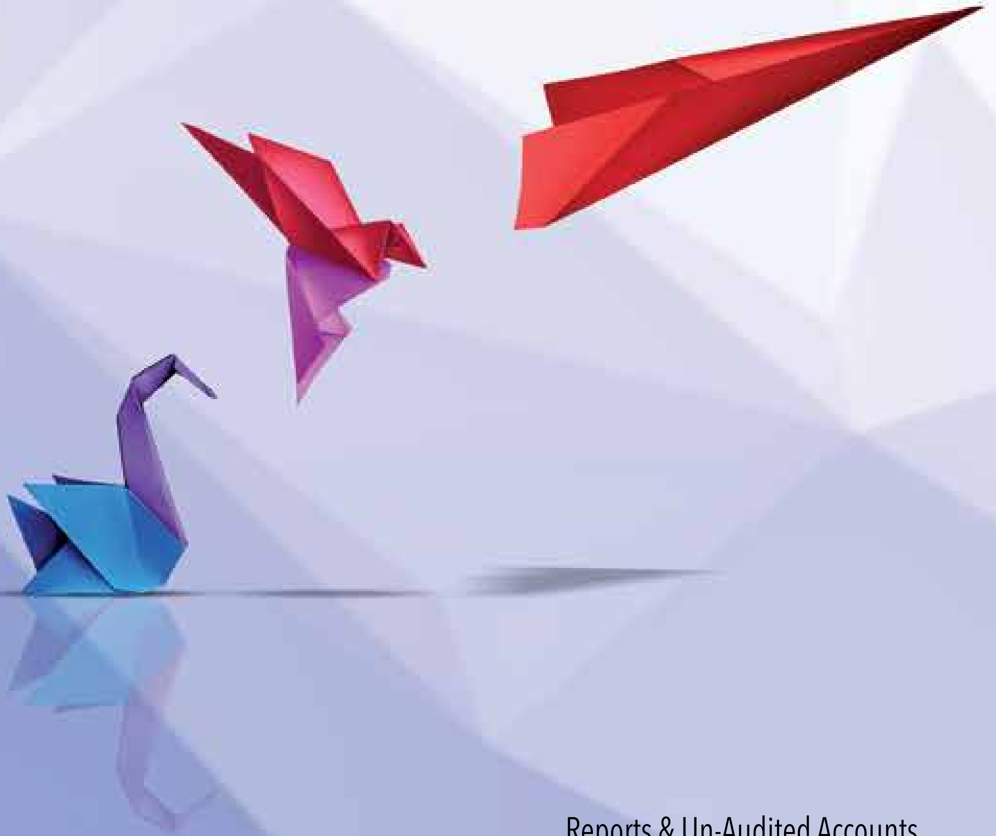
Servis

Service Global Footwear Limited

Unlocking new possibilities



Reports & Un-Audited Accounts
for the 3rd Quarter Ended
September 30, 2025

Contents

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
Bank Alfalah Limited
National Bank Limited

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.

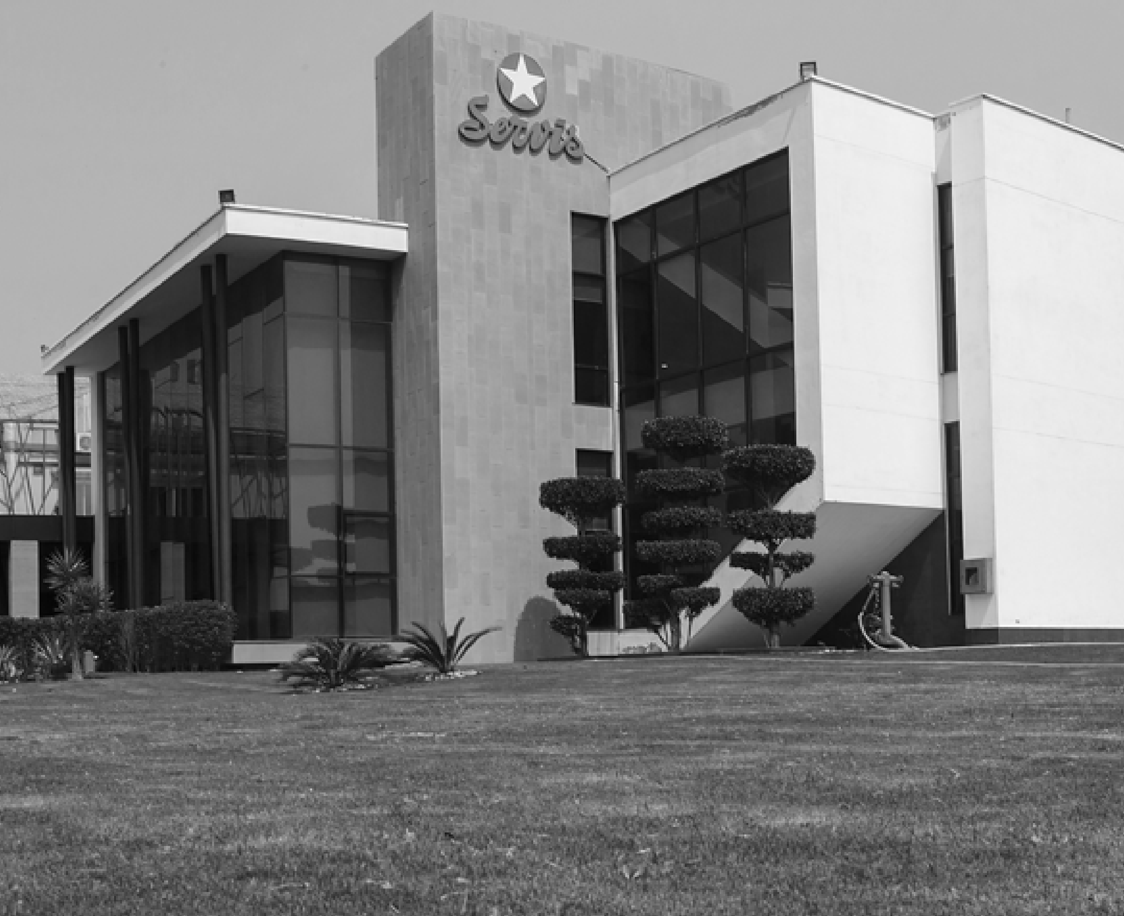
Registered Office
Servis House,
2-Main Gulberg,
Lahore-54662.
Tel:+92-42-35751990-96

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, Sheikhupura Road,
Muridke

Web Presence
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 nine months ended 30 September 2025.

KEY PERFORMANCE INDICATORS (KPIs)

Please find below key performance indicators of SGFL for the nine months ended 30 September 2025.

Particulars	Nine Months Ended		
	September 30, 2025	September 30, 2024	Percentage Change
	(Rupees in thousand)		
Net Sales	**15,186,172**	12,951,499	17.25%
Gross Profit	**2,594,351**	2,179,219	19.05%
Profit before levy and tax	**2,096,677**	1,236,298	69.59%
Profit after levy and tax	**1,640,653**	817,314	100.74%
Earnings per share	**7.96**	3.97	100.50%

During the period under review, Service Global Footwear Limited (SGFL) delivered a strong financial and operational performance, reflecting the company's continued focus on efficiency, value creation, and strategic growth. Net Sales grew by 17.25%, reaching Rs. 15.19 billion as compared to Rs. 12.95 billion in the corresponding period last year. This impressive growth was accompanied by a notable improvement in Gross Margin by 19.05% and Net Margin by 100.74%, underscoring SGFL's ability to optimize operations and enhance profitability.

The improvement in Gross Profit Margin was driven by several key factors:

- **Higher capacity utilization:** Increased production levels and stronger sales volumes enabled better absorption of fixed overhead costs, contributing to improved cost efficiency.
- **Favorable product mix:** A shift towards higher-value product categories resulted in an increase in average per-unit selling prices in dollar terms.
- **Operational excellence:** Sustained utilization levels above 90% throughout the period enhanced productivity and reflected the company's ongoing commitment to operational discipline and process optimization.

In addition, SGFL's strategic investment in Service Long March (SLM) continued to yield substantial returns, contributing Rs. 1,657 million to the company's profitability during the period under review.

Consequently, Earnings per Share (EPS) rose to Rs. 7.96, as compared to Rs. 3.97 in the corresponding period last year, demonstrating SGFL's consistent track record of delivering value to its shareholders.

FUTURE OUTLOOK

Pakistan's Economic Outlook:

Pakistan's economy continues to navigate a dual challenge of macroeconomic stabilization and climate disruption. While the Government has largely met IMF performance criteria under the Extended Fund Facility (EFF), severe monsoon floods in quarter-3 of year 2025 disrupted agricultural output and transport networks, indirectly affecting industrial inputs and export logistics. Higher energy prices, tight monetary controls, increase on wages and delays in tax refunds have continued to strain exporters' liquidity and margins.

