

SGFL | SERVICE GLOBAL
FOOTWEAR
LIMITED

**CORPORATE
BRIEFING
SESSION**

25th MAY 2026

CONTENTS

01

About Company

02

Pakistan's
Economy

03

Financial
Information

04

Global
Footprint

05

Key Business
Risks

06

Future Outlook

Introduction

Service Global Footwear Limited (SGFL) is a prominent Pakistani company specializing in the manufacturing, marketing, and export of footwear, leather, and allied products. SGFL's primary operations revolve around producing and distributing a wide variety of footwear, primarily for international markets. The company has established itself as a leading export-oriented entity, supplying footwear to various regions, including Europe, North America, Asia, Africa, and Australia. SGFL's commitment to quality and innovation has positioned it as a trusted partner for global brands, contributing significantly to Pakistan's footwear export industry. With a dedicated workforce and a focus on sustainable growth, the company continues to expand its footprint in the global market.



**26.10
Billion**

Market Capitalization

**30+
Countries**

Exports to

Exporting 61% of
Organized Market and
40% of Total Footwear
Exports of Pakistan

Export Market
Share

4 MW

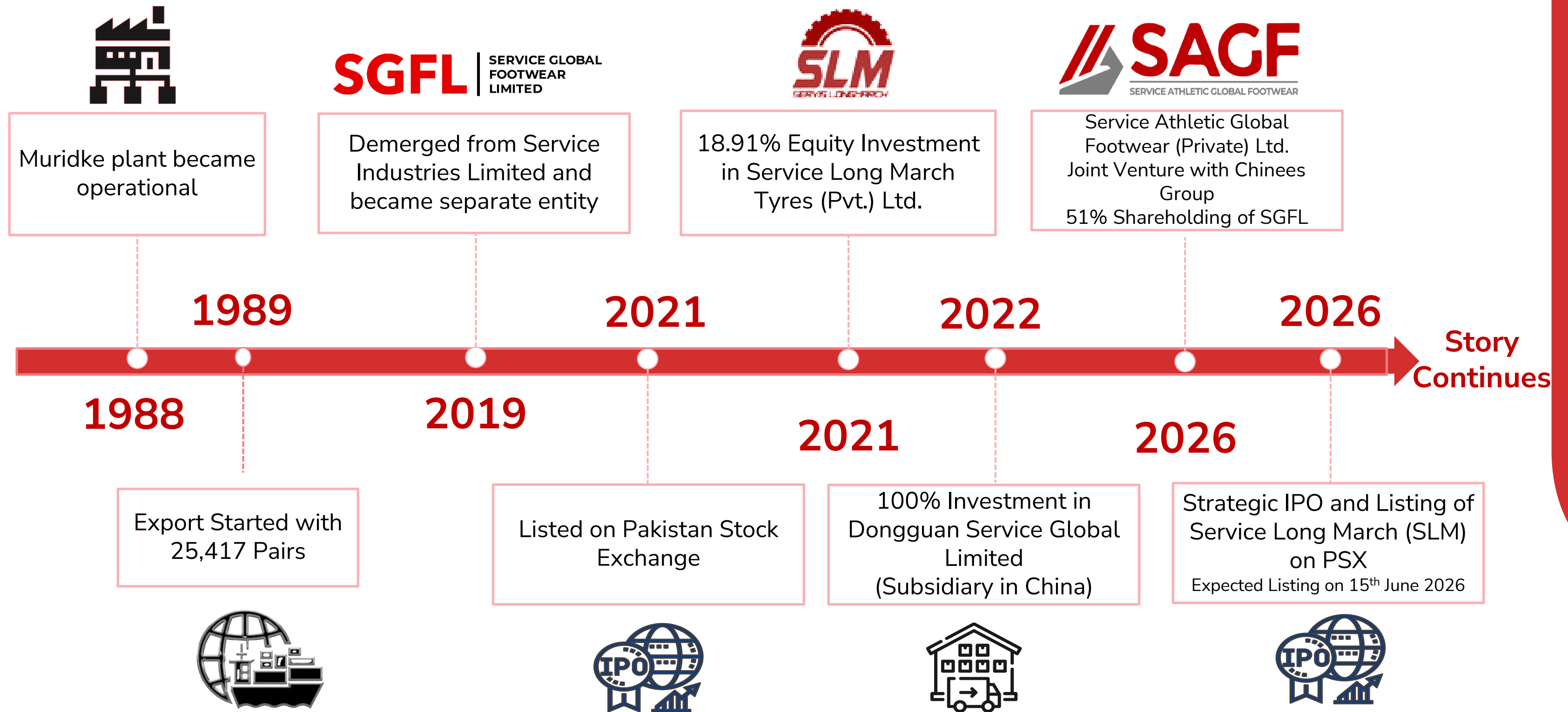
Solar Capacity

**4.6 Million
Pairs**

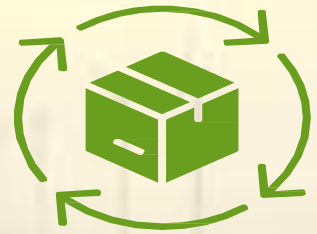
Production Capacity



Our Journey



Sustainable Manufacturing Practices



RESPONSIBLE SUPPLY CHAIN



LWG Certified
Leather Sourcing



Internal Strict
RSL Policy



FSC Certified
Packaging



**EUROPE DPP
ADOPTION
IN-PROCESS**




RECYCLING COMPONENTS

Recycled Outsole
(5% Crush Blended with 95%
Fresh TPR Material)



Recycled Components
Includes Laces, Textiles and
Outsole Materials



Sustainable Insoles
60%-90% Sustainable Shank
Boards and Cellulose Boards
Strobel Material



RCS Certified



GREEN ENERGY



**Region's 1st
Solar-Powered
Footwear Factory**



**Current Capacity
of 4 MW**



Compliance & Certifications



9001:2015 (QMS)
14001:2015 (EMS)
45001:2018 (OHS)

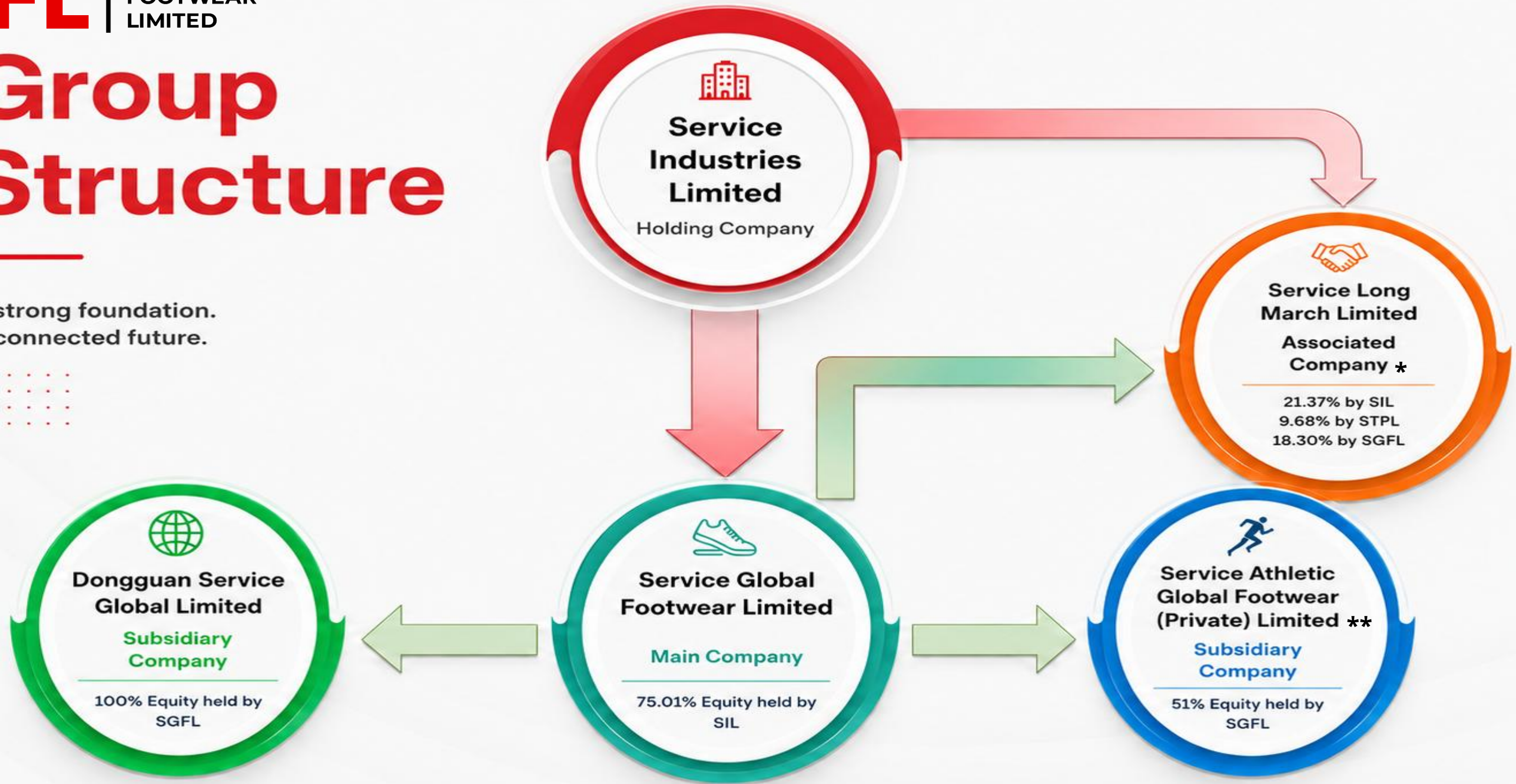
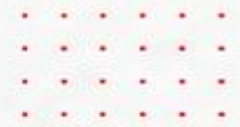


