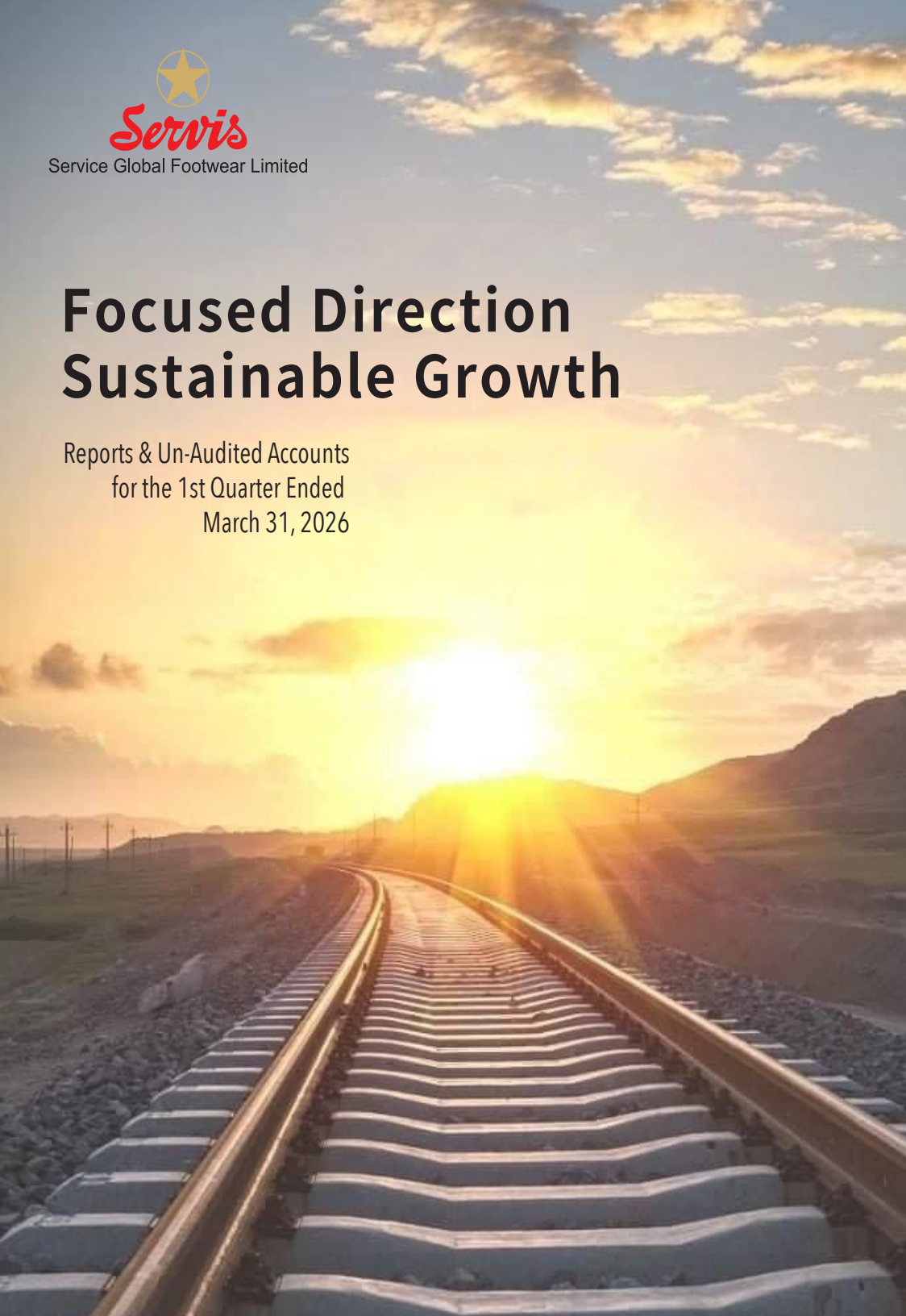




Service Global Footwear Limited

Focused Direction Sustainable Growth

Reports & Un-Audited Accounts
for the 1st Quarter Ended
March 31, 2026



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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

Mr. Usman Liaqat

Chief Financial Officer

Mr. Waheed Ashraf

Company Secretary

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

Allied Bank Limited

Askari Bank Limited

Bank Islami Pakistan Limited

Bank of Punjab - Islamic

Bank Alfalah

Bank of Khyber

Bank Al Habib Limited

Dubai Islamic Bank Limited

Faysal Bank Limited

Habib Metropolitan Bank

Habib Bank Limited

Meezan Bank Limited

MCB Islamic Bank Limited

MCB Bank Limited

National Bank of Pakistan

Soneri Bank Limited

Standard Chartered Bank (Pakistan) Limited

Samba Bank Limited

United 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, Sheikhpura 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 first quarter ended March 31, 2026.

Key Performance Indicators (KPIs)

Please find below key performance indicators of condensed interim financial statements of SGFL for the quarter ended March 31, 2026.

Particulars	Quarter Ended		
	March 31, 2026 "000"	March 31, 2025 "000"	Percentage Change
Revenue	3,995,831	4,793,152	-16.63%
Gross Profit	721,229	724,907	-0.51%
Profit before levy and taxation	741,108	225,931	228.02%
Profit after taxation	515,705	96,920	432.09%
Earnings per share- Basic	2.50	0.47	431.91%
Earnings per share- Diluted	2.48	0.47	427.66%

During the quarter under review, SGFL recorded sales Rs. 3.99 billion compared to Rs. 4.79 billion in the corresponding period last year with drop of 16.63%. This contraction primarily reflects the slowdown in the global economy and the impact of frequent tariff adjustments in the United States, which affected export volumes. All major customers of SGFL both in Europe and US have seen drop in sales in their respective markets due to slow economic activities and advance inventory in-take in US last year when there were frequent tariff adjustments.