The economy recorded a modest GDP growth of 2.7% in FY 2024-25, supported by easing inflation and a gradual monetary relaxation in the latter half of the year. It is hoped that policy attention toward export facilitation will strengthen in the near term, allowing exporters to play their vital role in stabilizing and growing the national economy.

Global Trade Context:

On the other hand, the global trade environment remains volatile and complex, shaped by shifting monetary policies, renewed geopolitical tensions, and a resurgence of protectionist measures. The IMF maintained its global GDP growth forecast at 3.1%, reflecting moderating inflation in major economies and a gradual recovery in consumer spending. However, the expansion of U.S. tariffs has intensified trade frictions, forcing brands and retailers to operate amid continued uncertainty.

For Pakistan's footwear exporters, the overall impact remains broadly neutral, as competing markets such as Vietnam, Bangladesh, and China face similar tariff exposure. Consequently, Pakistan's relative competitiveness in the U.S. market has been sustained.

In contrast, the European footwear market has turned increasingly competitive. Chinese manufacturers, supported by faster turnaround times and aggressive pricing, are regaining share in the EU, placing downward pressure on prices across all exporting nations, including Pakistan.

Meanwhile, retail demand contraction in both the U.S. and Europe driven by inflation, tariff-related costs, and slower economic growth has led to smaller order volumes per customer. Global brands are fighting for market share through aggressive pricing, which has intensified margin pressure across the supply chain.

Implications for SGFL and its strategic Response:

For SGFL, this environment has translated into sustained pricing pressure and margin compression. The Company continues to defend volumes with key long-term customers who are negotiating aggressively amid a slowing retail cycle. Simultaneously, local inflation in Pakistan, particularly in energy and labor, is not fully offset by exchange-rate movements, resulting in higher production costs while export prices remain static or declining. This has inevitably squeezed profitability despite strong operational discipline.

SGFL remains firmly committed to long-term competitiveness and sustainable growth, guided by three key pillars:

1. Market Expansion

SGFL is proactively engaging new U.S. and EU customers to diversify its portfolio and reduce concentration risks. While buyer sentiment remains cautious, the sales pipeline is robust, and several promising new accounts are expected to materialize in Y-2026.

2. Speed-to-Market Advantage

Through its China liaison office and the newly established mold development workshop in Pakistan, SGFL has strengthened its access to materials and tooling capabilities. These initiatives have reduced development lead times and improved responsiveness, enabling SGFL to serve global customers with greater agility.

3. Cost Leadership

To counter pricing pressure, SGFL has redesigned part of its operation to achieve higher efficiencies with the help of foreign technicians and consultants. This has resulted improving output/person and lowering overheads. SGF is continuously striving for operational discipline and excellence.

Outlook for Year 2026:

The Company anticipates Y-2026 to remain a challenging yet pivotal year, shaped by continued global demand softness and intense pricing competition. SGFL's strategic focus will remain on cost optimization, productivity enhancement, and customer retention through dependable performance and timely delivery.

At the same time, SGFL remains firmly committed to investing in technology, energy efficiency, and sustainability initiatives that reinforce its position as an active global player and Pakistan's leading footwear exporter. Through these continued efforts, the Company aims to create resilient growth and deliver sustainable long-term value for its shareholders and stakeholders alike.

Acknowledgment

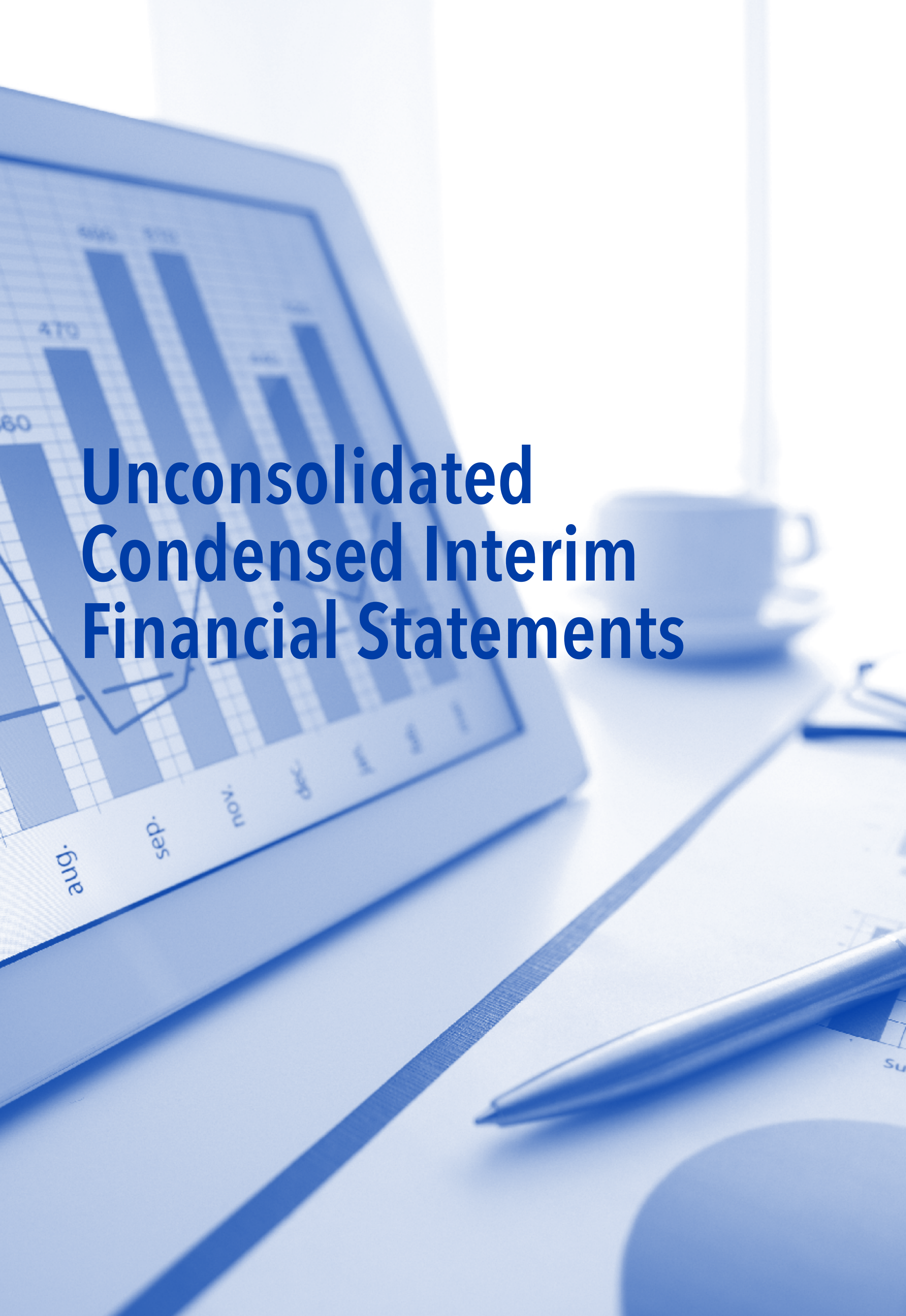
The Directors would like to express our deep appreciation to our shareholders who have consistently demonstrated their trust in the Company.

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	Hassan Javed
(Chairman)	(Chief Executive)

28 October 2025
Lahore.



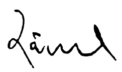
Unconsolidated Condensed Interim Financial Statements

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

As at September 30, 2025

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
250,000,000 (31 December 2024: 250,000,000) ordinary shares of Rupees 10 each		**2,500,000**	2,500,000
Issued, subscribed and paid-up share capital			
206,467,605 (31 December 2024: 206,056,400) ordinary shares of Rupees 10 each		**2,064,676**	2,060,564
Reserves		**6,028,558**	5,150,351
Total equity		**8,093,234**	7,210,915
LIABILITIES			
Non-current liabilities			
Long term financing - secured	4	**1,014,860**	253,426
Employees' retirement benefit		**275,913**	238,661
Deferred income tax liability - net		**531,188**	278,796
		1,821,961	770,883
Current liabilities			
Trade and other payables		**2,949,397**	2,078,710
Accrued mark-up		**115,964**	46,928
Short term borrowings		**8,201,448**	9,032,440
Current portion of long term financing		**92,764**	59,543
Unclaimed dividend		**3,085**	5,578
		11,362,658	11,223,199
Total liabilities		**13,184,619**	11,994,082
Contingencies and commitments	5		
TOTAL EQUITY AND LIABILITIES		**21,277,853**	19,204,997

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



Hassan Javed
(Chief Executive)