TOP SCORES IN BUYER SPECIFIC COMPLIANCE AUDITS



Group Structure

A strong foundation.
A connected future.



*Service Long March Tyres is currently in the process of listing, with the book building phase has already closed on 19 May 2026. Post-IPO, the shareholding of the Service Global Footwear Limited ("SGFL") in the company will stand at 17.38%.

**Investment yet to be made in proportion (SGF-51% and CSGFL-49%) in phases. 1st phase has a project cost of USD 6.5 M.



Pakistan's Economy Overview



Real GDP Growth Rate

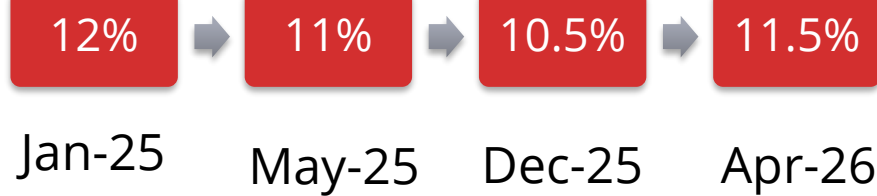
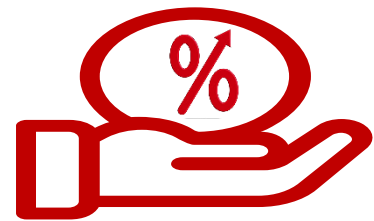
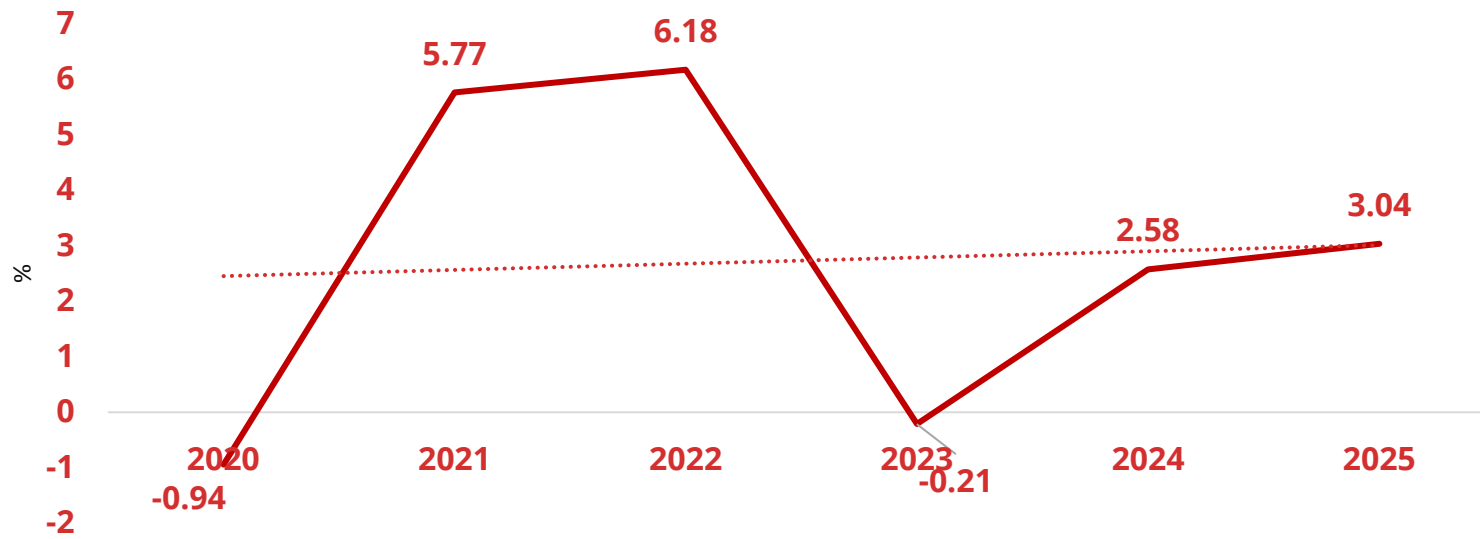
Fiscal Year 2025