Despite the decline in top-line performance, the Company achieved an improved product mix, resulting in an improved gross profit margin of 18%, compared to 15% in the same period last year. Additionally, effective treasury and borrowing management led to a reduction in average markup rates, contributing to a significant decrease in finance costs.

Pakistan's economy exhibited uneven performance during the period under review. Overall economic activity remained subdued amid a challenging macroeconomic environment. While certain sectors posted moderate growth, broadly the momentum remained cautious. Reflecting weaker export performance and subdued investment activity, the International Monetary Fund revised Pakistan's GDP growth forecast downward to 3.2% from the earlier projection of 3.7%. Meanwhile, inflation remained within the anticipated range, providing some room for monetary easing and policy support.

SGFL's strategic investment in Service Long March (SLM) continues to yield strong results. The Company's share of profit from SLM for the current period stands at Rs. 675 million, reflecting its robust operational performance and effective cost management.

Despite a challenging global export environment, particularly amid the evolving United States tariff landscape,

SLM has demonstrated notable resilience and stability. Its consistent performance underscores the strength of its business model, product positioning and operational efficiencies.

The management remains confident in SLM's ability to sustain its growth trajectory and further consolidate its position within its category, supported by ongoing market diversification and continued focus on operational excellence

The earnings per share (EPS) for the period stood at Rs. 2.50, compared to Rs. 0.47 in the corresponding period last year.

Future outlook

This year remains challenging when it comes to growth in top line. All international markets remain soft and facing challenge of over inventory and slowdown of sales in retail markets due to energy crisis, inflation and recent middle east war. Consumer behavior remains cautious, careful and only necessary spending pattern being followed. Company expects 2026 to be a year of strengthening the foundation, resilience and re-calibration before we take the next leap in our sales and expansion.

SGFL remains focused on developing new markets and customers to navigate drop in sales in traditional markets and key customers. In this period of soft market and sales situation, SGFL will maintain a disciplined focus on cost control, operational efficiency and productivity enhancement. Through targeted technology adoption and process optimization, the Company aims to mitigate rising input costs while safeguarding bottom-line stability. Further, the recently concluded Joint venture is on track despite facing minor hardships due to prevailing uncertainties.

At the same time, SGFL has a strong business development in pipeline with tools to deepen relationships with global brands both in United States and Europe. Accordingly, 2026 will serve as a strategic consolidation phase, positioning the Company to capitalize on accelerated growth opportunities as market conditions improve.

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)

28 April 2026
Lahore.





Financial Statements

	Q1	Q2	Q3	Q4	Q5	Q6
Global Equities						
MSCI World	75	44	13	28		
MSCI EM	43	23	33	45		

Unconsolidated Condensed Interim Statement of Financial Position

As at March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized share capital		
250,000,000 (31 December 2025: 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 2025: 206,467,605) ordinary shares of Rupees 10 each	2,064,676	2,064,676
Reserves	6,849,347	6,329,979
Total equity	8,914,023	8,394,655
LIABILITIES		
Non-current liabilities		
Long term financing - secured	4 1,206,799	1,055,360
Employees' retirement benefit	282,090	260,507
Deferred income tax liability - net	954,914	786,075
	2,443,803	2,101,942
Current liabilities		
Trade and other payables	2,105,304	2,793,668
Accrued mark-up	118,418	73,772
Short term borrowings	8,504,059	7,128,240
Current portion of long term financing	185,141	185,141
Unclaimed dividend	2,042	2,042
	10,914,964	10,182,863
Total liabilities	13,358,767	12,284,805
Contingencies and commitments	5	
TOTAL EQUITY AND LIABILITIES	22,272,790	20,679,460

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



Hassan Javed
(Chief Executive)

		(Un-audited)	(Audited)
		March	December
		31, 2026	31, 2025
	Note	(Rupees in thousand)	
ASSETS			
Non-current assets			
Fixed assets	6	4,300,539	4,198,142
Long term security deposits		4,671	4,491
Long term loans to employees		20,404	17,931
Long term investments	7	6,474,528	5,799,215
		10,800,142	10,019,779
Current assets			
Stores, spares and loose tools		200,051	194,749
Stock in trade		3,712,445	3,894,694
Trade debts		2,733,724	2,927,254
Loans and advances		356,087	253,564
Accrued mark-up		12,028	7,966
Short term deposits and prepayments		47,238	36,382
Other receivables		1,889,048	1,856,323
Short term investments		1,597,291	94,832
Advance income tax and prepaid levy - net		306,061	270,404
Cash and bank balances		618,675	1,123,513
		11,472,648	10,659,681
TOTAL ASSETS		22,272,790	20,679,460



Arif Saeed
(Director)



Usman Liaqat
(Chief Financial Officer)

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

For the Quarter ended March 31, 2026

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	Note	(Rupees in thousand)	
Revenue	8	3,995,831	4,793,152
Cost of sales	9	(3,274,602)	(4,068,245)
Gross profit		721,229	724,907
Distribution cost		(318,830)	(376,800)
Administrative expenses		(208,051)	(195,643)
Other expenses		(72,308)	(4,761)
		(599,189)	(577,204)
		122,040	147,703
Other income		37,858	73,884
Profit from operations		159,898	221,587
Finance cost		(94,144)	(150,059)
		65,754	71,528
Share of net profit of associate accounted for using the equity method		675,354	154,403
Profit before levy and taxation		741,108	225,931
Levy		(33,729)	(42,320)
Profit before taxation		707,379	183,611
Taxation		(191,674)	(86,691)
Profit after taxation		515,705	96,920
EARNINGS PER SHARE - BASIC (RUPEES)		2.50	0.47
EARNINGS PER SHARE - DILUTED (RUPEES)		2.48	0.47

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 Comprehensive Income (Un-audited)

For the Quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
PROFIT AFTER TAXATION	515,705	96,920
OTHER COMPREHENSIVE LOSS		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss		
Share of other comprehensive loss of investment accounted for using the equity method	(41)	-
Other comprehensive loss for the period	(41)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	515,664	96,920

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 Quarter ended March 31, 2026