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
ASSETS			
Non-current assets			
Fixed assets	6	**3,787,911**	2,948,805
Long term security deposits		**4,491**	4,354
Long term loans to employees		**26,497**	2,845
Long term investments	7	**5,722,016**	4,035,432
		9,540,915	6,991,436
Current assets			
Stores, spares and loose tools		**172,330**	166,034
Stock in trade		**4,086,551**	4,151,812
Trade debts		**4,417,395**	2,306,192
Loans and advances		**386,201**	2,873,329
Accrued mark-up		**-**	9,599
Short term deposits and prepayments		**78,205**	24,703
Other receivables		**1,988,116**	1,758,777
Advance income tax and prepaid levy - net		**287,449**	178,145
Cash and bank balances		**320,691**	744,970
		11,736,938	12,213,561
TOTAL ASSETS		**21,277,853**	19,204,997

Arif Saeed
(Director)

Usman Liaqat
(Chief Financial Officer)

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

For the nine months ended September 30, 2025

	Note	(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
Revenue	8	**15,186,172**	12,951,499	**5,644,758**	4,664,740
Cost of sales	9	**(12,591,821)**	(10,772,280)	**(4,639,249)**	(3,850,393)
Gross profit		**2,594,351**	2,179,219	**1,005,509**	814,347
Distribution cost		**(1,147,756)**	(993,740)	**(383,694)**	(413,597)
Administrative expenses		**(661,198)**	(554,150)	**(245,744)**	(203,012)
Other expenses		**(60,407)**	(4,302)	**(14,498)**	18,398
		(1,869,361)	(1,552,192)	**(643,936)**	(598,211)
		724,990	627,027	**361,573**	216,136
Other income		**103,007**	206,742	**(27,787)**	58,169
Profit from operations		**827,997**	833,769	**333,786**	274,305
Finance cost		**(388,707)**	(541,781)	**(132,239)**	(172,586)
		439,290	291,988	**201,547**	101,719
Share of net profit of associate accounted for using the equity method		**1,657,387**	944,310	**492,423**	351,986
Profit before levy and taxation		**2,096,677**	1,236,298	**693,970**	453,705
Levy		**(79,066)**	(99,856)	**(37,682)**	(51,200)
Profit before taxation		**2,017,611**	1,136,442	**656,288**	402,505
Taxation		**(376,958)**	(319,128)	**(131,093)**	(45,867)
Profit after taxation		**1,640,653**	817,314	**525,195**	356,638
EARNINGS PER SHARE - BASIC (RUPEES)		**7.96**	3.97	**2.55**	1.73
EARNINGS PER SHARE - DILUTED (RUPEES)		**7.90**	3.95	**2.53**	1.72

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

Hassan Javed	Arif Saeed	Usman Liaqat
(Chief Executive)	(Director)	(Chief Financial Officer)

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

For the nine months ended September 30, 2025

	(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
	September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
	(Rupees in thousand)			
PROFIT AFTER TAXATION	**1,640,653**	817,314	**525,195**	356,638
OTHER COMPREHENSIVE INCOME				
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	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,640,653**	817,314	**525,195**	356,638

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 nine months ended September 30, 2025

	Share Capital	Reserves							Total Equity
		Capital Reserve					Revenue Reserve	Total	
		Reserve for issuance of bonus shares	Share premium	Share options reserve	Share of employee share options reserve held by equity accounted investee	Share of share premium reserve held by equity accounted investee	Un-appropriated profit		
	Rupees in thousand								
Balance as at 31 December 2023 - audited	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)
Ordinary shares issued under Employee's Stock Option Scheme	1,389	-	3,184	(406)	-	-	-	2,778	4,167
Employee share options lapsed	-	-	109	(109)	-	-	-	-	-
Recognition of share options reserve	-	-	-	5,976	-	-	-	5,976	5,976
	1,389	-	3,293	5,461	-	-	(411,835)	(403,081)	(401,692)
Profit for the period ended 30 September 2024	-	-	-	-	-	-	817,314	817,314	817,314
Other comprehensive income for the period ended 30 September 2024	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period ended 30 September 2024	-	-	-	-	-	-	817,314	817,314	817,314
Balance as at 30 September 2024 - un-audited	**2,060,564**	**1,390,684**	**1,716,321**	**6,356**	**-**	**-**	**1,742,540**	**4,855,901**	**6,916,465**
Balance as at 31 December 2024 - audited	2,060,564	1,390,684	1,716,321	7,183	24,389	-	2,011,774	5,150,351	7,210,915
Adjustment due to equity accounted investee company	-	-	-	-	29,197	-	-	29,197	29,197
Shares issued under employee share options scheme by equity accounted investee company	-	-	-	-	(53,586)	53,586	-	-	-
Transactions with owners:									
Final dividend for the year ended 31 December 2024 @ Rupees 4 per share	-	-	-	-	-	-	(824,226)	(824,226)	(824,226)
Ordinary shares 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	-	-	-	22,735	-	-	-	22,735	22,735
	4,112	-	14,286	18,297	-	-	(824,226)	(791,643)	(787,531)
Profit for the period ended 30 September 2025	-	-	-	-	-	-	1,640,653	1,640,653	1,640,653
Other comprehensive income for the period ended 30 September 2025	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period ended 30 September 2025	-	-	-	-	-	-	1,640,653	1,640,653	1,640,653
Balance as at 30 September 2025 - un-audited	**2,064,676**	**1,390,684**	**1,730,607**	**25,480**	**-**	**53,586**	**2,828,201**	**6,028,558**	**8,093,234**

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 Cash Flows (Un-audited)

For the nine months ended September 30, 2025

	Note	(Un-audited) September 30, 2025	(Un-audited) September 30, 2024
		(Rupees in thousand)	
Cash flows from operating activities			
Cash (used in) / generated from operations	10	**(449,768)**	533,233
Finance cost paid		**(319,671)**	(655,388)
Income tax and levy paid		**(312,936)**	(248,134)
Workers' Profit Participation Fund paid		**-**	(34,803)
Workers' welfare fund paid		**-**	(993)
Staff retirement benefit paid		**(874)**	(39,311)
Long term loans to employees - net		**(21,339)**	6,460
Long term security deposits - net		**(760)**	3,246
Net cash used in operating activities		**(1,105,348)**	(435,690)
Cash flows from investing activities			
Capital expenditure on fixed assets		**(1,060,023)**	(141,481)
Proceeds from disposal of fixed assets		**8,927**	12,874
Loan given to Service Industries Limited - Holding Company		**(74,000)**	(2,408,000)
Loan repayment from Service Industries Limited - Holding Company		**2,574,000**	2,953,000
Interest on saving accounts received		**47,907**	23,681
Mark-up received on loan to Service Industries Limited - Holding Company		**33,354**	66,726
Dividend received from associated company		**-**	379,360
Long term investments made		**-**	(286,400)
Net cash generated from investing activities		**1,530,165**	599,760
Cash flows from financing activities			
Long term financing obtained		**832,849**	-
Repayment of long term financing		**(38,194)**	(28,922)
Short term borrowings - net		**(830,992)**	(1,497,181)
Proceeds against share capital issued under Employee's Stock Option Scheme		**13,960**	4,167
Dividend paid		**(826,719)**	(1,028,954)
Net cash used in financing activities		**(849,096)**	(2,550,890)
Net decrease in cash and cash equivalents		**(424,279)**	(2,386,820)
Cash and cash equivalents at the beginning of the period		**744,970**	2,903,050
Cash and cash equivalents at the end of the period		**320,691**	516,230

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 nine months ended September 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.

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) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
4	**LONG TERM FINANCING - SECURED**		
	Opening balance	**312,969**	362,364
	Add: Obtained during the period / year	**832,849**	-
	Less: Repaid during the period / year	**(38,194)**	(49,395)
		1,107,624	312,969
	Less: Current portion shown under current liabilities	**(92,764)**	(59,543)
		1,014,860	253,426

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

For the nine months ended September 30, 2025

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. The DCIR passed an order dated 04 August 2025 and a demand of Rupees 12 million was raised, being aggrieved by the order the company filed an appeal before CIR(Appeals) on 21 August 2025 , which is currenty pending for hearing.

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 118.102 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 122 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 354.943 million (31 December 2024: Rupees 159.510 million).

