



**Servis**

Service Global Footwear Limited

# Unlocking new possibilities



Reports & Un-Audited Accounts  
for the Half Year Ended  
June 30, 2025

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# Company Information

## Board of Directors

### Mr. Arif Saeed

Chairman / Non-Executive Director

### Mr. Hassan Javed

Chief Executive Officer / Executive Director

### Chaudhry Ahmed Javed

Non-Executive Director

### Mr. Omar Saeed

Non-Executive Director

### Mr. Azmat Ali Ranjha

Independent Director

### Mr. Abdul Rashid Lone

Independent Director

### Ms. Maleeha Humayun Bangash

Independent Director

### Mr. Hassan Ehsan Cheema

Executive Director

### Mr. Qadeer Ahmed Vaseer

Executive Director

## Chief Financial Officer

Mr. Usman Liaqat

## Company Secretary

Mr. Waheed Ashraf

## Audit Committee

### Mr. Abdul Rashid Lone

Chairman

### Mr. Omar Saeed

Member

### Ms. Maleeha Humayun Bangash

Member

## Human Resource and Remuneration Committee

### Mr. Azmat Ali Ranjha

Chairman

### Mr. Hassan Javed

Member

### Mr. Omar Saeed

Member

## Bankers

MCB Bank Limited

Habib Bank Limited

Faysal Bank Limited

Soneri Bank Limited

Allied Bank Limited

Askari Bank Limited

Meezan Bank Limited

MCB Islamic Bank Limited

Habib Metropolitan Bank

Standard Chartered Bank

(Pakistan) Limited  
Samba Bank Limited  
Bank Al Habib Limited  
Dubai Islamic Bank Limited  
Bank Islami Pakistan Limited  
Bank of Punjab - Islamic  
United Bank Limited  
The Bank of Khyber

## Auditors

M/s. Riaz Ahmad & Company,  
Chartered Accountants

## Legal Advisor

Muhammad Ashfaq,  
Advocate High Court,  
of M/s. Bokhari Aziz & Karim  
2-A, Block-G, Gulberg-II,  
Lahore.

## Registered Office

Servis House,  
2-Main Gulberg,  
Lahore-54662.  
Tel: +92-42-35751990-96

**Shares Registrar**

M/s. Corplink (Pvt.) Limited  
Wings Arcade, 1-K  
Commercial, Model Town, Lahore  
Tel: +92-42- 35916719,  
35839182

**Pakistan Stock Exchange Limited**

Stock Exchange Symbol **SGF**

**Factory**

10-KM Muridke, Sheikhpura Road,  
Muridke

**Web Presence**

[www.serviceglobalfootwear.com](http://www.serviceglobalfootwear.com)



## Directors' Report to the Shareholders

The Directors are pleased to present their report, together with the condensed interim financial information of **Service Global Footwear Limited ("SGFL")** for the half year ended **30 June 2025**.

### Key performance indicators (KPIs)

Please find below key performance indicators of SGFL for the half year ended 30 June 2025.

| Particular                 | Half year ended            |              |                   |
|----------------------------|----------------------------|--------------|-------------------|
|                            | 30 June 2025               | 30 June 2024 | Percentage Change |
|                            | <b>Rupees in Thousands</b> |              |                   |
| Net Sales                  | <b>9,541,414</b>           | 8,286,759    | 15.14%            |
| Gross Profit               | <b>1,588,842</b>           | 1,364,872    | 16.41%            |
| Profit before levy and tax | <b>1,402,707</b>           | 782,593      | 79.24%            |
| Profit after levy and tax  | <b>1,115,458</b>           | 460,676      | 142.14%           |
| Earnings per share         | <b>5.41</b>                | 2.24         | 141.52%           |

During the period under review, SGFL has recorded a significantly higher growth in top line and bottom line. Net Sales have increased by 15.14% taking it to Rs.9.54 billion compared to Rs.8.29 billion last year same period. Gross Margins have also improved by 16.41% and Net Margins by 142.14% in comparison to last year same period.

Key factors impacting increased Gross profit Margin included:

- Increased capacity utilization and higher sales absorbed Fixed overhead cost more efficiently.
- Better product Mix resulted in higher per unit dollar price.
- Improved efficiency levels in operations by utilizing capacities over 90% throughout this period.

SGFL's strategic investment in Service Long March (SLM) yielded profits of Rs.1,165 million.

The earnings per share (EPS) for the period stood at Rs. 5.41, compared to Rs. 2.24 in the corresponding period last year.

### Future outlook

The recent US trade tariffs have reshaped global dynamics. For Pakistan's footwear industry, it has been a neutral call. Our competition to Vietnam, Bangladesh and China is at same level in comparison to Pakistan pre and post tariffs scenario. Hence, we don't see major shift in sourcing in near future if tariffs remain at current level.

Meanwhile, European buyers are finding greater space in China. With faster turnaround times and increasingly competitive pricing, Chinese factories are aggressively targeting the EU market, intensifying pressure on other footwear exporting countries, like Pakistan.

Against this backdrop, SGFL remains committed to grow and broaden its customer base. Our strategic response is built around three key pillars, continues to guide our forward direction:

**1. Market Expansion**

We have actively engaged with new potential US customers over recent months. While many remain cautious due to tariff uncertainty and speed-to-market concerns, the sales pipeline is robust, and we are on track to onboard several promising new accounts in the near future.

**2. Speed to Market**

Our China office and newly established mold workshop in Pakistan are already improving access to raw materials and reducing tooling lead times, with further initiatives in progress to strengthen responsiveness.

**3. Expansion in Capacity and Cost Leadership**

With pricing pressure intensifying, profitability depends on cost efficiency. SGFL has invested in a new production hall designed with Chinese production technology and line layouts, boosting efficiency and lowering overheads. Experienced Chinese staff are also supporting the adoption of advanced production techniques, ensuring sustainable competitiveness.

Looking ahead, SGFL will continue to focus on building resilience, strengthening customer relationships, and enhancing operational efficiency. We remain committed to maintaining our leadership position in Pakistan's footwear industry and taking meaningful steps toward realizing the country's full potential in the global footwear market.

**Acknowledgment**

The Directors would like to express our deep appreciation to our shareholders who have consistently demonstrated their trust in the Company.

We are also thankful to our customers, suppliers and bankers for their continuing commitment to the Company.

**For and on behalf of the Board**



Arif Saeed  
(Chairman)



Hassan Javed  
(Chief Executive)

26 August 2025

# Independent Auditor's Review Report

To the members of Service Global Footwear Limited

## Report on review of Unconsolidated Condensed Interim Financial Statements

### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of SERVICE GLOBAL FOOTWEAR LIMITED as at 30 June 2025 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months period ended 30 June 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Syed Mustafa Ali.



**RIAZ AHMAD & COMPANY**  
Chartered Accountants

Lahore

Date: 26 August 2025

UDIN: RR2025101683CzgkoJBZ





# Unconsolidated Condensed Interim Financial Statements




# Unconsolidated Condensed Interim Statement of Financial Position (Un-audited)

As at June 30, 2025

|   | (Un-audited)         | (Audited)  |
|---|----------------------|------------|
|   | June                 | December   |
|   | 30, 2025             | 31, 2024   |
| Note  | (Rupees in thousand) |            |
| <b>EQUITY AND LIABILITIES</b>   |                      |            |
| <b>SHARE CAPITAL AND RESERVES</b>   |                      |            |
| Authorized share capital  |                      |            |
| 250,000,000 (31 December 2024: 250,000,000) ordinary shares of Rupees 10 each | 2,500,000            | 2,500,000  |
| <b>Issued, subscribed and paid-up share capital</b>                           |                      |            |
| 206,056,400 (31 December 2024: 206,056,400) ordinary shares of Rupees 10 each | 2,060,564            | 2,060,564  |
| Share capital to be issued against employee's share option scheme             | 4,112                | -          |
| Reserves  | 5,495,784            | 5,150,351  |
| Total equity  | 7,560,460            | 7,210,915  |
| <b>LIABILITIES</b>  |                      |            |
| <b>Non-current liabilities</b>  |                      |            |
| Long term financing - secured   | 4 854,829            | 253,426    |
| Employees' retirement benefit   | 263,242              | 238,661    |
| Deferred income tax liability - net   | 439,768              | 278,796    |
|   | 1,557,839            | 770,883    |
| <b>CURRENT LIABILITIES</b>  |                      |            |
| Trade and other payables  | 2,804,614            | 2,078,710  |
| Accrued mark-up   | 66,155               | 46,928     |
| Short term borrowings   | 7,720,687            | 9,032,440  |
| Current portion of long term financing  | 92,764               | 59,543     |
| Unclaimed dividend  | 3,085                | 5,578      |
|   | 10,687,305           | 11,223,199 |
| Total liabilities   | 12,245,144           | 11,994,082 |
| Contingencies and commitments   | 5                    |            |
| TOTAL EQUITY AND LIABILITIES  | 19,805,604           | 19,204,997 |

The annexed notes form an integral part of these unconsolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)

|                              |      | (Un-audited)         | (Audited) |
|------------------------------|------|----------------------|-----------|
|                              |      | June                 | December  |
|                              |      | 30, 2025             | 31, 2024  |
|                              | Note | (Rupees in thousand) |           |
| <b>ASSETS</b>                |      |                      |           |
| <b>Non-current assets</b>    |      |                      |           |
| Fixed assets                 | 6    | <b>3,613,361</b>     | 2,948,805 |
| Long term security deposits  |      | <b>4,491</b>         | 4,354     |
| Long term loans to employees |      | <b>4,366</b>         | 2,845     |
| Long term investments        | 7    | <b>5,229,593</b>     | 4,035,432 |
|                              |      | <b>8,851,811</b>     | 6,991,436 |

**CURRENT ASSETS**

|   |                   |            |
|---|-------------------|------------|
| Stores, spares and loose tools            | <b>190,150</b>    | 166,034    |
| Stock in trade                            | <b>4,402,913</b>  | 4,151,812  |
| Trade debts                               | <b>3,627,679</b>  | 2,306,192  |
| Loans and advances                        | <b>413,630</b>    | 2,873,329  |
| Accrued mark-up                           | -                 | 9,599      |
| Short term deposits and prepayments       | <b>53,079</b>     | 24,703     |
| Other receivables                         | <b>1,877,681</b>  | 1,758,777  |
| Advance income tax and prepaid levy - net | <b>247,406</b>    | 178,145    |
| Cash and bank balances                    | <b>141,255</b>    | 744,970    |
|   | <b>10,953,793</b> | 12,213,561 |
| <b>TOTAL ASSETS</b>                       | <b>19,805,604</b> | 19,204,997 |



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)

# Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the half year ended June 30, 2025

|   |      | (Un-audited)    |             | (Un-audited)  |             |
|---|------|-----------------|-------------|---------------|-------------|
|   |      | HALF YEAR ENDED |             | QUARTER ENDED |             |
|   |      | June            | June        | June          | June        |
|   | Note | 30, 2025        | 30, 2024    | 30, 2025      | 30, 2024    |
| (Rupees in thousand)  |      |                 |             |               |             |
| Revenue   | 8    | 9,541,414       | 8,286,759   | 4,748,262     | 3,744,864   |
| Cost of sales   | 9    | (7,952,572)     | (6,921,887) | (3,884,327)   | (3,208,579) |
| Gross profit  |      | 1,588,842       | 1,364,872   | 863,935       | 536,285     |
| Distribution cost   |      | (764,062)       | (580,143)   | (387,262)     | (284,318)   |
| Administrative expenses   |      | (415,454)       | (351,138)   | (219,811)     | (178,440)   |
| Other expenses  |      | (45,909)        | (22,700)    | (41,148)      | (4,527)     |
|   |      | (1,225,425)     | (953,981)   | (648,221)     | (467,285)   |
|   |      | 363,417         | 410,891     | 215,714       | 69,000      |
| Other income  |      | 130,794         | 148,573     | 56,910        | 104,965     |
| Profit from operations  |      | 494,211         | 559,464     | 272,624       | 173,965     |
| Finance cost  |      | (256,468)       | (369,195)   | (106,409)     | (168,461)   |
|   |      | 237,743         | 190,269     | 166,215       | 5,504       |
| Share of net profit of associate<br>accounted for using the equity method |      | 1,164,964       | 592,324     | 1,010,561     | 230,159     |
| Profit before levy and taxation   |      | 1,402,707       | 782,593     | 1,176,776     | 235,663     |
| Levy  |      | (41,384)        | (48,656)    | 936           | 13,501      |
| Profit before taxation  |      | 1,361,323       | 733,937     | 1,177,712     | 249,164     |
| Taxation  |      | (245,865)       | (273,261)   | (159,174)     | (174,102)   |
| Profit after taxation   |      | 1,115,458       | 460,676     | 1,018,538     | 75,062      |
|   |      |                 |             |               |             |
| EARNINGS PER SHARE - BASIC (RUPEES)                                       |      | 5.41            | 2.24        | 4.94          | 0.37        |
| EARNINGS PER SHARE - DILUTED (RUPEES)                                     |      | 5.37            | 2.23        | 4.90          | 0.36        |

The annexed notes form an integral part of these unconsolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaquat  
(Chief Financial Officer)

# Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the half year ended June 30, 2025

|   | (Un-audited)<br>HALF YEAR ENDED |                  | (Un-audited)<br>QUARTER ENDED |                  |
|---|---------------------------------|------------------|-------------------------------|------------------|
|   | June<br>30, 2025                | June<br>30, 2024 | June<br>30, 2025              | June<br>30, 2024 |
|   | (Rupees in thousand)            |                  |                               |                  |
| <b>PROFIT AFTER TAXATION</b>                                  | <b>1,115,458</b>                | 460,676          | <b>1,018,538</b>              | 75,062           |
| <b>OTHER COMPREHENSIVE INCOME</b>                             |                                 |                  |                               |                  |
| Items that will not be reclassified to profit or loss         | -                               | -                | -                             | -                |
| Items that may be reclassified subsequently to profit or loss | -                               | -                | -                             | -                |
| Other comprehensive income for the period                     | -                               | -                | -                             | -                |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>              | <b>1,115,458</b>                | 460,676          | <b>1,018,538</b>              | 75,062           |

The annexed notes form an integral part of these unconsolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)

# Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the half year ended June 30, 2025

|   | Share Capital | Share Capital To Be Issued | Reserves                             |               |                       |  |           | Revenue Reserve | Total     | Total Equity |
|---|---------------|----------------------------|--------------------------------------|---------------|-----------------------|--|-----------|-----------------|-----------|--------------|
|   |               |                            | Capital Reserve                      |               |                       | Share of employees share options reserved by equity accounted investee |           |                 |           |              |
|   |               |                            | Reserve for issuance of bonus shares | Share premium | Share options reserve |  |           |                 |           |              |
|   |               |                            |                                      |               |                       |  |           |                 |           |              |
| Rupees in thousand  |               |                            |                                      |               |                       |  |           |                 |           |              |
| <b>Balance as at 31 December 2023 - audited</b>                           | 2,059,175     | -                          | 1,390,684                            | 1,713,028     | 895                   | -  | 1,337,061 | 4,441,668       | 6,500,843 |              |
| Transactions with owners:   |               |                            |                                      |               |                       |  |           |                 |           |              |
| Final dividend for the year ended 31 December 2023 @ Rupee 2 per share    | -             | -                          | -                                    | -             | -                     | -  | (411,835) | (411,835)       | (411,835) |              |
| Proceeds against shares to be issued under Employees Stock Option Scheme  | -             | 1,389                      | -                                    | 3,184         | (406)                 | -  | -         | 2,778           | 4,167     |              |
| Employee share options lapsed   | -             | -                          | -                                    | 109           | (109)                 | -  | -         | -               | -         |              |
| Recognition of share options reserve                                      | -             | -                          | -                                    | 3,293         | 3,984                 | -  | (411,835) | 3,984           | 3,984     |              |
|   | -             | 1,389                      | -                                    | -             | 3,469                 | -  | (405,073) | (403,684)       | -         |              |
| Profit for the period ended 30 June 2024                                  | -             | -                          | -                                    | -             | -                     | -  | 460,676   | 460,676         | 460,676   |              |
| Other comprehensive income for the period ended 30 June 2024              | -             | -                          | -                                    | -             | -                     | -  | -         | -               | -         |              |
| <b>Total comprehensive income for the period ended 30 June 2024</b>       | -             | -                          | -                                    | -             | -                     | -  | 460,676   | 460,676         | 460,676   |              |
| <b>Balance as at 30 June 2024 - un-audited</b>                            | 2,059,175     | 1,389                      | 1,390,684                            | 1,716,321     | 4,364                 | -  | 1,385,902 | 4,497,271       | 6,557,835 |              |
| Adjustment due to equity accounted investee company                       | -             | -                          | -                                    | -             | -                     | 24,389   | -         | 24,389          | 24,389    |              |
| Transactions with owners:   |               |                            |                                      |               |                       |  |           |                 |           |              |
| Ordinary shares issued under Employee's Stock Option Scheme               | 1,389         | (1,389)                    | -                                    | -             | -                     | -  | -         | -               | -         |              |
| Recognition of share options reserve                                      | -             | -                          | -                                    | -             | 2,819                 | -  | -         | 2,819           | 2,819     |              |
|   | 1,389         | (1,389)                    | -                                    | -             | 2,819                 | -  | -         | 2,819           | 2,819     |              |
| Profit for the period ended 31 December 2024                              | -             | -                          | -                                    | -             | -                     | -  | 644,561   | 644,561         | 644,561   |              |
| Other comprehensive loss for the period ended 31 December 2024            | -             | -                          | -                                    | -             | -                     | -  | (18,689)  | (18,689)        | (18,689)  |              |
| <b>Total comprehensive income for the period ended 31 December 2024</b>   | -             | -                          | -                                    | -             | -                     | -  | 625,872   | 625,872         | 625,872   |              |
| <b>Balance as at 31 December 2024 - audited</b>                           | 2,060,564     | -                          | 1,390,684                            | 1,716,321     | 7,183                 | -  | 2,011,774 | 5,150,351       | 7,210,915 |              |
| Adjustment due to equity accounted investee company                       | -             | -                          | -                                    | -             | -                     | 24,389   | 29,197    | 29,197          | 29,197    |              |
| Transactions with owners:   |               |                            |                                      |               |                       |  |           |                 |           |              |
| Final dividend for the year ended 31 December 2024 @ Rupees 4 per share   | -             | -                          | -                                    | -             | -                     | -  | (824,226) | (824,226)       | (824,226) |              |
| Proceeds against shares to be issued under Employee's Stock Option Scheme | -             | 4,112                      | -                                    | 13,727        | (3,879)               | -  | -         | 9,848           | 13,960    |              |
| Employee share options lapsed   | -             | -                          | -                                    | 559           | (559)                 | -  | -         | -               | -         |              |
| Recognition of share options reserve                                      | -             | -                          | -                                    | -             | 15,156                | -  | -         | 15,156          | 15,156    |              |
|   | -             | 4,112                      | -                                    | 14,286        | 10,718                | -  | (824,226) | (795,222)       | (795,110) |              |
| Profit for the period ended 30 June 2025                                  | -             | -                          | -                                    | -             | -                     | -  | 1,115,458 | 1,115,458       | 1,115,458 |              |
| Other comprehensive income for the period ended 30 June 2025              | -             | -                          | -                                    | -             | -                     | -  | 1,115,458 | 1,115,458       | 1,115,458 |              |
| <b>Total comprehensive income for the period ended 30 June 2025</b>       | -             | -                          | -                                    | -             | -                     | -  | 1,115,458 | 1,115,458       | 1,115,458 |              |
| <b>Balance as at 30 June 2025 - un-audited</b>                            | 2,060,564     | 4,112                      | 1,390,684                            | 1,730,607     | 17,901                | 53,586   | 2,303,006 | 5,495,764       | 7,560,460 |              |

The annexed notes form an integral part of these unconsolidated condensed interim financial statements.

*Hassan Javed*

Hassan Javed  
(Chief Executive)

*Arif Saeed*

Arif Saeed  
(Director)

*Usman Liaquat*

Usman Liaquat  
(Chief Financial Officer)

# Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)

For the half year ended June 30, 2025

|  |      | (Un-audited)<br>June<br>30, 2025 | (Un-audited)<br>June<br>30, 2024 |
|--|------|----------------------------------|----------------------------------|
|  | Note | (Rupees in thousand)             |                                  |
| <b>Cash flows from operating activities</b>                                      |      |                                  |                                  |
| <b>Cash (used in) / generated from operations</b>                                | 10   | <b>(454,231)</b>                 | 200,421                          |
| Finance cost paid  |      | <b>(237,241)</b>                 | (398,706)                        |
| Income tax and levy paid   |      | <b>(195,538)</b>                 | (98,017)                         |
| Workers' profit participation fund paid  |      | -                                | (35,276)                         |
| Staff retirement benefit paid  |      | <b>(874)</b>                     | (38,997)                         |
| Long term loans to employees - net   |      | <b>(1,038)</b>                   | 4,945                            |
| Long term security deposits - net  |      | <b>(760)</b>                     | 3,246                            |
| <b>Net cash used in operating activities</b>                                     |      | <b>(889,682)</b>                 | (362,384)                        |
| <b>Cash flows from investing activities</b>                                      |      |                                  |                                  |
| Capital expenditure on fixed assets  |      | <b>(806,484)</b>                 | (115,534)                        |
| Proceeds from disposal of fixed assets   |      | <b>4,137</b>                     | 8,880                            |
| Loan given to service industries limited - holding company                       |      | <b>(74,000)</b>                  | (130,000)                        |
| Loan repayment from service industries limited - holding company                 |      | <b>2,574,000</b>                 | 1,030,000                        |
| Interest on saving accounts received   |      | <b>44,848</b>                    | 20,125                           |
| Mark-up received on loan to service industries limited - holding company         |      | <b>33,354</b>                    | 42,727                           |
| Long term investments made   |      | -                                | (286,400)                        |
| <b>Net cash from investing activities</b>  |      | <b>1,775,855</b>                 | 569,798                          |
| <b>Cash flows from financing activities</b>                                      |      |                                  |                                  |
| Long term financing obtained   |      | <b>664,410</b>                   | -                                |
| Repayment of long term financing   |      | <b>(29,786)</b>                  | (19,710)                         |
| Short term borrowings - net  |      | <b>(1,311,753)</b>               | (586,030)                        |
| Proceeds against share capital to be issued under employee's stock option scheme |      | <b>13,960</b>                    | 4,167                            |
| Dividend paid  |      | <b>(826,719)</b>                 | (1,028,954)                      |
| <b>Net cash used in financing activities</b>                                     |      | <b>(1,489,888)</b>               | (1,630,527)                      |
| <b>Net decrease in cash and cash equivalents</b>                                 |      | <b>(603,715)</b>                 | (1,423,113)                      |
| <b>Cash and cash equivalents at the beginning of the period</b>                  |      | <b>744,970</b>                   | 2,903,050                        |
| <b>Cash and cash equivalents at the end of the period</b>                        |      | <b>141,255</b>                   | 1,479,937                        |

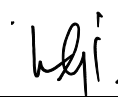
The annexed notes form an integral part of these unconsolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)



## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### 1. THE COMPANY AND ITS OPERATIONS

- 1.1** Service Global Footwear Limited (the Company) was incorporated as a public limited Company on 19 July 2019 in Pakistan under the Companies Act, 2017 and got listed on 28 April 2021. The shares of the company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is located at 2 - Main Gulberg, Lahore. The principal activities of the Company are manufacturing, sale, marketing, import and export of footwear, leather and allied products. The Company is the subsidiary of Service Industries Limited.