	Reserves										Total Equity
	Share Capital	Capital Reserve					Share of share premium reserve held by equity accounted investee	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 exchange translation reserve- equity accounted investee company		Share of share premium reserve held by equity accounted investee	Un-appropriated profit		
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	-	-	-	-	16,074	-	-	-	-	16,074	16,074
Profit for the period ended 31 March 2025	-	-	-	-	-	-	-	-	96,920	96,920	96,920
Other comprehensive income for the period ended 31 March 2025	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period ended 31 March 2025	-	-	-	-	-	-	-	-	96,920	96,920	96,920
Balance as at 31 March 2025 - un-audited	2,060,564	1,390,684	1,716,321	7,183	40,463	-	-	-	2,108,694	5,263,345	7,323,909
Balance as at 31 December 2025 - audited	2,064,676	1,390,684	1,730,607	33,058	4,003	(223)	55,714	3,116,136	6,329,979	8,394,655	
Adjustment due to equity accounted investee company	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners:	-	-	-	-	-	-	-	-	-	-	-
Recognition of share options: reserve	-	-	-	3,704	-	-	-	-	-	3,704	3,704
Profit for the period ended 31 March 2026	-	-	-	-	-	-	-	-	515,705	515,705	515,705
Other comprehensive loss for the period ended 31 March 2026	-	-	-	-	-	(41)	-	-	(41)	(41)	(41)
Total comprehensive income for the period ended 31 March 2026	-	-	-	-	-	(41)	-	-	515,705	515,664	515,664
Balance as at 31 March 2026 - un-audited	2,064,676	1,390,684	1,730,607	36,762	4,003	(264)	55,714	3,631,841	6,849,347	8,914,023	

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)

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

For the Quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations	10 (233,106)	(265,732)
Finance cost paid	(49,498)	(84,565)
Income tax and levy paid	(92,220)	(113,885)
Staff retirement benefit paid	(339)	(113)
Long term loans to employees - net	(101)	2,536
Long term security deposits - net	(480)	(273)
Net cash used in operating activities	(375,744)	(462,032)
Cash flows from investing activities		
Capital expenditure on fixed assets	(195,327)	(122,814)
Proceeds from disposal of fixed assets	19,430	819
Loan given to Service Industries Limited - Holding Company	-	(74,000)
Loan repayment from Service Industries Limited - Holding Company	-	2,574,000
Profit on term deposit receipts and bank deposits received	19,545	36,007
Mark-up received on loan to Service Industries Limited - Holding Company	-	33,354
Short term investments made	(1,500,000)	-
Net cash (used in) / generated from investing activities	(1,656,352)	2,447,366
Cash flows from financing activities		
Long term financing obtained	158,638	85,864
Repayment of long term financing	(7,199)	(9,130)
Short term borrowings - net	1,375,819	(2,418,946)
Net cash generated from / (used in) financing activities	1,527,258	(2,342,212)
Net decrease in cash and cash equivalents	(504,838)	(356,878)
Cash and cash equivalents at the beginning of the period	1,123,513	744,970
Cash and cash equivalents at the end of the period	618,675	388,092

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 Quarter ended March 31, 2026

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 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 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 2025.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual financial statements of the Company for the year ended 31 December 2025.

3.1 Critical accounting estimates and judgments

The preparation of these 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 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 2025.

	(Un-audited)	(Audited)
	March	December
	31, 2026	31, 2025
	(Rupees in thousand)	
4 LONG TERM FINANCING - SECURED		
Opening balance	1,240,501	312,969
Add: Obtained during the period / year	158,638	986,983
Less: Repaid during the period / year	(7,199)	(59,451)
	1,391,940	1,240,501
Less: Current portion shown under current liabilities	(185,141)	(185,141)
	1,206,799	1,055,360

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 2025 except for the following:

- 5.1.1** Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 71.203 million (31 December 2025: Rupees 79.921 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 3,360 million (31 December 2025: 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 3,360 million (31 December 2025: Rupees 2,750 million) from the Company.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

5.2 Commitments

- 5.2.1 Letters of credit other than capital expenditure are of Rupees 380.300 million (31 December 2025: Rupees 490.811 million).
- 5.2.2 Contracts for capital expenditure are approximately of Rupees 11.969 million (31 December 2025: Rupees 6.423 million).
- 5.2.3 Outstanding foreign currency forward contracts are of Rupees 4,017.669 million (31 December 2025: Rupees 3,650.841 million).

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	(Rupees in thousand)	
6 FIXED ASSETS			
Operating fixed assets	6.1	3,124,553	3,142,814
Capital work-in-progress	6.2	1,175,986	1,055,328
		4,300,539	4,198,142
6.1 Operating fixed assets			
Opening net book value		3,142,814	2,868,638
Add: Cost of additions during the period / year	6.1.1	74,669	581,873
Less: Book value of deletions during the period / year	6.1.2	(17,402)	(14,406)
Less: Depreciation charged during the period / year		(75,528)	(293,291)
Closing net book value		3,124,553	3,142,814
6.1.1 Cost of additions during the period / year			
Buildings on freehold land		45,846	42,123
Plant and machinery		11,050	297,566
Furniture, fixture and fittings		-	3,837
Vehicles		17,450	153,757
Service equipment		323	84,590
		74,669	581,873

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	(Rupees in thousand)	
6.1.2	Book value of disposals during the period / year		
	Cost of disposals:		
	Buildings on freehold land	-	3,817
	Plant and machinery	-	1,765
	Vehicles	25,785	20,313
	Service equipment	278	2,533
		26,063	28,428
	Less: Accumulated depreciation	(8,661)	(14,022)
	Book value of disposals during the period / year	17,402	14,406
6.2	Capital work-in-progress		
	Buildings on freehold land	857,509	748,160
	Plant and machinery	169,854	171,753
	Service equipment	146,918	133,710
	Furniture, fixture and fittings	1,705	1,705
		1,175,986	1,055,328
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 6,385,361	5,710,048
		6,474,528	5,799,215
7.1	Investment in subsidiary company - at cost		
	Dongguan Service Global Limited		
	Equity held 100% (31 December 2025: 100%)	89,167	89,167