+3.04%

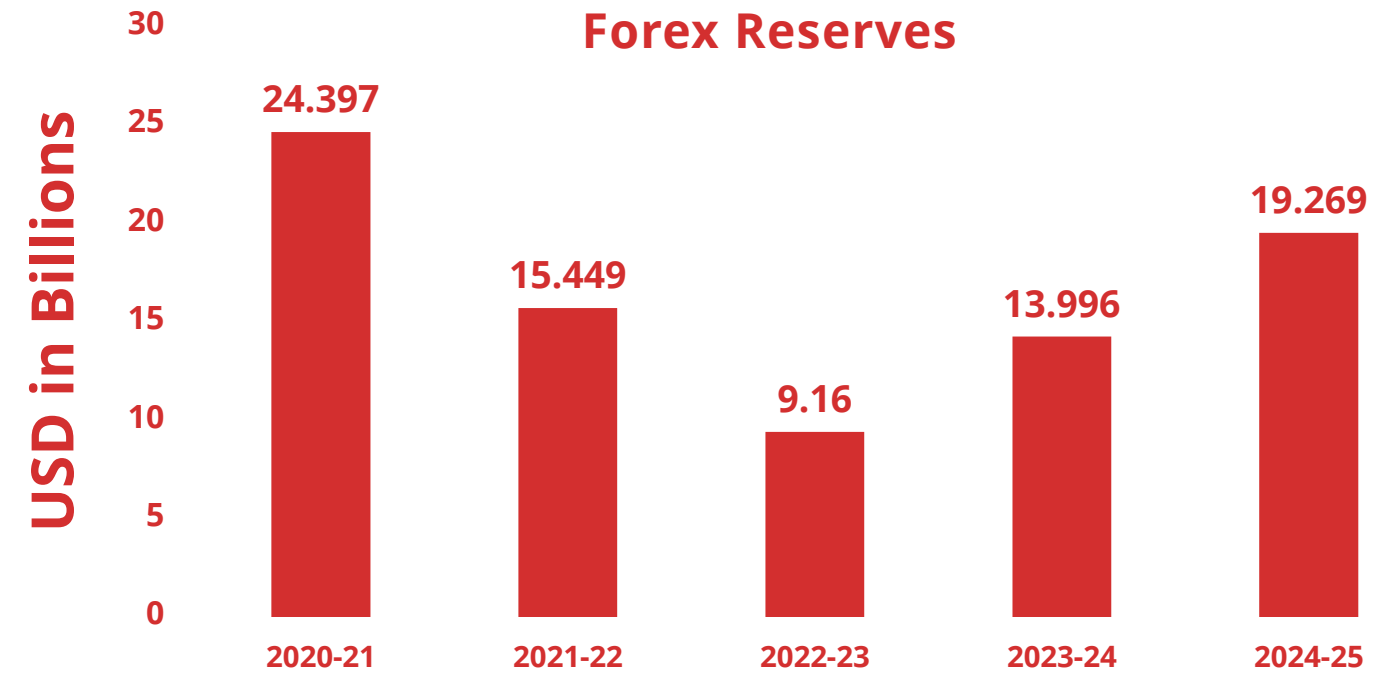
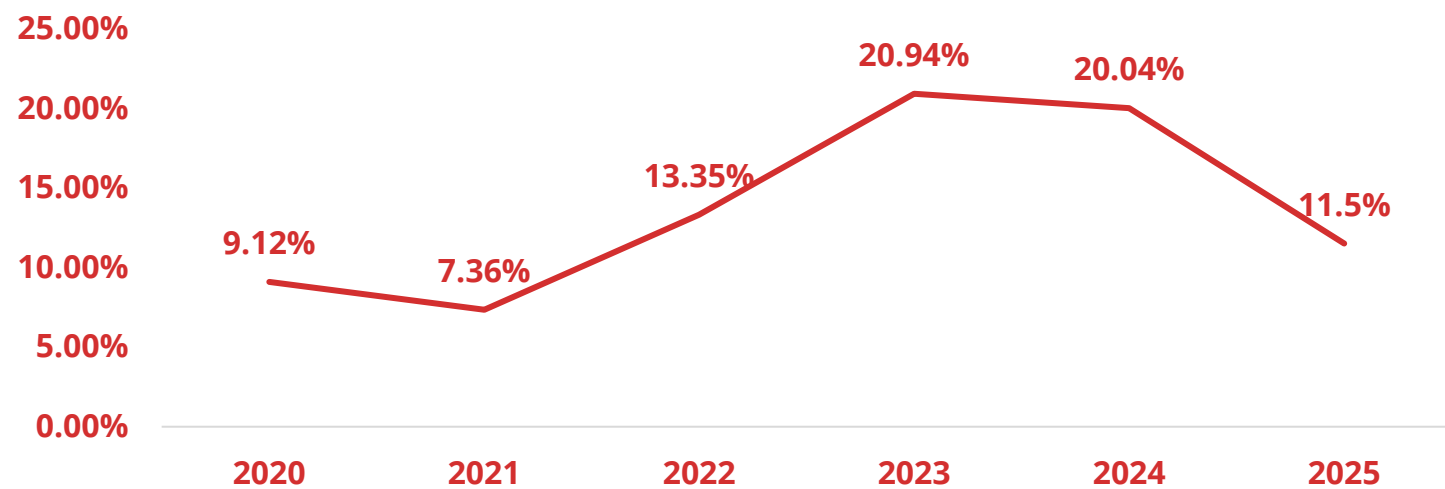
Calendar Year 2025

+3.98%

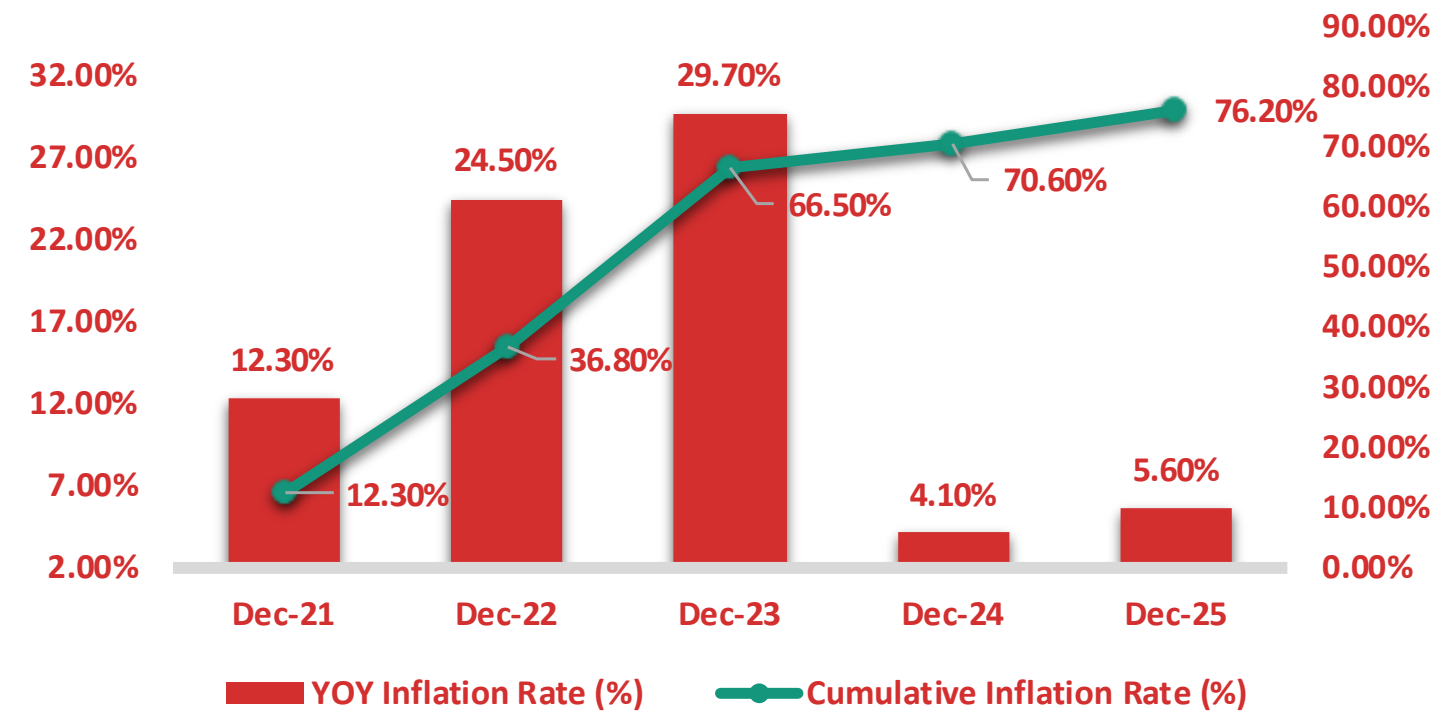
Last 5 year Real GDP Growth



Last 5 years Average Policy Rate



YOY National Inflation Rate



Pakistan's Economy is showing signs of stability and resilience.



Key Financial Performance Highlights FY 2025 VS 2024

Material Variation

1. Revenue

Foreign currency sales increased from USD 58.40 million to USD 70.6 million, reflecting a strong growth of 20.8%. In parallel, export volumes increased from 3.8 million pairs to 4.2 million pairs, representing an increase of 11.6%, indicating improved pricing, better product mix and increased capacity utilization during the period.

2. Gross Profit

A better product mix and increased capacity utilization led to improved absorption of fixed costs, ultimately resulting in higher gross profit margins.

3. Taxation

Higher tax is due to deferred tax on SLM reserves and higher profitability.



Revenue

PKR 19,886 Mn

↑ +14.3% YOY
LY 17,392 Mn



Gross Profit

PKR 3,458 Mn

↑ +19.7% YOY
LY 2,890 Mn



Operating Profit

PKR 1,085 Mn

↑ +11.8% YOY
LY 971 Mn



Share of Profit - SLM

PKR 2,278 Mn

↑ +72.1% YOY
LY 1,323 Mn



Profit Before Tax (PBT)

