



Service Industries Limited

GROWING AS ONE

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

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Company Information

Board of Directors

Ms. Uzma Adil Khan

(Chairperson / Independent Director)

Mr. Arif Saeed

(Chief Executive Officer)

Executive Director

Mr. Omar Saeed

Executive Director

Mr. Hassan Javed

Non-Executive Director

Mr. Adil Matcheswala

Non-Executive Director

Mr. Ahsan Bashir

Non-Executive Director

Mr. Saif Javed

Non-Executive Director

Mr. Muhammad Naeem Khan

Independent Director

Mr. Shahid Hussain Jatoi

Independent Director

Chief Financial Officer

Mr. Badar Ul Hassan

Company Secretary

Mr. Waheed Ashraf

Audit Committee

Mr. Muhammad Naeem Khan

(Chairman)

Independent Director

Mr. Adil Matcheswala

(Member)

Non-Executive Director

Mr. Saif Javed

(Member)

Non-Executive Director

Human Resource and

Remuneration Committee

Ms. Uzma Adil Khan

(Chairperson)

Independent Director

Mr. Arif Saeed

(Member)

Executive Director

Mr. Ahsan Bashir

(Member)

Non-Executive Director

Bankers

Allied Bank Limited

Askari Bank limited

Bank Al Habib Limited

Bank Alfalah Limited

Faysal Bank limited

Habib Bank Limited

Habib Metropolitan Bank Limited

Industrial and Commercial Bank

of China Limited



MCB Bank Limited
 MCB Islamic Bank Limited
 Meezan Bank Limited
 National Bank of Pakistan
 Samba Bank Limited
 Silk Bank Limited
 Standard Chartered Bank (Pakistan) Limited
 Soneri Bank Limited
 The Bank of Punjab
 The Bank of Khyber
 Bank Islami Pakistan Limited
 Dubai Islamic Bank Pakistan Limited
 United Bank Limited
 SME Bank Limited
 Pak Kuwait Investment Company Limited
 JS Bank Limited

Auditors

M/s. Riaz Ahmad & Company,
 Chartered Accountants
 10-B, Saint Mary Park, Main
 Boulevard, Gulberg III, Lahore.

Legal Advisor

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: +92-42-35916714,
 35916719,
 35839182.

Stock Symbol

SRVI

Manufacturing Facility

G.T. Road, Gujrat.

Web Presence

www.servisgroup.com



Directors' Review Report

The Directors of Service Industries Limited ("SIL" or the "Company") are pleased to present their review report together with the consolidated and unconsolidated condensed interim financial statements, for the half year ended June 30, 2025.

Financial Performance

The following table summarizes the key financial highlights for the half year ended June 30, 2025, compared to the corresponding period last year:

Particulars	Consolidated			Unconsolidated		
	June 30, 2025	June 30, 2024	Increase / (Decrease) %	June 30, 2025	June 30, 2024	Increase / (Decrease) %
	(Rupees in thousand)			(Rupees in thousand)		
Net Sales	70,292,205	61,037,978	15%	3,997,290	2,738,556	46%
Gross Profit	15,844,720	15,610,008	2%	485,773	541,355	(10%)
Dividend Income	-	-	-	965,660	817,750	18%
Operating Profit	8,432,397	9,759,921	(14%)	1,181,640	1,137,601	4%
Profit Before Tax and Levy	5,586,678	6,229,921	(10%)	461,629	120,340	283%
Net Profit After Tax	7,843,635	4,276,277	83%	334,502	47,035	611%
Earnings Per Share - Rs.	96.97	55.87	74%	7.12	1.00	611%

Financial Performance Highlights - Consolidated

For the half year ended June 30, 2025, the Company delivered robust consolidated performance. Revenue grew by 15% to Rs. 70.29 billion, compared to Rs. 61.04 billion in the same period last year. Gross profit increased by 2% year-on-year, while net profit after tax surged by 83% to Rs. 7.84 billion, up from Rs. 4.28 billion in the corresponding period.

Financial Performance Highlights - Unconsolidated

For the half year ended June 30, 2025, the Company, on an unconsolidated basis, reported an operating profit of Rs. 1.18 billion, reflecting steady growth from Rs. 1.13 billion in the corresponding period last year. Net profit before tax and levy rose sharply to Rs. 461 million, up from Rs. 120 million in the prior year. This substantial improvement was primarily driven by lower finance costs, and higher dividend income from associated companies.

The Company primarily functions as an investment holding entity, maintaining a strategically diversified portfolio across multiple sectors through its subsidiaries. Group operations spans manufacturing of tyres, tubes, and footwear, as well as trading activities supported by a nationwide retail network for footwear and activewear under the flagship brand "SERVIS". The Company's financial performance is closely aligned with the operational and financial results of its group companies. A detailed breakdown of the Company's investments in its subsidiaries is presented in Note 7 to the unconsolidated condensed interim financial statements annexed hereto.