5.2.2 Contracts for capital expenditure are approximately of Rupees 0.924 million (31 December 2024: Rupees Nil).

5.2.3 Outstanding foreign currency forward contracts are of Rupees 2,942.133 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:

	Note	**(Un-audited) September 30, 2025**	(Audited) December 31, 2024
		(Rupees in thousand)	
Not later than one year		-	5,828

6 FIXED ASSETS

	Note	**(Un-audited) September 30, 2025**	(Audited) December 31, 2024
Operating fixed assets	6.1	**2,942,867**	2,868,638
Capital work-in-progress	6.2	**845,044**	80,167
		3,787,911	2,948,805

6.1 Operating fixed assets

	Note	**(Un-audited) September 30, 2025**	(Audited) December 31, 2024
Opening net book value		**2,868,638**	2,967,697
Add: Cost of additions during the period / year	6.1.1	**295,146**	198,135
Less: Book value of deletions during the period / year	6.1.2	**(9,236)**	(14,526)
Less: Depreciation charged during the period / year		**(211,681)**	(282,668)
Closing net book value		**2,942,867**	2,868,638

6.1.1 Cost of additions during the period / year

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
Buildings on freehold land	**40,750**	45,246
Plant and machinery	**105,771**	83,377
Furniture, fixture and fittings	**3,837**	10,040
Vehicles	**75,638**	24,107
Service equipment	**69,150**	35,365
	295,146	198,135

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

For the nine months ended September 30, 2025

		Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
			(Rupees in thousand)	
6.1.2	**Book value of deletions during the period / year**			
	Cost of deletions:			
	Buildings on freehold land		**2,203**	-
	Plant and machinery		**1,765**	685
	Furniture, fixture and fittings		**-**	20
	Vehicles		**13,318**	22,385
	Service equipment		**2,158**	4,414
			19,444	27,504
	Less: Accumulated depreciation		**(10,208)**	(12,978)
	Book value of deletions during the period / year		**9,236**	14,526
6.2	**Capital work-in-progress**			
	Buildings on freehold land		**509,988**	30,297
	Plant and machinery		**209,235**	5,029
	Service equipment		**122,263**	41,841
	Furniture, fixture and fittings		**827**	-
	Vehicles		**2,731**	3,000
			845,044	80,167
7	**LONG TERM INVESTMENTS**			
	Investment in subsidiary company - at cost	7.1	**89,167**	89,167
	Investment in associate (with significant influence) - under equity method	7.2	**5,632,849**	3,946,265
			5,722,016	4,035,432
7.1	**Investment in subsidiary company - at cost**			
	Dongguan Service Global Limited			
	Equity held 100% (31 December 2024: 100%)		**89,167**	89,167
7.2	**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	7.2.1	**5,632,849**	3,946,265

		Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
			(Rupees in thousand)	
7.2.1	**Investment in associate (with significant influence) - under equity method**			
	Equity held: 18.30% (31 December 2024: 18.91%)		**2,720,975**	2,720,975
	Share of post acquisition changes in investee's net assets:			
	As at the beginning of the period / year		**1,225,290**	257,114
	Add: Share of post acquisition profit for the period / year		**1,657,387**	1,323,147
	Less: Dividend received during the period / year		**-**	(379,360)
	Add: Share of employee share options reserve for the period / year		**29,197**	24,389
	Less: Shares issued against employee share options scheme		**(53,586)**	-
	Add: Share of share premium reserve for the period / year		**53,586**	-
			2,911,874	1,225,290
			5,632,849	3,946,265

		(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
8	**REVENUE**				
	Revenue from contracts with customers:				
	Export sales	**15,079,508**	12,535,977	**5,621,997**	4,559,704
	Local sales	**106,664**	415,522	**22,761**	105,036
		15,186,172	12,951,499	**5,644,758**	4,664,740

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

For the nine months ended September 30, 2025

		(Un-audited)		(Un-audited)	
		NINE MONTHS ENDED		QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
9	**COST OF SALES**				
	Raw materials consumed	**6,919,399**	6,073,176	**2,541,218**	2,095,226
	Salaries, wages and other benefits	**3,128,911**	2,611,970	**1,088,513**	942,641
	Stores and spares consumed	**441,668**	260,555	**126,007**	121,541
	Packing materials consumed	**841,444**	701,854	**301,697**	276,702
	Fuel and power	**269,349**	300,818	**112,975**	106,189
	Insurance	**19,851**	18,290	**6,652**	6,217
	Travelling and conveyance	**69,515**	46,564	**24,680**	13,778
	Repair and maintenance	**45,135**	41,527	**17,053**	13,663
	Entertainment	**669**	554	**52**	29
	Depreciation	**183,707**	186,877	**63,529**	63,970
	Rent, rates and taxes	**2,252**	-	**788**	-
	Provision / (reversal of provision) for slow Moving and obsolete inventory	**5,954**	(14,573)	**1,764**	(3,707)
	Other manufacturing charges	**62,024**	78,281	**19,934**	17,579
		11,989,878	10,305,893	**4,304,862**	3,653,828
	Movement in work in process	**(65,036)**	56,802	**(118,859)**	102,094
	Cost of goods manufactured	**11,924,842**	10,362,695	**4,186,003**	3,755,922
	Movement in finished goods	**666,979**	409,585	**453,246**	94,471
		12,591,821	10,772,280	**4,639,249**	3,850,393

	Note	Un-audited NINE MONTHS ENDED September 30, 2025	September 30, 2024
		(Rupees in thousand)	
10 CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation and levy		**2,096,677**	1,236,298
Adjustments for non-cash charges and other items:			
Depreciation		**211,681**	211,122
Provision for gratuity		**38,126**	39,979
Finance cost		**388,707**	541,781
Loss / (gain) on disposal of operating fixed assets		**309**	(1,710)
Exchange loss / (gain) - net		**109**	(88,026)
Interest on workers' profit participation fund		**97**	1,245
Provision for workers' welfare fund		**42,789**	4,302
Provision / (reversal of provision) for slow moving and Obsolete inventory		**5,954**	(14,573)
Debit balance written off		**17,201**	-
Interest on term deposit receipts and bank deposits		**(38,308)**	(18,323)
Employee's share option expense		**22,735**	5,976
Share of profit of equity accounted investee - net of taxation		**(1,657,387)**	(944,310)
Interest on loan to Holding Company		**(33,354)**	(66,917)
Working capital changes	10.1	**(1,545,104)**	(373,611)
		(449,768)	533,233

10.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	**(12,250)**	(18,498)
Stock in trade	**65,261**	590,109
Trade debts	**(2,111,312)**	(1,190,849)
Loans and advances	**(15,185)**	402,985
Short term deposits and prepayments	**(52,879)**	(19,765)
Other receivables	**(246,540)**	(82,879)
	(2,372,905)	(318,897)
Increase / (decrease) in trade and other payables	**827,801**	(54,714)
	(1,545,104)	(373,611)

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

For the nine months ended September 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 At 30 September 2025 - Un-audited	**Level 1**	**Level 2**	**Level 3**	**Total**
		(Rupees in thousand)		
Financial liabilities				
Derivative financial liabilities	-	**30,153**	-	**30,153**

Recurring fair value measurements 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 nine months ended 30 September 2025. 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.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 NINE MONTHS ENDED		Un-audited QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
Nature of relationship	**Nature of transactions**				
Holding company					
Service Industries Limited	Sale of goods	**44,008**	253,787	**15,591**	47,928
	Purchase of goods	**316,373**	382,443	**90,731**	196,612
	Purchase of fixed assets	**18,515**	6,275	**18,400**	-
	Loan given	**74,000**	2,408,000	-	2,278,000
	Loan repaid	**2,574,000**	2,953,000	-	1,923,000
	Expenses charged to the company	**206,183**	174,900	**78,569**	61,049
	Interest income	**33,354**	66,917	-	24,190
	Processing charges	-	17,290	-	-
	Dividend paid	**654,200**	817,750	-	-

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

For the nine months ended September 30, 2025

		Un-audited NINE MONTHS ENDED		Un-audited QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
Subsidiary company of the Holding company					
Service Tyres (Private) Limited	Purchase of goods	**163**	-	**-**	-
	Purchase of fixed assets	**263**	-	**-**	-
	Sale of goods	**-**	6,189	**-**	-
Subsidiary company of the Holding company					
Service Retail (Private) Limited	Sale of goods	**12,800**	124,019	**-**	56,144
	Return of goods	**2,771**	-	**2,771**	-
Associated company					
Service Long March Tyres (Private) Limited	Dividend received	**-**	379,360	**-**	379,360
Subsidiary company					
Dongguan Service Global Limited	Purchase of goods	**2,012,707**	931,754	**756,247**	489,654
Key management personnel and directors					
Remuneration		**202,678**	139,230	**78,300**	49,492
Meeting fee to directors - non executive		**1,630**	1,040	**750**	322
Cash dividend paid		**7,614**	16,876	**-**	-
Proceeds against shares issued under Employee's Stock Option Scheme		**5,716**	1,350	**-**	-
338,828 options granted under Employee's Stock Option Option Scheme as on 01 January 2025 (As on 01 January 01 January 2024: 424,150 options)		**-**	-	**-**	-
Other related parties					
Post employment benefit plans		**164,304**	140,101	**56,526**	47,031

(ii) Period end balances

	As at September 30, 2025 (Un-audited)			
	Holding company	**Subsidiary company**	**Other related parties**	**Total**
	(Rupees in thousand)			
Employees' retirement benefits payable	**-**	**-**	**320,429**	**320,429**
Trade and other payables	**-**	**246,489**	**438**	**246,927**

	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 28 October 2025.