PKR 2,883 Mn

↑ +77.2% YOY
LY 1,627 Mn



Net Profit

PKR 1,935 Mn

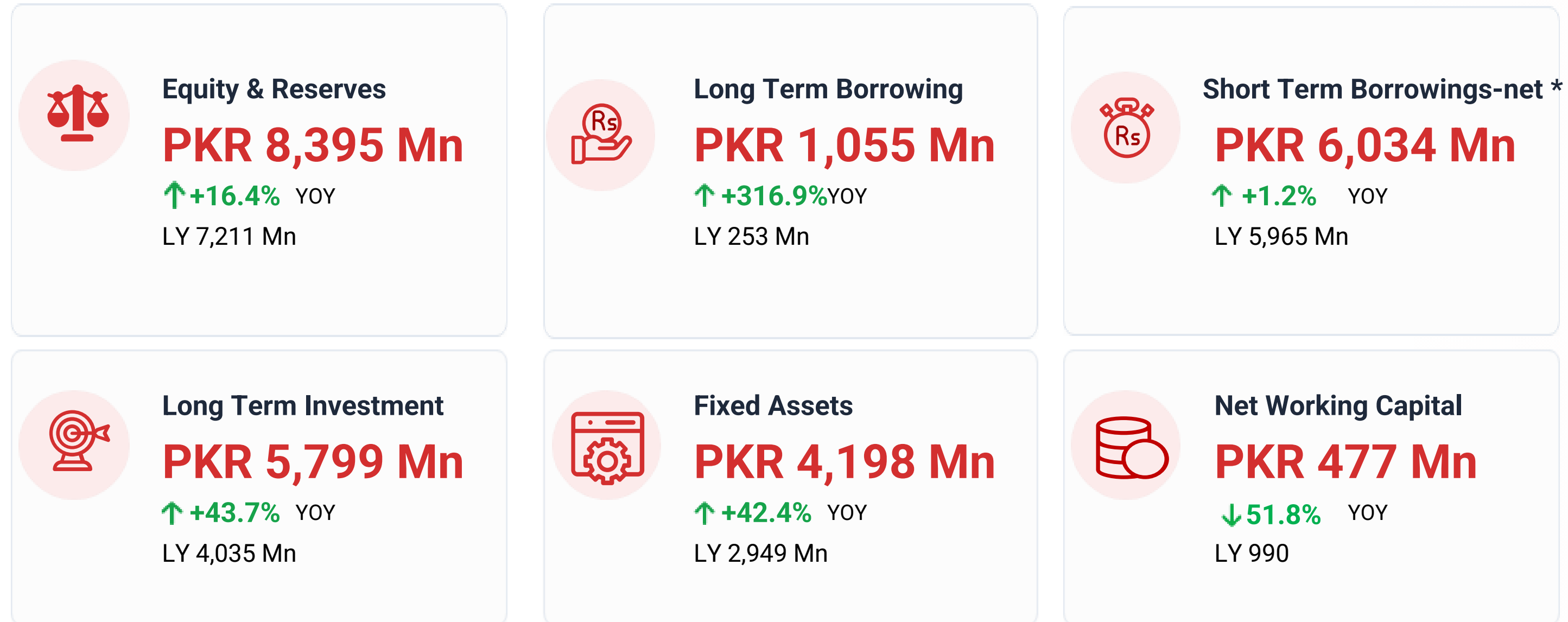
↑ +75.1% YOY
LY 1,105 Mn

★ Key Takeaway

Impressive double-digit growth across all key metrics, led by higher revenue, improved profitability, and a strong contribution from the Service Long March (SLM) associate company.

Description	2025	2024
STB	7,128	9,032
Saving Account & TDRs	(1,094)	(567)
Loan to SIL	-	(2,500)
Net Short term Borrowing	6,034	5,965