### 2. BASIS OF PREPARATION

- 2.1** These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2024. These unconsolidated condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 31 December 2024.

### 3.1 Critical accounting estimates and judgments

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended 31 December 2024.

|   | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|---|----------------------------------|-----------------------------------|
|   | (Rupees in thousand)             |                                   |
| <b>4 LONG TERM FINANCING - SECURED</b>                |                                  |                                   |
| Opening balance                                       | 312,969                          | 362,364                           |
| Add: Obtained during the period / year                | 664,410                          | -                                 |
| Less: Repaid during the period / year                 | (29,786)                         | (49,395)                          |
|   | 947,593                          | 312,969                           |
| Less: Current portion shown under current liabilities | (92,764)                         | (59,543)                          |
|   | 854,829                          | 253,426                           |

## 5 CONTINGENCIES AND COMMITMENTS

### 5.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Company for the year ended 31 December 2024 except for the following:

- 5.1.1** The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 30 August 2024, under section 161 of the Income Tax Ordinance, 2001 for tax year 2021, whereby a demand of Rupees 168.699 million (31 December 2024: Rupees 168.699 million) was raised, against which the Company filed a rectification application to the tax department under section 221 of the Income Tax Ordinance, 2001. The Commissioner Inland Revenue (CIR) passed an order dated 22 March 2025 under which demand has been annulled and the matter has been remanded back to DCIR.

## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

**5.1.2** The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 24 July 2024 under section 11 of the Sales Tax Act, 1990 whereby a demand of Rupees 7.766 million (31 December 2024: Rupees 7.766 million) was raised. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (CIR). The Commissioner Inland Revenue (CIR) passed an order dated 09 May 2025 under which demand has been annulled and the matter has been remanded back to DCIR.

**5.1.3** Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 159.992 million (31 December 2024: Rupees 546.689 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheques issued as security shall be encashable. The Company is availing Export Facilitation Scheme (EFS) License issued by Collector of Custom, Lahore with a face value of Rupees 2,750 million (31 December 2024: Rupees 2,750 million) for the duty and tax free imports of plant, machinery, equipment, component parts, raw material, packing material and accessories. The said limit was allowed by Collector of Customs, Lahore after securing a post dated cheque of Rupees 2,750 million (31 December 2024: Rupees 2,750 million) from the Company.

**5.1.4** Guarantees of Rupees 82 million (31 December 2024: Rupees 34 million) are given by the banks of the Company to Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess.

### 5.2 Commitments

**5.2.1** Letters of credit other than capital expenditure are of Rupees 115.848 million (31 December 2024: Rupees 159.510 million).

**5.2.2** Contracts for capital expenditure are approximately of Rupees 1.190 (31 December 2024: Rupees Nil).

**5.2.3** Outstanding foreign currency forward contracts are of Rupees 3,043.812 million (31 December 2024: Rupees 2,422.185 million).

**5.2.4** The Company has obtained vehicles under ijarah arrangements from Bank Al Habib Limited for a period of four years, ijarah rentals are payable on monthly basis respectively. Future monthly Ujarah payments under Ijarah are as follows:

|                         | (Un-audited)         | (Audited) |
|-------------------------|----------------------|-----------|
|                         | June                 | December  |
|                         | 30, 2025             | 31, 2024  |
|                         | (Rupees in thousand) |           |
| Not later than one year | 837                  | 5,828     |

|  |   | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|--|---|----------------------------------|-----------------------------------|
|  | Note  | (Rupees in thousand)             |                                   |
| <b>6</b>   | <b>FIXED ASSETS</b>                                     |                                  |                                   |
| Operating fixed assets                                 | 6.1   | <b>2,975,178</b>                 | 2,868,638                         |
| Capital work-in-progress                               | 6.2   | <b>638,183</b>                   | 80,167                            |
|  |   | <b>3,613,361</b>                 | 2,948,805                         |
| <b>6.1</b>   | <b>Operating fixed assets</b>                           |                                  |                                   |
| Opening net book value                                 |   | <b>2,868,638</b>                 | 2,967,697                         |
| Add: Cost of additions during the period / year        | 6.1.1   | <b>248,468</b>                   | 198,135                           |
| Less: Book value of deletions during the period / year | 6.1.2   | <b>(4,219)</b>                   | (14,526)                          |
| Less: Depreciation charged during the period / year    |   | <b>(137,709)</b>                 | (282,668)                         |
| Closing net book value                                 |   | <b>2,975,178</b>                 | 2,868,638                         |
| <b>6.1.1</b>   | <b>Cost of additions during the period / year</b>       |                                  |                                   |
| Buildings on freehold land                             |   | <b>40,749</b>                    | 45,246                            |
| Plant and machinery                                    |   | <b>81,145</b>                    | 83,377                            |
| Furniture, fixture and fittings                        |   | <b>3,837</b>                     | 10,040                            |
| Vehicles   |   | <b>61,931</b>                    | 24,107                            |
| Service equipment                                      |   | <b>60,806</b>                    | 35,365                            |
|  |   | <b>248,468</b>                   | 198,135                           |
| <b>6.1.2</b>   | <b>Book value of deletions during the period / year</b> |                                  |                                   |
| <b>Cost of deletions:</b>                              |   |                                  |                                   |
| Buildings on freehold land                             |   | <b>2,203</b>                     | -                                 |
| Plant and machinery                                    |   | <b>1,765</b>                     | 685                               |
| Furniture, fixture and fittings                        |   | -                                | 20                                |
| Vehicles   |   | <b>6,291</b>                     | 22,385                            |
| Service equipment                                      |   | <b>840</b>                       | 4,414                             |
|  |   | <b>11,099</b>                    | 27,504                            |
| Less: Accumulated depreciation                         |   | <b>(6,880)</b>                   | (12,978)                          |
| Book value of deletions during the period / year       |   | <b>4,219</b>                     | 14,526                            |

## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

|  |       | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|--|-------|----------------------------------|-----------------------------------|
|  | Note  | (Rupees in thousand)             |                                   |
| <b>6.2 Capital work-in-progress</b>  |       |                                  |                                   |
| Buildings on freehold land   |       | 337,987                          | 30,297                            |
| Plant and machinery  |       | 209,856                          | 5,029                             |
| Service equipment  |       | 89,734                           | 41,841                            |
| Furniture, fixture and fittings  |       | 606                              | -                                 |
| Vehicles   |       | -                                | 3,000                             |
|  |       | <b>638,183</b>                   | <b>80,167</b>                     |
| <b>7 LONG TERM INVESTMENTS</b>   |       |                                  |                                   |
| Investment in subsidiary company - at cost   | 7.1   | 89,167                           | 89,167                            |
| Investment in associate (with significant influence) - under equity method               | 7.2   | 5,140,426                        | 3,946,265                         |
|  |       | <b>5,229,593</b>                 | <b>4,035,432</b>                  |
| <b>7.1 Investment in subsidiary company - at cost</b>                                    |       |                                  |                                   |
| <b>Dongguan Service Global Limited</b>   |       |                                  |                                   |
| Equity held 100% (31 December 2024: 100%)  |       | 89,167                           | 89,167                            |
| <b>7.2 Investment in associate (with significant influence) - under equity method</b>    |       |                                  |                                   |
| <b>Service Long March Tyres (Private) Limited - un-quoted</b>                            |       |                                  |                                   |
| 270,971,704 (31 December 2024: 270,971,704) fully paid ordinary shares of Rupees 10 each | 7.2.1 | 5,140,426                        | 3,946,265                         |
| <b>7.2.1 Investment in associate (with significant influence) - under equity method</b>  |       |                                  |                                   |
| Equity held: 18.91% (31 December 2024: 18.91%)   |       | 2,720,975                        | 2,720,975                         |
| <b>Share of post acquisition changes in investee's net assets:</b>                       |       |                                  |                                   |
| As at the beginning of the period / year   |       | 1,225,290                        | 257,114                           |
| Add: Share of post acquisition profit for the period / year                              |       | 1,164,964                        | 1,323,147                         |
| Less: Dividend received during the period / year   |       | -                                | (379,360)                         |
| Add: Share of employee share options reserve   |       | 29,197                           | 24,389                            |
|  |       | <b>2,419,451</b>                 | <b>1,225,290</b>                  |
|  |       | <b>5,140,426</b>                 | <b>3,946,265</b>                  |

|  | (Un-audited)         |                  | (Un-audited)     |                  |
|--|----------------------|------------------|------------------|------------------|
|  | HALF YEAR ENDED      |                  | QUARTER ENDED    |                  |
|  | June<br>30, 2025     | June<br>30, 2024 | June<br>30, 2025 | June<br>30, 2024 |
|  | (Rupees in thousand) |                  |                  |                  |
| <b>8 REVENUE</b>                       |                      |                  |                  |                  |
| Revenue from contracts with customers: |                      |                  |                  |                  |
| Export sales                           | <b>9,457,511</b>     | 7,976,273        | <b>4,702,936</b> | 3,683,948        |
| Local sales                            | <b>83,903</b>        | 310,486          | <b>45,326</b>    | 60,916           |
|  | <b>9,541,414</b>     | 8,286,759        | <b>4,748,262</b> | 3,744,864        |

### 8.1 Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition:

|                                 | (Un-audited)         |                  | (Un-audited)     |                  |
|---------------------------------|----------------------|------------------|------------------|------------------|
|                                 | HALF YEAR ENDED      |                  | QUARTER ENDED    |                  |
|                                 | June<br>30, 2025     | June<br>30, 2024 | June<br>30, 2025 | June<br>30, 2024 |
|                                 | (Rupees in thousand) |                  |                  |                  |
| <b>Region</b>                   |                      |                  |                  |                  |
| Europe                          | <b>7,240,430</b>     | 5,363,270        | <b>3,759,614</b> | 2,802,821        |
| North America and South America | <b>1,640,659</b>     | 1,934,426        | <b>809,273</b>   | 615,632          |
| Asia, Africa, Australia         | <b>576,422</b>       | 678,577          | <b>134,049</b>   | 265,495          |
| Pakistan                        | <b>83,903</b>        | 310,486          | <b>45,326</b>    | 60,916           |
|                                 | <b>9,541,414</b>     | 8,286,759        | <b>4,748,262</b> | 3,744,864        |

