



PSX Holds Gong Ceremony on Listing of Service Global Footwear Limited

Karachi, April 28, 2021 – In an exciting development at Pakistan Stock Exchange (PSX), yet another company has been listed on the Exchange. The recently concluded Initial Public Offering (IPO) of Service Global Footwear Limited results in the seventh listing on the equity board of the Stock Exchange for the fiscal year 2021. This is a positive development as additional companies are getting listed intermittently since the beginning of this fiscal year.

The IPO was a resounding success with the strike price being discovered at PKR 53.20 per share. A large number of investors, totaling 416 in number, including institutions as well as (foreign & local) individuals took part in the successful bidding in the book building phase.

The general public portion of the Issue was oversubscribed by 4.9 times showing tremendous interest by the public. Applications for a total of 50,973,130 ordinary shares against the issue size of 10,221,875 ordinary shares were received.

The Issue of Service Global Footwear Ltd. consisted of 40,887,500 ordinary shares or 20% of the total post-IPO paid-up capital of Service Global Footwear Ltd. The entire issue was offered through book building method at a floor price of PKR 38/- per share with a maximum price band of up to 40% (PKR 53.2 per share). Initially, 75% of the issue size i.e. 30,665,625 ordinary shares were allotted to successful bidders and 25% of the issue size i.e. 10,221,875 ordinary shares were offered to retail investors at the Strike Price. The book building dates of the Issue were April 7th & 8th, 2021, whereas the public subscription dates for the retail portion of the Issue were April 12th and 13th, 2021.

The principal purpose of the IPO was to raise capital for equity investment into a subsidiary company (of the parent company, Service Industries Limited), Service Long March Tyres (Pvt) Limited (SLM) and become a stakeholder of approximately 18.91% of the total shareholding of SLM.

Speaking about the successful public subscription of the Issue of Service Global Footwear Limited, Mr. Farrukh H. Khan, MD & CEO of PSX, stated, *“The IPO of Service Global Footwear Limited will lead to the seventh listing on the equity board of PSX in the current fiscal year, FY 2021. Pakistan Stock Exchange is immensely proud of the fact that an industrial house related to the tyre, rubber and footwear industry has made yet another entry on the bourse. The parent company, Service Industries Limited, has had an enviable record in the historical annals of Pakistan’s business and industry. It dates back to 1957 when it was incorporated as a private limited company. It was listed on the Stock Exchange in 1970 and therefore has a historic association with the Stock Exchange of more than five decades. The entry of its subsidiary, Service Global Footwear Limited, is a very welcome development. The listing of a company that manufactures footwear with a focus on exports will add significantly to not only the business prospects of the company itself but also the export economy of Pakistan while providing a good investment opportunity for investors”*. He further stated, *“The listing of Service Global Footwear Limited reflects the confidence issuers have in the Stock Exchange as a robust conduit for raising capital. I am very happy to say that there is a healthy pipeline of prospective issuers who are looking up to the Exchange as a viable channel for raising capital in the future. This will enable the Exchange to play its integral role as an effective and efficient source of capital formation”*.

Mr. Hassan Javed, CEO of Service Global Footwear Limited, speaking about the excellent performance of the company in the IPO, said, *“I am overjoyed at the successful listing of Service Global Footwear Limited (SGFL) at Pakistan Stock Exchange Limited. The historic oversubscriptions during the book building and general public subscription, are ample endorsement of confidence reposed by investors on the credibility and stature of Servis Group and the legacy it has carried over the past six decades. As a Listed Company, SGFL, is more than ever committed to uphold principles of business ethics, transparency*



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and serving stakeholders' interests. I am also thankful to Arif Habib Limited, PSX and SECP for extending their support and guidance during the whole process. I would also like to acknowledge the efforts of our team at Servis Group for making this IPO such a success".

Mr. Shahid Ali Habib, CEO of Arif Habib Limited who were the Lead Manager & Book Runners to the Issue, added, *"I am delighted that the IPO of Service Global Footwear Limited (SGFL) received an overwhelming response from the investors. SGFL is part of the Service Group which is amongst the blue-chip groups of Pakistan. The Company is the largest footwear exporter out of Pakistan; exports footwear to 20+ countries over 5 continents. The Company managed to raise PKR 2.175 billion through this issue which saw an oversubscription of over 5.0x in both Book Building and General Public subscription. AHL is proud to have facilitated this journey for the Company as its Lead Manager and Book Runner and we remain poised to bring more companies for listing on the bourse".*