Key Financial Position Highlights FY 2025 VS 2024

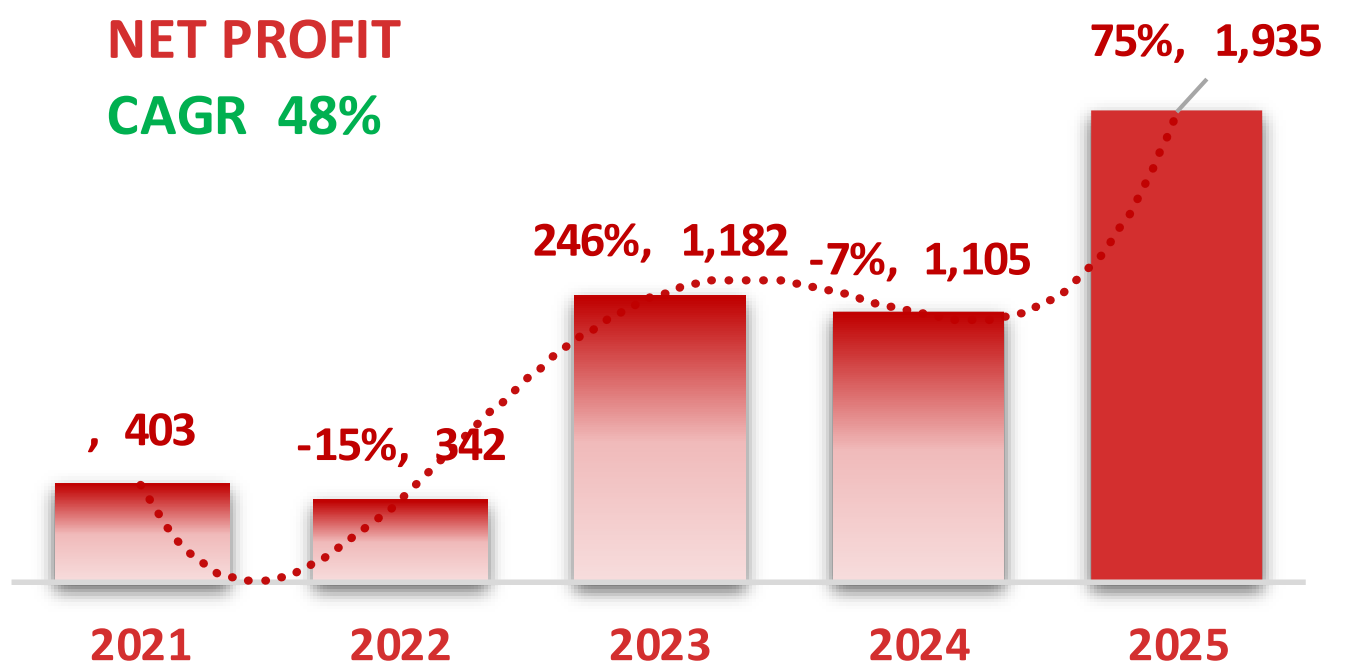
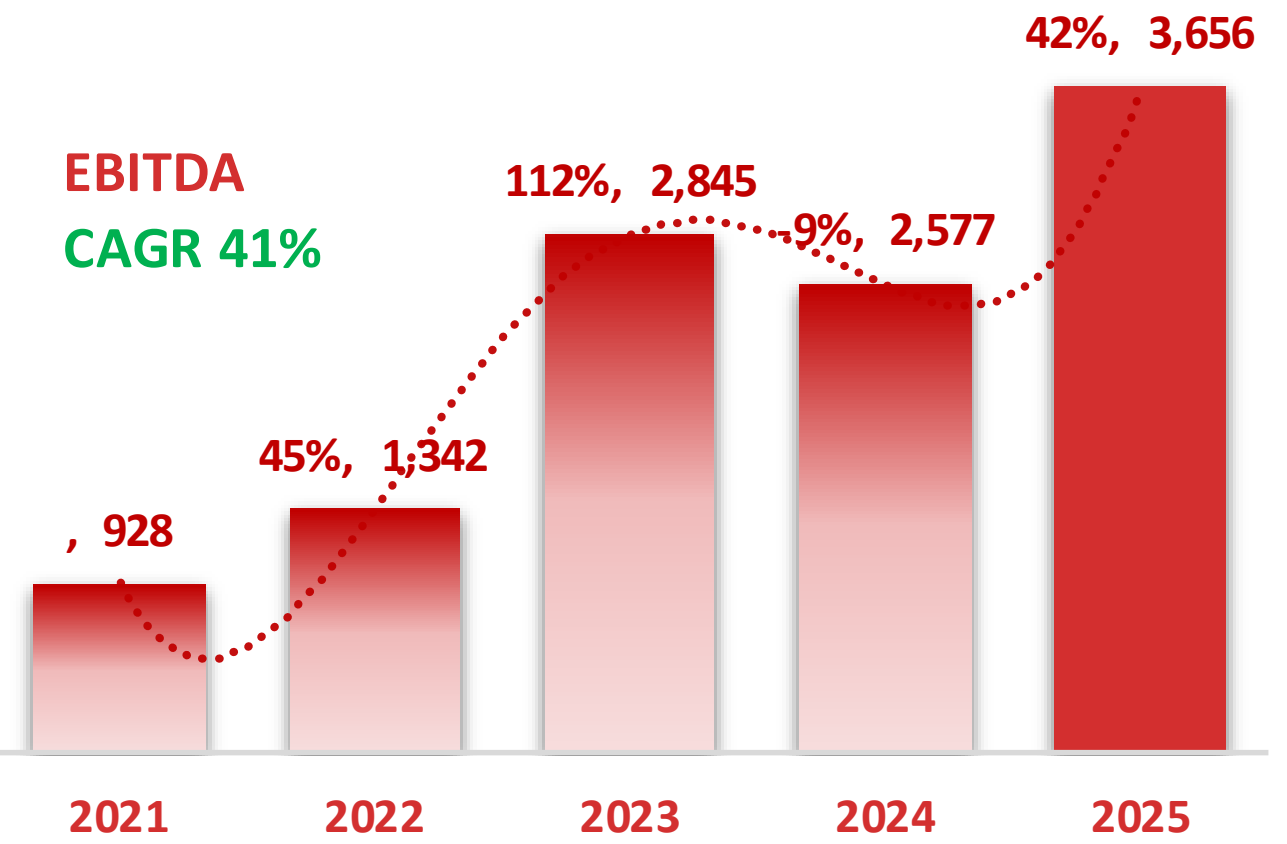
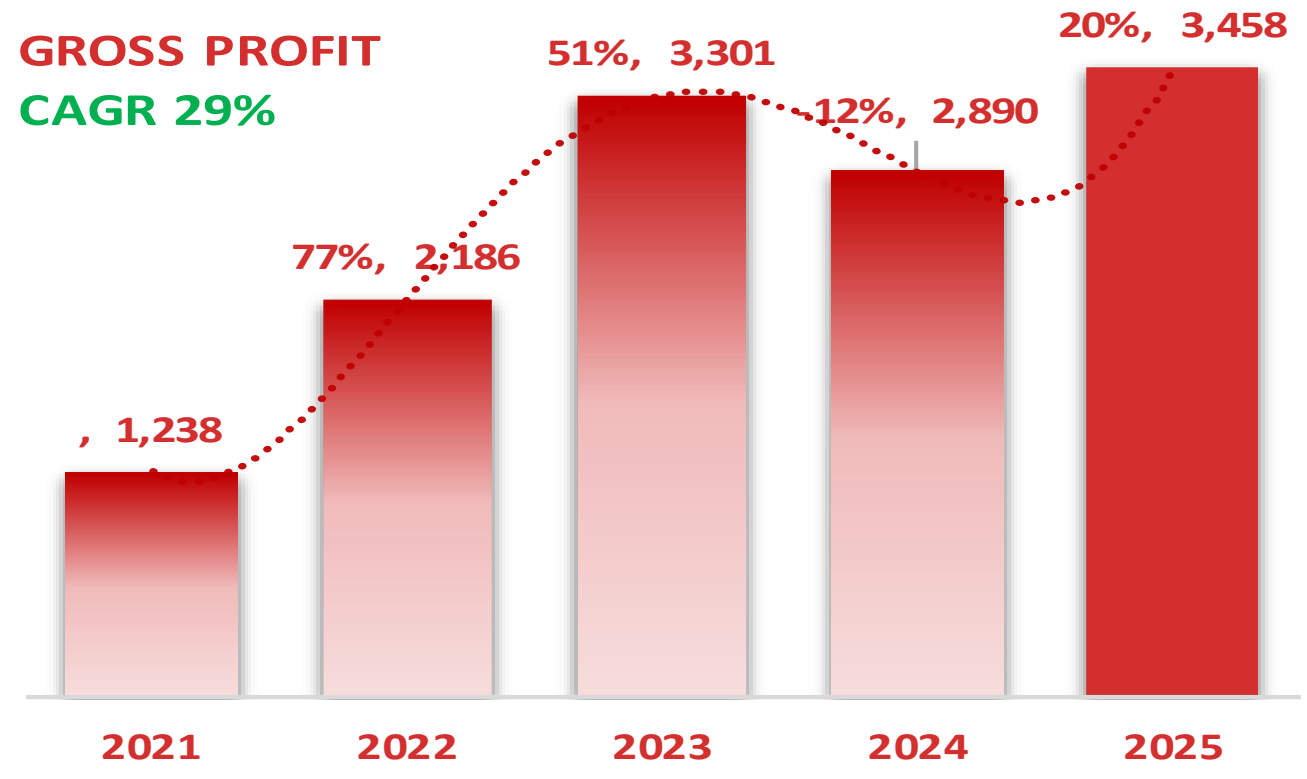
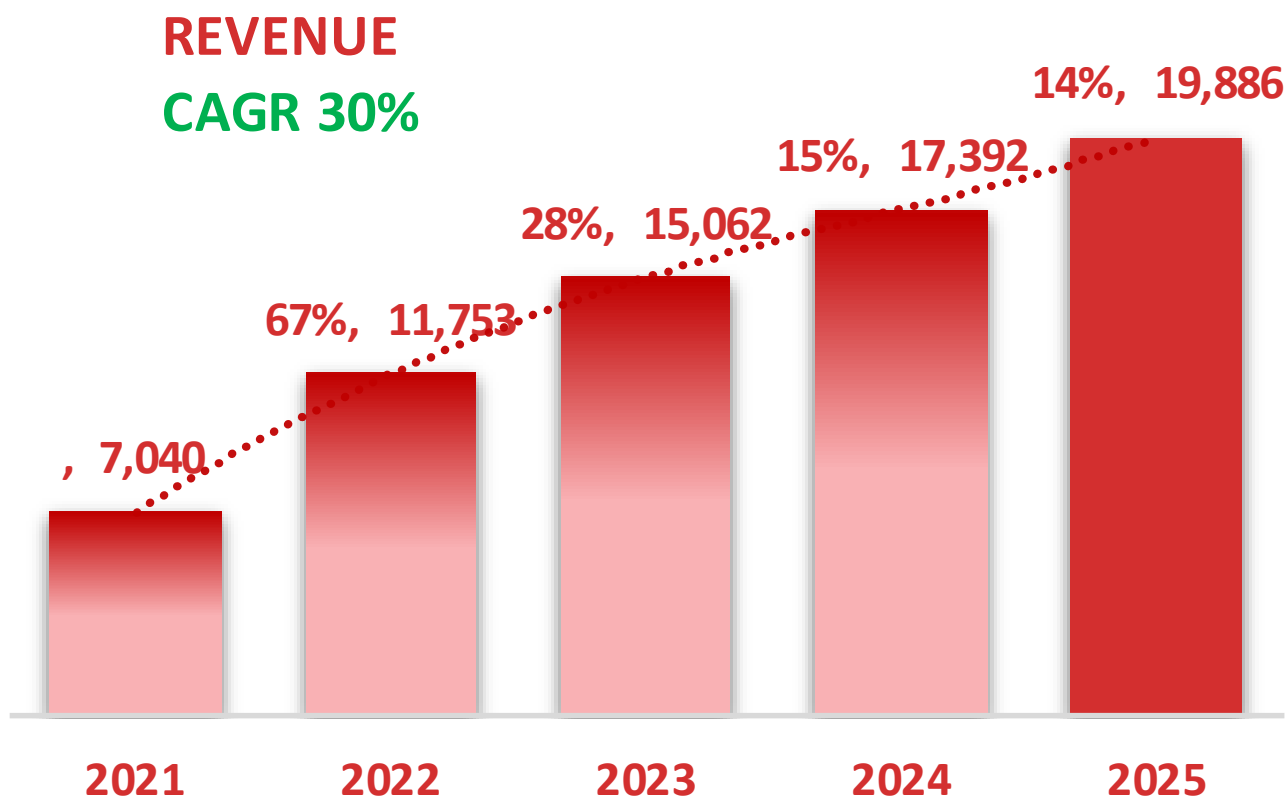


★ Key Takeaway

- * Long-term borrowing and Fixed Assets has increased due to long term loan taken to finance CAPEX related to future expansion and JV Operations.
- * Long term Investment increased due to 2,278 Million share of profit of SLM and adjustment of 549 Million dividend received during the year.