In compliance with the requirements of International Financial Reporting Standards and applicable provisions of the Companies Act, 2017, the Company has annexed consolidated condensed interim financial statements alongside its unconsolidated condensed interim financial statements.

Dividend Income from Associated Companies

During the half-year ended 30 June 2025, SIL received substantial dividend income totaling Rs. 965 million from its subsidiaries i.e. Rs. 300 million from Service Tyres (Private) Limited, Rs. 11 million from Service Industries Capital (Private) Limited, and Rs. 654 million from Service Global Footwear Limited. The Company anticipates receiving additional dividend distributions before year-end, demonstrating the ongoing value creation from its strategic investment portfolio. This performance underscores our subsidiaries' strong operational results and the effectiveness of our capital allocation strategy.

Future Outlook

Pakistan's macro environment stabilized through the half-year ended 30 June 2025, with headline CPI easing to 3.2% YoY in June, while the SBP policy rate stood at 11% after cumulative cuts totaling 11% since mid-2024. The rupee was largely range-bound around PKR 280–285 per USD during Q2. Federal budget advanced fiscal consolidation, whereas broadening the tax base remains a critical unfinished agenda.

For our sectors, the backdrop is mixed but generally constructive. Large-scale manufacturing showed signs of sequential improvement into late H1, aided by an automotive rebound—a key demand driver for domestic tyre volumes—while export momentum in footwear remained positive through most of FY25 to-date. Stable FX and lower inflation support input-cost visibility; however, any upward pressures on input costs could compress margins. Pakistan remains in constructive dialogue with IMF, however external debt servicing still remains a challenge.

With inflation easing, a stable policy rate—potentially with room for further reduction—a steady currency, and recent progress in tariff negotiations with the United States, management anticipates a sustained recovery in domestic demand during H2 2025. Service Industries Limited expects to deliver resilient operating performance in the second half, supported by its diversified portfolio, strong cash-generation capabilities, and disciplined management of working capital.

Acknowledgement

The Directors would like to express their deep gratitude to the shareholders who have consistently demonstrated their trust in the Company and also acknowledge the continuous efforts made by the employees towards achievement of corporate objectives. We also thank our customers, suppliers and bankers for their continued support. We look forward to delivering promising results throughout the year.

For and on behalf of the board



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)

August 26, 2025
Lahore.

Independent Auditor's Review Report

To the members of Service Industries Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

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

Scope of Review

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

Conclusion

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

Other Matter

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

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



RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: August 26, 2025

UDIN: RR202510168ZLqilphEu

The background is a blue-toned collage of financial data. It includes a bar chart at the top right, a line graph in the middle right, a pie chart in the lower middle, and a bar chart at the bottom. A white network of dots and lines is overlaid across the entire image. A hand holding a pen is visible on the left side, pointing towards the center.

Unconsolidated Condensed Interim Financial Statements

Unconsolidated Condensed Interim Statement of Financial Position

As at June 30, 2025

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (31 December 2024: 100,000,000) ordinary shares Rupee 10 each		1,000,000	1,000,000
Issued, subscribed and paid-up share capital			
46,987,454 (31 December 2024: 46,987,454) ordinary shares of Rupees 10 each		469,874	469,874
Reserves		7,641,493	8,020,307
Total equity		8,111,367	8,490,181
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing		6,589,938	4,414,865
Lease liabilities		47,759	59,144
Employees' retirement benefit		94,530	97,916
		6,732,227	4,571,925
CURRENT LIABILITIES			
Trade and other payables		1,646,800	1,761,242
Accrued mark-up		228,592	199,759
Short term borrowings		2,063,791	6,047,096
Current portion of non-current liabilities		1,656,082	1,280,813
Taxation and levy - net		-	38,916
Unclaimed dividend		54,319	47,509
		5,649,584	9,375,335
Total liabilities		12,381,811	13,947,260
Contingencies and commitments	5		
TOTAL EQUITY AND LIABILITIES		20,493,178	22,437,441

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



Arif Saeed
(Chief Executive)

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	1,347,721	1,253,493
Investment property		182	182
Right-of-use assets		57,193	67,389
Intangible assets		2,824	3,762
Deferred income tax asset - net		143,330	72,966
Long term investments	7	14,169,694	14,180,668
Long term loans to employees		17,638	12,061
Long term security deposits		11,341	11,124
		15,749,923	15,601,645
CURRENT ASSETS			
Stores, spares and loose tools		54,604	28,913
Stock in trade		2,155,254	1,679,031
Trade debts		885,700	1,820,704
Loans and advances		77,699	1,819,753
Taxation and levy - net		18,578	-
Trade deposits and prepayments		157,555	129,252
Other receivables		525,015	566,016
Short term investments		569,902	375,177
Cash and bank balances		298,948	416,950
		4,743,255	6,835,796
TOTAL ASSETS		20,493,178	22,437,441



