

Notice of Annual General Meeting

Notice is hereby given that the 4th Annual General Meeting ("AGM") of Service Global Footwear Limited (the Company) will be held on **Friday, the April 28, 2023 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 Service Global Footwear Limited (the 'Company') for the year ended December 31, 2022, together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.
2. To approve the final cash dividend of Rs. 1 per share i.e. 10% as recommended by the Board of Directors in addition to the interim cash dividend of Rs. 2.50 per share i.e. 25% already paid to the shareholders of the Company making a total cash dividend of Rs. 3.50 per share i.e. 35% for the year ended December 31, 2022.
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 April 28, 2022 and expiring on June 30, 2023 for a further period of one year till June 30, 2024 with all other terms and conditions of the investment to remain unchanged.
5. To approve the circulation of the annual audited financial statements to the members through QR enabled code and weblink by passing an ordinary resolution proposed in the statement of material facts.

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

Lahore
April 07, 2023



By Order of the Board

WAHEED ASHRAF
Company Secretary

Notice of Annual General Meeting

NOTES:

1. The Share Transfer Books of the Company will remain closed from April 18, 2023 to April 28, 2023 (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 17, 2023 will be considered in time for the purpose of entitlement of final cash dividend and to attend, speak 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 17, 2023.

5. 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.
6. 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.

7. Procedure for E-Voting

- a. In accordance with the Companies (Postal Ballot) Regulation, 2018, (the "Regulations") the right to vote through electronic voting facility and voting by post shall be provided to members of every listed company for, inter alia, all businesses classified as special business under the Companies Act, 2017 in the manner and subject to conditions contained in the Regulations.
- b. Detail of e-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business on April 17, 2023. Members who intend to exercise their right of vote through E-voting shall provide their valid cell numbers and email addresses on or before April 17, 2023.
- c. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- d. Members shall cast vote for agenda item No. 4 and 5 online from April 25, 2023 till April 27, 2023 5:00 p.m. Voting shall close on April 27, 2023, at 5:00 p.m. A vote once cast by a Member, shall not be allowed to be changed.

8. Procedure for Voting Through Postal Ballot

- a. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.serviceglobalfootwear.com to download.
- b. The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's registered address, Servis House, 2-Main Gulberg, Lahore, or email at chairman@servis.com one day before the AGM, i.e., on April 27, 2023 before 5:00 p.m. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC.
- c. In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Riaz Ahmad & Company, Chartered Accountants, (a QCR rated audit firm) to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11 of the Regulations.



Notice of Annual General Meeting

9. 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.
10. The Company has placed the Annual Report containing Audited Annual Financial Statements for the year ended 31 December 2022, Auditors' and Directors' Reports thereon and Chairman's Review Report on its website: www.serviceglobalfootwear.com.
11. 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.
12. 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, 2023.

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 Annual General Meeting held on April 28, 2022 had renewed 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 (SIL), a holding / associated company, as and when required by SIL, for a further period of one year till June 30, 2023 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 377 Million is outstanding against this investment as on March 23, 2023.

The tenor of the working capital loan will be expiring on June 30, 2023. 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, 2024. 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 30, 2023 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, 2024 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 79.75% 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	782,001
Mr. Omar Saeed	1,455,501
Mr. Hassan Javed	1
Mr. Azmat Ali Ranjha	1
Mr. Abdul Rashid Lone	1
Ms. Maleeha Humayun Bangash	1
Mr. Hassan Ehsan Cheema	250,001
Mr. Qadeer Ahmed Vaseer	200,001

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 April 28, 2022 and expiring on June 30, 2023, for a further period of one year till June 30, 2024 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 - To approve the circulation of the annual audited financial statements to the members through QR enabled code and weblink by passing an ordinary resolution proposed in the statement of material facts

The Securities and Exchange Commission of Pakistan ("SECP") vide SRO 389(I)/2023 dated March 21, 2023 has allowed the listed companies to circulate the Annual Audited Financial Statements including Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Directors Report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink. This will enable the company to use of technological advancements and cost saving.

The company shall circulate the annual audited financial statements through email in case email address has been provided by the member to the company and the consent of member to receive the copies through email is not required.

The company shall send the complete financial statements with relevant documents in hard copy to the shareholders, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the company.

Notice of Annual General Meeting

The following resolution is proposed to be passed as ordinary resolution, with or without any modification

"Resolved that approval of the shareholders of Service Global Footwear Limited (the "Company") be and is hereby accorded and the Company be and is hereby authorized to circulate the Annual Audited Financial Statements of the Company together with the reports and documents required to be annexed thereto under the Companies Act, 2017 through QR enabled code and weblink instead of circulation through CD/DVD/USB."