### Timing of revenue recognition

|  |                  |           |                  |           |
|--|------------------|-----------|------------------|-----------|
| Products and services transferred at a point in time | <b>9,541,414</b> | 8,286,759 | <b>4,748,262</b> | 3,744,864 |
| Products and services transferred over time          | -                | -         | -                | -         |
|  | <b>9,541,414</b> | 8,286,759 | <b>4,748,262</b> | 3,744,864 |

### Major products / service lines

|          |                  |           |                  |           |
|----------|------------------|-----------|------------------|-----------|
| Footwear | <b>9,541,414</b> | 8,286,759 | <b>4,748,262</b> | 3,744,864 |
|----------|------------------|-----------|------------------|-----------|



## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

|  | Un-audited<br>HALF YEAR ENDED |                  | Un-audited<br>QUARTER ENDED |                  |
|--|-------------------------------|------------------|-----------------------------|------------------|
|  | June<br>30, 2025              | June<br>30, 2024 | June<br>30, 2025            | June<br>30, 2024 |
| (Rupees in thousand)   |                               |                  |                             |                  |
| <b>9 COST OF SALES</b>   |                               |                  |                             |                  |
| Raw materials consumed   | <b>4,378,181</b>              | 3,977,950        | <b>2,157,595</b>            | 1,807,331        |
| Salaries, wages and other benefits   | <b>2,040,398</b>              | 1,669,329        | <b>1,036,344</b>            | 837,734          |
| Stores and spares consumed   | <b>315,661</b>                | 139,014          | <b>158,336</b>              | 56,765           |
| Packing materials consumed   | <b>539,747</b>                | 425,152          | <b>262,915</b>              | 224,408          |
| Fuel and power   | <b>156,374</b>                | 194,629          | <b>80,888</b>               | 87,864           |
| Insurance  | <b>13,199</b>                 | 12,073           | <b>6,597</b>                | 6,139            |
| Travelling and conveyance  | <b>44,835</b>                 | 32,786           | <b>25,339</b>               | 19,693           |
| Repair and maintenance   | <b>28,082</b>                 | 27,864           | <b>14,145</b>               | 11,578           |
| Entertainment  | <b>617</b>                    | 525              | <b>56</b>                   | 463              |
| Depreciation   | <b>120,178</b>                | 122,907          | <b>61,659</b>               | 61,421           |
| Rent, rates and taxes  | <b>1,464</b>                  | -                | <b>850</b>                  | -                |
| Provision / (reversal of provision) for slow moving and obsolete inventory | <b>4,190</b>                  | (10,866)         | <b>2,017</b>                | 715              |
| Other manufacturing charges  | <b>42,090</b>                 | 60,702           | <b>17,180</b>               | 23,036           |
|  | <b>7,685,016</b>              | 6,652,065        | <b>3,823,921</b>            | 3,137,147        |
| Movement in work in process  | <b>53,823</b>                 | (45,292)         | <b>34,944</b>               | 15,123           |
| <b>Cost of goods manufactured</b>  | <b>7,738,839</b>              | 6,606,773        | <b>3,858,865</b>            | 3,152,270        |
| Movement in finished goods   | <b>213,733</b>                | 315,114          | <b>25,462</b>               | 56,309           |
|  | <b>7,952,572</b>              | 6,921,887        | <b>3,884,327</b>            | 3,208,579        |

|             |  | <b>Un-audited</b>           |                  |
|-------------|--|-----------------------------|------------------|
|             |  | <b>HALF YEAR ENDED</b>      |                  |
|             |  | <b>June</b>                 | <b>June</b>      |
|             |  | <b>30, 2025</b>             | <b>30, 2024</b>  |
|             |  | <b>(Rupees in thousand)</b> |                  |
|             |  | <b>Note</b>                 |                  |
| <b>10</b>   | <b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>                          |                             |                  |
|             | <b>Profit before taxation and levy</b>                                     | <b>1,402,707</b>            | <b>782,593</b>   |
|             | <b>Adjustments for non-cash charges and other items:</b>                   |                             |                  |
|             | Depreciation   | <b>137,709</b>              | 139,421          |
|             | Provision for gratuity   | <b>25,455</b>               | 26,517           |
|             | Finance cost   | <b>256,468</b>              | 369,195          |
|             | Loss / (gain) on disposal of operating fixed assets                        | <b>82</b>                   | (1,652)          |
|             | Provision for workers' profit participation fund                           | -                           | 1,266            |
|             | Unrealised exchange loss / (gain) on forward contracts                     | <b>70,367</b>               | (85,017)         |
|             | Exchange (gain) / loss - net   | <b>(29,904)</b>             | 22,277           |
|             | Interest on workers' profit participation fund                             | <b>97</b>                   | 1,245            |
|             | Provision for workers' welfare fund  | <b>28,627</b>               | 15,972           |
|             | Provision / (reversal of provision) for slow moving and obsolete inventory | <b>4,190</b>                | (10,866)         |
|             | Reversal of allowance for expected credit losses - trade debt              | <b>(18)</b>                 | (4,565)          |
|             | Allowance for expected credit losses - lab testing charges                 | -                           | 2,570            |
|             | Allowance for expected credit losses - miscellaneous other receivables     | -                           | 241              |
|             | Provision against doubtful advances to suppliers                           | -                           | 2,650            |
|             | Debit balance written off  | <b>17,201</b>               | -                |
|             | Interest on term deposit receipts and bank deposits                        | <b>(35,249)</b>             | (14,768)         |
|             | Employee's share option expense  | <b>15,156</b>               | 3,984            |
|             | Share of profit of equity accounted investee - net of taxation             | <b>(1,164,964)</b>          | (592,324)        |
|             | Interest on loan to Holding Company  | <b>(33,354)</b>             | (42,727)         |
|             | Working capital changes  | 10.1 <b>(1,148,801)</b>     | (415,591)        |
|             |  | <b>(454,231)</b>            | <b>200,421</b>   |
| <b>10.1</b> | <b>Working capital changes</b>   |                             |                  |
|             | <b>(Increase) / decrease in current assets:</b>                            |                             |                  |
|             | Stores, spares and loose tools   | <b>(28,968)</b>             | (23,682)         |
|             | Stock in trade   | <b>(250,439)</b>            | 475,924          |
|             | Trade debts  | <b>(1,291,565)</b>          | (821,960)        |
|             | Loans and advances   | <b>(40,784)</b>             | 438,933          |
|             | Short term deposits and prepayments  | <b>(27,753)</b>             | (20,391)         |
|             | Other receivables  | <b>(136,105)</b>            | (97,787)         |
|             |  | <b>(1,775,614)</b>          | (48,963)         |
|             | Increase / (decrease) in trade and other payables                          | <b>626,813</b>              | (366,628)        |
|             |  | <b>(1,148,801)</b>          | <b>(415,591)</b> |

## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### 11 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

#### (i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these unconsolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

| Recurring fair value measurements<br>At 30 June 2025 (Un-audited) | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|---------|-------|
|---|---------|---------|---------|-------|

(Rupees in thousand)

#### Financial liabilities

|                                  |   |        |   |        |
|----------------------------------|---|--------|---|--------|
| Derivative financial liabilities | - | 70,367 | - | 70,367 |
|----------------------------------|---|--------|---|--------|

| Recurring fair value measurements<br>At 31 December 2024 - Audited | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|-------|
|--|---------|---------|---------|-------|

(Rupees in thousand)

#### Financial assets

|                             |   |         |   |         |
|-----------------------------|---|---------|---|---------|
| Derivative financial assets | - | 167,213 | - | 167,213 |
|-----------------------------|---|---------|---|---------|

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**(ii) Valuation techniques used to determine fair values**

Specific value techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

**12 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of the Holding Company, subsidiary company, subsidiaries of the Holding Company, associated companies, employees' gratuity fund trust, employees' provident fund trust and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

**(i) Transactions:**

|                            |                          | Un-audited<br>HALF YEAR ENDED |                  | Un-audited<br>QUARTER ENDED |                  |
|----------------------------|--------------------------|-------------------------------|------------------|-----------------------------|------------------|
|                            |                          | June<br>30, 2025              | June<br>30, 2024 | June<br>30, 2025            | June<br>30, 2024 |
|                            |                          | (Rupees in thousand)          |                  |                             |                  |
| Nature of relationship     | Nature of transactions   |                               |                  |                             |                  |
| <b>Holding company</b>     |                          |                               |                  |                             |                  |
| Service Industries Limited | Sale of goods            | 28,417                        | 205,859          | 13,574                      | 33,617           |
|                            | Purchase of goods        | 225,642                       | 185,831          | 52,110                      | 105,109          |
|                            | Purchase of fixed assets | 115                           | 6,275            | 115                         | 6,275            |
|                            | Loan given               | 74,000                        | 130,000          | -                           | 130,000          |
|                            | Loan repaid              | 2,574,000                     | 1,030,000        | -                           | 130,000          |
|                            | Expenses charged         | 127,614                       | 117,595          | 65,542                      | 58,649           |
|                            | Interest income          | 33,354                        | 42,727           | -                           | 18,996           |
|                            | Processing charges       | -                             | 17,290           | -                           | -                |
|                            | Dividend paid            | 654,200                       | 817,750          | 654,200                     | 327,100          |

## Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### (i) Transactions:

|   |   | Un-audited      |          | Un-audited    |          |
|---|---|-----------------|----------|---------------|----------|
|   |   | HALF YEAR ENDED |          | QUARTER ENDED |          |
|   |   | June            | June     | June          | June     |
|   |   | 30, 2025        | 30, 2024 | 30, 2025      | 30, 2024 |
| (Rupees in thousand)                      |   |                 |          |               |          |
| Subsidiary company of the Holding company |   |                 |          |               |          |
| Service Tyres (Private) Limited           | Purchase of goods   | 163             | -        | 163           | -        |
|   | Purchase of fixed assets  | 263             | -        | 263           | -        |
|   | Sale of goods   | -               | 6,189    | -             | -        |
| Subsidiary company of the Holding company |   |                 |          |               |          |
| Service Retail (Private) Limited          | Sale of goods   | 12,800          | 67,875   | -             | 29,331   |
| Subsidiary company                        |   |                 |          |               |          |
| Dongguan Service Global Limited           | Purchase of goods   | 1,256,460       | 442,100  | 676,196       | 285,767  |
| Key management personnel and directors    |   |                 |          |               |          |
|   | Remuneration  | 124,378         | 91,738   | 62,189        | 49,019   |
|   | Meeting fee to directors - non executive  | 880             | 718      | 400           | 239      |
|   | Cash dividend paid  | 7,614           | 16,876   | 7,614         | 6,751    |
|   | Proceeds against shares to be issued under Employee's Stock Option Scheme   | 5,716           | 1,350    | 5,716         | 1,350    |
|   | 338,828 options granted under Employee's Stock Option Scheme as on 01 January 2025 (As on 01 January 2024: 424,150 options) | -               | -        | -             | -        |
| Other related parties                     |   |                 |          |               |          |
|   | Post employment benefit plans   | 107,778         | 93,070   | 54,022        | 46,362   |

### (ii) Period end balances

| As at June, 30 2025 (Un-audited)       |                    |                       |         |
|--|--------------------|-----------------------|---------|
| Holding company                        | Subsidiary company | Other related parties | Total   |
| (Rupees in thousand)                   |                    |                       |         |
| Employees' retirement benefits payable | -                  | -                     | 305,082 |
| Trade and other payables               | -                  | 236,123               | 438     |
|  |                    |                       | 236,561 |

| As at December 31, 2024 (Audited)      |                 |                    |                       |           |
|--|-----------------|--------------------|-----------------------|-----------|
|  | Holding company | Subsidiary company | Other related parties | Total     |
| (Rupees in thousand)                   |                 |                    |                       |           |
| Employees' retirement benefits payable | -               | -                  | 275,041               | 275,041   |
| Trade and other payables               | -               | 92,482             | 438                   | 92,920    |
| Other receivable                       | 8,363           | -                  | -                     | 8,363     |
| Loans and advances receivable          | 2,500,000       | -                  | -                     | 2,500,000 |

### 13 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended 31 December 2024.

### 14 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 26 August 2025.

### 15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim statement of financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements / reclassification have been made.

