



Service Industries Limited

Servis House, 2-Main Gulberg
Lahore - 54662 (Pakistan)
Phone: (42) 35751990-96
Fax: (42) 35711827

SIL/PSX/CS/67
October 24, 2019

The General Manager
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

SUBJECT: FINANCIAL RESULTS FOR THE NINE MONTHS AND THIRD QUARTER ENDED SEPTEMBER 30, 2019

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **October 24, 2019 at 3:30 p.m.**, at the registered office of the Company, Servis House, 2-Main Gulberg, Lahore, has approved the accounts for the nine months and third quarter ended September 30, 2019.

(i) CASH DIVIDEND

An Interim Cash Dividend at **Rs. 12.50/- per share i.e. 125%**.

(ii) BONUS SHARES

It has been recommended by the Board of Directors to issue Interim Bonus Shares in the proportion of 25 shares for every 100 shares held i.e. 25%. This shall be subject to approval of the shareholders.

A certified copy of the resolution passed by the Board of Directors of the Company is enclosed herewith as Annexure-C as required under sub clause (ii) of regulation 4(1) of the Companies (Further Issue of Shares) Regulations, 2018.

FINANCIAL RESULTS:

The financial results of the Company are enclosed herewith as Annexure-A.

PRICE SENSITIVE INFORMATION:

Material Information is attached herewith as Annexure-B.

BOOK CLOSURE FOR THE PURPOSE OF 125% INTERIM CASH DIVIDEND:

The Share Transfer Books of the Company for the purpose of Interim Cash Dividend will remain closed from **November 08, 2019 to November 15, 2019** (both days inclusive). Transfers received at the share registrar office, M/s. Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore, at the close of business on **November 07, 2019** will be treated in time for the purpose of payment of interim cash dividend.





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An Extraordinary General Meeting ("EOGM") of the Company will be held on **Tuesday, November 26, 2019 at 11:00 a.m.**, at Shalimar Tower Hotel, Adjacent Servis House, 2-Main Gulberg, Lahore, to approve the Interim Bonus Shares.

BOOK CLOSURE FOR THE PURPOSE OF ENTITLEMENT OF BONUS SHARES AND EOGM:

The Share Transfer Books of the Company for the purpose of Interim Bonus Issue and EOGM will remain closed from **November 19, 2019 to November 26, 2019** (both days inclusive). Transfers received at the share registrar office, M/s. Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore at the close of business on November 18, 2019 will be treated in time for the purpose of above entitlement of Bonus Shares and to attend and vote at the EOGM.

The Quarterly Report of the Company for the period ended September 30, 2019 will be transmitted through PUCARS separately, within the specified time.

Thanking you.

Yours faithfully,

FOR SERVICE INDUSTRIES LIMITED

Waheed Ashraf
Company Secretary



Enclosed as above.

C.C:

Commissioner (CLD),
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Blue Area,
63-Jinnah Avenue,
Islamabad.

Director / HOD,
Surveillance, Supervision and Enforcement Department,
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Blue Area,
63-Jinnah Avenue,
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Annexure - A

SERVICE INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019
(UN-AUDITED)

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
 (Rupees in thousand)			
		Restated		Restated
SALES - net	21,969,178	17,084,222	7,806,877	5,414,769
COST OF SALES	(17,921,442)	(14,454,383)	(6,327,725)	(4,578,727)
GROSS PROFIT	4,047,736	2,629,839	1,479,152	836,042
DISTRIBUTION COST	(1,504,832)	(1,108,487)	(466,412)	(389,558)
ADMINISTRATIVE EXPENSES	(940,296)	(850,627)	(336,278)	(290,700)
OTHER EXPENSES	(167,296)	(104,610)	(74,613)	(17,447)
	(2,612,424)	(2,063,724)	(877,303)	(697,705)
	1,435,312	566,115	601,849	138,337
OTHER INCOME	387,075	357,039	102,282	128,215
PROFIT FROM OPERATIONS	1,822,387	923,154	704,131	266,552
FINANCE COST	(658,417)	(409,251)	(226,380)	(163,905)
	1,163,970	513,903	477,751	102,647
SHARE OF PROFIT IN EQUITY ACCOUNTED INVESTEE - NET OF TAXATION	22,500	57,375	1,484	17,001
PROFIT BEFORE TAXATION	1,186,470	571,278	479,235	119,648
TAXATION	(150,565)	(66,383)	(69,346)	(20,199)
PROFIT AFTER TAXATION	1,035,905	504,895	409,889	99,449
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	68.90	33.58	27.26	6.61








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CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019
(UN-AUDITED)

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
 (Rupees in thousand)			
		Restated		Restated
SALES - net	22,210,168	17,237,136	7,900,662	5,503,987
COST OF SALES	(18,109,265)	(14,613,753)	(6,398,794)	(4,666,317)
GROSS PROFIT	4,100,903	2,623,383	1,501,868	837,670
DISTRIBUTION COST	(1,508,698)	(1,112,791)	(467,735)	(389,940)
ADMINISTRATIVE EXPENSES	(974,959)	(876,267)	(348,671)	(297,697)
OTHER EXPENSES	(167,452)	(104,591)	(74,769)	(17,443)
	(2,651,109)	(2,093,649)	(891,175)	(705,080)
	1,449,794	529,734	610,693	132,590
OTHER INCOME	388,372	357,357	103,398	128,220
PROFIT FROM OPERATIONS	1,838,166	887,091	714,091	260,810
FINANCE COST	(666,527)	(427,751)	(229,652)	(165,796)
	1,171,639	459,340	484,439	95,014
SHARE OF PROFIT IN EQUITY ACCOUNTED INVESTEE - NET OF TAXATION	35,118	94,770	600	28,457
PROFIT BEFORE TAXATION	1,206,757	554,110	485,039	123,471
TAXATION	(150,565)	(67,931)	(69,346)	(17,745)
PROFIT AFTER TAXATION	1,056,192	486,179	415,693	105,726
Attributable to:				
Owners of the holding company	1,053,236	507,939	413,186	108,778
Non-controlling interest	2,956	(21,760)	2,507	(3,052)
	1,056,192	486,179	415,693	105,726
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	70.25	32.34	27.65	7.03