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

		(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Note	(Rupees in thousand)			
Revenue	8	3,997,290	2,738,556	1,542,786	1,448,336
Cost of sales	9	(3,511,517)	(2,197,201)	(1,247,205)	(1,134,117)
Gross profit		485,773	541,355	295,581	314,219
Distribution cost		(165,980)	(186,765)	(74,990)	(99,011)
Administrative expenses		(317,512)	(215,396)	(225,821)	(108,674)
Other expenses		(19,489)	(2,669)	(10,933)	5,223
		(502,981)	(404,830)	(311,744)	(202,462)
		(17,208)	136,525	(16,163)	111,757
Other income		1,198,848	1,001,076	765,937	418,935
Profit from operations		1,181,640	1,137,601	749,774	530,692
Finance cost		(720,011)	(1,017,261)	(343,719)	(618,484)
Profit / (loss) before levy and taxation		461,629	120,340	406,055	(87,792)
Levy		(29,876)	-	(29,876)	-
Profit / (loss) before taxation		431,753	120,340	376,179	(87,792)
Taxation		(97,251)	(73,305)	(106,552)	(257,190)
Profit / (loss) after taxation		334,502	47,035	269,627	(344,982)
Earnings / (loss) per share - basic and diluted (Rupees)		7.12	1.00	5.74	(7.34)

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
Profit / (loss) after taxation	334,502	47,035	269,627	(344,982)
Other comprehensive loss				
Items that will not be reclassified to profit or loss:				
Deficit arising on remeasurement of investment at fair value through other comprehensive income - net of tax	(8,505)	(13,191)	(4,894)	(5,549)
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive loss for the period - net of tax	(8,505)	(13,191)	(4,894)	(5,549)
Total comprehensive income / (loss) for the period	325,997	33,844	264,733	(350,531)

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

	Reserves								Total equity			
	Share capital	Capital reserves					Revenue reserves			Total		
		Capital gains	Fair value reserve FVOCI investment	Share premium	Share of share premium reserve held by equity accounted investee	Reserve pursuant to the Scheme	Sub Total	General reserve			Un-appropriated profit	Sub total
Rupees in thousand												
Balance as at 31 December 2023 - audited	469,874	102,730	34,247	21,217	23,935	927,163	1,109,292	1,558,208	5,180,805	6,739,013	7,848,305	8,318,179
Transactions with owners:												
Final dividend for the year ended 31 December 2023 @ Rupees 10 per share	-	-	-	-	-	-	-	-	(469,875)	(469,875)	(469,875)	(469,875)
Credited to reserve on transfer of negative net assets to Service Retail (Private) Limited - subsidiary company pursuant to the Scheme	-	-	-	-	-	-	-	-	322,992	322,992	322,992	322,992
Profit for the half year ended 30 June 2024	-	-	-	-	-	-	-	-	47,035	47,035	47,035	47,035
Other comprehensive loss for the half year ended 30 June 2024	-	-	(13,191)	-	-	-	(13,191)	-	-	-	(13,191)	(13,191)
Total comprehensive income for the half year ended 30 June 2024	-	-	(13,191)	-	-	-	(13,191)	-	47,035	47,035	33,844	33,844
Balance as at 30 June 2024 - un-audited	469,874	102,730	21,056	21,217	23,935	927,163	1,096,101	1,558,208	5,080,957	6,639,165	7,735,266	8,205,140
Transfer of share of share premium reserve held by equity accounted investee due to transfer of investment pursuant to the Scheme	-	-	-	-	(23,935)	-	(23,935)	-	23,935	23,935	-	-
Profit for the half year ended 31 December 2024	-	-	-	-	-	-	-	-	277,386	277,386	277,386	277,386
Other comprehensive income for the half year ended 31 December 2024	-	-	8,146	-	-	-	8,146	-	(491)	(491)	7,655	7,655
Total comprehensive income for the half year ended 31 December 2024	-	-	8,146	-	-	-	8,146	-	276,895	276,895	285,041	285,041
Balance as at 31 December 2024 - audited	469,874	102,730	29,202	21,217	-	927,163	1,080,312	1,558,208	5,381,787	6,939,995	8,020,307	8,490,181
Transactions with owners:												
Final dividend for the year ended 31 December 2024 @ Rupees 15 per share	-	-	-	-	-	-	-	-	(704,812)	(704,812)	(704,812)	(704,812)
Profit for the half year ended 30 June 2025	-	-	-	-	-	-	-	-	334,502	334,502	334,502	334,502
Other comprehensive loss for the half year ended 30 June 2025	-	-	(8,505)	-	-	-	(8,505)	-	-	-	(8,505)	(8,505)
Total comprehensive income for the half year ended 30 June 2025	-	-	(8,505)	-	-	-	(8,505)	-	334,502	334,502	325,997	325,997
Balance as at 30 June 2025 - un-audited	469,874	102,730	20,697	21,217	-	927,163	1,071,807	1,558,208	5,011,478	6,569,686	7,641,493	8,111,367