### 16 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)





# Consolidated Condensed Interim Financial Statements

## Group Directors' Report to the Shareholders

The Directors take pleasure in presenting their Report along with the Consolidated Condensed Interim Financial Statements of the Service Global Footwear Limited ("the Holding Company") and its subsidiary for the period ended 30 June 2025.

The Group comprises of Service Global Footwear Limited and Dongguan Service Global Limited, wholly owned subsidiary company of Service Global Footwear Limited.

### Service Global Footwear Limited

Service Global Footwear Limited was incorporated as a public limited company on 19 July 2019 in Pakistan under the Companies Act, 2017. The principal activities of the Company are manufacturing, sale, marketing, import and export of footwear, leather and allied products. The Director Report providing a commentary on the performance of Service Global Footwear Limited for the period ended 30 June 2025 has been presented in its separate report.

### Dongguan Service Global Limited

Dongguan Service Global Limited is a limited liability company (wholly owned by foreign legal person) registered with Dongguan Administration of Market Regulations, China. Date of incorporation of Dongguan Service Global Limited is 18 December 2022. Business scope of Dongguan Service Global Limited is wholesale of shoes and hats, sales of leather products, sales of needle textiles and raw materials, wholesale of hardware products, sales of bags, sales of daily necessities, inspection of clothing and apparel, finishing services, technical services, technology development, technical consultation, technology exchange, technology transfer, technology promotion, import and export of goods, technology import and export (except for projects subject to approval according to law, independently carry out business activities according to law with a business license). Commercial address of Dongguan Service Global Limited is Room 302, No. 18, Houjie Town, Dongguan City, Guangdong Province, China. The registered capital of Dongguan Service Global Limited is USD 1,250,000 which is being subscribed by the Holding Company. The Holding Company wholly owns Dongguan Service Global Limited

**For and on behalf of the Board.**



Arif Saeed  
(Chairman)



Hassan Javed  
(Chief Executive)

26 August 2025

## Consolidated Condensed Interim Statement of Financial Position (Un-audited)

As at June 30, 2025

|   | (Un-audited)         | (Audited)  |
|---|----------------------|------------|
|   | June                 | December   |
|   | 30, 2025             | 31, 2024   |
| Note  | (Rupees in thousand) |            |
| EQUITY AND LIABILITIES  |                      |            |
| SHARE CAPITAL AND RESERVES  |                      |            |
| Authorized share capital  |                      |            |
| 250,000,000 (31 December 2024: 250,000,000) ordinary shares Rupees 10 each    | 2,500,000            | 2,500,000  |
| Issued, subscribed and paid-up share capital                                  |                      |            |
| 206,056,400 (31 December 2024: 206,056,400) ordinary shares of Rupees 10 each | 2,060,564            | 2,060,564  |
| Share capital to be issued against employee's share option scheme             | 4,112                | -          |
| Reserves  | 5,515,128            | 5,140,491  |
| Total equity  | 7,579,804            | 7,201,055  |
| LIABILITIES   |                      |            |
| NON-CURRENT LIABILITIES   |                      |            |
| Long term financing - secured   | 4 854,829            | 253,426    |
| Employees' retirement benefit   | 263,242              | 238,661    |
| Deferred income tax liability - net   | 439,768              | 278,796    |
|   | 1,557,839            | 770,883    |
| CURRENT LIABILITIES   |                      |            |
| Trade and other payables  | 3,142,907            | 2,326,991  |
| Accrued mark-up   | 66,155               | 46,928     |
| Short term borrowings   | 7,720,687            | 9,032,440  |
| Current portion of non-current liabilities                                    | 92,764               | 59,543     |
| Unclaimed dividend  | 3,085                | 5,578      |
|   | 11,025,598           | 11,471,480 |
| Total liabilities   | 12,583,437           | 12,242,363 |
| CONTINGENCIES AND COMMITMENTS   |                      |            |
|   | 5                    |            |
| TOTAL EQUITY AND LIABILITIES  | 20,163,241           | 19,443,418 |

The annexed notes form an integral part of these consolidated condensed interim financial statements.




Hassan Javed  
(Chief Executive)

|   |      | (Un-audited)         | (Audited)         |
|---|------|----------------------|-------------------|
|   |      | June                 | December          |
|   |      | 30, 2025             | 31, 2024          |
|   | Note | (Rupees in thousand) |                   |
| <b>ASSETS</b>                             |      |                      |                   |
| <b>NON-CURRENT ASSETS</b>                 |      |                      |                   |
| Fixed assets                              | 6    | 3,628,276            | 2,960,941         |
| Long term security deposits               |      | 4,491                | 4,354             |
| Long term loans to employees              |      | 4,366                | 2,845             |
| Long term investments                     | 7    | 5,140,426            | 3,946,265         |
|   |      | 8,777,559            | 6,914,405         |
| <b>CURRENT ASSETS</b>                     |      |                      |                   |
| Stores, spares and loose tools            |      | 190,150              | 166,034           |
| Stock in trade                            |      | 4,402,913            | 4,151,812         |
| Trade debts                               |      | 3,646,834            | 2,338,417         |
| Loans and advances                        |      | 452,445              | 2,917,537         |
| Accrued mark-up                           |      | -                    | 9,599             |
| Short term deposits and prepayments       |      | 57,258               | 26,043            |
| Other receivables                         |      | 2,121,793            | 1,944,955         |
| Advance income tax and prepaid levy - net |      | 247,406              | 178,145           |
| Cash and bank balances                    |      | 266,883              | 796,471           |
|   |      | 11,385,682           | 12,529,013        |
| <b>TOTAL ASSETS</b>                       |      | <b>20,163,241</b>    | <b>19,443,418</b> |



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)

## Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the half year ended June 30, 2025

|  |      | (Un-audited)    |             | (Un-audited)  |             |
|--|------|-----------------|-------------|---------------|-------------|
|  |      | HALF YEAR ENDED |             | QUARTER ENDED |             |
|  |      | June            | June        | June          | June        |
|  | Note | 30, 2025        | 30, 2024    | 30, 2025      | 30, 2024    |
| (Rupees in thousand)   |      |                 |             |               |             |
| Revenue  | 8    | 9,569,456       | 8,311,856   | 4,758,514     | 3,767,488   |
| Cost of sales  | 9    | (7,731,770)     | (6,858,208) | (3,761,160)   | (3,165,084) |
| Gross profit   |      | 1,837,686       | 1,453,648   | 997,354       | 602,404     |
| Distribution cost  |      | (954,520)       | (705,490)   | (499,226)     | (354,145)   |
| Administrative expenses  |      | (429,523)       | (358,044)   | (228,512)     | (181,816)   |
| Other expenses   |      | (49,148)        | (22,700)    | (42,262)      | (4,527)     |
|  |      | (1,433,191)     | (1,086,234) | (770,000)     | (540,488)   |
|  |      | 404,495         | 367,414     | 227,354       | 61,916      |
| Other income   |      | 130,794         | 158,762     | 56,910        | 108,078     |
| Profit from operations   |      | 535,289         | 526,176     | 284,264       | 169,994     |
| Finance cost   |      | (265,832)       | (379,538)   | (111,904)     | (174,424)   |
|  |      | 269,457         | 146,638     | 172,360       | (4,430)     |
| Share of profit of equity accounted investee - net of taxation |      | 1,164,964       | 592,324     | 1,010,561     | 230,159     |
| Profit before taxation and levy                                |      | 1,434,421       | 738,962     | 1,182,921     | 225,729     |
| Levy   |      | (41,384)        | (48,656)    | 936           | 13,501      |
| Profit before taxation   |      | 1,393,037       | 690,306     | 1,183,857     | 239,230     |
| Taxation   |      | (251,996)       | (273,261)   | (164,826)     | (174,102)   |
| Profit after taxation  |      | 1,141,041       | 417,045     | 1,019,031     | 65,128      |
|  |      |                 |             |               |             |
| EARNINGS PER SHARE - BASIC (RUPEES)                            |      | 5.54            | 2.03        | 4.95          | 0.32        |
| EARNINGS PER SHARE - DILUTED (RUPEES)                          |      | 5.50            | 2.02        | 4.91          | 0.31        |

The annexed notes form an integral part of these Consolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaquat  
(Chief Financial Officer)

## Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the half year ended June 30, 2025

|  | (Un-audited)<br>HALF YEAR ENDED |                  | (Un-audited)<br>QUARTER ENDED |                  |
|--|---------------------------------|------------------|-------------------------------|------------------|
|  | June<br>30, 2025                | June<br>30, 2024 | June<br>30, 2025              | June<br>30, 2024 |
|  | (Rupees in thousand)            |                  |                               |                  |
| <b>PROFIT AFTER TAXATION</b>   | <b>1,141,041</b>                | 417,045          | <b>1,019,031</b>              | 65,128           |
| <b>OTHER COMPREHENSIVE INCOME</b>                                      |                                 |                  |                               |                  |
| Items that will not be reclassified to profit or loss                  | -                               | -                | -                             | -                |
| Items that may be reclassified subsequently to profit or loss          |                                 |                  |                               |                  |
| Exchange difference on translation of net assets of foreign subsidiary | 3,621                           | (2,216)          | 2,683                         | (137)            |
| <b>Other comprehensive income for the period</b>                       | <b>3,621</b>                    | (2,216)          | <b>2,683</b>                  | (137)            |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>                       | <b>1,144,662</b>                | 414,829          | <b>1,021,714</b>              | 64,991           |


The annexed notes form an integral part of these Consolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)

## For the half year ended June 30, 2025

The annexed notes form an integral part of these Consolidated condensed interim financial statements.