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

For the nine months ended September 30, 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 has 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, unconsolidated condensed interim statement of changes in equity 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 September 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 September 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	Hassan Javed
(Chairman)	(Chief Executive)

28 October 2025
Lahore.

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

As at September 30, 2025

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
250,000,000 (31 December 2024: 250,000,000) ordinary shares of Rupees 10 each		**2,500,000**	2,500,000
Issued, subscribed and paid-up share capital			
206,467,605 (31 December 2024: 206,056,400) ordinary shares of Rupees 10 each		**2,064,676**	2,060,564
Reserves		**6,049,874**	5,140,491
Total equity		**8,114,550**	7,201,055
LIABILITIES			
Non-current liabilities			
Long term financing - secured	4	**1,014,860**	253,426
Employees' retirement benefit		**275,913**	238,661
Deferred liabilities		**531,188**	278,796
		1,821,961	770,883
Current liabilities			
Trade and other payables		**3,292,476**	2,326,991
Accrued mark-up		**115,964**	46,928
Short term borrowings		**8,201,448**	9,032,440
Current portion of non-current liabilities		**92,764**	59,543
Unclaimed dividend		**3,085**	5,578
		11,705,737	11,471,480
Total liabilities		**13,527,698**	12,242,363
Contingencies and commitments	5		
TOTAL EQUITY AND LIABILITIES		**21,642,248**	19,443,418

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

Hassan Javed
(Chief Executive)

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
ASSETS			
Non-current assets			
Fixed assets	6	**3,802,093**	2,960,941
Long term security deposits		**4,491**	4,354
Long term loans to employees		**26,497**	2,845
Long term investments	7	**5,632,849**	3,946,265
		9,465,930	6,914,405
Current assets			
Stores, spares and loose tools		**172,330**	166,034
Stock in trade		**4,086,551**	4,151,812
Trade debts		**4,420,286**	2,338,417
Loans and advances		**393,343**	2,917,537
Accrued mark-up		**-**	9,599
Short term deposits and prepayments		**82,344**	26,043
Other receivables		**2,378,224**	1,944,955
Advance income tax and prepaid levy - net		**287,449**	178,145
Cash and bank balances		**355,791**	796,471
		12,176,318	12,529,013
TOTAL ASSETS		**21,642,248**	19,443,418

Arif Saeed
(Director)

Usman Liaqat
(Chief Financial Officer)

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

For the nine months ended September 30, 2025

	Note	(Un-audited) NINE MONTHS ENDED September 30, 2025	September 30, 2024	(Un-audited) QUARTER ENDED September 30, 2025	September 30, 2024
		(Rupees in thousand)			
Revenue	8	**15,222,940**	12,993,637	**5,653,484**	4,681,781
Cost of sales	9	**(12,252,674)**	(10,649,110)	**(4,520,904)**	(3,790,902)
Gross profit		**2,970,266**	2,344,527	**1,132,580**	890,879
Distribution cost		**(1,454,393)**	(1,193,194)	**(499,873)**	(487,704)
Administrative expenses		**(682,985)**	(566,169)	**(253,462)**	(208,125)
Other expenses		**(60,407)**	(4,302)	**(11,259)**	18,398
		(2,197,785)	(1,763,665)	**(764,594)**	(677,431)
		772,481	580,862	**367,986**	213,448
Other income		**112,084**	241,795	**(18,710)**	83,033
Profit from operations		**884,565**	822,657	**349,276**	296,481
Finance cost		**(409,589)**	(543,108)	**(143,757)**	(163,570)
		474,976	279,549	**205,519**	132,911
Share of net profit of associate accounted for using the equity method		**1,657,387**	944,310	**492,423**	351,986
Profit before taxation and levy		**2,132,363**	1,223,859	**697,942**	484,897
Levy		**(79,066)**	(99,856)	**(37,682)**	(51,200)
Profit before taxation		**2,053,297**	1,124,003	**660,260**	433,697
Taxation		**(384,635)**	(319,128)	**(132,639)**	(45,867)
Profit after taxation		**1,668,662**	804,875	**527,621**	387,830
EARNINGS PER SHARE - BASIC (RUPEES)		**8.09**	3.91	**2.55**	1.88
EARNINGS PER SHARE - DILUTED (RUPEES)		**8.03**	3.89	**2.53**	1.87

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

Hassan Javed	Arif Saeed	Usman Liaqat
(Chief Executive)	(Director)	(Chief Financial Officer)

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

For the nine months ended September 30, 2025

	(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
	September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
	(Rupees in thousand)			
PROFIT AFTER TAXATION	**1,668,662**	804,875	**527,621**	387,830
OTHER COMPREHENSIVE INCOME				
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	**3,167**	(466)	**2,229**	1,750
Other comprehensive income for the period	**3,167**	(466)	**2,229**	1,750
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,671,829**	804,409	**529,850**	389,580

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 Changes in Equity (Un-audited)

For the nine months ended September 30, 2025

	Share Capital	Reserves								Total Equity
		Capital Reserve						Revenue Reserve	Total	
		Exchange translation reserve	Reserve for issuance of bonus shares	Share premium	Share options reserve	Share of employee share options reserve held by equity accounted investee	Share of share premium reserve held by equity accounted investee	Un-appropriated profit		
	Rupees in thousand									
Balance as at 31 December 2023 - audited	2,059,175	(4,609)	1,390,684	1,713,028	895	-	-	1,326,788	4,426,786	6,485,961
Transactions with owners:										
Final dividend for the year ended 31 December 2023 @ Rupee 2 per share	-	-	-	-	-	-	-	(411,835)	(411,835)	(411,835)
Ordinary shares issued under Employee's Stock Option Scheme	1,389	-	-	3,184	(406)	-	-	-	2,778	4,167
Employee share options lapsed	-	-	-	109	(109)	-	-	-	-	-
Recognition of share options reserve	-	-	-	-	5,976	-	-	-	5,976	5,976
	1,389	-	-	3,293	5,461	-	-	(411,835)	(403,081)	(401,692)
Profit for the period ended 30 September 2024	-	-	-	-	-	-	-	804,875	804,875	804,875
Other comprehensive income for the period ended 30 September 2024	-	(466)	-	-	-	-	-	-	(466)	(466)
Total comprehensive income for the period ended 30 September 2024	-	(466)	-	-	-	-	-	804,875	804,409	804,409
Balance as at 30 September 2024 - un-audited	**2,060,564**	**(5,075)**	**1,390,684**	**1,716,321**	**6,356**	**-**	**-**	**1,719,828**	**4,828,114**	**6,888,678**
Balance as at 31 December 2024 - audited	2,060,564	(7,600)	1,390,684	1,716,321	7,183	24,389	-	2,009,514	5,140,491	7,201,055
Adjustment due to equity accounted investee company	-	-	-	-	-	29,197	-	-	29,197	29,197
Shares issued under employee share options scheme by equity accounted investee company	-	-	-	-		(53,586)	53,586	-	-	-
Transactions with owners:										
Final dividend for the year ended 31 December 2024 @ Rupees 4 per share	-	-	-	-	-	-	-	(824,226)	(824,226)	(824,226)
Ordinary shares 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	-	-	-	-	22,735	-	-	-	22,735	22,735
	4,112	-	-	14,286	18,297	-	-	(824,226)	(791,643)	(787,531)
	-	-	-	-	-					
Profit for the period ended 30 September 2025	-	-	-	-	-	-	-	1,668,662	1,668,662	1,668,662
Other comprehensive income for the period ended 30 September 2025	-	3,167	-	-	-	-	-	-	3,167	3,167
Total comprehensive income for the period ended 30 September 2025	-	3,167	-	-	-	-	-	1,668,662	1,671,829	1,671,829
Balance as at 30 September 2025 - un-audited	**2,064,676**	**(4,433)**	**1,390,684**	**1,730,607**	**25,480**	**-**	**53,586**	**2,853,950**	**6,049,874**	**8,114,550**

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 nine months ended September 30, 2025

	Note	(Un-audited) September 30, 2025	(Un-audited) September 30, 2024
		(Rupees in thousand)	
Cash flows from operating activities			
Cash (used in) / generated from operations	10	**(436,676)**	548,793
Finance cost paid		**(340,554)**	(656,715)
Income tax and levy paid		**(320,613)**	(248,134)
Workers' profit participation fund paid		**-**	(34,802)
Workers' welfare fund paid		**-**	(993)
Staff retirement benefit paid		**(874)**	(39,311)
Long term loans to employees - net		**(21,339)**	6,460
Long term security deposits - net		**(760)**	3,246
Net cash used in operating activities		**(1,120,816)**	(421,456)
Cash flows from investing activities			
Capital expenditure on fixed assets		**(1,064,123)**	(142,429)
Proceeds from disposal of fixed assets		**8,927**	12,874
Loan given to Service Industries Limited - Ultimate Holding Company		**(74,000)**	(2,408,000)
Loan repayment from Service Industries Limited - Ultimate Holding Company		**2,574,000**	2,953,000
Profit on bank deposits received		**47,907**	23,680
Mark-up received on loan to Service Industries Limited - Ultimate Holding Company		**33,354**	66,726
Dividend received from associated company		**-**	379,360
Long term investments made		**-**	(286,400)
Net cash from investing activities		**1,526,065**	598,811
Cash flows from financing activities			
Proceeds from long term financing		**832,849**	-
Repayment of long term financing		**(38,194)**	(28,922)
Short term borrowings - net		**(830,992)**	(1,497,181)
Proceeds against share capital issued under Employee's Stock Option Scheme		**13,960**	4,167
Dividend paid		**(826,719)**	(1,028,954)
Net cash used in financing activities		**(849,096)**	(2,550,890)
Effect of exchange rate changes on cash and cash equivalents		**3,167**	(520)
Net decrease in cash and cash equivalents		**(440,680)**	(2,374,055)
Cash and cash equivalents at the beginning of the period		**796,471**	2,951,229
Cash and cash equivalents at the end of the period		**355,791**	577,174

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

Hassan Javed	Arif Saeed	Usman Liaqat
(Chief Executive)	(Director)	(Chief Financial Officer)

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

For the nine months ended September 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.