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	(Rupees in thousand)	
7.2 Investment in associate (with significant influence) - under equity method			
Service Long March Tyres (Private) Limited - un-quoted			
1,354,858,520 (31 December 2025: 1,354,858,520) fully paid ordinary shares of Rupees 2 each	7.2.1	6,385,361	5,710,048

7.2.1 Investment in associate (with significant influence) - under equity method			
Equity held: 18.30% (31 December 2025: 18.30%)		2,720,975	2,720,975

Share of post acquisition changes in investee's net assets:

As at the beginning of the period / year	2,989,073	1,225,290
Add: Share of post acquisition profit for the period / year	675,354	2,277,572
Less: Dividend received during the period / year	-	(548,894)
Add: Share of employee share options reserve for the period / year	-	35,328
Add: Share of post acquisition other comprehensive loss	(41)	(223)
	3,664,386	2,989,073
	6,385,361	5,710,048

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
8 REVENUE		
Revenue from contracts with customers:		
Export sales	4,003,812	4,827,687
Local sales	43,125	38,577
	4,046,937	4,866,264
Less: Discounts and Commissions	(51,106)	(73,112)
	3,995,831	4,793,152

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
9 COST OF SALES		
Raw materials consumed	1,869,973	2,220,586
Salaries, wages and other benefits	917,008	1,004,054
Stores and spares consumed	84,625	157,325
Packing materials consumed	212,292	276,832
Fuel and power	71,569	75,486
Insurance	5,275	6,602
Travelling and conveyance	19,938	19,496
Repair and maintenance	10,225	13,937
Entertainment	2,366	561
Depreciation	62,850	58,519
Rent, rates and taxes	841	614
Provision for slow moving and obsolete inventory	2,959	2,173
Other manufacturing charges	26,986	24,910
	3,286,907	3,861,095
Movement in work in process	(96,849)	18,879
Cost of goods manufactured	3,190,058	3,879,974
Movement in finished goods	84,544	188,271
	3,274,602	4,068,245

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
Note	(Rupees in thousand)	
10 CASH USED IN OPERATIONS		
Profit before taxation and levy	741,108	225,931
Adjustments for non-cash charges and other items:		
Depreciation	75,528	65,395
Provision for gratuity	12,089	12,784
Finance cost	94,144	150,059
(Gain) /loss on disposal of operating fixed assets	(2,028)	150
Provision for workers' welfare fund	15,125	4,611
Provision for slow moving and obsolete inventory	2,959	2,173
Interest on term deposit receipts and bank deposits	(26,066)	(29,473)
Employee's share option expense	3,704	-
Share of profit of equity accounted investee - net of taxation	(675,354)	(154,403)
Interest on loan to holding company	-	(33,354)
Working capital changes	10.1 (474,315)	(509,605)
	(233,106)	(265,732)
10.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(8,261)	(6,811)
Stock in trade	182,249	(43,519)
Trade debts	193,530	2,080
Loans and advances	(104,895)	(263,258)
Short term deposits and prepayments	(10,556)	1,089
Other receivables	(32,725)	(76,328)
	219,342	(386,747)
Decrease in trade and other payables	(693,657)	(122,858)
	(474,315)	(509,605)

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 31 March 2026 - Un-audited	Level 1	Level 2	Level 3	Total
--	---------	---------	---------	-------

(Rupees in thousand)

Financial assets

Derivative financial assets	-	6,712	-	6,712
-----------------------------	---	-------	---	-------

Recurring fair value measurements At 31 December 2025 - Audited	Level 1	Level 2	Level 3	Total
--	---------	---------	---------	-------

(Rupees in thousand)

Financial assets

Derivative financial assets	-	5,508	-	5,508
-----------------------------	---	-------	---	-------

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.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

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) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
Service Industries Limited - Holding company		
Sale of goods	5,777	14,843
Purchase of goods	6,521	173,532
Loan given	-	74,000
Loan repaid	-	2,574,000
Expenses charged to the company	46,150	62,072
Interest income	-	33,354
Service Retail (Private) Limited - subsidiary company of the Holding company		
Sale of goods	-	12,800

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
(Rupees in thousand)		
Dongguan Service Global Limited - subsidiary company		
Purchase of goods	394,520	580,264
Key management personnel and directors		
Remuneration	75,722	62,189
Meeting fee to directors - non executive	1,000	480
Other related parties		
Post employment benefit plans	51,491	53,756

(ii) Period end balances

As at 31 March 2026 (Un-audited)			
	Subsidiary company	Other related parties	Total
(Rupees in thousand)			
Employees' retirement benefits payable	-	319,141	319,141
Trade and other payables	84,731	-	84,731
As at 31 December 2025 (Audited)			
	Subsidiary company	Other related parties	Total
(Rupees in thousand)			
Employees' retirement benefits payable	-	304,015	304,015
Trade and other payables	151,854	-	151,854

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 2025.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

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 April 2026.

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 Financial Statements

	Q1	Q2	Q3	Q4	Q5	Q6
Global Growth	4.3	2.4	2	3.5	4.5	5
Investment	2.4	4.4	1.3	2.8	3.8	4.8
MSCIEM	2.4	4.4	1.3	2.8	3.8	4.8
S&P 500 Index	2.4	4.4	1.3	2.8	3.8	4.8



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 31 March 2026.

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 31 March 2026 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.



