

## SERVICE INDUSTRIES TEXTILES LIMITED

### ADDENDUM TO THE NOTICE OF ANNUAL GENERAL MEETING

Reference is made to the notice of Annual General Meeting (AGM) published on 05-10-19, the following shall be noted.

#### Video Conference Facility

Pursuant to Section 132(2) of the Companies Act 2017, 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 7 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.

#### STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

##### Agenda Item No. 5 - Election of Directors

Section 166 of the Companies Act 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as independent director.

Being a listed company, Service Industries Textiles Limited is required to have independent directors on its Board in accordance with Listed Companies (Code of Corporate Governance) Regulations, 2017. Accordingly, the Company shall ensure that independent directors are elected in accordance with the procedures for election of directors laid down in Section 159 of The Companies Act, 2017.

After the contestants file their notice / intention to stand for elections, the Company shall apply following criteria for choosing the appointee for appointment as independent director:

1. Inclusion of name of independent directors in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) duly authorized by SECP.
2. Respective competencies, diversity, skill, knowledge and experience of the contestants shall be assessed.
3. The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

##### Agenda Item No. 6 - Remuneration of Chief Executive and one Executive Director

Approval of shareholders is sought to pass with or without modification the resolution to increase the remuneration of the Chief Executive of the Company and one Executive Director. The previous increase in remuneration was approved in October 2014 and thus to bring the remuneration to a market competitive the approval of shareholders is required.

The details are as follows:

| Name            | Designation     | Current Remuneration     | Revised Proposed Remuneration |
|-----------------|-----------------|--------------------------|-------------------------------|
| Mohammad Hameed | Chief Executive | Rs.2.4 Million Per annum | Rs.4.8 Million per annum      |

|              |                    |                           |                          |
|--------------|--------------------|---------------------------|--------------------------|
| Aamer Hameed | Executive Director | Rs. 2.4 Million per annum | Rs.4.2 Million per annum |
|--------------|--------------------|---------------------------|--------------------------|

All other prevailing terms and conditions of service will remain unchanged.

BY ORDER OF THE BOARD  
(USMAN KHALID)  
COMPANY SECRETARY