to applicable law.
- The Company has placed the Annual Report containing Audited Annual Financial Statements for the year ended 31 December 2021, Auditors' and Directors' Reports thereon and Chairman's Review Report on its website: www.Serviceglobalfootwear.com.
- Shareholders have passed an Ordinary Resolution in the Annual General Meeting held on April 19, 2021 to transmit annual report through CD/DVD/USB in compliance of directive of SRO 470(1)/2016 dated 31st May 2016. The annual report is being emailed to shareholders who have provided their email address in terms of Section 223 (6) of the Companies Act, 2017 and through CD to other shareholders who have not so far provided their email addresses to the Company. The shareholders who wish to receive hard copy of the



aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

10. For any query / problem / information, the investors may contact the Shares Registrar: Mr. Muhammad Akbar Moghal, Phone No. 042-35839182, 35916714, 5916719, e-mail address: corplink786@gmail.com and / or the Company: Mr. Tahir Maqsood, Phone No. 042-35751990, email address: shareholders@servis.com.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 CONCERNING THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING:

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on April 28, 2022.

Item No. 4 of the Agenda – Renewal of investment in the form of working capital loan up to PKR 4.5 Billion (Rupees Four Billion Five Hundred Million Only) in Service Industries Limited, a holding / associated company

The members of Service Global Footwear Limited (SGFL) in their Extraordinary General Meeting held on June 30, 2021 had approved investment in the form of working capital loan of up to PKR 4.5 Billion (Rupees Four Billion Five Hundred Million Only) in Service Industries Limited (SIL), a holding / associated company, as and when required by SIL, for a period of one year till June 30, 2022 pursuant to the requirements of Section 199 of the Companies Act, 2017 at markup rate of 1 month KIBOR plus 5 bps, which shall not be less than the borrowing cost of the Company to be charged by SGFL on the amount of loan outstanding. An amount of PKR 1.84 Billion is outstanding against this investment as on March 24, 2022.

The tenure of the working capital loan is expiring on June 30, 2022. It is now proposed to renew the investment in the form of working capital loan of up to PKR 4.5 Billion for a further period of one year till June 30, 2023. All other terms and conditions of the investment will remain unchanged. The renewal of the working capital loan facility is subject to approval of the shareholders of SGFL in accordance with the requirements of Section 199 of the Companies Act, 2017.

Regulation No. 5(7) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 issued by SECP vide SRO 1240(I)/2017 dated December 06, 2017 requires that the Company shall not extend to an associated company or associated undertaking any loan or advance as running finance, revolving line of credit or any other similar facility for a period beyond one year provided that members may approve renewal of such loan or advance pursuant to section 199 of the Act. Further, section 199(4) of the Companies Act, 2017 requires that no change in nature and terms and conditions of the investment shall be made except under the authority of a special resolution.

Accordingly, renewal of the working capital loan to Service Industries Limited is being presented to the members for approval through passing of special resolution to fulfill the requirements of the afore-mentioned law and regulations.

The Board of Directors of SGFL in their meeting held on March 31, 2022 has recommended the renewal of working capital loan of up to PKR 4.5 Billion for a further period of one year till June 30, 2023 subject to approval of special resolution by the shareholders.

None of the Directors, sponsors, majority shareholders of the Company and their relatives have any interest, directly or indirectly, in the proposed special resolution, except as stated below:

Service Global Footwear Limited do not hold any share in Service Industries Limited.

Chaudhry Ahmed Javed, Mr. Arif Saeed, Mr. Omar Saeed and Mr. Hassan Javed Directors of the Company, are also Directors of SIL.