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

		(Un-audited) June 30, 2025 (Rupees in thousand)	(Un-audited) June 30, 2024
	Note		
Cash flow from operating activities			
Cash generated from operations	10	2,367,881	316,503
Finance cost paid		(684,322)	(1,027,969)
Income tax and levy paid		(252,516)	(213,027)
Staff retirement benefits paid		(13,167)	(24,173)
Long term loans to employees - net		(5,041)	(9,800)
Long term security deposits - net		(2,269)	15,203
Net cash generated from / (used in) operating activities		1,410,566	(943,263)
Cash flows from investing activities			
Capital expenditure on fixed assets		(177,969)	(112,816)
Proceeds from disposal of fixed assets		11,711	12,907
Long term investments made		-	(344,570)
Proceeds from disposal of short term investment		1,047,919	697,658
Short term investment made		(1,240,919)	-
Return on short term investments received		14,236	13,858
Dividend received		965,660	817,750
Net cash from investing activities		620,638	1,084,787
Cash flows from financing activities			
Long term financing obtained		3,000,000	112,498
Long term financing repaid		(453,127)	(1,157,736)
Short term borrowings - net		(3,983,305)	3,611,144
Lease liabilities - net		(14,772)	(13,597)
Dividend paid		(698,002)	(465,228)
Net cash (used in) / from financing activities		(2,149,206)	2,087,081
Net (decrease) / increase in cash and cash equivalents		(118,002)	2,228,605
Cash and cash equivalents at the beginning of the period		416,950	1,813,676
Cash transferred to subsidiary companies pursuant to the Scheme		-	(1,700,710)
Cash and cash equivalents at the end of the period		298,948	2,341,571

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

1. The Company and its Operations

Service Industries Limited (the Company) was incorporated as a private limited Company on 20 March 1957 in Pakistan under the Companies Act, 1913 (now Companies Act, 2017), was converted into a public limited Company on 23 September 1959 and got listed on 27 June 1970. 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 purchase, manufacture and sale of footwear and technical rubber products and sale and purchase of tyres and related material. These unconsolidated condensed interim financial statements pertain to Service Industries Limited as an individual entity.

2. Basis of preparation

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

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

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

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

3. Material accounting policy information

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

3.1 Critical accounting estimates and judgments

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

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

	(Un-audited) June 30, 2025 (Rupees in thousand)	(Audited) December 31, 2024
4. Long term financing		
Opening balance	5,673,861	11,014,638
Transferred to subsidiary companies pursuant to the Scheme:		
Service Tyres (Private) Limited - subsidiary company	-	(3,695,704)
Service Retail (Private) Limited - subsidiary company	-	(800,000)
Add: Obtained during the period / year	3,000,000	112,498
Add: Transferred from Service Retail (Private) Limited - subsidiary company	-	800,000
Less: Repaid during the period / year	(453,127)	(1,757,571)
	8,220,734	5,673,861
Less: Current portion shown under current liabilities	(1,630,796)	(1,258,996)
	6,589,938	4,414,865

5. Contingencies and commitments

5.1 Contingencies

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

5.1.1 The Deputy Commissioner Inland Revenue (DCIR) initiated sales tax audit for the year 2013-2014 on 28 December 2017, in which demand of Rupees 102.465 million (31 December 2024: 102.465 million) was created. The Company filed appeal with Commissioner Inland Revenue (CIR) (Appeals) on 18 January 2018, who confirmed the demand of Rupees 7.328 million (31 December 2024: 7.328 million) and remanded back certain charges to the tune of Rupees 95.137 million (31 December 2024: 95.137 million). The Company filed an appeal with Appellate Tribunal Inland Revenue (ATIR) on 14 March 2018, against the decision of CIR (Appeals) which is pending for hearing. Furthermore, the Company filed an application on 07 September 2018, for stay of recovery and Honourable Lahore High Court, Lahore, has granted stay in said case. Later on, the proceedings against remanded back portion were initiated by DCIR and order in this regard has been issued dated 30 June 2025 in which DCIR created the same demand of Rupees 95.137 million. The Company is in process to file an appeal against order of DCIR.

5.1.2 DCIR concluded sales tax audit for the periods from January 2020 to December 2020 and charged sales tax to the tune of Rupees 16.824 million (31 December 2024: 16.824 million) through the order dated 28 June 2024 on the grounds of inadmissible input tax on purchase, suppression of sales with the

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

For the half year ended June 30, 2025

figures as per the financial statements and other issues. The Company has filed an appeal before the ATIR on 24 July 2024. On 13 March 2025, the ATIR has remanded the case back to the DCIR which is pending adjudication.

5.1.3 Guarantees issued in ordinary course of business through banks are of Rupees 2,008.804 million (31 December 2024: Rupees 1,528.875 million).

5.1.4 Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 42.641 million (31 December 2024: Rupees 45.237 million) on imported material availed on the basis of consumption and export plans.

5.2 Commitments

5.2.1 Contracts for capital expenditure are approximately of Rupees Nil (31 December 2024: Rupees 134.309 million).

5.2.2 Letters of credit other than capital expenditure are of Rupees 12.341 million (31 December 2024: Rupees 3,633.754 million).