Hassan Javed  
(Chief Executive)

Arif Saeed  
(Director)

Usman Liaqat  
(Chief Financial Officer)

## Consolidated Condensed Interim Statement of Cash Flows (Un-audited)

For the half year ended June 30, 2025

|   |      | (Un-audited)<br>June<br>30, 2025 | (Un-audited)<br>June<br>30, 2024 |
|---|------|----------------------------------|----------------------------------|
|   | Note | (Rupees in thousand)             |                                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                       |      |                                  |                                  |
| <b>Cash (used in) / generated from operations</b>                                 | 10   | <b>(364,094)</b>                 | 194,168                          |
| Finance cost paid   |      | <b>(246,605)</b>                 | (409,047)                        |
| Income tax and levy paid  |      | <b>(201,670)</b>                 | (98,017)                         |
| Workers' profit participation fund paid   |      | -                                | (35,276)                         |
| Staff retirement benefit paid   |      | <b>(874)</b>                     | (38,997)                         |
| Long term loans to employees - net  |      | <b>(1,038)</b>                   | 4,945                            |
| Long term security deposits - net   |      | <b>(760)</b>                     | 3,246                            |
| <b>Net cash used in operating activities</b>                                      |      | <b>(815,041)</b>                 | (378,978)                        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                       |      |                                  |                                  |
| Capital expenditure on fixed assets   |      | <b>(810,619)</b>                 | (116,495)                        |
| Proceeds from disposal of fixed assets  |      | <b>4,137</b>                     | 8,880                            |
| Loan given to Service Industries Limited - Ultimate Holding Company               |      | <b>(74,000)</b>                  | (130,000)                        |
| Loan repayment from Service Industries Limited - Ultimate Holding Company         |      | <b>2,574,000</b>                 | 1,030,000                        |
| Profit on bank deposits received  |      | <b>44,848</b>                    | 20,125                           |
| Mark-up received on loan to Service Industries Limited - Ultimate Holding Company |      | <b>33,354</b>                    | 42,727                           |
| Long term investments made  |      | -                                | (286,400)                        |
| <b>Net cash from investing activities</b>   |      | <b>1,771,720</b>                 | 568,837                          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                       |      |                                  |                                  |
| Proceeds from long term financing   |      | <b>664,410</b>                   | -                                |
| Repayment of long term financing  |      | <b>(29,786)</b>                  | (19,710)                         |
| Short term borrowings - net   |      | <b>(1,311,753)</b>               | (586,030)                        |
| Proceeds against share capital issued under Employee's Stock Option Scheme        |      | <b>13,960</b>                    | 4,167                            |
| Dividend paid   |      | <b>(826,719)</b>                 | (1,028,954)                      |
| <b>Net cash used in financing activities</b>                                      |      | <b>(1,489,888)</b>               | (1,630,527)                      |
| Effect of exchange rate changes on cash and cash equivalents                      |      | <b>3,621</b>                     | (1,729)                          |
| <b>Net decrease in cash and cash equivalents</b>                                  |      | <b>(529,588)</b>                 | (1,442,397)                      |
| <b>Cash and cash equivalents at the beginning of the period</b>                   |      | <b>796,471</b>                   | 2,951,229                        |
| <b>Cash and cash equivalents at the end of the period</b>                         |      | <b>266,883</b>                   | 1,508,832                        |

The annexed notes form an integral part of these Consolidated condensed interim financial statements.



Hassan Javed  
(Chief Executive)



Arif Saeed  
(Director)



Usman Liaqat  
(Chief Financial Officer)



## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### 1 The group and its operations

The group consists of:

#### Holding company

- Service Global Footwear Limited

#### Subsidiary Company

- Dongguan Service Global Limited

#### Service Global Footwear Limited

Service Global Footwear Limited (the Company) was incorporated as a public limited Company on 19 July 2019 in Pakistan under the Companies Act, 2017 and got listed on 28 April 2021. The shares of the company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is located at 2- Main Gulberg, Lahore. The principal activities of the Company are manufacturing, sale, marketing, import and export of footwear, leather and allied products. The Company is the subsidiary of Service Industries Limited.

#### Dongguan Service Global Limited

Dongguan Service Global Limited is a limited liability company (wholly owned by foreign legal person) registered with Dongguan Administration of Market Regulations, China. Business scope of Dongguan Service Global Limited is wholesale of shoes and hats, sales of leather products, sales of needle textiles and raw materials, wholesale of hardware products, sales of bags, sales of daily necessities, inspection of clothing and apparel, finishing services, technical services and other related matters. Commercial address of Dongguan Service Global Limited is Room 302, No. 18, Houjie Town, Dongguan City, Guangdong Province, China. It is wholly owned subsidiary of Service Global Footwear Limited.

### 2 BASIS OF CONSOLIDATION

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line-by-line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies

Intragroup balances and transactions have been eliminated.

Non-controlling interest are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interest are presented as separate item in the condensed consolidated interim financial statements.

**b) Associate**

Associate is an entity over which the Group has significant influence but not control or joint control. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate is recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate is eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investment in equity method accounted for associate is tested for impairment in accordance with the provision of IAS 36 'Impairment of Assets'.

**c) Translations of the financial statements of foreign subsidiary**

The financial statements of foreign subsidiary of which the functional currency is different from that used in preparing the Group's financial statements are translated in functional currency of the Group. Statement of financial position items are translated at the exchange rate at the reporting date and statement of profit and loss items are converted at the average rate for the period. Any resulting translations differences are recognized under exchange translation reserve in consolidated reserves.

## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### 2.1 BASIS OF PREPARATION

- a) These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
  - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Holding Company of the Group for the year ended 31 December 2024.

### 3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited consolidated annual financial statements of the Group for the year ended 31 December 2024.

#### 3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited consolidated annual financial statements of the Group for the year ended 31 December 2024.

|   | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|---|----------------------------------|-----------------------------------|
|   | (Rupees in thousand)             |                                   |
| <b>4 LONG TERM FINANCING - SECURED</b>                |                                  |                                   |
| Opening balance                                       | 312,969                          | 362,364                           |
| Add: Obtained during the period / year                | 664,410                          | -                                 |
| Less: Repaid during the period / year                 | (29,786)                         | (49,395)                          |
|   | 947,593                          | 312,969                           |
| Less: Current portion shown under current liabilities | (92,764)                         | (59,543)                          |
|   | 854,829                          | 253,426                           |

## 5 CONTINGENCIES AND COMMITMENTS

### 5.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Group for the year ended 31 December 2024 except for the following:

- 5.1.1** The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 30 August 2024, under section 161 of the Income Tax Ordinance, 2001 for tax year 2021, whereby a demand of Rupees 168.699 million (31 December 2024: Rupees 168.699 million) was raised, against which the Company filed a rectification application to the tax department under section 221 of the Income Tax Ordinance, 2001. The Commissioner Inland Revenue (CIR) passed an order dated 22 March 2025 under which demand has been annulled and the matter has been remanded back to DCIR.
- 5.1.2** The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 24 July 2024 under section 11 of the Sales Tax Act, 1990 whereby a demand of Rupees 7.766 million (31 December 2024: Rupees 7.766 million) was raised. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (CIR). The Commissioner Inland Revenue (CIR) passed an order dated 09 May 2025 under which demand has been annulled and the matter has been remanded back to DCIR.
- 5.1.3** Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 159.992 million (31 December 2024: Rupees 546.689 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheques issued as security shall be encashable. The Company is availing Export Facilitation Scheme (EFS) License issued by Collector of Custom, Lahore with a face value of Rupees 2,750 million (31 December 2024: Rupees 2,750 million) for the duty and tax free imports of plant, machinery, equipment, component parts, raw material, packing material and accessories. The said limit was allowed by Collector of Customs, Lahore after securing a post dated cheque of Rupees 2,750 million (31 December 2024: Rupees 2,750 million) from the Company.

## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

**5.1.4** Guarantees of Rupees 82 million (31 December 2024: Rupees 34 million) are given by the banks of the Company to Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess.

### 5.2 Commitments

**5.2.1** Letters of credit other than capital expenditure are of Rupees 115.848 million (31 December 2024: Rupees 159.510 million).

**5.2.2** Contracts for capital expenditure are approximately of Rupees 1.190 (31 December 2024: Rupees Nil).

**5.2.3** Outstanding foreign currency forward contracts are of Rupees 3,043.812 million (31 December 2024: Rupees 2,422.185 million).

**5.2.4** The Company has obtained vehicles under ijarah arrangements from Bank Al Habib Limited for a period of four years, ijarah rentals are payable on monthly basis respectively. Future monthly Ujrah payments under Ijarah are as follows:

|                         |      | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|-------------------------|------|----------------------------------|-----------------------------------|
|                         | Note | (Rupees in thousand)             |                                   |
| Not later than one year |      | 837                              | 5,828                             |

## 6 FIXED ASSETS

|                          |     |                  |                  |
|--------------------------|-----|------------------|------------------|
| Operating fixed assets   | 6.1 | 2,990,093        | 2,880,774        |
| Capital work-in-progress | 6.2 | 638,183          | 80,167           |
|                          |     | <b>3,628,276</b> | <b>2,960,941</b> |

### 6.1 Operating fixed assets

|  |       |                  |                  |
|--|-------|------------------|------------------|
| Opening net book value                                 |       | 2,880,774        | 2,981,977        |
| Add: Cost of additions during the period / year        | 6.1.1 | 252,089          | 199,177          |
| Less: Book value of deletions during the period / year | 6.1.2 | (4,219)          | (14,526)         |
| Less: Depreciation charged during the period / year    |       | (139,065)        | (285,339)        |
| Currency retranslation                                 |       | 514              | (515)            |
| Closing net book value                                 |       | <b>2,990,093</b> | <b>2,880,774</b> |

|  |      | (Un-audited)<br>June<br>30, 2025 | (Audited)<br>December<br>31, 2024 |
|--|------|----------------------------------|-----------------------------------|
|  | Note | (Rupees in thousand)             |                                   |
| <b>6.1.1 Cost of additions during the period / year</b>                    |      |                                  |                                   |
| Buildings on freehold land   |      | 40,749                           | 45,246                            |
| Plant and machinery  |      | 83,519                           | 83,900                            |
| Furniture, fixture and fittings  |      | 4,124                            | 10,040                            |
| Vehicles   |      | 61,931                           | 24,107                            |
| Service equipment  |      | 61,766                           | 35,884                            |
|  |      | <b>252,089</b>                   | <b>199,177</b>                    |
| <b>6.1.2 Book value of deletions during the period / year</b>              |      |                                  |                                   |
| <b>Cost of deletions:</b>  |      |                                  |                                   |
| Buildings on freehold land   |      | 2,203                            | -                                 |
| Plant and machinery  |      | 1,765                            | 685                               |
| Furniture, fixture and fittings  |      | -                                | 20                                |
| Vehicle  |      | 6,291                            | 22,385                            |
| Service equipment  |      | 840                              | 4,414                             |
|  |      | <b>11,099</b>                    | <b>27,504</b>                     |
| Less: Accumulated depreciation   |      | (6,880)                          | (12,978)                          |
| Book value of deletions during the period / year                           |      | <b>4,219</b>                     | <b>14,526</b>                     |
| <b>6.2 Capital work-in-progress</b>  |      |                                  |                                   |
| Buildings on freehold land   |      | 337,987                          | 30,297                            |
| Plant and machinery  |      | 209,856                          | 5,029                             |
| Service equipment  |      | 89,734                           | 41,841                            |
| Furniture, fixture and fittings  |      | 606                              | -                                 |
| Vehicles   |      | -                                | 3,000                             |
|  |      | <b>638,183</b>                   | <b>80,167</b>                     |
| <b>7 LONG TERM INVESTMENTS</b>   |      |                                  |                                   |
| Investment in associate (with significant influence) - under equity method | 7.1  | 5,140,426                        | 3,946,265                         |
|  |      | <b>5,140,426</b>                 | <b>3,946,265</b>                  |

## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

| (Un-audited)         | (Audited) |
|----------------------|-----------|
| June                 | December  |
| 30, 2025             | 31, 2024  |
| (Rupees in thousand) |           |

### 7.1 Investment in associate (with significant influence) - under equity method

Service Long March Tyres (Private) Limited - un-quoted

270,971,704 (31 December 2024: 270,971,704) fully paid

ordinary shares of Rupees 10 each

Equity held: 18.91% (31 December 2024: 18.91%)

**2,720,975** 2,720,975

As at the beginning of the period / year

**1,225,290** 257,114

Add: Share of post acquisition profit for the period / year

**1,164,964** 1,323,147

Less: Dividend received during the period / year

- (379,360)