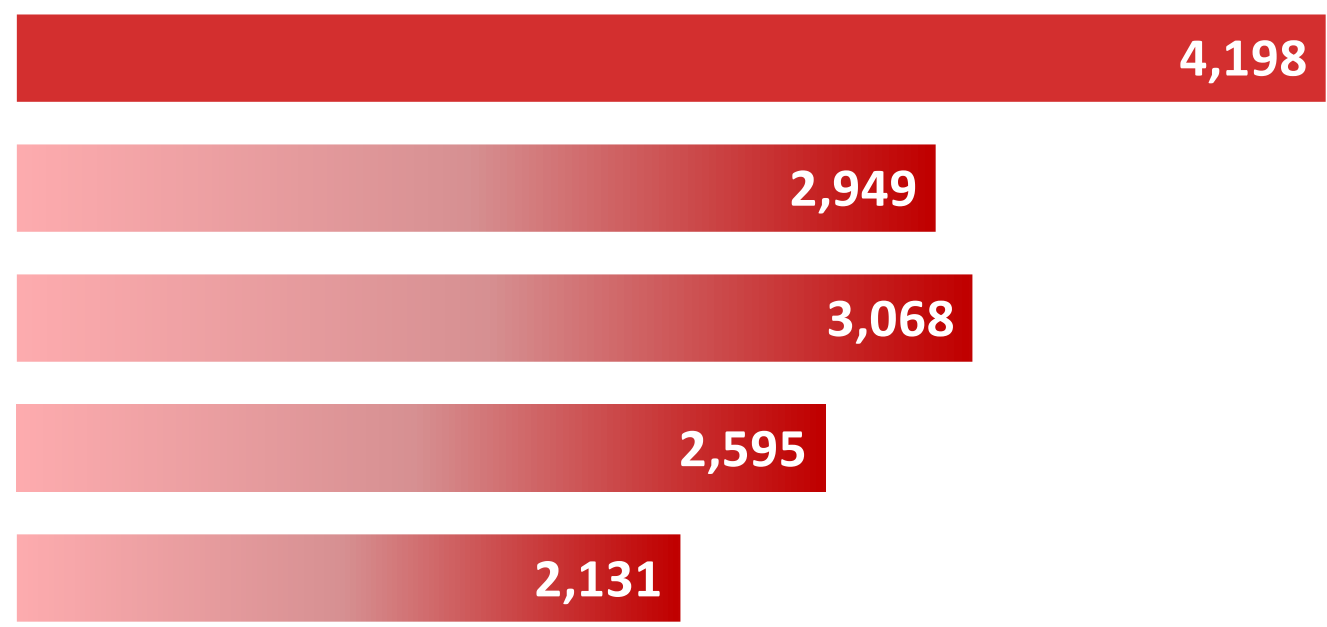


Key Financial Metrics (In Millions)

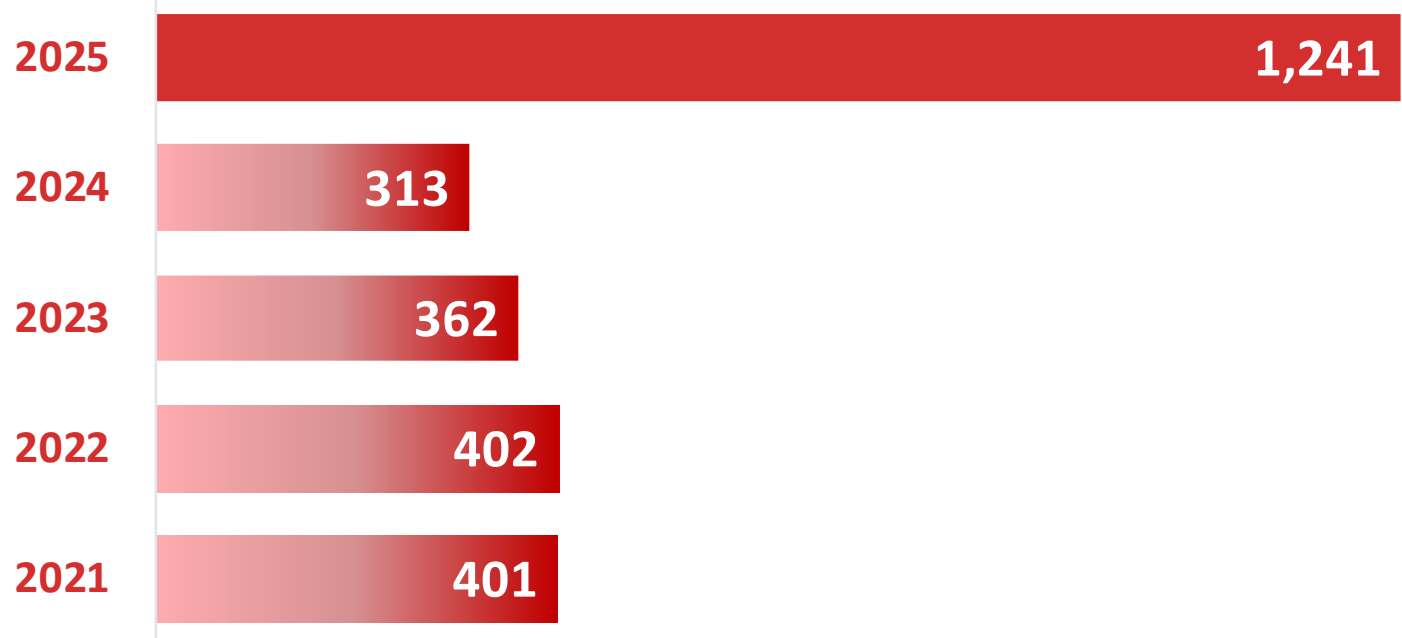


Key Financial Metrics

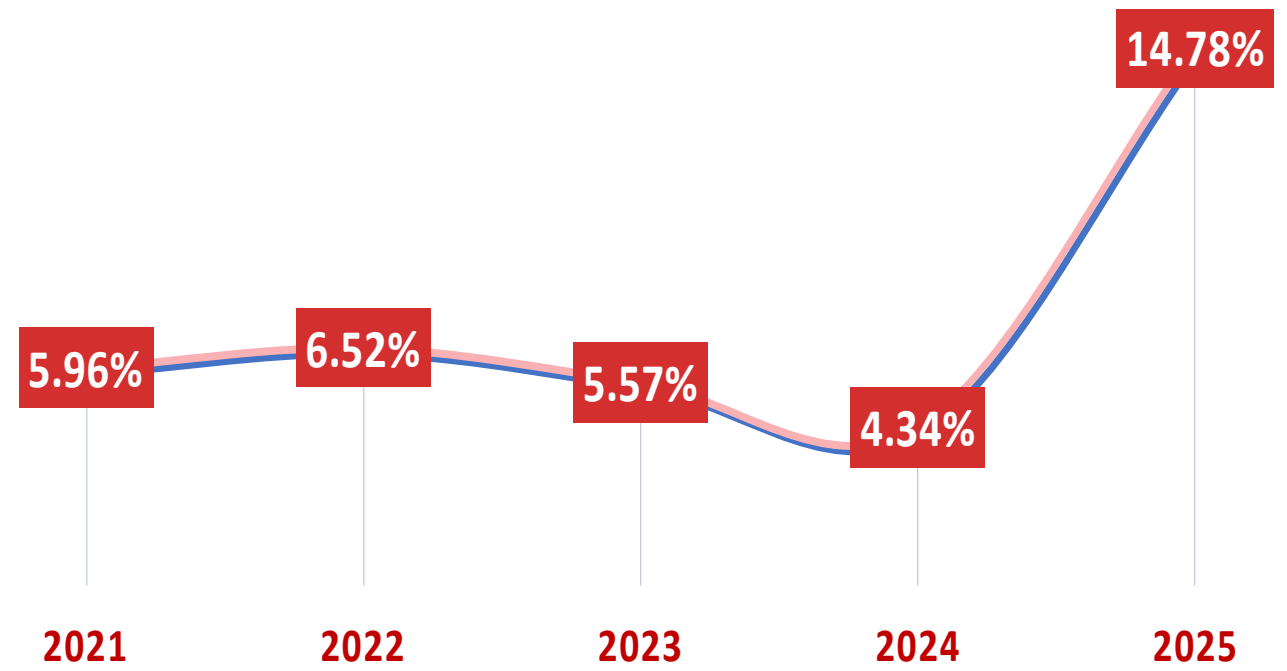
FIXED ASSETS
(Amount in Millions)