5.2.3 The Company has obtained vehicles under ijarah arrangements from Bank AL Habib Limited for a period of four years. Future monthly Ujrah payments under Ijarah are as follows:

		(Un-audited) June 30, 2025 (Rupees in thousand)	(Audited) December 31, 2024
	Note		
Not later than one year		69	760

6. Fixed assets

Operating fixed assets	6.1	1,313,872	1,198,417
Capital work-in-progress	6.2	33,849	55,076
		1,347,721	1,253,493

6.1 Operating fixed assets

Opening net book value		1,198,417	11,149,760
Transferred to subsidiary companies pursuant to the Scheme			
Service Tyres (Private) Limited - subsidiary company		-	(8,717,781)
Service Retail (Private) Limited - subsidiary company		-	(1,310,305)
Add: Cost of additions during the period / year	6.1.1	199,196	241,385
Less: Book value of disposals / adjustment during the period / year	6.1.2	(7,202)	(23,298)
Less: Depreciation charged during the period / year		(76,539)	(141,344)
Closing net book value		1,313,872	1,198,417

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in thousand)	
6.1.1 Cost of additions during the period / year			
Buildings on freehold land		2,205	48,234
Plant and machinery		47,718	7,836
Furniture, fixture and fittings		194	3,876
Vehicles		95,266	109,389
Service equipment		53,813	64,611
Leasehold improvements		-	7,439
		199,196	241,385
6.1.2 Book value of disposals / adjustment during the period / year			
Cost of disposals / adjustment			
Freehold land - transferred to investment property		-	182
Buildings on freehold land		295	-
Plant and machinery		2,660	18,949
Furniture, fixture and fittings		17	-
Vehicles		6,668	15,834
Service equipment		9,344	9,429
		18,984	44,394
Less: Accumulated depreciation		(11,782)	(21,096)
Book value of disposals / adjustment during the period / year		7,202	23,298
6.2 Capital work-in-progress			
Buildings on freehold land		13,043	-
Plant and machinery		-	46,866
Advances against purchase of vehicles		20,806	8,210
		33,849	55,076
7. Long term investments			
Investments in subsidiary companies - at cost	7.1	14,125,899	14,125,899
Investments in joint ventures	7.2	-	-
Other investment - at FVTOCI	7.3	43,795	54,769
		14,169,694	14,180,668

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

For the half year ended June 30, 2025

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in thousand)	
7.1 Investments in subsidiary companies - at cost			
Service Industries Capital (Private) Limited - unquoted 74,082,700 (31 December 2024: 74,082,700) fully paid ordinary shares of Rupees 10 each Equity held 100% (31 December 2024: 100%)		740,827	740,827
Service Global Footwear Limited - quoted 163,550,000 (31 December 2024: 163,550,000) fully paid ordinary shares of Rupees 10 each Equity held 79.37% (31 December 2024: 79.37%)	7.1.1	3,026,184	3,026,184
Service Long March Tyres (Private) Limited - unquoted 316,539,659 (31 December 2024: 316,539,659) fully paid ordinary shares of Rupees 10 each Equity held 22.09% (31 December 2024: 22.09%)		3,179,430	3,179,430
Service Tyres (Private) Limited - unquoted 666,724,300 (31 December 2024: 666,724,300) fully paid ordinary shares of Rupees 10 each Equity held 100% (31 December 2024: 100%)		6,667,243	6,667,243
Service Retail (Private) Limited - unquoted 50,500,000 (31 December 2024: 50,500,000) fully paid ordinary shares of Rupees 10 each Equity held 100% (31 December 2024: 100%)		505,000	505,000
SIL GULF FZE - unquoted 1 (31 December 2024: 1) fully paid share of UAE Dirhams 150,000 Equity held 100% (31 December 2024: 100%)		7,215	7,215
		14,125,899	14,125,899

- 7.1.1** Subsequent to the reporting date, the Board of Directors of the Company in its meeting held on 17 July 2025 decided to sell 8,683,920 shares of Service Global Footwear Limited - subsidiary company through off market trade to comply with the requirements of clause 5.4.1 of the Rule Book of Pakistan Stock Exchange Limited. Resultantly, the aforesaid number of shares have been disposed off on 22 July 2025.

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

7.2 Investments in joint ventures

S2 Power Limited	240	240
24,000 (31 December 2024: 24,000) fully paid ordinary shares of Rupees 10 each		
S2 Hydro Limited	240	240
24,000 (31 December 2024: 24,000) fully paid ordinary shares of Rupees 10 each		
	480	480
Less : Impairment loss against investment	(480)	(480)
	-	-

7.3 Other investment - at FVTOCI

TRG Pakistan Limited - quoted		
775,000 (31 December 2024: 775,000) fully paid ordinary shares of Rupees 10 each	17,089	17,089
Fair value adjustment	26,706	37,680
	43,795	54,769

(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
(Rupees in thousand)			

8. Revenue

Revenue from contracts with customers:

Export:

- Sales	14,431	821,974	8,547	366,404
- Discounts, commissions etc.	(6,674)	(21,102)	(2,284)	(16,800)
	7,757	800,872	6,263	349,604

Local:

- Sales	4,928,281	2,456,197	1,940,815	1,412,495
- Processing income	-	17,290	-	-
- Commission income	3,605	-	543	-
- Sales tax	(695,722)	(374,780)	(261,668)	(210,194)
- Discounts, commissions etc.	(246,631)	(161,023)	(143,167)	(103,569)
	3,989,533	1,937,684	1,536,523	1,098,732
	3,997,290	2,738,556	1,542,786	1,448,336

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

For the half year ended June 30, 2025

8.1 Disaggregation of revenue from contracts with customers

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

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			

8.1.1 Major product / service lines

Sales of footwear - net

Export sales	7,757	800,872	6,263	349,604
Local sales	2,560,160	1,813,845	1,345,013	1,037,473
Processing income	-	17,290	-	-
	2,567,917	2,632,007	1,351,276	1,387,077

Sales of tyres and related raw material - net

Local sales	1,418,960	-	191,381	-
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Commission income	3,605	-	543	-
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Sales of technical rubber products - net

Local sales	6,808	106,549	(414)	61,259
	3,997,290	2,738,556	1,542,786	1,448,336

8.1.2 Primary geographical market:

	Footwear				Tyre				Others				Total			
	(Un-audited)				(Un-audited)				(Un-audited)				(Un-audited)			
	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended	Half Year Ended	Quarter Ended
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Europe	4,716	718,657	6,263	349,604	-	-	-	-	-	-	4,716	718,657	6,263	349,604	-	-
Asia	3,041	75,510	-	-	-	-	-	-	-	-	3,041	75,510	-	-	-	-
Africa	-	6,705	-	-	-	-	-	-	-	-	-	6,705	-	-	-	-
Pakistan	2,560,226	1,831,135	1,345,013	1,037,473	1,422,499	-	191,924	-	6,808	106,549	(414)	61,259	3,989,533	1,937,684	1,536,523	1,098,732
	2,567,983	2,632,007	1,351,276	1,387,077	1,422,499	-	191,924	-	6,808	106,549	(414)	61,259	3,997,290	2,738,556	1,542,786	1,448,336

(Rupees in thousand)

8.1.3 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

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

For the half year ended June 30, 2025

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
9. Cost of sales				
Raw materials consumed	2,872,933	1,182,872	2,239,288	630,897
Salaries, wages and other benefits	487,570	463,846	233,494	237,667
Stores and spares consumed	29,835	58,535	18,107	29,151
Packing materials consumed	91,059	113,146	39,521	58,130
Fuel and power	63,376	75,079	24,348	37,035
Insurance	10,853	9,772	4,841	6,766
Travelling and conveyance	8,000	5,778	3,823	2,806
Repair and maintenance	17,880	25,543	7,607	13,594
Entertainment	1,142	773	802	405
Depreciation	38,738	37,229	19,439	19,191
(Reversal of provision) / provision for slow moving and obsolete inventory	(13,651)	1,623	(18,375)	123
Processing charges	1,899	1,140	1,899	1,140
Other manufacturing charges	6,612	3,164	3,632	1,329
	3,616,246	1,978,500	2,578,426	1,038,234
Work in process:				
Movement in work in process	19,936	(113,176)	18,872	70,138
Cost of goods manufactured	3,636,182	1,865,324	2,597,298	1,108,372
Finished goods:				
Movement in finished goods	(124,665)	331,877	(1,350,093)	25,745
	3,511,517	2,197,201	1,247,205	1,134,117

		(Un-audited) Half year ended	
		June 30, 2025	June 30, 2024
		(Rupees in thousand)	
Note			
10.	Cash generated from operations		
	Profit before taxation and levy	461,629	120,340
	Adjustments for non-cash charges and other items:		
	Depreciation on operating fixed assets	76,539	65,087
	Depreciation on right-of-use assets	10,196	9,409
	Amortization on intangible assets	938	-
	Provision for gratuity	9,781	6,708
	Finance cost	720,011	1,017,261
	Provision for workers' profit participation fund	-	148
	Provision for workers' welfare fund	9,421	2,456
	(Reversal of provision) / provision for slow moving and obsolete stock-in-trade	(13,766)	1,623
	Provision for slow moving and obsolete stores, spares and loose tools	115	-
	Allowance for expected credit losses - trade debts	4,265	-
	(Gain) / loss on disposal of fixed assets	(4,509)	66
	Exchange gain - net	(1,253)	(13,254)
	Dividend income	(965,660)	(817,750)
	Return on short term investments	(15,961)	(13,858)
	Working capital changes	10.1 2,076,135	(61,733)
		2,367,881	316,503
10.1	Working capital changes		
	(Increase) / decrease in current assets:		
	Stores and spare parts	(25,806)	10,811
	Stock in trade	(462,457)	(13,206)
	Trade debts	931,992	(280,926)
	Loans and advances	1,741,518	(2,255)
	Prepayments	(26,250)	(113,810)
	Other receivables	41,001	(140,247)
	(Decrease) / increase in current liabilities:		
	Trade and other payables	(123,863)	477,900
		2,076,135	(61,733)

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the half year ended June 30, 2025

11. Segment information

The Company has three (31 December 2024: three) reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Footwear:
Tyre:
Others:

Purchase, manufacturing and sale of different qualities of footwear.
Procuring (not manufacturing) and sales of tyres and related raw material.
Manufacturing of different qualities of rubber products on specifications.