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 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.

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

For the nine months ended September 30, 2025

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in thousand)	
4	**LONG TERM FINANCING - SECURED**		
	Opening balance	**312,969**	362,364
	Add: Obtained during the period / year	**832,849**	-
	Less: Repaid during the period / year	**(38,194)**	(49,395)
		1,107,624	312,969
	Less: Current portion shown under current liabilities	**(92,764)**	(59,543)
		1,014,860	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. The DCIR passed an order dated 04 August 2025 and a demand of Rupees 12 million was raised, being aggrieved by the order the company filed an appeal before CIR(Appeals) on 21 August 2025 , which is currenty pending for hearing.

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 118.102 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 122 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 354.943 million (31 December 2024: Rupees 159.510 million).

5.2.2 Contracts for capital expenditure are approximately of Rupees 0.924 million (31 December 2024: Rupees Nil).

5.2.3 Outstanding foreign currency forward contracts are of Rupees 2,942.133 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:

	Note	**(Un-audited) September 30, 2025**	(Audited) December 31, 2024
		(Rupees in thousand)	
Not later than one year		-	5,828

6 FIXED ASSETS

	Note	**September 30, 2025**	December 31, 2024
Operating fixed assets	6.1	**2,957,049**	2,880,774
Capital work-in-progress	6.2	**845,044**	80,167
		3,802,093	2,960,941

6.1 Operating fixed assets

	Note	**September 30, 2025**	December 31, 2024
Opening net book value		**2,880,774**	2,981,977
Add: Cost of additions during the period / year	6.1.1	**298,796**	199,177
Less: Book value of deletions during the period / year	6.1.2	**(9,236)**	(14,526)
Less: Depreciation charged during the period / year		**(213,735)**	(285,339)
Currency retranslation		**450**	(515)
Closing net book value		**2,957,049**	2,880,774

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

For the nine months ended September 30, 2025

		Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
			(Rupees in thousand)	
6.1.1	**Cost of additions during the period / year**			
	Buildings on freehold land		**40,750**	45,246
	Plant and machinery		**108,164**	83,900
	Furniture, fixture and fittings		**4,126**	10,040
	Vehicles		**75,638**	24,107
	Service equipment		**70,118**	35,884
			298,796	199,177
6.1.2	**Book value of deletions during the period / year**			
	Cost of deletions:			
	Buildings on freehold land		**2,203**	-
	Plant and machinery		**1,765**	685
	Furniture, fixture and fittings		**-**	20
	Vehicle		**13,318**	22,385
	Service equipment		**2,158**	4,414
			19,444	27,504
	Less: Accumulated depreciation		**(10,208)**	(12,978)
	Book value of deletions during the period / year		**9,236**	14,526
6.2	**Capital work-in-progress**			
	Buildings on freehold land		**509,988**	30,297
	Plant and machinery		**209,235**	5,029
	Service equipment		**122,263**	41,841
	Furniture, fixture and fittings		**827**	-
	Vehicles		**2,731**	3,000
			845,044	80,167
7	**LONG TERM INVESTMENTS**			
	Investment in associate (with significant influence) - under equity method	7.1	**5,632,849**	3,946,265

		(Un-audited) September 30, 2025	(Audited) December 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: 18.30% (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	**1,657,387**	1,323,147
	Less: Dividend received during the period / year	**-**	(379,360)
	Add: Share of employee share options reserve	**29,197**	24,389
	Less: Shares issued against employee share options scheme	**(53,586)**	-
	Add: Share of share premium reserve for the period / year	**53,586**	-
		2,911,874	1,225,290
		5,632,849	3,946,265

		(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
8	**REVENUE**				
	Revenue from contracts with customers:				
	Export sales	**15,087,724**	12,578,115	**5,623,268**	4,576,745
	Local sales	**135,216**	415,522	**30,216**	105,036
		15,222,940	12,993,637	**5,653,484**	4,681,781

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

For the nine months ended September 30, 2025

		(Un-audited) NINE MONTHS ENDED		(Un-audited) QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
9	**COST OF SALES**				
	Raw materials consumed	**6,547,106**	6,073,176	**2,409,109**	2,168,809
	Salaries, wages and other benefits	**3,151,736**	2,623,490	**1,096,600**	947,041
	Stores and spares consumed	**441,668**	260,555	**126,007**	121,541
	Packing materials consumed	**841,444**	701,854	**301,697**	276,702
	Fuel and power	**269,693**	302,286	**113,167**	107,381
	Insurance	**19,851**	18,290	**6,652**	6,217
	Travelling and conveyance	**73,961**	47,824	**28,417**	14,865
	Repair and maintenance	**45,135**	41,527	**16,890**	13,545
	Entertainment	**669**	554	**52**	29
	Depreciation	**183,707**	186,877	**63,529**	63,970
	Rent, rates and taxes	**3,502**	1,218	**1,204**	407
	Provision / (reversal of provision) for slow Moving and obsolete inventory	**5,954**	(14,573)	**1,764**	(3,707)
	Other manufacturing charges	**66,305**	78,281	**21,429**	16,173
		11,650,731	10,321,359	**4,186,517**	3,732,973
	Movement in work in process	**(65,036)**	56,802	**(118,859)**	102,094
	Cost of goods manufactured	**11,585,695**	10,378,161	**4,067,658**	3,835,067
	Movement in finished goods	**666,979**	270,949	**453,246**	(44,165)
		12,252,674	10,649,110	**4,520,904**	3,790,902

		Note	Un-audited NINE MONTHS ENDED September 30, 2025	September 30, 2024
			(Rupees in thousand)	
10	**CASH (USED IN) / GENERATED FROM OPERATIONS**			
	Profit before taxation and levy		**2,132,363**	1,223,859
	Adjustments for non-cash charges and other items:			
	Depreciation		**213,735**	213,148
	Provision for gratuity		**38,126**	39,979
	Finance cost		**409,589**	543,108
	Loss/ (Gain) on disposal of operating fixed assets		**309**	(1,710)
	Exchange loss / (gain)- net		**109**	(88,020)
	Interest on workers' profit participation fund		**97**	1,245
	Provision for workers' welfare fund		**42,789**	2,947
	Provision / (Reversal of provision) for slow moving and obsolete inventory		**5,954**	(14,573)
	Debit balance written off		**17,201**	-
	Interest on bank deposits		**(38,308)**	(18,323)
	Employee's share option expense		**22,735**	5,976
	Share of profit of equity accounted investee - net of taxation		**(1,657,387)**	(944,310)
	Interest on loan to Ultimate Holding Company		**(33,354)**	(66,917)
	Working capital changes	10.1	**(1,590,634)**	(347,616)
			(436,676)	548,793

10.1	**Working capital changes**		
	Decrease / (increase) in current assets:		
	Stores, spares and loose tools	**(12,250)**	(18,497)
	Stock in trade	**65,261**	590,109
	Trade debts	**(2,081,978)**	(1,205,376)
	Loans and advances	**21,881**	411,338
	Short term deposits and prepayments	**(55,678)**	(16,702)
	Other receivables	**(450,470)**	(187,218)
		(2,513,234)	(426,346)
	Increase / (decrease) in trade and other payables	**922,600**	78,730
		(1,590,634)	(347,616)

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

For the nine months ended September 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 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 At 30 September 2025 - Un-audited	**Level 1**	**Level 2**	**Level 3**	**Total**
		(Rupees in thousand)		
Financial liabilities				
Derivative financial liabilities	**-**	**30,153**	**-**	**30,153**

