



Service Global Footwear Limited

Servis House, 2-Main Gulberg
Lahore-54662 (Pakistan)
Phone: (42) 35751990-96
Fax: (42) 35711827

SGFL/PSX/CS/70
April 28, 2026

The General Manager
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

SUBJECT: FINANCIAL RESULTS FOR THE 1ST QUARTER ENDED MARCH 31, 2026

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **April 28, 2026 at 10:00 a.m.**, at the registered office of the Company, Servis House, 2-Main Gulberg, Lahore, has approved the separate and consolidated financial statements for the first quarter ended March 31, 2026 and has not recommended cash dividend, bonus shares or right shares.

FINANCIAL RESULTS:


The financial results of the Company are attached herewith as Annexure - A.

The Quarterly Report of the Company for the period ended March 31, 2026 will be transmitted through PUCARS separately, within the specified time.

Thanking you.

Yours faithfully,

FOR SERVICE GLOBAL FOOTWEAR LIMITED


Waheed Ashraf
Company Secretary



Enclosed as above.

C.C:

Executive Director / HOD,
Supervision Division,
Securities & Exchange Commission of Pakistan,
63, NIC Building, Jinnah Avenue, Blue Area,
Islamabad.

Annexure - A

**SERVICE GLOBAL FOOTWEAR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026**

	Un-audited 31 March 2026 (Rupees in thousand)	Audited 31 December 2025 (Rupees in thousand)		Un-audited 31 March 2026 (Rupees in thousand)	Audited 31 December 2025 (Rupees in thousand)
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorized share capital			Fixed assets	4,300,539	4,198,142
250,000,000 (31 December 2025: 250,000,000) ordinary shares of Rupees 10 each	<u>2,500,000</u>	<u>2,500,000</u>	Long term security deposits	4,671	4,491
			Long term loans to employees	20,404	17,931
			Long term investments	<u>6,474,528</u>	<u>5,799,215</u>
				10,800,142	10,019,779
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	<u>6,849,347</u>	<u>6,329,979</u>			
Total equity	8,914,023	8,394,655			
LIABILITIES			CURRENT ASSETS		
NON-CURRENT LIABILITIES			Stores, spares and loose tools	200,051	194,749
Long term financing - secured	1,206,799	1,055,360	Stock in trade	3,712,445	3,894,694
Employees' retirement benefit	282,090	260,507	Trade debts	2,733,724	2,927,254
Deferred income tax liability - net	954,914	786,075	Loans and advances	356,087	253,564
	2,443,803	2,101,942	Accrued mark-up	12,028	7,966
CURRENT LIABILITIES			Short term deposits and prepayments	47,238	36,382
Trade and other payables	2,105,304	2,793,668	Other receivables	1,889,048	1,856,323
Accrued mark-up	118,418	73,772	Short term investments	1,597,291	94,832
Short term borrowings	8,504,059	7,128,240	Advance income tax and prepaid levy - net	306,061	270,404
Current portion of long term financing	185,141	185,141	Cash and bank balances	618,675	1,123,513
Unclaimed dividend	2,042	2,042		11,472,648	10,659,681
	<u>10,914,964</u>	<u>10,182,863</u>			
Total liabilities	13,358,767	12,284,805			
CONTINGENCIES AND COMMITMENTS					
TOTAL EQUITY AND LIABILITIES	<u>22,272,790</u>	<u>20,679,460</u>	TOTAL ASSETS	<u>22,272,790</u>	<u>20,679,460</u>



 2

SERVICE GLOBAL FOOTWEAR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

	QUARTER ENDED	
	31 March 2026	31 March 2025
 (Rupees in thousand)	
REVENUE	3,995,831	4,793,152
COST OF SALES	(3,274,602)	(4,068,245)
GROSS PROFIT	<u>721,229</u>	<u>724,907</u>
DISTRIBUTION COST	(318,830)	(376,800)
ADMINISTRATIVE EXPENSES	(208,051)	(195,643)
OTHER EXPENSES	(72,308)	(4,761)
	<u>(599,189)</u>	<u>(577,204)</u>
	122,040	147,703
OTHER INCOME	<u>37,858</u>	<u>73,884</u>
PROFIT FROM OPERATIONS	159,898	221,587
FINANCE COST	(94,144)	(150,059)
	<u>65,754</u>	<u>71,528</u>
SHARE OF NET PROFIT OF ASSOCIATE ACCOUNTED FOR USING THE EQUITY METHOD	675,354	154,403
PROFIT BEFORE LEVY AND TAXATION	<u>741,108</u>	<u>225,931</u>
LEVY	(33,729)	(42,320)
PROFIT BEFORE TAXATION	<u>707,379</u>	<u>183,611</u>
TAXATION	(191,674)	(86,691)
PROFIT AFTER TAXATION	<u><u>515,705</u></u>	<u><u>96,920</u></u>
EARNINGS PER SHARE - BASIC (RUPEES)	<u>2.50</u>	<u>0.47</u>
EARNINGS PER SHARE - DILUTED (RUPEES)	<u>2.48</u>	<u>0.47</u>




SERVICE GLOBAL FOOTWEAR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

	QUARTER ENDED	
	31 March 2026	31 March 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