	Footwear		Tyre		Others		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	Half Year Ended	June 30, 2024	Half Year Ended	June 30, 2024	Half Year Ended	June 30, 2024	Half Year Ended	June 30, 2024
	June 30, 2025		June 30, 2025		June 30, 2025		June 30, 2025	
(Rupees in thousand)								
Sales								
External:								
- Export	7,757	800,872	-	-	-	-	7,757	800,872
- Local	2,560,160	1,813,845	1,418,960	-	6,808	106,549	3,985,928	1,920,394
- processing income	-	17,290	-	-	-	-	-	17,290
- Commission income	66	-	3,539	-	-	-	3,605	-
Cost of sales	2,567,983	2,632,007	1,422,499	-	6,808	106,549	3,997,290	2,738,556
Gross profit / (loss)	(2,056,581)	(2,118,201)	(1,418,960)	-	(35,976)	(79,000)	(3,511,517)	(2,197,201)
	511,402	513,806	3,539	-	(29,168)	27,549	485,773	541,355
Distribution cost	(156,739)	(183,765)	-	-	(9,241)	(3,000)	(165,980)	(186,765)
Administrative expenses	(315,413)	(214,396)	-	-	(2,099)	(1,000)	(317,512)	(215,396)
	(472,152)	(398,161)	-	-	(11,340)	(4,000)	(483,492)	(402,161)
Profit before levy and taxation and unallocated income and expenses	39,250	115,645	3,539	-	(40,508)	23,549	2,281	139,194
Unallocated income and expenses :								
Other expenses							(19,489)	(2,669)
Other income							1,198,848	1,001,076
Finance cost							(720,011)	(1,017,261)
Levy							(29,876)	-
Taxation							(97,251)	(73,305)
Profit after taxation							334,502	47,035

11.1 Reconciliation of reportable segment assets and liabilities

	Footwear		Tyre		Others		Total - Company	
	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024
(Rupees in thousand)								
Total assets for reportable segment	4,980,995	6,764,822	-	-	452,237	696,062	5,433,232	7,460,884
Unallocated assets:								
Intangible assets							2,824	3,762
Long term investments							14,169,694	14,180,668
Taxation and levy - net							18,578	-
Short term investments							569,902	375,177
Cash and bank balances							298,948	416,950
Total assets as per unconsolidated condensed interim statement of financial position					20,493,178		22,437,441	
Total liabilities for reportable segment	1,030,087	977,511	-	-	838,607	1,010,117	1,868,694	1,987,628
Unallocated liabilities:								
Long term financing - secured							8,220,734	5,673,861
Accrued mark-up							228,592	199,759
Short term borrowings							2,063,791	6,047,096
Taxation and levy - net							-	38,916
Total liabilities as per unconsolidated condensed interim statement of financial position					12,381,811		13,947,260	

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

For the half year ended June 30, 2025

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

Recurring fair value measurements at 30 June 2025 - Un-audited	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				

Financial assets

Financial asset at fair value through other comprehensive income	43,795	-	-	43,795
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Recurring fair value measurements at 31 December 2024 - Audited	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				

Financial assets

Financial asset at fair value through other comprehensive income	54,769	-	-	54,769
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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 half year ended 30 June 2025. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise 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 trading 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 level 1 fair values

Specific valuation technique used to value financial instruments was use of quoted market prices.

13 Transactions with related parties

Related parties comprise subsidiary companies, associated undertakings, joint ventures, other related parties, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties are as follows:

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
<hr/>				
(i) Transactions:				
Service Global Footwear Limited - subsidiary company				
Short term loan obtained	74,000	130,000	-	130,000
Interest on loans	33,354	42,727	-	18,996
Sale of goods	225,642	185,831	52,110	105,109
Sale of fixed assets	115	6,275	115	6,275
Purchase of goods	28,417	205,859	13,574	33,617
Loan repaid	2,574,000	1,030,000	-	130,000
Service provided	-	17,290	-	-
Expenses charged	127,614	117,595	65,542	58,649
Dividend received	654,200	817,750	654,200	327,100
Service Long March Tyres (Private) Limited - subsidiary company				
Sale of goods	4,198	507	-	507
Service provided	18,000	14,130	9,000	5,130
Expenses charged	37,498	47,154	19,430	26,308
Fully paid ordinary shares acquired against right issue	-	334,563	-	-