Recurring fair value measurements 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 nine months ended 30 September 2025. 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 NINE MONTHS ENDED		Un-audited QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
Nature of relationship	**Nature of transactions**				
Ultimate Holding company					
Service Industries Limited	Sale of goods	**55,970**	260,900	**18,307**	52,481
	Purchase of goods	**316,373**	382,443	**90,731**	196,612
	Purchase of fixed assets	**18,515**	6,275	**18,400**	-
	Loan given	**74,000**	2,408,000	**-**	2,278,000
	Loan repaid	**2,574,000**	2,953,000	**-**	1,923,000
	Expenses charged to the group	**206,183**	174,900	**78,569**	61,049
	Interest income	**33,354**	66,917	**-**	24,190
	Processing charges	**-**	17,290	**-**	-
	Dividend paid	**654,200**	817,750	**-**	-

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

For the nine months ended September 30, 2025

		Un-audited NINE MONTHS ENDED		Un-audited QUARTER ENDED	
		September 30, 2025	September 30, 2024	**September 30, 2025**	September 30, 2024
		(Rupees in thousand)			
Subsidiary company of the Ultimate Holding company					
Service Tyres (Private) Limited	Sale of goods	**15,383**	6,189	**3,182**	-
	Purchase of goods	**163**	-	**-**	-
	Purchase of fixed assets	**263**	-	**-**	-
Associated company					
Service Long March Tyres (Private) Limited	Dividend received	**-**	379,360	**-**	379,360
Subsidiary company of the Ultimate Holding company					
Service Retail (Private) Limited	Sale of goods	**12,800**	124,019	**-**	56,144
	Return of goods	**2,771**	-	**2,771**	-
Key management personnel and directors					
Remuneration		**202,678**	139,230	**78,300**	49,492
Meeting fee to directors - non executive		**1,630**	1,040	**750**	322
Cash dividend paid		**7,614**	16,876	**-**	-
Proceeds against shares issued under Employee's Stock Option Scheme		**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		**164,304**	140,101	**56,526**	47,031

(ii) Period end balances

	As at September 30, 2025 (Un-audited)		
	Ultimate Holding company	**Other related parties**	**Total**
	(Rupees in thousand)		
Employees' retirement benefits payable	**-**	**320,429**	**320,429**
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 28 October 2025.

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

For the nine months ended September 30, 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.

Hassan Javed	Arif Saeed	Usman Liaqat
(Chief Executive)	(Director)	(Chief Financial Officer)

گروپ کی ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 ستمبر 2025 ختم ہونے والی نوماہی کے لیے سروس گلوبل فٹ ویئرلمیٹڈ 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 ویئرلمیٹڈ اور ڈونگ گوان سروس گلوبل لمیٹڈ، جو کہ سروس گلوبل فٹ ویئرلمیٹڈ کا کلی ملکیتی ذیلی ادارہ ہے، پر مشتمل ہے۔

سروس گلوبل فٹ ویئر لمیٹڈ

سروس گلوبل فٹ ویئرلمیٹڈ 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 ستمبر 2025 ختم ہونے والی نوماہی کے لیے سروس گلوبل فٹ ویئرلمیٹڈ کی کارکردگی پر ڈائریکٹر کے تبصرہ کی رپورٹ الگ سے پیش کی گئی ہے۔

ڈونگ گوان سروس گلوبل لمیٹڈ

ڈونگ گوان سروس گلوبل لمیٹڈ ایک لمیٹڈ لائیبلٹی 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، سلے ہوئے ملبوسات اور اس سے منسلک خام مال کی فروخت، ہارڈ ویئر مصنوعات کی بڑے پیمانے پر فروخت، بیگز کی فروخت، روزمرہ کی ضروریات، ملبوسات کا معائنہ اور انکی فنشنگ کی خدمات، تکنیکی خدمات، ٹیکنالوجی کی ڈیویلپمنٹ، تکنیکی 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 کا رجسٹرڈ سرمایہ 1,250,000 امریکی ڈالر ہے جسے ہولڈنگ کمپنی نے سبسکرائب کیا ہے۔ ہولڈنگ کمپنی مکمل طور پر ڈونگ گوان سروس گلوبل لمیٹڈ کی مالک ہے۔

منجانب بورڈ

عارف سعید	حسن جاوید
چیئرمین	چیف ایگزیکٹو

مورخہ 28 اکتوبر 2025

لاہور

ا۔ مارکیٹ میں توسیع

ایس جی ایف ایل اپنے کاروباری پورٹ فولیو میں تنوع پیدا کرنے اور ارتکاز کے خطرات کو کم کرنے کے لیے فعال طور پر نئے امریکی اور یورپی یونین کے گاہکوں سے رابطے میں ہے۔ اگرچہ خریداروں کا رویہ ابھی محتاط ہے، لیکن کمپنی کی فروخت کا سلسلہ مضبوط ہے، اور سال 2026 میں کئی اُمید افزا نئے معاہدوں کے عملی شکل اختیار کرنے کی توقع ہے۔

2۔ مارکیٹ تک تیزی سے رسائی

ہمارا چائنا 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۔ ان اقدامات کے نتیجے میں مصنوعات کی تیاری کے دورانیے میں کمی اور ردِ عمل کی صلاحیت میں بہتری آئی ہے، جس سے ایس جی ایف ایل (SGFL) کو عالمی گاہکوں کو زیادہ تیزی اور مؤثر طریقے سے خدمات فراہم کرنے کے قابل بنایا جا رہا ہے۔

3۔ لاگت میں سب سے بہتر

قیمتوں کے دباؤ کا مقابلہ کرنے کے لیے، ایس جی ایف ایل نے غیر ملکی ماہرینِ تکنیکی اور مشیروں کی مدد سے اپنے آپریشن کے کچھ حصوں کو از سر نو ترتیب دیا ہے تاکہ زیادہ کارکردگی حاصل کی جا سکے۔ اس کے نتیجے میں فی فرد پیداوار میں اضافہ اور بالواسطہ اخراجات میں کمی واقع ہوئی ہے۔ ایس جی ایف ایل مسلسل آپریشنل نظم و ضبط اور اعلیٰ معیارِ کارکردگی کے حصول کے لیے کوشاں ہے۔

سال 2026 کا منظر نامہ

کمپنی کو توقع ہے کہ سال 2026 ایک مشکل مگر انتہائی اہم سال ثابت ہوگا، جس پر عالمی طلب میں کمی اور شدید قیمتوں کے مقابلے کا رجحان رہے گا۔ ایس جی ایف ایل اپنی حکمتِ عملی میں لاگت کی کمی، پیداواری صلاحیت میں بہتری، اور گاہکوں کے اعتماد کو برقرار رکھنے پر توجہ مرکوز رکھے گا، تاکہ بروقت ترسیل اور قابلِ اعتماد کارکردگی کے ذریعے مارکیٹ میں اپنی مضبوط پوزیشن قائم رکھ سکے۔

اس کے ساتھ ساتھ، ایس جی ایف ایل ٹیکنالوجی، توانائی کے مؤثر استعمال، اور پائیدار نمو کے حصول میں سرمایہ کاری کے لیے پرعزم ہے۔ یہ اقدامات کمپنی کی حیثیت کو ایک سرگرم عالمی جوتا ساز ادارے اور پاکستان کے صفِ اوّل کے جوتا برآمد کنندہ کے طور پر مزید مستحکم کرتے ہیں۔ ان مسلسل کوششوں کے ذریعے، کمپنی کا ہدف ہے کہ وہ پائیدار ترقی حاصل کرے اور اپنے حصص یافتگان اور دیگر اسٹیک ہولڈرز کے لیے طویل المدتی قدر پیدا کرے۔

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 بینکرز کے کمپنی کے ساتھ مسلسل تعاون اور حمایت کے بھی شکر گزار ہیں۔

منجانب بورڈ

عارف سعید
چیئرمین

حسن جاوید
چیف ایگزیکٹو

مورخہ 28 اکتوبر 2025
لاہور

مستقبل پر ایک نظر

پاکستان کا معاشی منظر نامہ:

پاکستان کی معیشت اس وقت دوہری مشکلات سے گزر رہی ہے — ایک طرف میکرو اکنامک استحکام برقرار رکھنے کی کوششیں جاری ہیں، اور دوسری طرف ماحولیاتی تبدیلیوں کے اثرات نمایاں ہیں۔ اگرچہ حکومت نے آئی ایم ایف کے ایکسٹینڈڈ فنڈ فسیلٹی (EFF) کے تحت زیادہ تر کارکردگی کے اہداف حاصل کر لیے ہیں، تاہم سال 2025 کی تیسری سہ ماہی میں شدید مون سون بارشوں اور سیلابوں نے زرعی پیداوار اور ٹرانسپورٹ کے نظام کو متاثر کیا، جس کے بالواسطہ اثرات صنعتی خام مال اور برآمدی لاجسٹکس پر بھی پڑے۔ توانائی کی بلند قیمتوں، سخت مالیاتی پالیسی، اجرتوں میں اضافے، اور ٹیکس ریفنڈز میں تاخیر نے برآمد کنندگان لیکوڈٹی کی دستیابی اور منافع کے مارجن پر دباؤ برقرار رکھا ہے۔