Add: Share of employee share options reserve

**29,197** 24,389

**2,419,451** 1,225,290

**5,140,426** 3,946,265

(Un-audited)  
HALF YEAR ENDED

(Un-audited)  
QUARTER ENDED

June  
30, 2025

June  
30, 2024

June  
30, 2025

June  
30, 2024

(Rupees in thousand)

### 8 REVENUE

Revenue from contracts with customers:

Export sales

**9,464,456** 8,001,370 **4,707,399** 3,708,117

Local sales

**105,000** 310,486 **51,115** 59,371

**9,569,456** 8,311,856 **4,758,514** 3,767,488

|   | (Un-audited)         |                  | (Un-audited)     |                  |
|---|----------------------|------------------|------------------|------------------|
|   | HALF YEAR ENDED      |                  | QUARTER ENDED    |                  |
|   | June<br>30, 2025     | June<br>30, 2024 | June<br>30, 2025 | June<br>30, 2024 |
|   | (Rupees in thousand) |                  |                  |                  |
| <b>9 COST OF SALES</b>  |                      |                  |                  |                  |
| Raw materials consumed  | <b>4,137,997</b>     | 3,904,367        | <b>2,024,231</b> | 1,733,748        |
| Salaries, wages and other benefits  | <b>2,055,136</b>     | 1,676,449        | <b>1,044,538</b> | 841,671          |
| Stores and spares consumed  | <b>315,661</b>       | 139,014          | <b>158,336</b>   | 56,765           |
| Packing materials consumed  | <b>539,747</b>       | 425,152          | <b>262,915</b>   | 224,408          |
| Fuel and power  | <b>156,526</b>       | 194,905          | <b>81,040</b>    | 88,063           |
| Insurance   | <b>13,199</b>        | 12,073           | <b>6,597</b>     | 6,139            |
| Travelling and conveyance   | <b>45,544</b>        | 32,958           | <b>25,365</b>    | 19,662           |
| Repair and maintenance  | <b>28,245</b>        | 27,982           | <b>14,308</b>    | 11,524           |
| Entertainment   | <b>617</b>           | 525              | <b>56</b>        | 463              |
| Depreciation  | <b>120,178</b>       | 122,907          | <b>61,659</b>    | 61,421           |
| Rent, rates and taxes   | <b>2,298</b>         | 812              | <b>(215)</b>     | 405              |
| Provision/ (Reversal of provision) for slow moving and obsolete inventory | <b>4,190</b>         | (10,866)         | <b>2,017</b>     | 715              |
| Other manufacturing charges   | <b>44,876</b>        | 62,108           | <b>19,907</b>    | 24,016           |
|   | <b>7,464,214</b>     | 6,588,386        | <b>3,700,754</b> | 3,069,000        |
| Movement in work in process   | <b>53,823</b>        | (45,292)         | <b>34,944</b>    | 15,123           |
| <b>Cost of goods manufactured</b>   | <b>7,518,037</b>     | 6,543,094        | <b>3,735,698</b> | 3,084,123        |
| Movement in finished goods  | <b>213,733</b>       | 315,114          | <b>25,462</b>    | 80,961           |
|   | <b>7,731,770</b>     | 6,858,208        | <b>3,761,160</b> | 3,165,084        |



## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

|           |  | Un-audited              |           |
|-----------|--|-------------------------|-----------|
|           |  | HALF YEAR ENDED         |           |
|           |  | June                    | June      |
|           |  | 30, 2025                | 30, 2024  |
|           |  | (Rupees in thousand)    |           |
| Note      |  |                         |           |
| <b>10</b> | <b>CASH GENERATED FROM OPERATIONS</b>                                      |                         |           |
|           | <b>Profit before taxation and levy</b>                                     | <b>1,434,421</b>        | 738,962   |
|           | <b>Adjustments for non-cash charges and other items:</b>                   |                         |           |
|           | Depreciation   | <b>139,065</b>          | 140,772   |
|           | Provision for gratuity   | <b>25,455</b>           | 26,517    |
|           | Finance cost   | <b>265,832</b>          | 379,538   |
|           | Loss/ (Gain) on disposal of operating fixed assets                         | <b>82</b>               | (1,652)   |
|           | Provision for workers' profit participation fund                           | -                       | 1,266     |
|           | Unrealised exchange loss / (gain) on forward contracts                     | <b>70,367</b>           | (85,017)  |
|           | Exchange (gain) / loss - net   | <b>(29,904)</b>         | 22,277    |
|           | Interest on workers' profit participation fund                             | <b>97</b>               | 1,245     |
|           | Provision for workers' welfare fund  | <b>28,627</b>           | 15,972    |
|           | Provision / (Reversal of provision) for slow moving and obsolete inventory | <b>4,190</b>            | (10,866)  |
|           | Reversal of allowance for expected credit losses - trade debt              | <b>(18)</b>             | (4,565)   |
|           | Allowance for expected credit losses - lab testing charges                 | -                       | 2,570     |
|           | Allowance for expected credit losses - miscellaneous other receivables     | -                       | 241       |
|           | Provision against doubtful advances to suppliers                           | -                       | 2,650     |
|           | Debit balance written off  | <b>17,201</b>           | -         |
|           | Interest on bank deposits  | <b>(35,249)</b>         | (14,768)  |
|           | Employee's share option expense  | <b>15,156</b>           | 3,984     |
|           | Share of profit of equity accounted investee - net of taxation             | <b>(1,164,964)</b>      | (592,324) |
|           | Interest on loan to Ultimate Holding Company                               | <b>(33,354)</b>         | (42,727)  |
|           | Working capital changes  | 10.1 <b>(1,101,098)</b> | (389,907) |
|           |  | <b>(364,094)</b>        | 194,168   |

**Un-audited**  
**HALF YEAR ENDED**  
**June**                  **June**  
**30, 2025**              **30, 2024**  
(Rupees in thousand)

## 10.1 Working capital changes

### Decrease / (increase) in current assets:

|   |             |           |
|---|-------------|-----------|
| Stores, spares and loose tools                    | (28,306)    | (23,673)  |
| Stock in trade                                    | (251,101)   | 475,924   |
| Trade debts                                       | (1,278,495) | (821,960) |
| Loans and advances                                | (35,391)    | 454,557   |
| Short term deposits and prepayments               | (30,592)    | (17,139)  |
| Other receivables                                 | (194,039)   | (181,123) |
|   | (1,817,924) | (113,414) |
| Increase / (decrease) in trade and other payables | 716,826     | (276,493) |
|   | (1,101,098) | (389,907) |

## 11 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

### (i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

| Recurring fair value measurements<br>At 30 June 2025 - Un-audited | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|---------|-------|
|---|---------|---------|---------|-------|

(Rupees in thousand)

#### Financial liabilities

|                                  |   |        |   |        |
|----------------------------------|---|--------|---|--------|
| Derivative financial liabilities | - | 70,367 | - | 70,367 |
|----------------------------------|---|--------|---|--------|

| Recurring fair value measurements<br>At 31 December 2024 - Audited | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|-------|
|--|---------|---------|---------|-------|

(Rupees in thousand)

#### Financial assets

|                             |   |         |   |         |
|-----------------------------|---|---------|---|---------|
| Derivative financial assets | - | 167,213 | - | 167,213 |
|-----------------------------|---|---------|---|---------|

## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

### (ii) Valuation techniques used to determine fair values

Specific value techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

## 12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the Holding Company, subsidiary company, subsidiaries of the Holding Company, associated companies, 'employees' gratuity fund trust, employees' provident fund trust and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

## (i) Transactions:

|   |   | Un-audited<br>HALF YEAR ENDED |                  | Un-audited<br>QUARTER ENDED |                  |
|---|---|-------------------------------|------------------|-----------------------------|------------------|
|   |   | June<br>30, 2025              | June<br>30, 2024 | June<br>30, 2025            | June<br>30, 2024 |
| (Rupees in thousand)                                      |   |                               |                  |                             |                  |
| Nature of relationship                                    | Nature of transactions  |                               |                  |                             |                  |
| <b>Ultimate Holding company</b>                           |   |                               |                  |                             |                  |
| Service Industries Limited                                | Sale of goods   | 37,663                        | 208,419          | 18,252                      | 35,248           |
|   | Purchase of goods   | 225,642                       | 185,831          | 52,110                      | 105,109          |
|   | Purchase of fixed assets  | 115                           | 6,275            | 115                         | 6,275            |
|   | Loan given  | 74,000                        | 130,000          | -                           | 130,000          |
|   | Loan repaid   | 2,574,000                     | 1,030,000        | -                           | 130,000          |
|   | Expenses charged  | 127,614                       | 117,595          | 65,542                      | 58,649           |
|   | Interest income   | 33,354                        | 42,727           | -                           | 18,996           |
|   | Processing charges  | -                             | 17,290           | -                           | -                |
|   | Dividend paid   | 654,200                       | 817,750          | 654,200                     | 327,100          |
| <b>Subsidiary company of the Ultimate Holding company</b> |   |                               |                  |                             |                  |
| Service Tyres (Private) Limited                           | Sale of goods   | 12,201                        | 6,189            | 1,549                       | -                |
|   | Purchase of goods   | 163                           | -                | 163                         | -                |
|   | Purchase of fixed assets  | 263                           | -                | 263                         | -                |
| <b>Subsidiary company of the Ultimate Holding company</b> |   |                               |                  |                             |                  |
| Service Retail (Private) Limited                          | Sale of goods   | 12,800                        | 67,875           | -                           | 29,331           |
| <b>Key management personnel and directors</b>             |   |                               |                  |                             |                  |
|   | Remuneration  | 124,378                       | 91,738           | 62,189                      | 49,019           |
|   | Meeting fee to directors - non executive  | 880                           | 718              | 400                         | 239              |
|   | Cash dividend paid  | 7,614                         | 16,876           | 7,614                       | 6,751            |
|   | Proceeds against shares to be issued under Employee's Stock Option Scheme   | 5,716                         | 1,350            | 5,716                       | 1,350            |
|   | 338,828 options granted under Employee's Stock Option Scheme as on 01 January 2025 (As on 01 January 2024: 424,150 options) | -                             | -                | -                           | -                |
| <b>Other related parties</b>                              |   |                               |                  |                             |                  |
|   | Post employment benefit plans   | 107,778                       | 93,070           | 54,022                      | 46,362           |

## Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2025

### (ii) Period end balances

| As at June, 30 2025 (Un-audited)       |                          |                       |         |
|--|--------------------------|-----------------------|---------|
|  | Ultimate Holding company | Other related parties | Total   |
| (Rupees in thousand)                   |                          |                       |         |
| Employees' retirement benefits payable | -                        | 305,082               | 305,082 |
| Trade and other payables               | -                        | 438                   | 438     |

| As at December 31, 2024 (Audited)      |                          |                       |           |
|--|--------------------------|-----------------------|-----------|
|  | Ultimate Holding company | Other related parties | Total     |
| (Rupees in thousand)                   |                          |                       |           |
| Employees' retirement benefits payable | -                        | 275,041               | 275,041   |
| Trade debts                            | 2,016                    | -                     | 2,016     |
| Trade and other payables               | -                        | 438                   | 438       |
| Other receivable                       | 8,363                    | -                     | 8,363     |
| Loans and advances receivable          | 2,500,000                | -                     | 2,500,000 |