Following are their present shareholdings in SIL:



Name of Director	Shareholding
Chaudhry Ahmed Javed	2,062,264
Mr. Arif Saeed and his spouse	5,136,666
Mr. Omar Saeed	4,765,824
Mr. Hassan Javed	9,064,524

Service Industries Limited (SIL), a holding / associated company, currently holds 80% shareholding in Service Global Footwear Limited. The shareholding of the Directors of Service Global Footwear Limited is as follows:

Name of Director	Shareholding
Chaudhry Ahmed Javed	1
Mr. Arif Saeed	1
Mr. Omar Saeed	1,166,001
Mr. Hassan Javed	1
Mr. Azmat Ali Ranjha	1
Mr. Abdul Rashid Lone	1
Ms. Maleeha Humayun Bangash	1
Mr. Hassan Ehsan Cheema	1
Mr. Qadeer Ahmed Vaseer	1

The Service Global Footwear Limited (SGFL) and its sponsors and directors have no interest, directly or indirectly in the Company except as stated above.

The following resolutions are proposed to be passed as special resolutions, with or without any modification.

"Resolved that pursuant to the requirements of Section 199 of the Companies Act, 2017, approval of the members of Service Global Footwear Limited (the "Company") be and is hereby accorded and the Company be and is hereby authorized to renew the investment of up to PKR 4.5 Billion (Rupees Four Billion Five Hundred Million) in the form of working capital loan in Service Industries Limited, a holding / associated company, approved by the shareholders vide special resolution dated June 30, 2021 and expiring on June 30, 2022, for a further period of one year till June 30, 2023 with all other terms and conditions of the investment to remain unchanged.

Further resolved that Mr. Hassan Javed, Chief Executive Officer and / or Mr. Arif Saeed, and / or Mr. Omar Saeed, Directors of the Company be and is hereby singly empowered and authorized to undertake the decision of said investment as and when deemed appropriate and necessary in the best interest of the Company and its shareholders and to take all steps and actions necessary, incidental and ancillary including execution of any and all documents and agreements as may be required in this regard and to do all acts, deeds and things, that may be considered necessary or necessary for the purpose of implementing this resolution."

Item No. 5 of the Agenda - Further long-term equity investment of up to PKR 350,000,000 (Rupees Three Hundred Fifty Million) in the associated company, Service Long March Tyres (Private) Limited

The members of Service Global Footwear Limited in their Extraordinary General Meeting of the Company held on December 30, 2020 had approved to make long term equity investment of up to PKR 2,175,215,000 (Rupees Two Billion One Hundred Seventy Five Million Two Hundred Fifteen Thousand) from time to time in Service Long March Tyres (Private) Limited ("SLM"), an associated company, for subscribing, at Par, 217,521,500 fully paid up ordinary / right shares of PKR 10 each.



The principal business line of SLM is manufacturing and sale of All Steel Radial Truck and Bus tyres ("TBR Tyres"). SLM commenced the commercial production of TBR Tyres w.e.f. March 10, 2022.

The company has made an equity investment of PKR 1,786,995,000 in SLM by subscribing 178,699,500 shares of PKR 10 each till date.

The current paid-up capital of the SLM is PKR 9,450,000,000 divided into 945,000,000 ordinary shares of PKR 10 each which is held by its following shareholders:

Service Industries Limited (SIL) – 32.09%
 Service Global Footwear Limited (SGFL) – 18.91%
 Chaoyang Long March Tyre Co., Ltd. (LM) – 44.00%
 Mr. Shabir Ahmad of Myco Corporation, Pakistan – 5%

SLM is the country's first sole enterprise special economic zone which entitles the company to duty and tax free imports of plant and machinery and ten year income tax exemption on the income of the Company. Moreover, the entire plant and machinery of the company procured through very low interest bearing TERF loans.

Pakistan Government has imposed regulatory duty of 25% on import of TBR tyres. Therefore, it is very advantageous to manufacture and sell TBR tyres in Pakistan. USA and Brazil are the main target markets for SLM's export. The American market is huge and tyres of Long March brand already have a very good quality performance, market reputation and customer recognition in this market.

SLM is contemplating the issuance of further shares for its funding requirement, therefore, the Company needs to seek approval of its shareholders to make further investments in SLM to keep the percentage of shareholding of SGFL in SLM intact at 18.91%.