Arif Saeed
(Chairman)



Hassan Javed
(Chief Executive)

28 April 2026
Lahore.

Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized share capital		
250,000,000 (31 December 2025: 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 2025: 206,467,605) ordinary shares of Rupees 10 each	2,064,676	2,064,676
Reserves	6,817,973	6,326,335
Total equity	8,882,649	8,391,011
LIABILITIES		
Non-current liabilities		
Long term financing - secured	4 1,206,799	1,055,360
Employees' retirement benefit	282,090	260,507
Deferred liabilities	954,914	786,075
	2,443,803	2,101,942
Current liabilities		
Trade and other payables	2,288,041	3,057,521
Accrued mark-up	118,418	73,772
Short term borrowings	8,504,059	7,128,240
Current portion of non-current liabilities	185,141	185,141
Unclaimed dividend	2,042	2,042
	11,097,701	10,446,716
Total liabilities	13,541,504	12,548,658
Contingencies and commitments		
	5	
TOTAL EQUITY AND LIABILITIES	22,424,153	20,939,669

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



Hassan Javed
(Chief Executive)

		(Un-audited)	(Audited)
		March	December
		31, 2026	31, 2025
	Note	(Rupees in thousand)	
ASSETS			
Non-current assets			
Fixed assets	6	4,313,723	4,211,854
Long term security deposits		4,671	4,491
Long term loans to employees		20,404	17,931
Long term investments	7	6,385,361	5,710,048
		10,724,159	9,944,324
Current assets			
Stores, spares and loose tools		200,051	194,749
Stock in trade		3,712,445	3,894,694
Trade debts		2,734,527	3,001,047
Loans and advances		364,982	270,962
Accrued mark-up		12,028	7,966
Short term deposits and prepayments		49,830	39,047
Other receivables		2,091,228	2,073,092
Shor term investments		1,597,291	94,832
Advance income tax and prepaid levy - net		306,061	270,404
Cash and bank balances		631,551	1,148,552
		11,699,994	10,995,345
TOTAL ASSETS		22,424,153	20,939,669



Arif Saeed
(Director)



Usman Liaqat
(Chief Financial Officer)

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

For the Quarter ended March 31, 2026

	Note	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
(Rupees in thousand)			
Revenue	8	4,015,713	4,810,942
Cost of sales	9	(3,257,729)	(3,970,610)
Gross profit		757,984	840,332
Distribution cost		(397,721)	(455,294)
Administrative expenses		(216,394)	(201,011)
Other expenses		(72,308)	(6,886)
		(686,423)	(663,191)
		71,561	177,141
Other income		63,690	73,884
Profit from operations		135,251	251,025
Finance cost		(98,035)	(153,928)
		37,216	97,097
Share of net profit of associate accounted for using the equity method		675,354	154,403
Profit before taxation and levy		712,570	251,500
Levy		(33,729)	(42,320)
Profit before taxation		678,841	209,180
Taxation		(191,674)	(87,170)
Profit after taxation		487,167	122,010
EARNINGS PER SHARE - BASIC (RUPEES)		2.36	0.59
EARNINGS PER SHARE - DILUTED (RUPEES)		2.34	0.59

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 Comprehensive Income (Un-audited)

For the Quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
PROFIT AFTER TAXATION	487,167	122,010
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss		
Share of other comprehensive loss of investment accounted for using the equity method	(41)	-
Exchange difference on translation of net assets of foreign subsidiary	808	938
Other comprehensive income for the period	767	938
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	487,934	122,948

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 Quarter ended March 31, 2026

	Reserves										Total Equity	
	Share Capital	Capital Reserve						Share of share premium reserve held by equity accounted investee	Revenue Reserve	Total		
		Exchange translation reserve	Reserve for issuance of bonus shares	Share of exchange translation reserve - equity accounted investee company	Share premium	Share options reserve	Share of employee share options reserve held by equity accounted investee ^a					Un-appropriated profit
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	-	-	-	-	-	-	16,074	-	-	-	16,074	16,074
Profit for the period ended 31 March 2025	-	-	-	-	-	-	-	-	122,010	-	122,010	122,010
Other comprehensive income for the period ended 31 March 2025	938	938	-	-	-	-	-	-	-	-	938	938
Total comprehensive income for the period ended 31 March 2025	-	938	-	-	-	-	-	-	122,010	-	122,948	122,948
Balance as at 31 March 2025 - un-audited	2,060,564	(6,662)	1,390,684	-	1,716,321	7,183	40,463	-	2,131,524	-	5,279,513	7,340,077
Balance as at 31 December 2025 - audited	2,064,676	(3,575)	1,390,684	(223)	1,730,607	33,058	4,003	55,714	3,116,067	-	6,326,335	8,391,011
Adjustment due to equity accounted investee company	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners:												
Recognition of share options: reserve	-	-	-	-	-	3,704	-	-	-	-	3,704	3,704
Profit for the period ended 31 March 2026	-	-	-	-	-	-	-	-	487,167	-	487,167	487,167
Other comprehensive income/(loss) for the period ended 31 March 2026	808	808	-	(41)	-	-	-	-	-	-	767	767
Total comprehensive income for the period ended 31 March 2026	-	808	-	(41)	-	-	-	-	487,167	-	487,934	487,934
Balance as at 31 March 2026 - un-audited	2,064,676	(2,767)	1,390,684	(264)	1,730,607	36,762	4,003	55,714	3,603,234	-	6,817,973	8,882,649

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 Cash Flows (Un-audited)

For the Quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
Note	(Rupees in thousand)	
Cash flows from operating activities		
Cash used in operations	10 (242,068)	(278,078)
Finance cost paid	(53,389)	(88,434)
Income tax and levy paid	(92,220)	(114,364)
Staff retirement benefit paid	(339)	(113)
Long term loans to employees - net	(101)	2,536
Long term security deposits - net	(480)	(273)
Net cash used in operating activities	(388,597)	(478,726)
Cash flows from investing activities		
Capital expenditure on fixed assets	(195,327)	(126,261)
Proceeds from disposal of fixed assets	19,430	819
Loan given to Service Industries Limited - Ultimate Holding Company	-	(74,000)
Loan repayment from Service Industries Limited - Ultimate Holding Company	-	2,574,000
Profit on term deposit receipts and bank deposits received	19,545	36,007
Mark-up received on loan to Service Industries Limited - Ultimate Holding Company	-	33,354
Short term investments made	(1,500,000)	-
Net cash (used in) / generated from investing activities	(1,656,352)	2,443,919
Cash flows from financing activities		
Proceeds from long term financing	158,638	85,864
Repayment of long term financing	(7,199)	(9,130)
Short term borrowings - net	1,375,819	(2,418,946)
Net cash generated from / (used in) financing activities	1,527,258	(2,342,212)
Effect of exchange rate changes on cash and cash equivalents	690	938
Net decrease in cash and cash equivalents	(517,001)	(376,081)
Cash and cash equivalents at the beginning of the period	1,148,552	796,471
Cash and cash equivalents at the end of the period	631,551	420,390