### 13 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Group for the year ended 31 December 2024.

### 14 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 26 August 2025.

## 15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison.

## 16 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



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Hassan Javed  
(Chief Executive)



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Arif Saeed  
(Director)



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Usman Liaqat  
(Chief Financial Officer)

## گروپ کی ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2025 ختم ہونے والی ششماہی کے لیے سروس گلوبل فٹ ویئر لمیٹڈ اور اس کے ذیلی اداروں کے مختصر مجموعی عبوری مالیاتی معلومات کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

گروپ، سروس گلوبل فٹ ویئر لمیٹڈ اور ڈونگ گوان سروس گلوبل لمیٹڈ، جو کہ سروس گلوبل فٹ ویئر لمیٹڈ کا کلی ملکیتی ذیلی ادارہ ہے، پر مشتمل ہے۔

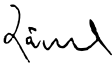
### سروس گلوبل فٹ ویئر لمیٹڈ

سروس گلوبل فٹ ویئر لمیٹڈ کو 19 جولائی 2019 کو پاکستان میں ایک پبلک لمیٹڈ کمپنی کے طور پر کمپنیز ایکٹ 2017 کے تحت تشکیل دیا گیا تھا۔ کمپنی کی بنیادی سرگرمیاں جوتے، چمڑے اور متعلقہ مصنوعات کی تیاری، فروخت، مارکیٹنگ، درآمد اور برآمد ہے۔ 30 جون 2025 ختم ہونے والی ششماہی کے لیے سروس گلوبل فٹ ویئر لمیٹڈ کی کارکردگی پر ڈائریکٹرز کے تبصرہ کی رپورٹ الگ سے پیش کی گئی ہے۔

### ڈونگ گوان سروس گلوبل لمیٹڈ

ڈونگ گوان سروس گلوبل لمیٹڈ ایک لمیٹڈ لابیڈ کمپنی ہے (مکمل طور پر غیر ملکی قانونی شخص کی ملکیت ہے) جو کہ ڈونگ گوان ایڈمنسٹریشن آف مارکیٹ ریگولیشنز، چین کے ساتھ رجسٹرڈ ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کی تاریخ تشکیل 18 دسمبر 2022 ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کا کاروباری دائرہ کار جوتوں اور ٹوپیوں کی بڑے پیمانے پر فروخت، چمڑے کی مصنوعات کی فروخت، سلعے ہوئے ملبوسات اور اس سے منسلک خام مال کی فروخت، ہارڈویئر مصنوعات کی بڑے پیمانے پر فروخت، بیگز کی فروخت، روزمرہ کی ضروریات، ملبوسات کا معائنہ اور انکی فنشنگ کی خدمات، تکلیفی خدمات، ٹیکنالوجی کی ڈیولپمنٹ، تکلیفی مشاورت، ٹیکنالوجی کے تبادلے، ٹیکنالوجی کی منتقلی، ٹیکنالوجی کو فروغ دینے، سامان کی درآمد اور برآمد، ٹیکنالوجی کی درآمد اور برآمد (قانون کے مطابق منظوری سے مشروط منصوبوں کے علاوہ، کاروباری لائسنس کے ساتھ قانون کے مطابق آزادانہ طور پر کاروباری سرگرمیاں انجام دینا) پر محیط ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کمرہ 302، نمبر 18، ہوجی ٹاؤن، ڈونگ گوان سٹی، گوانگ ڈونگ صوبہ، چین میں واقع ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ سبکیا ہے۔ ہولڈنگ کمپنی مکمل طور پر ڈونگ گوان سروس گلوبل لمیٹڈ کا رجسٹرڈ سرمایہ 1,250,000 امریکی ڈالر ہے جسے ہولڈنگ کمپنی نے سبکیا کی مالک ہے۔

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چیف ایگزیکٹو



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دریں اثنا، یورپی خریداروں کو چین میں زیادہ مواقع مل رہے ہیں۔ تیز تر ڈیلیوری اور بڑھتی ہوئی مسابقتی قیمتوں کے باعث، چینی فیکٹریاں یورپی یونین کی منڈی کو جارحانہ انداز میں ہدف بنارہی ہیں، جس سے پاکستان سمیت دیگر جو تاجر آمد کرنے والے ممالک پر دباؤ میں اضافہ ہو رہا ہے۔

ان حالات کے پیش نظر، ایس جی ایف دہل اپنی ترقی اور گاہکوں کے دائرہ کار کو وسعت دینے کے لیے پرعزم ہے۔ ہمارا اسٹریٹیجک لانچ عمل تین بنیادی ستونوں پر مبنی ہے جو ہماری آئندہ کی سمت کے لیے رہنمائی فراہم کرتا ہے:

### 1- مارکیٹ میں توسیع

ہم نے گزشتہ چند مہینوں کے دوران نئے ممکنہ امریکی گاہکوں کے ساتھ فعال طور پر روابط قائم کیے ہیں۔ اگرچہ کئی گاہک محصولات کی غیر یقینی صورتحال اور مارکیٹ میں تیزی سے رسائی کے خدشات کے باعث محتاط ہیں، لیکن فروخت کا سلسلہ مضبوط ہے اور ہم جلد ہی مستقبل قریب میں کئی نئے اور اہم گاہک شامل کر لیں گے۔

### 2- مارکیٹ تک تیزی سے رسائی

ہمارا چائنہ آفس اور پاکستان میں نیا قائم ہونے والا مولڈ ورکشاپ خام مال تک رسائی میں بہتری لا رہے ہیں اور ٹولنگ کے لیے درکار وقت کو کم کر رہے ہیں۔ مزید اقدامات بھی جاری ہیں تاکہ گاہکوں سے روابط کی رفتار کو مزید بہتر بنایا جاسکے۔

### 3- پیداواری استعداد میں توسیع اور لاگت میں سب سے بہتر

قیمتیں پر دباؤ میں اضافے سے، منافع کا انحصار لاگت کم رکھنے پر ہے۔ ایس جی ایف دہل نے ایک نئے پروڈکشن ہال میں سرمایہ کاری کی ہے جو چینی پیداواری ٹیکنالوجی اور جدید لائن لے آؤٹس کے ساتھ ڈیزائن کیا گیا ہے، جس سے کارکردگی میں بہتری اور متنفرق اخراجات میں کمی ممکن ہوئی ہے۔ تجربہ کار چینی عملہ جدید پیداواری تکنیک کے نفاذ میں معاونت فراہم کر رہا ہے تاکہ پائیدار مسابقت کو یقینی بنایا جاسکے۔

آگے کی جانب دیکھتے ہوئے، ایس جی ایف دہل اپنے آپریشنز کو بدلتی ضروریات سے ہم آہنگ رکھنے، گاہکوں کے ساتھ تعلقات کو مضبوط بنانے اور عملی کارکردگی کو بہتر بنانے پر توجہ مرکوز رکھے گا۔ ہم پاکستان کی فٹ ویئر انڈسٹری میں اپنی قائدانہ حیثیت کو برقرار رکھنے اور عالمی فٹ ویئر مارکیٹ میں ملک کی مکمل صلاحیت کے حصول کے لیے بامعنی اقدامات کرنے کے لیے پرعزم ہیں۔

### اظہارِ تشکر

ڈائریکٹرز ہمارے شیئر ہولڈرز کے لیے اپنی مخلصانہ تعریف کا اظہار کرنا چاہیں گے جنہوں نے مسلسل کمپنی پر اپنے اعتماد کا مظاہرہ کیا ہے۔ ہم اپنے صارفین، سپلائرز اور مینکڑ کے کمپنی کے ساتھ مسلسل تعاون اور حمایت کے بھی شکر گزار ہیں۔

منجانب بورڈ



عارف سعید  
چیئر مین



حسن جاوید  
چیف ایگزیکٹو

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## ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2025 ختم ہونے والی ششماہی کے لیے سروس گلوبل فٹ ویئر لیٹنڈ کی مختصر عبوری مالیاتی معلومات کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### مالی کارکردگی کا موازنہ

30 جون 2025 کو ختم ہونے والی ششماہی کے لیے سروس گلوبل فٹ ویئر لیٹنڈ کی مالیاتی کارکردگی درج ذیل ہے۔

| تفصیلات                    | ششماہی اختتام                 |                               |             |
|----------------------------|-------------------------------|-------------------------------|-------------|
|                            | جون 2024:30<br>روپے، ہزار میں | جون 2025:30<br>روپے، ہزار میں | فیصد تبدیلی |
| خالص فروخت                 | 8,286,759                     | <b>9,541,414</b>              | 15.14%      |
| گراس منافع                 | 1,364,872                     | <b>1,588,842</b>              | 16.41%      |
| منافع قبل از لیوی اور ٹیکس | 782,593                       | <b>1,402,707</b>              | 79.24%      |
| منافع بعد از لیوی اور ٹیکس | 460,676                       | <b>1,115,458</b>              | 142.14%     |
| فی شیئر آمدنی              | 2.24                          | <b>5.41</b>                   | 141.52%     |

زیر جائزہ مدت کے دوران، سروس گلوبل فٹ ویئر لیٹنڈ نے فروخت اور منافع دونوں میں نمایاں اضافہ حاصل کیا۔ خالص فروخت میں 15.14% اضافہ ہوا، جو گزشتہ سال کی اسی مدت میں 8.29 ارب روپے کے مقابلے میں بڑھ کر 9.54 ارب روپے تک پہنچ گئی۔ گزشتہ سال کی اسی مدت کے مقابلے میں مجموعی مارجن میں 16.41% اور خالص مارجن میں 142.14% بہتری آئی۔

مجموعی منافع کے مارجن میں اضافے کے اہم عوامل درج ذیل ہیں:

- پروڈکشن کی استعداد کے بہتر استعمال اور زیادہ فروخت نے فیکٹ متفرق لاگت کو زیادہ مؤثر طریقے سے جذب کیا۔
- بہتر پروڈکٹ کس کے باعث فی یونٹ ڈالر قیمت میں اضافہ ہوا۔
- پروڈکشن کی استعداد کو اس مدت کے دوران 90% سے زائد استعمال کرتے ہوئے آپریشنز میں بہتری اور کارکردگی کے معیار میں اضافہ کیا گیا۔

لیس جی ایف لٹل (SGFL) کی سروس لائگ مارچ (SLM) میں اسٹریٹیجک سرمایہ کاری سے 1,165 ملین روپے کا منافع حاصل ہوا۔

اس مدت کے دوران فی شیئر آمدنی 5.41 روپے رہی، جو گزشتہ سال کے اسی عرصے میں 2.24 روپے تھی۔

### مستقبل پر ایک نظر

حالیہ امریکی تجارتی محصولات نے عالمی منظر نامے کو تبدیل کر دیا ہے۔ پاکستان کی جو تاسازی کی صنعت کے لیے یہ اثر مجموعی طور پر غیر جانبدار رہا ہے۔ ویتنام، بنگلہ دیش اور چین کے مقابلے میں پاکستان کی پوزیشن محصولات کے نفاذ سے پہلے اور بعد یکساں رہی ہے۔ لہذا، اگر موجودہ سطح پر محصولات برقرار رہتے ہیں تو ہم قریبی مستقبل میں سورسنگ میں کسی بڑے تبدیلی کی توقع نہیں کرتے۔

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**SERVIS HOUSE**

2-Main Gulberg, Lahore-54662, Pakistan.

Tel: +92-42-35751990-96