In view of this, the Board of Directors of the Company in their meeting held on March 31, 2022 has recommended to make further long-term equity investment of up to PKR 350 million in SLM subject to the approval of the members in AGM to increase the investment from PKR 2,175,215,000 (Rupees Two Billion One Hundred Seventy Five Million Two Hundred Fifteen Thousand) to up to PKR 2,525,215,000 (Rupees Two Billion Five Hundred Twenty Five Million Two Hundred Fifteen Thousand).

The Directors have certified that they have carried out necessary due diligence for the proposed long-term equity investment in the associated company before recommending it for approval of the members.

The signed recommendation of due diligence report shall be made available to the members for inspection at the AGM. As required by the Regulations, the latest annual audited financial statements of SLM shall be made available to the members for inspection at the AGM.

The following resolutions are proposed to be passed as special resolutions, with or without any modification.

"Resolved that approval of the members of Service Global Footwear Limited (the "Company") be and is hereby accorded in terms of Section 199 and all other applicable provisions of the Companies Act, 2017 and the Company be and is hereby authorized to increase its long term equity investment in Service Long March Tyres (Private) Limited, an associated company from PKR 2,175,215,000 (Rupees Two Billion One Hundred Seventy Five Million Two Hundred Fifteen Thousand) to up to PKR 2,525,215,000 (Rupees Two Billion Five Hundred Twenty Five Million Two Hundred Fifteen Thousand) from time to time for subscribing, at Par, up to 35,000,000 fully paid up ordinary right shares of PKR. 10 each, as per terms and conditions disclosed to the members.

Further resolved that the aforesaid special resolution shall be valid for a period of 3 (three) years from the date of approval by the members of the Company.

Further resolved that Mr. Hassan Javed, Chief Executive Officer and / or Mr. Arif Saeed, and / or Mr. Omar Saeed, Directors of the Company, be and are hereby singly empowered and authorized to undertake the decision of said investment and to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all legal formalities as may be necessary or incidental expedient for the purpose of implementing the aforesaid resolutions."

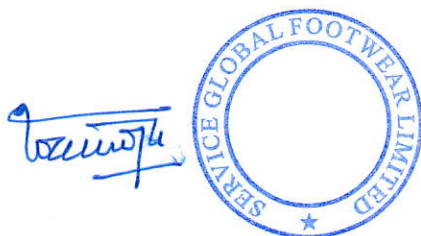


The information required to be disclosed to the members under S.R.O No. 1240(1)/2017 dated 06 December 2017 Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (Regulations), is as follows:

Ref. No.	Requirement	Information									
(a)	Disclosure for all types of investments:										
	A) Disclosure										
(i)	Name of associated company or associated undertaking	Service Long March Tyres (Private) Limited									
(ii)	Basis of relationship	Associated Company – Common Directorship									
(iii)	Earnings per share for the last three years	<div>Service Long March Tyres (Private) Limited was incorporated on 07th January 2020. The earnings per share as per audited financial statements for the year ended June 30, 2021 and for the period from January 07, 2020 to June 30, 2020 is as follows:</div> <table><tr><th>Sr.</th><th>Year</th><th>Earnings per share, Rs.</th></tr><tr><td>1.</td><td>2021</td><td>0.16</td></tr><tr><td>2.</td><td>2020</td><td>0.12</td></tr></table>	Sr.	Year	Earnings per share, Rs.	1.	2021	0.16	2.	2020	0.12
Sr.	Year	Earnings per share, Rs.									
1.	2021	0.16									
2.	2020	0.12									
(iv)	Break-up value per share, based on latest audited financial statements	Rs. 10.10 per share as at June 30, 2021.									
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<div>Audited financial statements as at 30th June 2021.</div> <div>Rupees</div> <div>Balance Sheet:</div> <div>Assets</div> <div>Non-current assets11,342,579,000</div> <div>Current assets3,759,799,000</div> <div>Total assets15,102,378,000</div> <div>Liabilities</div> <div>Non-current liabilities6,265,212,000</div> <div>Current liabilities1,259,050,000</div> <div>Total liabilities7,524,262,000</div> <div>Equity</div> <div>7,578,116,000</div> <div>Profit & loss:</div> <div>Sales-</div> <div>Gross Profit-</div> <div>Net Profit after tax55,014,000</div> <div>EPS (Rs.)0.16</div> <div>The associated company has commenced the commercial operations w.e.f. March 10, 2022.</div>									