SERVICE GLOBAL FOOTWEAR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

SHARE CAPITAL	RESERVES							TOTAL	TOTAL EQUITY	
	CAPITAL RESERVE						REVENUE 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 exchange translation reserve- equity accounted investee company	Share of share premium reserve held by equity accounted investee	Un-appropriated profit			
-----Rupees in thousand-----										
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	<u>2,060,564</u>	<u>1,390,684</u>	<u>1,716,321</u>	<u>7,183</u>	<u>40,463</u>	<u>-</u>	<u>-</u>	<u>2,108,694</u>	<u>5,263,345</u>	<u>7,323,909</u>
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)
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	<u>2,064,676</u>	<u>1,390,684</u>	<u>1,730,607</u>	<u>36,762</u>	<u>4,003</u>	<u>(264)</u>	<u>55,714</u>	<u>3,631,841</u>	<u>6,849,347</u>	<u>8,914,023</u>




SERVICE GLOBAL FOOTWEAR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

QUARTER ENDED	
31 March 2026	31 March 2025

(Rupees in thousand)

CASH FLOWS FROM OPERATING ACTIVITIES

Cash used in operations	(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




SERVICE GLOBAL FOOTWEAR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Un-audited	Audited		Un-audited	Audited
	31 March	31 December		31 March	31 December
	2026	2025		2026	2025
 (Rupees in thousand) (Rupees in thousand)	
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorized share capital			Fixed assets	4,313,723	4,211,854
250,000,000 (31 December 2025: 250,000,000) ordinary shares of Rupees 10 each	<u>2,500,000</u>	<u>2,500,000</u>	Long term security deposits	4,671	4,491
Issued, subscribed and paid-up share capital			Long term loans to employees	20,404	17,931
206,467,605 (31 December 2025: 206,467,605) ordinary shares of Rupees 10 each			Long term investments	<u>6,385,361</u>	<u>5,710,048</u>
Reserves	2,064,676	2,064,676		10,724,159	9,944,324
Total equity	<u>6,817,973</u>	<u>6,326,335</u>			
	8,882,649	8,391,011			
LIABILITIES			CURRENT ASSETS		
NON-CURRENT LIABILITIES			Stores, spares and loose tools	200,051	194,749
Long term financing - secured	1,206,799	1,055,360	Stock in trade	3,712,445	3,894,694
Employees' retirement benefit	282,090	260,507	Trade debts	2,734,527	3,001,047
Deferred liabilities	954,914	786,075	Loans and advances	364,982	270,962
	2,443,803	2,101,942	Accrued mark-up	12,028	7,966
CURRENT LIABILITIES			Short term deposits and prepayments	49,830	39,047
Trade and other payables	2,288,041	3,057,521	Other receivables	2,091,228	2,073,092
Accrued mark-up	118,418	73,772	Shor term investments	1,597,291	94,832
Short term borrowings	8,504,059	7,128,240	Advance income tax and prepaid levy - net	306,061	270,404
Current portion of non-current liabilities	185,141	185,141	Cash and bank balances	<u>631,551</u>	<u>1,148,552</u>
Unclaimed dividend	2,042	2,042		11,699,994	10,995,345
	11,097,701	10,446,716			
Total liabilities	<u>13,541,504</u>	<u>12,548,658</u>			
CONTINGENCIES AND COMMITMENTS					
TOTAL EQUITY AND LIABILITIES	<u>22,424,153</u>	<u>20,939,669</u>	TOTAL ASSETS	<u>22,424,153</u>	<u>20,939,669</u>




SERVICE GLOBAL FOOTWEAR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

	(Unaudited)	
	QUARTER ENDED	
	31 March 2026	31 March 2025
 (Rupees in thousand)	
REVENUE	4,015,713	4,810,942
COST OF SALES	(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



SERVICE GLOBAL FOOTWEAR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

(Unaudited)	
QUARTER ENDED	
31 March 2026	31 March 2025

..... (Rupees in thousand)

PROFIT AFTER TAXATION	487,167	122,010
------------------------------	---------	---------

OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to profit or loss

-	-
(41)	-
808	938

Items that may be reclassified subsequently to profit or loss

Share of other comprehensive loss of investment accounted for using the equity method
Exchange difference on translation of net assets of foreign subsidiary

Other comprehensive income for the period

767	938
-----	-----

TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

487,934	122,948
---------	---------




SERVICE GLOBAL FOOTWEAR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

	RESERVES								TOTAL	TOTAL EQUITY	
	CAPITAL RESERVE							REVENUE RESERVE			
	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	Share of share premium reserve held by equity accounted investee	Un-appropriated profit			
	-----Rupees in thousand-----										
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
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	<u>2,060,564</u>	<u>(6,662)</u>	<u>1,390,684</u>	<u>-</u>	<u>1,716,321</u>	<u>7,183</u>	<u>40,463</u>	<u>-</u>	<u>2,131,524</u>	<u>5,279,513</u>	<u>7,340,077</u>
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	-	(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	<u>2,064,676</u>	<u>(2,767)</u>	<u>1,390,684</u>	<u>(264)</u>	<u>1,730,607</u>	<u>36,762</u>	<u>4,003</u>	<u>55,714</u>	<u>3,603,234</u>	<u>6,817,973</u>	<u>8,882,649</u>




SERVICE GLOBAL FOOTWEAR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2026
(UN-AUDITED)

	31 March 2026	31 March 2025
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations	(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	<u>(388,597)</u>	<u>(478,726)</u>
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	<u>(1,656,352)</u>	<u>2,443,919</u>
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	<u>1,527,258</u>	<u>(2,342,212)</u>
Effect of exchange rate changes on cash and cash equivalents	690	938
Net decrease in cash and cash equivalents	<u>(517,001)</u>	<u>(376,081)</u>
Cash and cash equivalents at the beginning of the period	<u>1,148,552</u>	<u>796,471</u>
Cash and cash equivalents at the end of the period	<u><u>631,551</u></u>	<u><u>420,390</u></u>