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 Quarter ended March 31, 2026

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 Quarter ended March 31, 2026

2.1 BASIS OF PREPARATION

a) These condensed consolidated 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 condensed consolidated 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 2025.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed consolidated 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 2025.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed consolidated 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 condensed consolidated 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 2025.

	(Un-audited)	(Audited)
	March	December
	31, 2026	31, 2025
	(Rupees in thousand)	
4 LONG TERM FINANCING - SECURED		
Opening balance	1,240,501	312,969
Add: Obtained during the period / year	158,638	986,983
Less: Repaid during the period / year	(7,199)	(59,451)
	1,391,940	1,240,501
Less: Current portion shown under current liabilities	(185,141)	(185,141)
	1,206,799	1,055,360

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 2025 except for the following:

- 5.1.1** Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 71.203 million (31 December 2025: Rupees 79.921 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 3,360 million (31 December 2025: 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 3,360 million (31 December 2025: Rupees 2,750 million) from the Company.

5.2 Commitments

- 5.2.1** Letters of credit other than capital expenditure are of Rupees 380.300 million (31 December 2025: Rupees 490.811 million).

Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

5.2.2 Contracts for capital expenditure are approximately of Rupees 11.969 million (31 December 2025: Rupees 6.423 million).

5.2.3 Outstanding foreign currency forward contracts are of Rupees 4,017.669 million (31 December 2025: Rupees 3,650.841 million).

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	(Rupees in thousand)	
6	FIXED ASSETS		
	Operating fixed assets	6.1 3,137,737	3,156,526
	Capital work-in-progress	6.2 1,175,986	1,055,328
		4,313,723	4,211,854
6.1	Operating fixed assets		
	Opening net book value	3,156,526	2,880,774
	Add: Cost of additions during the period / year	6.1.1 74,669	585,627
	Less: Book value of deletions during the period / year	6.1.2 (17,402)	(14,406)
	Less: Depreciation charged during the period / year	(76,174)	(296,009)
	Currency retranslation	118	540
	Closing net book value	3,137,737	3,156,526
6.1.1	Cost of additions during the period / year		
	Buildings on freehold land	45,846	42,123
	Plant and machinery	11,050	300,027
	Furniture, fixture and fittings	-	4,135
	Vehicles	17,450	153,757
	Service equipment	323	85,585
		74,669	585,627

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	(Rupees in thousand)
6.1.2 Book value of disposals during the period / year		
Cost of disposals:		
Buildings on freehold land	-	3,817
Plant and machinery	-	1,765
Vehicle	25,785	20,313
Service equipment	278	2,533
	26,063	28,428
Less: Accumulated depreciation	(8,661)	(14,022)
Book value of disposals during the period / year	17,402	14,406

6.2 Capital work-in-progress		
Buildings on freehold land	857,509	748,160
Plant and machinery	169,854	171,753
Service equipment	146,918	133,710
Furniture, fixture and fittings	1,705	1,705
	1,175,986	1,055,328

7 LONG TERM INVESTMENTS

Investment in associate (with significant influence) - under equity method	7.1	6,385,361	5,710,048
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7.1 Investment in associate (with significant influence) - under equity method

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

1,354,858,520 (31 December 2025: 1,354,858,520) fully paid ordinary shares of Rupees 2 each

Equity held: 18.30% (31 December 2025: 18.30%) **2,720,975** 2,720,975

As at the beginning of the period / year	2,989,073	1,225,290
Add: Share of post acquisition profit for the period / year	675,354	2,277,572
Less: Dividend received during the period / year	-	(548,894)
Add: Share of employee share options reserve	-	35,328
Less: Share of post acquisition other comprehensive loss	(41)	(223)
	3,664,386	2,989,073
	6,385,361	5,710,048

Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

(Un-audited) (Un-audited)
March March
31, 2026 31, 2025
(Rupees in thousand)

8 REVENUE

Revenue from contracts with customers:

Export sales	4,011,360	4,830,169
Local sales	55,459	53,885

	4,066,819	4,884,054
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Less: Discounts and Commissions	(51,106)	(73,112)
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	4,015,713	4,810,942
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9 COST OF SALES

Raw materials consumed	1,836,958	2,113,767
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Salaries, wages and other benefits	930,560	1,010,598
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Stores and spares consumed	84,625	157,325
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Packing materials consumed	212,292	276,832
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Fuel and power	71,970	75,486
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Insurance	5,275	6,602
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Travelling and conveyance	20,209	20,179
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Repair and maintenance	10,225	13,937
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Entertainment	2,366	561
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Depreciation	62,850	58,519
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Rent, rates and taxes	2,760	2,512
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Provision for slow moving and obsolete inventory	2,959	2,173
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Other manufacturing charges	26,985	24,969
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	3,270,034	3,763,460
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Movement in work in process	(96,849)	18,879
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Cost of goods manufactured	3,173,185	3,782,339
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Movement in finished goods	84,544	188,271
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	3,257,729	3,970,610
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	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
Note	(Rupees in thousand)	
10 CASH USED IN OPERATIONS		
Profit before taxation and levy	712,570	251,500
Adjustments for non-cash charges and other items:		
Depreciation	76,174	66,048
Provision for gratuity	12,089	12,784
Finance cost	98,035	153,928
(Gain) / loss on disposal of operating fixed assets	(2,028)	150
Provision for workers' welfare fund	15,125	4,611
Provision for slow moving and obsolete inventory	2,959	2,173
Interest on term deposit receipts and bank deposits	(26,066)	(29,473)
Employee's share option expense	3,704	-
Share of profit of equity accounted investee - net of taxation	(675,354)	(154,403)
Interest on loan to Ultimate Holding Company	-	(33,354)
Working capital changes	10.1 (459,276)	(552,042)
	(242,068)	(278,078)
10.1 Working capital changes		
Decrease / (increase) in current assets:		
Stores, spares and loose tools	(8,261)	(6,811)
Stock in trade	182,249	(43,519)
Trade debts	266,520	(363)
Loans and advances	(96,392)	(271,967)
Short term deposits and prepayments	(10,483)	(1,734)
Other receivables	(18,136)	(78,396)
	315,497	(402,790)
Decrease in trade and other payables	(774,773)	(149,252)
	(459,276)	(552,042)

Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the Quarter ended March 31, 2026

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 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 31 March 2026 - Un-audited	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Derivative financial assets	-	6,712	-	6,712
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Recurring fair value measurements At 31 December 2025 - Audited	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Derivative financial assets	-	5,508	-	5,508
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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 consolidated condensed interim financial statements are as follows:

(i) **Transactions:**

	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	(Rupees in thousand)	
Service Industries Limited - Ultimate Holding company		
Sale of goods	12,582	19,411
Purchase of goods	6,521	173,532
Loan given	-	74,000
Loan repaid	-	2,574,000
Expenses charged to the group	46,150	62,072
Interest income	-	33,354
Service Tyres (Private) Limited - subsidiary company of the Ultimate Holding company		
Sale of goods	-	10,652

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

For the Quarter ended March 31, 2026

(Un-audited) (Un-audited)
March March
31, 2026 31, 2025
(Rupees in thousand)

Service Retail (Private) Limited - subsidiary company of the Ultimate Holding company

Sale of goods - 12,800

Key management personnel and directors

Remuneration **75,722** 62,189
Meeting fee to directors - non executive **1,000** 480

Other related parties

Post employment benefit plans **51,491** 53,756

(ii) **Period end balances**

As at March, 31 2026 (Un-audited)		
Ultimate Holding company	Other related parties	Total
(Rupees in thousand)		

Employees' retirement benefits payable	-	319,141	319,141
Trade debts	633	-	633

As at December 31, 2025 (Audited)		
Ultimate Holding company	Other related parties	Total
(Rupees in thousand)		

Employees' retirement benefits payable	-	304,015	304,015
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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 2025.

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 April 2026.

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
(Chief Executive)



Arif Saeed
(Director)



Usman Liaqat
(Chief Financial Officer)

گروپ کی ڈائریکٹرز رپورٹ برائے حصص یافتگان

ایریکٹرز 31 مارچ 2026 ختم ہونے والی سہ ماہی 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 ملکی 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۔ 31 مارچ 2026 ختم ہونے والی سہ ماہی 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 لائیہ 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 جو توں اور ٹیویوں کی بڑے پیمانے پر فروخت، چمڑے کی مصنوعات کی فروخت، سسلے 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 ان کی فنکشننگ کی خدمات، تکنیکی خدمات، ٹیکنالوجی کی ڈیولپمنٹ، 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 302، نمبر 18، ہوئی ناؤن، ڈونگ گوان سٹی، گوانگ ڈونگ صوبہ، چین میں واقع ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کارپسٹرڈ 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



حسن جاوید
چیف ایکزیکٹو



عارف سعید
چیرمین

مورخہ 28 اپریل 2026

لاہور

عالمی برآمدی ماحول میں مشکلات کے باوجود، بالخصوص امریکہ میں ٹریف کے بدلتے ہوئے منظر نامے کے درمیان، سروس لانگ مارچ نے قابل ذکر چلک اور استحکام کا مظاہرہ کیا ہے۔ اس کی مسلسل کارکردگی اس کے کاروباری ماڈل، مصنوعات کی متنوع پوزیشننگ اور عملی کارکردگی کی مضبوطی کو اجاگر کرتی ہے۔

انتظامیہ کو سروس لانگ مارچ کی اس صلاحیت پر پختہ اعتماد ہے کہ وہ اپنی نمونکی رفتار کو برقرار رکھے گی اور اپنی کیلنگری میں اپنی پوزیشن کو مزید مستحکم کرے گی، جس کی وجوہات مسلسل منڈیوں میں تنوع اور عملی برتری پر مستقل توجہ ہے۔

اس مدت کے دوران فی شیئر آمدنی 2.50 روپے رہی، جو گزشتہ سال کے اسی عرصے میں 0.47 روپے تھی۔

مستقبل پر ایک نظر

اس سال فروخت میں نمو میں اضافہ ایک چیلنج بنا ہوا ہے۔ تمام بین الاقوامی منڈیاں بدستور دباؤ کا شکار ہیں اور زائد ذخیرہ، توانائی کے بحران، مہنگائی اور حالیہ مشرق وسطیٰ کی جنگ کے باعث ریٹیل منڈیوں میں فروخت کی سست روی جیسے مسائل کا سامنا کر رہی ہیں۔ صارفین کا رویہ محتاط ہے، وہ احتیاط سے فیصلے کر رہے ہیں اور صرف ضروری اخراجات تک محدود رہ رہے ہیں۔ کمپنی کو توقع ہے کہ 2026 ہمایا کو مضبوط بنانے، چلک کا مظاہرہ کرنے اور اہم معاملات از سر نو ترتیب دینے کا سال ہوگا، اس سے پہلے کہ ہم اپنی فروخت اور ترویج میں اگلی بڑی پیش رفت کریں۔