Ref. No.	Requirement	Information
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely	Service Long March Tyres (Private) Limited commenced the commercial operations on March 10, 2022.
	(I) Description of the project and its history since conceptualization	Not applicable
	(II) Starting date and expected date of completion of work	Not applicable
	(III) Time by which such project shall become commercially operational	Not applicable
	(IV) Expected time by which the project shall start paying return on investment	Not applicable
	(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	<p>The following funds have been invested by the promoters, sponsors and associated companies to date:</p> <p>Service Industries Limited PKR 3,032,505,000</p> <p>Service Global Footwear Limited PKR 1,786,995,000</p> <p>Chaoyang Long March Tyre Co., Ltd. PKR 4,158,000,000</p> <p>Mr. Shabir Ahmad of Myco Corporation PKR 472,500,000</p>
	(B) General Disclosures	
(i)	Maximum amount of investment to be made	Further long term equity investment of up to Rs. 350,000,000/- (Rupees Three Hundred Fifty Million).
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	<p>Purpose: To subscribe right shares to be issued by the associated company.</p> <p>Benefits: To earn dividend income and / or capital gains which will enhance the profitability of SGFL and add to the value of the members of SGFL.</p> <p>Period of Investment: The investment in SLM will be for long term.</p>
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:	The investment will be made from SGFL's own sources and if needed funds will be borrowed.
	(I) justification for investment through borrowings	The Investment may be made through borrowed funds which is justified in view of long-term prospects and earnings of Service Long March Tyres (Private) Limited.
	(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds	Land, Building and Plant & Machinery of SGFL will be pledged for obtaining funds, if required from financial institutions.
	(III) cost benefit analysis	Based on the projections of Service Long March Tyres (Private) Limited, long term benefits expected to be accrued to SGFL are much more than the cost of borrowed funds.



Ref. No.	Requirement	Information																		
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The Company will be subscribing right shares when issued by the associated company.																		
(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>The Directors, Chief Executive, Sponsors, majority shareholders and their relatives of SGFL have no interest, directly or indirectly, in Service Long March Tyres (Private) Limited, except in their capacities as being Directors, Chief Executive of Service Long March Tyres (Private) Limited.</p> <p>SGFL holds 178,699,500 shares in Service Long March Tyres (Private) Limited i.e.18.91%.</p> <p>Chaudhry Ahmed Javed, Mr. Arif Saeed, Mr. Omar Saeed and Mr. Hassan Javed, Directors of SGFL are also the Directors of Service Long March Tyres (Private) Limited.</p> <p>Service Industries Limited, the holding company of SGFL holds 32.09% shareholding in SLM.</p> <p>Following are the present shareholdings of Directors in SIL:</p> <table><tr><th>Name of Director</th><th>Shareholding</th></tr><tr><td>Chaudhry Ahmed Javed</td><td>2,062,264</td></tr><tr><td>Mr. Arif Saeed and his spouse</td><td>5,136,666</td></tr><tr><td>Mr. Omar Saeed</td><td>4,765,824</td></tr><tr><td>Mr. Hassan Javed</td><td>9,064,524</td></tr><tr><td>Mr. Osman Saifullah Khan</td><td>390</td></tr><tr><td>Mrs. Ayesha Naweed</td><td>2</td></tr><tr><td>Mr. Riaz Ahmed</td><td>10,000</td></tr><tr><td>Mr. Muhammad Naeem Khan</td><td>1,000</td></tr></table> <p>Out of above Directors of SIL, four Directors Chaudhry Ahmed Javed, Mr. Arif Saeed, Mr. Omar Saeed and Mr. Hassan Javed are also the Directors of Service Long March Tyres (Private) Limited.</p> <p>Service Long March Tyres (Private) Limited does not hold any share in SIL and SGFL.</p>	Name of Director	Shareholding	Chaudhry Ahmed Javed	2,062,264	Mr. Arif Saeed and his spouse	5,136,666	Mr. Omar Saeed	4,765,824	Mr. Hassan Javed	9,064,524	Mr. Osman Saifullah Khan	390	Mrs. Ayesha Naweed	2	Mr. Riaz Ahmed	10,000	Mr. Muhammad Naeem Khan	1,000
Name of Director	Shareholding																			
Chaudhry Ahmed Javed	2,062,264																			
Mr. Arif Saeed and his spouse	5,136,666																			
Mr. Omar Saeed	4,765,824																			
Mr. Hassan Javed	9,064,524																			
Mr. Osman Saifullah Khan	390																			
Mrs. Ayesha Naweed	2																			
Mr. Riaz Ahmed	10,000																			
Mr. Muhammad Naeem Khan	1,000																			
(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	<p>The associated company has successfully commenced commercial production of All Steel Radial Truck and Bus Tyres with effect from March 10, 2022.</p> <p>There is no such impairment or write offs in investment.</p>																		
(vii)	Any other important details necessary for the members to understand the transaction	None																		