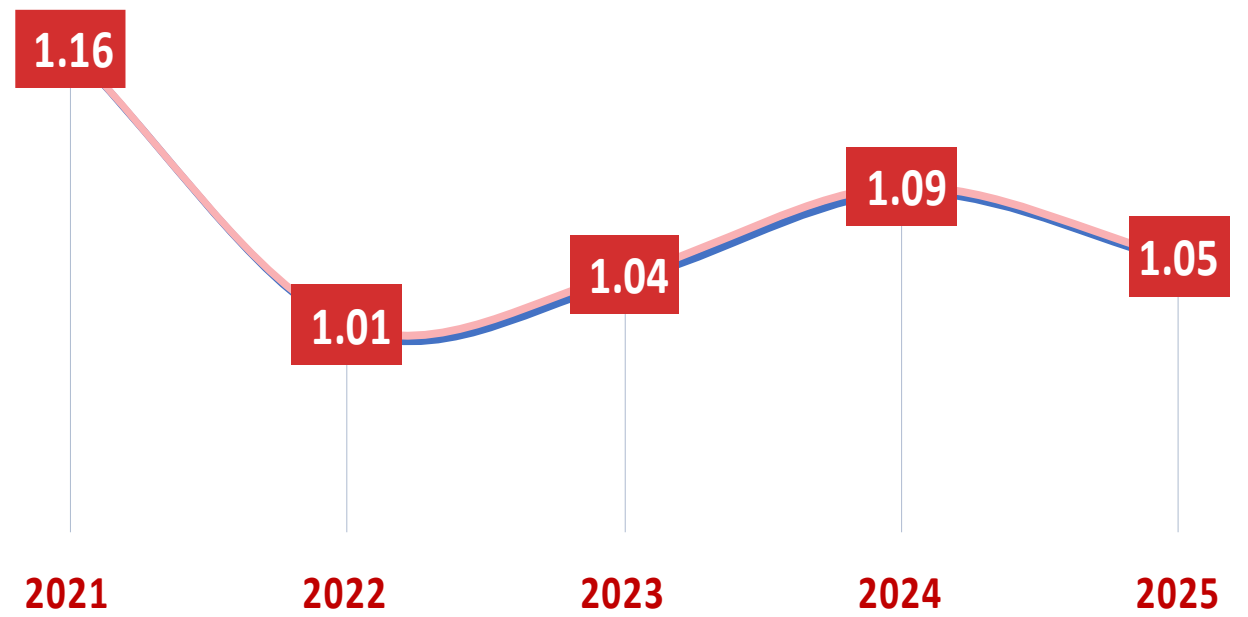
Long Term Loan
(Current + Non-Current)
(Amount in Millions)