انس جی ایف ایل روایتی منڈیوں اور اہم خریداروں میں فروخت میں کمی سے نمٹنے کے لیے نئی منڈیوں اور صارفین کی تلاش پر مسلسل توجہ مرکوز رکھے ہوئے ہے۔ سست رو منڈی اور فروخت کی موجودہ صورتحال میں، انس جی ایف ایل لاگت کے کنٹرول، عملی کارکردگی اور پیداواری صلاحیت میں بہتری پر منظم توجہ برقرار رکھے گا۔ بدنی ٹیکنالوجی کے استعمال اور عمل کے بہتر بنانے کے ذریعے، کمپنی بڑھتی ہوئی پیداواری لاگت کے اثرات کو کم کرنے کے ساتھ ساتھ خاص منافع کے استحکام کو یقینی بنانے کا ارادہ رکھتی ہے۔ سزید برآں، حال ہی میں مکمل ہونے والا جوینٹ وینچر موجودہ غیر یقینی صورتحال کے باعث معمولی مشکلات کے باوجود درست سمت میں گامزن ہے۔

اسی کے ساتھ، انس جی ایف ایل کے پاس کاروباری ترقی کے مضبوط مواقع اور ایسے ذرائع موجود ہیں جن کے ذریعے وہ امریکہ اور یورپ میں عالمی برانڈز کے ساتھ اپنے تعلقات کو مزید گہرا کر سکتا ہے۔ چنانچہ 2026 ایک اسٹریٹیجک استحکام کے مرحلے کے طور پر کام کرے گا، جو کمپنی کو اس قابل بنائے گا کہ وہ منڈی کے حالات بہتر ہونے پر تیز رفتار ترقی کے مواقع سے بھرپور فائدہ اٹھا سکے۔

اظہار 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 اپریل 2026

لاہور

ڈائریکٹرز رپورٹ برائے حصص یافتگان

ایریکٹرز 31 مارچ 2026 کو ختم ہونے والی سہ 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

31 مارچ 2026 کو ختم ہونے والی سہ ماہی کی سروس گلوبل فٹ ویئر لمیٹڈ کی انفرادی عبوری مالیاتی کارکردگی درج ذیل ہے۔

سہ ماہی اختتام			تفصیلات
2025-31 مارچ	2026-31 مارچ	2026-31 مارچ	
فیصد تبدیلی	روپے، ہزار میں	روپے، ہزار میں	
-16.63%	4,793,152	3,995,831	خالص فروخت
-0.51%	724,907	721,229	گراس منافع
228.02%	225,931	741,108	منافع قبل از ٹیکس اور ٹیکس
432.09%	96,920	515,705	منافع بعد از ٹیکس
431.91%	0.47	2.50	فی شیئر آمدنی۔ بنیادی
427.66%	0.47	2.48	فی شیئر آمدنی۔ ڈائیلیوٹڈ

زیر جائزہ سہ ماہی کے دوران، سروس گلوبل فٹ ویئر لمیٹڈ نے 3.99 ارب روپے کی فروخت حاصل کی، جبکہ گزشتہ سال کے اسی عرصے میں یہ فروخت 4.79 ارب روپے تھی، یوں 16.63 فیصد کمی واقع ہوئی۔ یہ کمی بنیادی طور پر عالمی معیشت میں سست روی اور امریکہ میں ٹیرف میں بار بار تبدیلیوں کے اثرات کی عکاسی کرتی ہے، جس کے باعث برآمدی حجم متاثر ہوا۔ سروس گلوبل فٹ ویئر لمیٹڈ کے یورپ اور امریکہ میں موجود تمام بڑے خریداروں نے اپنی اپنی منڈیوں میں فروخت میں کمی کا سامنا کیا، جس کی وجہ معاشی سرگرمیوں میں سستی اور گزشتہ سال امریکہ میں ٹیرف میں مسلسل تبدیلیوں کے دوران پیشگی خریداری ہے۔

فروخت میں کمی کے باوجود، کمپنی نے مصنوعات کا بہتر امتزاج حاصل کیا، جس کے نتیجے میں مجموعی منافع کا مارجن بڑھ کر 18 فیصد ہو گیا، جبکہ گزشتہ سال کے اسی عرصے میں یہ 15 فیصد تھا۔ مزید برآں، مالی امور اور قرضہ جات کے مؤثر انتظام کے باعث اوسط شرح سود میں کمی واقع ہوئی، جس سے مالی اخراجات میں نمایاں کمی آئی ہے۔

زیر جائزہ عرصے کے دوران پاکستان کی معیشت نے غیر ہموار کارکردگی کا مظاہرہ کیا۔ مجموعی معاشی سرگرمیاں ایک مشکل معاشی ماحول کے باعث دباؤ کا شکار ہیں۔ اگرچہ کچھ شعبوں میں قدرے نمو دیکھنے میں آئی، تاہم مجموعی طور پر محتاط رہنے کی ضرورت ہے۔ برآمدات کی کمزور کارکردگی اور سرمایہ کاری کی سست سرگرمیوں کے پیش نظر، بین الاقوامی مالیاتی فنڈ نے پاکستان کی مجموعی قومی پیداوار کی شرح نمو کے اندازے کو سابقہ 3.7 فیصد سے کم کر کے 3.2 فیصد کر دیا۔ اس دوران ہنگامی متوقع حد کے اندر رہی، جس سے مالیاتی نرمی اور پالیسی معاونت کے لیے کچھ گنجائش پیدا ہوئی۔

ایس جی ایف ایل کی جانب سے سروس لائنگ مارچ میں گئی اسٹریٹیجک سرمایہ کاری مضبوط نتائج دیتی رہی جو جوہر عرصے کے لیے سروس لائنگ مارچ سے کمپنی کے منافع میں حصہ 675 ملین روپے رہا، جو اس کی مضبوط عملی کارکردگی اور مؤثر لاگت کے کنٹرول کی عکاسی کرتا ہے۔

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SERVIS HOUSE

2-Main Gulberg, Lahore-54662, Pakistan.

Tel: +92-42-35751990-96