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 do all acts, deeds and things, take or cause to be taken all necessary action for the purposes of implementing this resolution.

None of the Directors have any interest, directly or indirectly, in the aforesaid special business.

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 increased from Rs. 2,175,215,000 to up to Rs. 2,525,215,000 for purchase of 35,000,000 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, 2023. - Long-term loan of Rs. 2.5 Billion for a period of six years till June 30, 2027.
Amount of Investment made to date	An investment of Rs. 2,423,316,500 has been made so far by the Company.	<ul style="list-style-type: none"> - Investment made in the form of working capital loan amounting to Rs. 377 Million. - Investment made in the form of Long-term loan amounting to Rs. 2.25 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. 2,525,215,000 is three (3) years from April 28, 2022. The balance 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 associated 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	<p>Investment was approved on December 30, 2020 and subsequently increased on April 28, 2022. The sponsors have injected Rs. 12,815,000,000 as equity and the associated company has commenced the commercial operations with effect from March 10, 2022.</p> <p>As per latest audited financial statements for the year ended June 30, 2022 the balance sheet size is Rs. 26.795 Billion, Loss after tax is Rs. 334,092,000 and Loss per share is Rs. 0.38.</p>	<p>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.</p> <p>As per latest audited financial statements for the year ended December 31, 2022 the balance sheet size is Rs. 40.250 Billion, Profit after tax is Rs. 354 Million and Earnings per share is Rs. 7.54.</p>

**SERVICE GLOBAL FOOTWEAR LIMITED**

Registered Office: Servis House 2-Mian Gulberg, Lahore.

Phone: +92 42- 35751990-6 Fax No. +92-42-35711827

Email: shareholders@servis.comWebsite: www.serviceglobalfootwear.com**Ballot Paper For Voting Through Post**(in person and virtual 4th Annual General Meeting to be held at 10:00 a.m. on Friday, April 28, 2023)Designated email address of the Chairman at which the duly filled in ballot paper may be sent: chairman@servis.com

Name of shareholder/joint shareholders	
Registered Address	
Number of Shares held (on close of April 17, 2023) and folio number	
CNIC No./Passport No (in case of foreigner) (Copy to be attached)	
Additional information and enclosures (In case of representative of body corporate, Corporation and Federal Government)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by picking tick (✓) mark in the appropriate box below:

Sr. No.	Name and Description of Resolutions	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	<p>"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 April 28, 2022 and expiring on June 30, 2023, for a further period of one year till June 30, 2024 with all other terms and conditions of the investment to remain unchanged.</p> <p>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."</p>		

Sr. No.	Name and Description of Resolutions	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
2.	<p>"Resolved that approval of the shareholders of Service Global Footwear Limited (the "Company") be and is hereby accorded and the Company be and is hereby authorized to circulate the Annual Audited Financial Statements of the Company together with the reports and documents required to be annexed there-to under the Companies Act, 2017 through QR enabled code and weblink instead of circulation through CD/DVD/USB.</p> <p>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 do all acts, deeds and things, take or cause to be taken all necessary action for the purposes of implementing this resolution."</p>		

Signature of Shareholder(s)

Place:

Date:

NOTES / PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

- Duly filled and signed original postal ballot should be sent to the chairman, Mr. Arif Saeed, Service Global Footwear Limited at Servis House 2-Main Gulberg, Lahore or a scanned copy of the original postal ballot to be emailed at: chairman@servis.com.
- Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Postal Ballot forms should reach chairman of the meeting on or before April 27, 2023 during working hours. Any Postal Ballot received after this date, will not be considered for voting.**
- Signature on Postal Ballot should match the signature on CNIC/Passport (in case of foreigner).
- Incomplete, unsigned, in correct, defaced, torn, mutilated, over written ballot papers will be rejected.
- In case of representative of body corporate and corporation, Postal Ballot must be accompanied with copy of CNIC of authorized person, along with a duly attested copy of Board resolution, Power of Attorney, or Authorization Letter in accordance with Section(s) 138 or 139 of the Companies Act 2017, as applicable, unless these have already been submitted along with Proxy Form. In case of foreign body corporate etc. all documents must be attested from the Pakistani Embassy having jurisdiction over the member.
- Ballot paper has also been placed on the website of the Company www.serviceglobalfootwear.com. Members may download the ballot paper form the website or use original/photocopy published in newspapers