Ref. No.	Requirement	Information
(b)	Additional disclosure regarding Equity Investment	
(i)	Maximum price at which securities will be acquired	Par value i.e., @ Rs. 10/- 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	The fair value determined by the valuer is Rs. 18.44 per share. The investment is being made at Par value of Rs. 10 each which is lower than the fair value.
(iii)	Maximum number of securities to be acquired	35,000,000 shares will be acquired at par value of Rs. 10/- each.
(iv)	Number of securities and percentage thereof held before and after the proposed investment	<p>Before Investment: SGFL is currently holding 178,699,500 shares in SLM i.e., 18.91%.</p> <p>The shareholders had approved investment of up to PKR 2,175,215,000 for subscribing 217,521,500 ordinary shares at par value of Rs. 10 each, of associated company. The Company has made investment of PKR 1,786,995,000 in the shares of associated company as of the date of this notice.</p> <p>After Investment: The shareholding of the Company in SLM will be approximately up to 252,521,500 shares i.e. 18.91%.</p>
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities;	Not Applicable
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	The fair value determined by the valuer is Rs. 18.44 per share.

Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Name of Investee Company	Service Long March Tyres (Private) Limited	Service Industries Limited
Total Investment Approved	Long term equity investment up to Rs. 2,175,215,000 for purchase of 217,521,500 shares.	<ul style="list-style-type: none"> - Working capital loan of up to Rs 4.5 Billion for a period of one year till June 30, 2022. - Long-term loan of Rs. 2.5 Billion for a period of six years till June 30, 2027.
Amount of Investment made to date	Rs. 1,786,995,000.	<ul style="list-style-type: none"> - Investment made in the form of working capital loan amounting to Rs. 1.84 Billion. - Investment made in the form of Long-term loan amounting to Rs. 2.5 Billion for a period of six years till June 30, 2027.



Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in a specified time	No deviation. The validity of resolution for investment of up to Rs. 2,175,215,000 is three (3) years from December 30, 2020. The investment will be made as and when funds are required by the associated Company.	No deviation. The investment will be made as and when funds are required by the Parent Company.
Material change in financial statements of associated company or associated undertaking since the date of the resolution passed for approval of investment in such company	Investment was approved on December 30, 2020. The sponsors have injected Rs. 9,450,000,000 as equity and the associated company has commenced the commercial operations with effect from March 10, 2022. As per latest audited financial statements for the year ended June 30, 2021 the balance sheet size is Rs. 15.102 Billion, Profit after tax is Rs. 55,014,000 and Earnings per share is Rs. 0.16.	There is no material change in the financial statements of the associated company since the date of passing of special resolution i.e., on June 30, 2021. As per latest audited financial statements for the year ended December 31, 2021 the balance sheet size is Rs. 33.345 Billion, Profit after tax is Rs. 356,826,000 and Earnings per share is Rs. 7.59

Information under Regulation 3(4) of the Regulations:

The documents relating to special business can be inspected by the shareholders in the general meeting as provided under Regulation 3(4) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