DEBT TO EQUITY RATIO



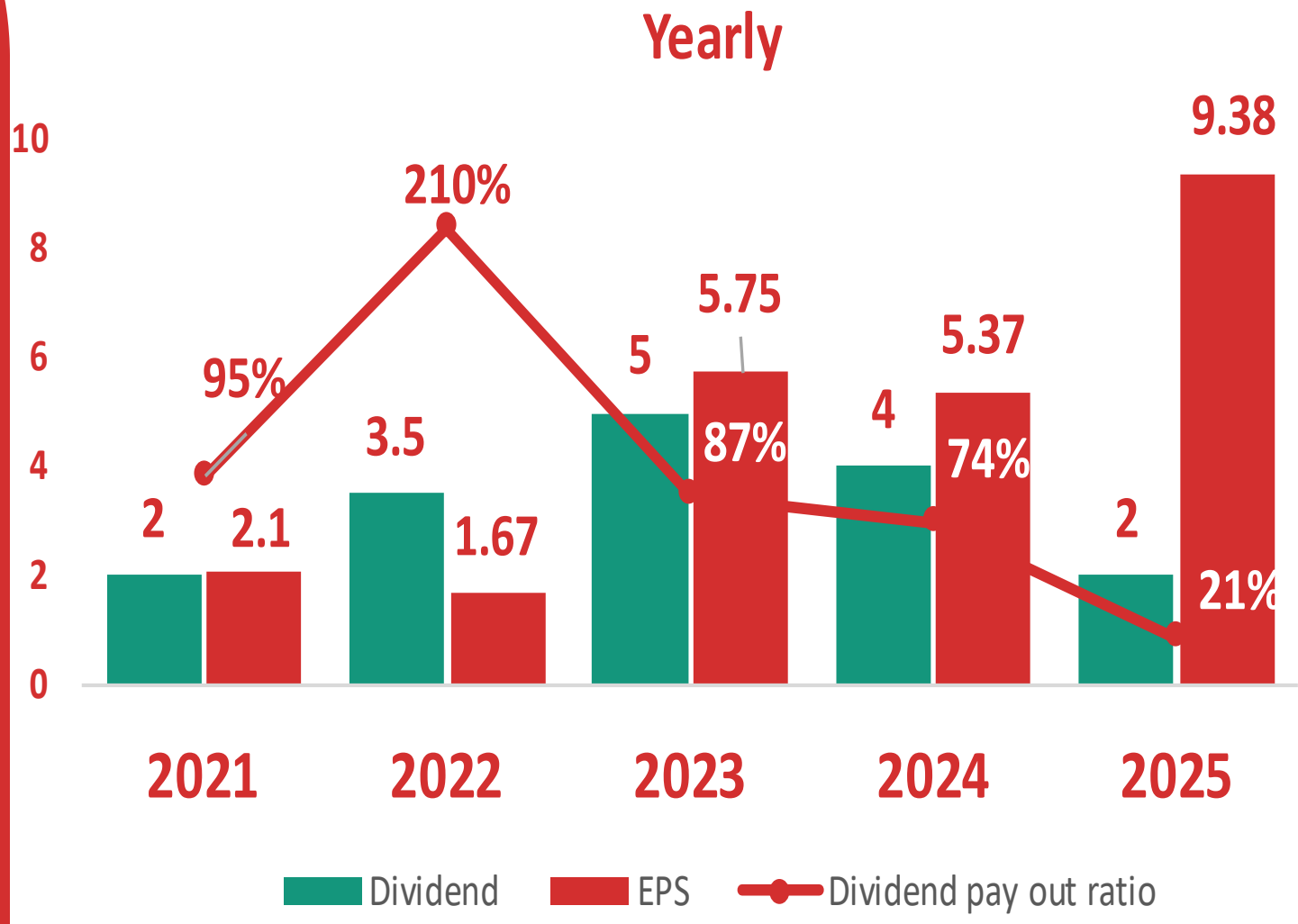
CURRENT RATIO



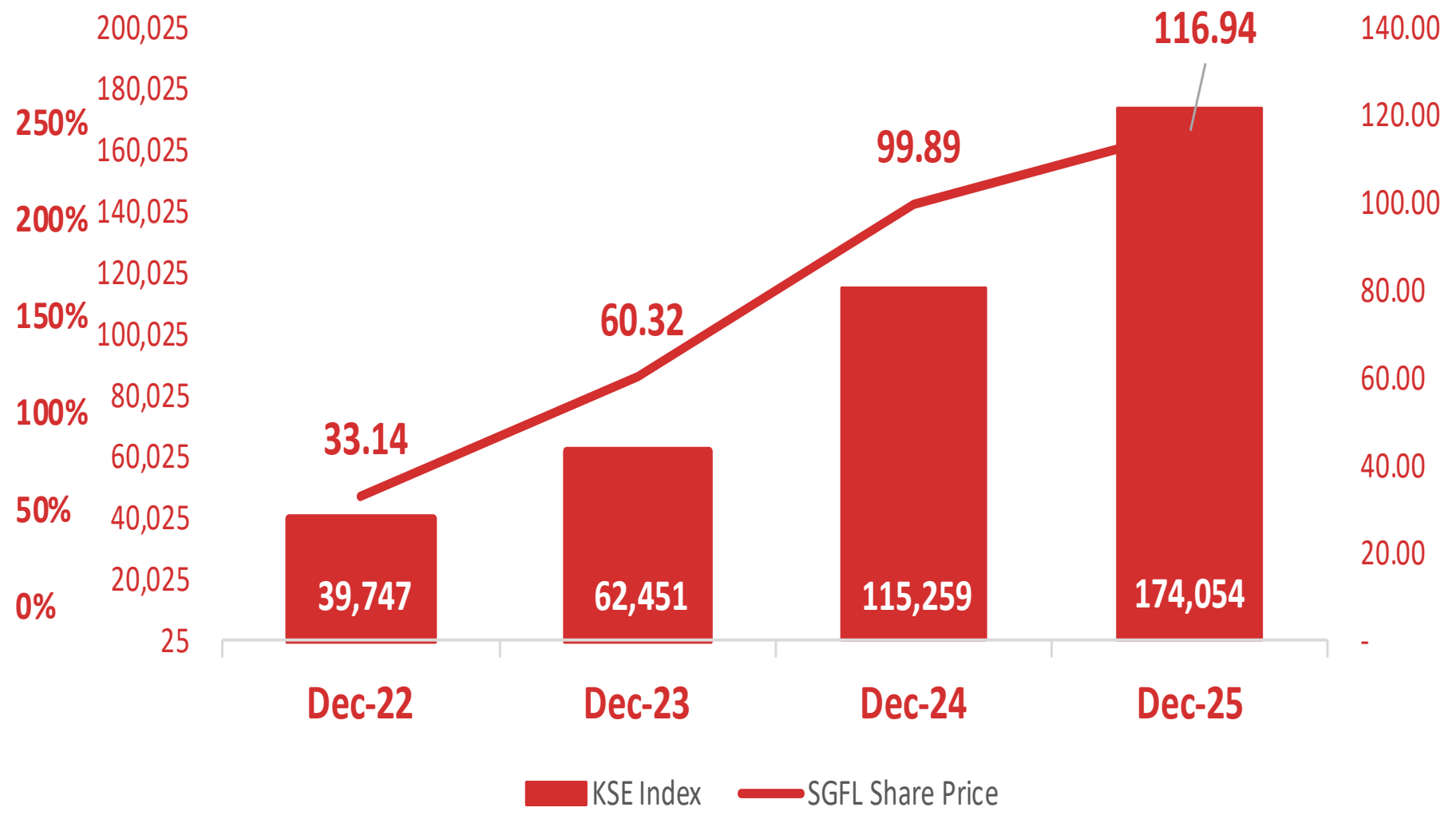
FINANCIAL PERFORMANCE

Dividend Payout Analysis

Yearly



SGFL Share Performance



Payment Year	Dividend Payments
	In Millions
2022	922
2023	823
2024	412
2025	824
2026	413
Total	3,393



Delivering Shareholder Value

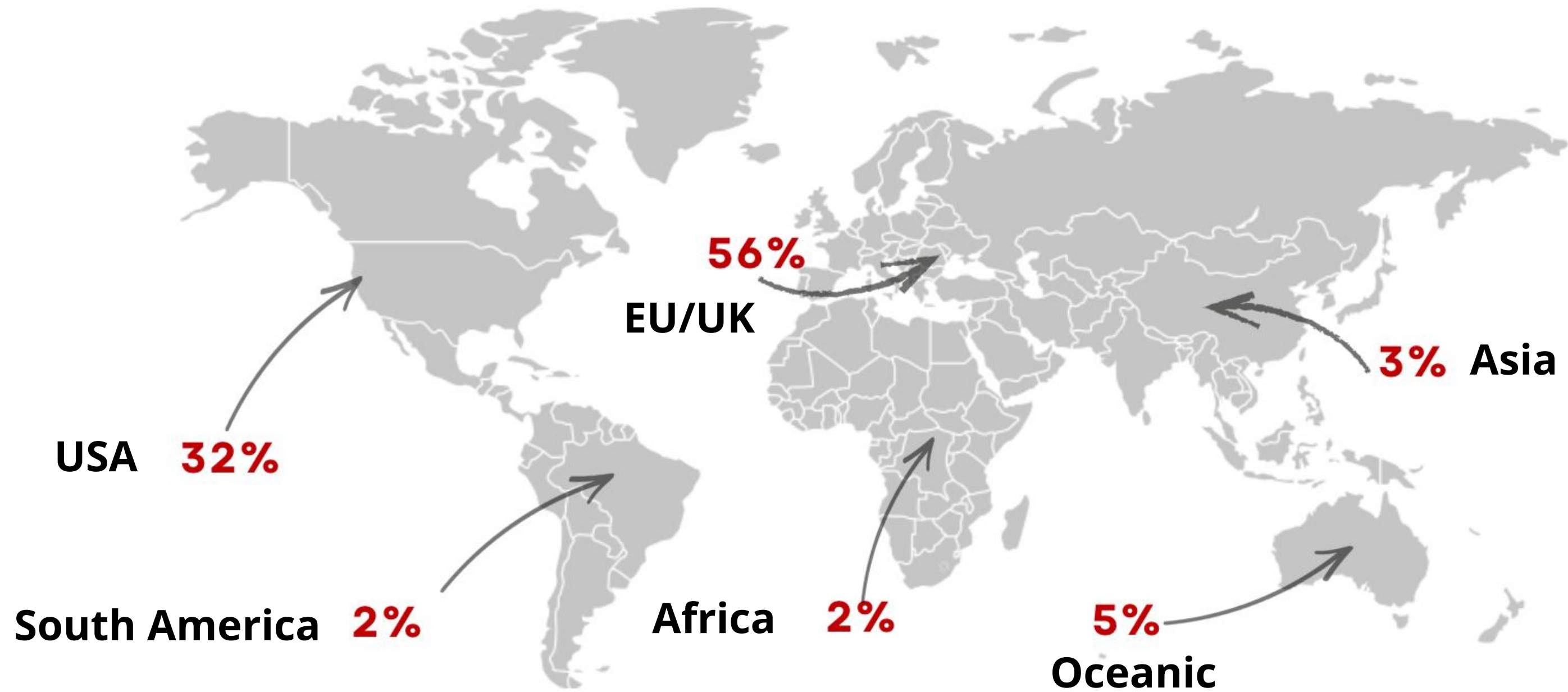
Service Global Footwear Ltd (SGF)		
5-Year Total Shareholder Return - 2021 to 2026		
	PKR	USD
1 - Initial Investment		
Valuation Based (Shares)	1	
Share price - On Listing (Apr-21)	53.2	\$ 0.35
2 - Dividend Income		
Total Cash Dividends Received	16.50	\$ 0.06
3 - Final Valuation (20 May, 2026)		
Ending Share Price	127.21	\$ 0.46
Ending Capital Value	127.21	\$ 0.46
4 - Total Shareholder Return (TSR)		
Total Value (Capital + Dividends)	143.71	\$ 0.52
Net Value Created	90.51	\$ 0.17
Annualized Return (CAGR)	21.99%	8.51%
Benchmark Risk Free Rate (CAGR) ~	14.52%	4.50%



Key Revenue Drivers



Global Footprint



Key Business Risks

Competitive Risk

Intense global competition and pricing pressure from low-cost producers.



Demand & Market Risk

Exposure to global economic cycles, export market volatility, and customer concentration.

Currency & Financial Risk

Exchange rate fluctuations, higher interest rates, and liquidity pressure.

Supply Chain Risk

Disruptions in raw material supply and logistics inefficiencies.



Future Outlook

Future outlook remains cautious yet solid. Following a strong year with (14.34%) growth in PKR and (21.40%) growth in dollar terms, Company expects 2026 to be a year of consolidation and stability. Continued softness in global consumer demand, rising energy and labor costs, current middle east crisis and intense price competition in key markets are likely to limit near-term growth opportunities.

SGFL is facing the challenge of changing landscape of buying pattern where China becomes relevant again after tariff agreements with US due to its speed to market and eco system.

On the other side, some of strategic customers onboarded in last two years have gradually started growing after solid base of consistent quality and delivery performance seen from SGFL. This will build a strong base of consistent volume and growth in next years to come.

For year 2026 in particular, SGFL will maintain a disciplined focus on cost control, operational efficiency, and productivity improvements. Through targeted technology adoption and process enhancements, the Company aims to manage rising input costs while protecting bottom line stability.

At the same time, SGFL remains focused on strengthening its customer pipeline and expanding relationships with global brands, particularly in the United States and Europe. Year 2026 will serve as a strategic preparation phase, positioning the Company to pursue more accelerated growth as market conditions improve.

Service Athletic Global Footwear (Private) Limited is expected to commence production in 3rd quarter 2026, starting with 2.1 million pairs annually, followed by a structured capacity ramp-up to 5 million pairs and ultimately 10 million pairs in subsequent phases.



**THANK
YOU**

Questions & Answers

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