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Annexure - B

BY T.C.S & PUCARS

SIL/PSX/CS/68
October 24, 2019

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Commissioner (CSD),
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Blue Area,
63-Jinnah Avenue,
Islamabad.

Director / HOD,
Surveillance, Supervision and Enforcement Department,
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Blue Area,
NIC Building, Jinnah Avenue, Blue Area,
63-Jinnah Avenue,
Islamabad.

Subject: Disclosure of Material Information

Dear Sirs:

In accordance with applicable provisions of the Securities Act, 2015 and Rule Book of the Pakistan Stock Exchange Limited, Service Industries Limited is pleased to convey the following information:

"The Board of Directors of Service Industries Limited (the '**Company**') in its meeting held today has resolved:

- (a) Subject to compliance with all applicable laws, rules and regulations of Pakistan and UAE, to set up a Free Zone Company in Sharjah Airport International Free Zone as a wholly owned subsidiary of the Company to be incorporated under the laws of United Arab Emirates for the purposes, among others, to transact the business of trading of tyres and other products.

(b) To make a long-term equity investment of up to AED 150,000 in the Free Zone Company (to be incorporated) from time to time.
- To make further long-term equity investment of up to PKR 400 million in **Service Global Footwear Limited**, a wholly owned subsidiary of the Company, from time to time within





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a period of 2 (two) years by way of subscription of right shares as and when offered by the subsidiary.”

A disclosure form is attached herewith. You may please inform the members of your Exchange, accordingly.

Yours' sincerely

Waheed Ashraf
Company Secretary



Encl: as above



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SERVICE INDUSTRIES LIMITED
DISCLOSURE FORM
(Securities Act, 2015)

October 24, 2019

Name of the Company	Service Industries Limited
Date of Report (Date of earliest event reported if applicable)	N/A
Exact Name of the Company as specified in its Memorandum	Service Industries Limited
Registered address of the Company	Service House, 2-Main Gulberg, Lahore.
Contact Information	Mr. Waheed Ashraf Company Secretary Tel: +92 42 35751990-96 Fax: +9242 35711827
Disclosure of inside information by the Company in terms of Securities Act, 2015	<p>"The Board of Directors of Service Industries Limited (the 'Company') in its meeting held today has resolved:</p> <p>1.(a) Subject to compliance with all applicable laws, rules and regulations of Pakistan and UAE, to set up a Free Zone Company in Sharjah Airport International Free Zone as a wholly owned subsidiary of the Company to be incorporated under the laws of United Arab Emirates for the purposes, among others, to transact the business of trading of tyres and other products.</p> <p>(b) To make a long-term equity investment of up to AED 150,000 in the Free Zone Company (to be incorporated) from time to time.</p> <p>2. To make further long-term equity investment of up to PKR 400 million in Service Global Footwear Limited, a wholly owned subsidiary of the Company, from time to time within a period of 2 (two) years by way of subscription of right shares as and when offered by the subsidiary."</p>





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Annexure - C

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SERVICE INDUSTRIES LIMITED IN THEIR MEETING HELD ON OCTOBER 24, 2019

BOARD RESOLUTION

Resolved that the Board of Directors of the Company recommends to issue Bonus Shares in the proportion of 25 Ordinary Shares for every 100 Ordinary Shares held by the Members (i.e. 25%).

Further resolved that the share transfer books of the Company will remain closed from November 19, 2019 to November 26, 2019 (both days inclusive) for the purpose of determining the shareholder's entitlement to the bonus shares. The entitlement of bonus shares will be issued to those shareholders whose names will appear on the register of members on the close of business on November 18, 2019.

Further resolved that the Board of Directors of the Company proposed that the following resolution be passed as an Ordinary Resolution in the Extraordinary General Meeting of the Company to be held on Tuesday, November 26, 2019 at 11:00 a.m. at Shalimar Tower Hotel, Adjacent Servis House, 2-Main Gulberg, Lahore:

"Further Resolved that

- (i) A sum of Rs. 37,589,960 (Rupees thirty seven million five hundred eighty nine thousand nine hundred sixty) out of the free reserves of the Company be capitalized and applied towards issue of 3,758,996 Ordinary Shares of Rs. 10 each as bonus shares in the proportion of 25 Ordinary Shares for every 100 Ordinary shares (i.e., @25%) held by every Member whose name appears on the Members' Register at the close of business on November 18, 2019.
- (ii) Members entitled to fractions of shares shall be given the sale proceeds of their fractional entitlements for which purpose the fractions shall be consolidated into whole shares and sold on the Pakistan Stock Exchange Limited.
- (iii) The Chief Executive Officer or any Director be and is hereby authorized to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required for issue, allotment and distribution of the said bonus shares, sale of fractions and payment of the sale proceeds of the fractional shares."