مالی سال 2024-25 میں معیشت نے 2.7% کی معتدل شرحِ نمو حاصل کی ہے، جس میں افراطِ زر میں کمی اور سال کے دوسرے نصف حصے میں مالیاتی پالیسی میں بتدریج نرمی نے معاون کردار ادا کیا۔ توقع ہے کہ آئندہ عرصے میں حکومت کی پالیسیوں میں برآمدات کے فروغ پر زیادہ توجہ دی جائے گی، تاکہ برآمد کنندگان قومی معیشت کے استحکام اور ترقی میں اپنا مؤثر کردار ادا کر سکیں۔

عالمی تجارتی منظر نامہ:

دوسری جانب، عالمی تجارتی ماحول اب بھی غیر مستحکم اور پیچیدہ ہے، جو بدلتی ہوئی مالیاتی پالیسیوں، از سر نو ابھرنے والی جغرافیائی سیاسی کشیدگیوں، اور تحفظاتی اقدامات میں دوبارہ اضافے سے تشکیل پا رہا ہے۔ آئی ایم ایف نے عالمی جی ڈی پی کی شرحِ نمو کا تخمینہ 3.1% برقرار رکھا ہے، جو بڑی معیشتوں میں افراطِ زر میں کمی اور صارفین کے اخراجات میں بتدریج بحالی کی عکاسی کرتا ہے۔ تاہم، امریکا کی جانب سے محصولات (ٹیرف) میں اضافے نے تجارتی کشیدگیوں کو مزید بڑھا دیا ہے، جس کے باعث عالمی برانڈز اور ریٹیلرز کو مسلسل غیر یقینی حالات میں کام کرنا پڑ رہا ہے۔

پاکستان کے جو تابر آمد کرنے والے اداروں پر مجموعی اثر نہ ہونے کے برابر رہا ہے، کیونکہ ویتنام، بنگلہ دیش اور چین جیسے مقابل مارکیٹس بھی اسی طرح کے محصولات کی زد میں ہیں۔ نتیجتاً، امریکا کی منڈی میں پاکستان کا تقابلی مسابقتی فائدہ برقرار رہا ہے۔

اس کے برعکس، فٹ وئیر مارکیٹ میں مقابلے کا رجحان تیزی سے بڑھ گیا ہے۔ چینی مینوفیکچررز، تیز تر پیداواری دورانیے اور جارحانہ قیمتوں کی حکمتِ عملی کے باعث، یورپی یونین کی منڈی میں دوبارہ اپنی جگہ حصہ بنا رہے ہیں، جس کے نتیجے میں تمام برآمد کنندہ ممالک بشمول پاکستان پر قیمتوں میں کمی کا دباؤ بڑھ گیا ہے۔

دریں اثناء، امریکہ اور یورپ دونوں میں افراطِ زر، ٹیرف سے متعلقہ لاگتوں اور سست معاشی ترقی کے باعث ریٹیل طلب میں کمی واقع ہوئی ہے، جس کے نتیجے میں فی گاہک آرڈر کے حجم میں کمی آئی ہے۔ عالمی برانڈز مارکیٹ شیئر حاصل کرنے کے لیے جارحانہ قیمتوں سے مدد لے رہے ہیں، جس سے پوری سپلائی چین میں منافع کے مارجن پر دباؤ مزید بڑھ گیا ہے۔

ایس جی ایف ایل پر اثرات اور اس کا اسٹریٹجک ردِ عمل:

ایس جی ایف ایل کے لیے موجودہ عالمی صورتحال نے قیمتوں پر مسلسل دباؤ اور منافع کے مارجن میں کمی کی صورت اختیار کی ہے۔ کمپنی اپنے طویل المدتی کلائنٹس کے ساتھ حجم کو برقرار رکھنے کی کوشش کر رہی ہے، جو ریٹیل سائیکل کی سست رفتاری کے باعث قیمتوں پر سخت مذاکرات کر رہے ہیں۔ اسی دوران پاکستان میں مقامی افراطِ زر، بالخصوص توانائی اور مزدوری کے اخراجات میں اضافہ، زرمبادلہ کی شرح میں استحکام یا معمولی تبدیلی کے باوجود، پیداواری لاگت کو بڑھا رہا ہے، جبکہ برآمدی قیمتیں یا تو جمود کا شکار ہیں یا کمی کا سامنا کر رہی ہیں۔ اس صورتحال سے کمپنی کی مضبوط آپریشنل نظم وضبط کے باوجود منافع کا شکار ہے۔

ایس جی ایف ایل اپنی طویل المدتی مسابقت اور پائیدار ترقی کے لئے پر عزم ہے، اور اس کی حکمتِ عملی تین بنیادی ستونوں پر مبنی ہے:

ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 ستمبر 2025 کوختم ہونے والی نو ماہی کے لیے سروس گلوبل فٹ ویئر لمیٹڈ کی مختصر عبوری مالیاتی معلومات کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی کارکردگی کا موازنہ

30 ستمبر 2025 کوختم ہونے والی نو ماہی کے لیے سروس گلوبل فٹ ویئر لمیٹڈ کی مالیاتی کارکردگی درج ذیل ہے۔

تفصیلات	نو ماہی اختتام		
	ستمبر 30، 2025 روپے، ہزار میں	ستمبر 30، 2024 روپے، ہزار میں	فیصد تبدیلی
خالص فروخت	**15,186,172**	12,951,499	17.25%
مجموعی منافع	**2,594,351**	2,179,219	19.05%
منافع قبل از لیوی اور ٹیکس	**2,096,677**	1,236,298	69.59%
منافع بعد از لیوی اور ٹیکس	**1,640,653**	817,314	100.74%
فی شیئر آمدنی	**7.96**	3.97	100.50%

زیرِ جائزہ مدت کے دوران، سروس گلوبل فُٹ ویئر لمیٹڈ نے مالی اور عملی طور پر بہترین کارکردگی کا مظاہرہ کیا، جو کمپنی کی کارکردگی، قدر میں اضافہ، اور حکمتِ عملی پر مبنی ترقی پر مسلسل توجہ کی عکاسی کرتا ہے۔ خالص فروخت میں 17.25% کا اضافہ ہوا اور یہ بڑھ کر 15.19 ارب روپے تک پہنچ گئی، جو گزشتہ سال اسی مدت کے 12.95 ارب روپے کے مقابلے میں ہے۔ یہ شاندار نمو مجموعی منافع کے مارجن میں 19.05% اور خالص منافع کے مارجن میں 100.74% کے نمایاں اضافے کے ساتھ رہی، جو اس بات کی واضح دلیل ہے کہ سروس گلوبل فُٹ ویئر لمیٹڈ نے اپنے آپریشنز کو مؤثر طریقے سے بہتر بنایا اور منافع میں نمایاں بہتری حاصل کی۔

مجموعی منافع کے مارجن میں اضافے کی اہم وجوہات درج ذیل ہیں:

- پروڈکشن کی استعداد کا بہتر استعمال: پیداوار کی بلند سطح اور فروخت کے بڑھتے ہوئے حجم نے مقررہ اخراجات کو زیادہ مؤثر طریقے سے جذب کرنے میں مدد دی، جس سے لاگت میں نمایاں بہتری آئی۔
- بہتر پروڈکٹ مکس: زیادہ قدر والے مصنوعات کی جانب منتقلی کے باعث فی یونٹ اوسط قیمت فروخت (ڈالر میں) میں اضافہ ہوا۔
- آپریشنز کی کارکردگی میں عمدگی: زیرِ جائزہ مدت کے دوران 90 فیصد سے زائد استعداد کے مسلسل استعمال نے پیداواریت میں اضافہ کیا اور اس طرح کمپنی کے آپریشنل نظم وضبط اور پروسیس آپٹیمائزیشن کے لئے مستقل عزم کا مظہر ہے۔

مزید برآں، ایس جی ایف ایل (SGFL) کی سروس لانگ مارچ (SLM) میں کی گئی اسٹریٹیجک سرمایہ کاری نے اس عرصے کے دوران خاطر خواہ منافع دیا، جو کمپنی کے منافع میں 1,657 ملین روپے کے اضافے کا باعث بنی۔

نتیجتاً، فی شیئر آمدنی بڑھ کر 7.96 روپے ہو گئی، جو گزشتہ سال کے اسی عرصے میں 3.97 روپے تھی۔ یہ اضافہ ایس جی ایف ایل کی اپنے حصص یافتگان کو مسلسل قدر فراہم کرنے کی مضبوط کارکردگی کا مظہر ہے۔

serviceglobalfootwear.com

SERVIS HOUSE
2-Main Gulberg, Lahore-54662, Pakistan.
Tel: +92-42-35751990-96