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

For the half year ended June 30, 2025

	(Un-audited)		(Un-audited)	
	Half Year Ended		Quarter Ended	
	June	June	June	June
	30, 2025	30, 2024	30, 2025	30, 2024
	(Rupees in thousand)			
Service Tyres (Private) Limited - subsidiary company				
Sale of goods	1,428,258	-	200,678	-
Purchase of goods	19,462	-	13,737	-
Rental income	123,000	120,000	61,500	120,000
Interest expense	57,895	-	1,382	-
Dividend received	300,000	-	-	-
Commission income	3,539	-	477	-
Short term borrowings - net	1,441,029	-	90,526	-
Purchase of fixed asset	-	97	-	-
Sale of fixed assets	236	108	236	-
Expenses charged	268,675	412,139	78,355	222,478
Fully paid ordinary shares acquired	-	6,667,243	-	6,662,243
Service Retail (Private) Limited - subsidiary company				
Sale of goods	195,058	258,286	59,121	94,648
Rental income	8,191	-	5,074	-
Commission income	66	-	-	-
Short term loan - net	1,692,442	-	2,550,527	-
Interest income	48,460	-	9,155	-
Expenses charged	98,669	84,063	42,394	34,445
Transfer in of long term financing	-	800,000	-	800,000
Fully paid ordinary shares acquired	-	5,000	-	-
Service Industries Capital (Private) Limited - subsidiary company				
Dividend received	11,460	-	11,460	-
Dongguan Service Global Limited - subsidiary company				
Purchase of goods	9,246	2,560	4,678	1,632

(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
(Rupees in thousand)			

Donations

Service Charitable Trust	5,803	-	2,023	-
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Key management personnel

Cash dividend paid	278,959	185,973	278,959	185,973
Remuneration	101,986	64,881	56,639	34,829
Meeting fee to directors - non executive	1,280	1,095	800	817

Other related parties

Employees' retirement benefits	34,949	27,210	17,308	12,875
Cash dividend paid	37,142	22,662	37,142	22,662

(ii) Period end balances

As at 30 June 2025 (Un-audited)

Subsidiary company	Other related parties	Total
-----------------------	--------------------------	-------

(Rupees in thousand)

Employees' retirement benefits	-	111,248	111,248
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As at 31 December 2024 (Audited)

Subsidiary company	Other related parties	Total
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(Rupees in thousand)

Employees' retirement benefits	-	112,551	112,551
Trade and other payables	10,379	-	10,379
Short term loan payable	3,941,029	-	3,941,029
Trade debts	4,696	-	4,696
Loans and advances	1,692,442	-	1,692,442
Other receivables	1,594	-	1,594

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

For the half year ended June 30, 2025

14. Financial risk management

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

15. Date of authorization for issue

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

16. Corresponding figures

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

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

17. General

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

Consolidated Condensed Interim Financial Statements

The background of the slide features a blue-toned image of a hand holding a pen, poised to write on a document. The document contains various financial charts, including a bar chart at the top right, a line graph in the middle right, and a pie chart at the bottom left. A network of white dots connected by thin lines is overlaid on the entire image, creating a digital or data-driven aesthetic.

Consolidated Condensed Interim Statement of Financial Position

As at June 30, 2025

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
100,000,000 (2024: 100,000,000) ordinary shares Rupee 10 each	1,000,000	1,000,000
Issued, subscribed and paid-up share capital	469,874	469,874
Reserves	18,235,286	14,294,885
Non-controlling interest	14,462,909	11,252,743
Total equity	33,168,069	26,017,502
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term financing	16,233,983	13,557,096
Long term deposits	180,030	172,530
Lease liabilities	5,731,307	5,685,580
Employees' retirement benefit	623,252	572,095
Deferred liabilities	1,166,725	3,353,139
	23,935,297	23,340,440
CURRENT LIABILITIES		
Trade and other payables	15,854,390	13,526,978
Accrued mark-up	923,349	803,245
Short term borrowings	34,898,972	41,394,565
Current portion of non-current liabilities	5,053,737	4,558,606
Unclaimed dividend	57,404	53,087
	56,787,852	60,336,481
Liabilities directly associated with the assets held for sale	919,484	924,147
Total liabilities	81,642,633	84,601,068
Contingencies and commitments	6	
TOTAL EQUITY AND LIABILITIES	114,810,702	110,618,570

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



Arif Saeed
(Chief Executive)

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	7	46,572,985	42,434,370
Right-of-use assets		4,730,656	4,874,794
Intangible assets		3,370	4,547
Long term investments	8	749,082	736,223
Deferred income tax asset - net		1,387,524	-
Long term loans to employees		49,799	46,902
Long term security deposits		260,822	260,191
		53,754,238	48,357,027
CURRENT ASSETS			
Stores, spares and loose tools		1,334,810	1,212,154
Stock-in-trade		24,961,557	24,523,680
Trade debts		17,588,841	14,071,494
Loans and advances		1,800,259	2,092,751
Trade deposits and prepayments		588,325	403,707
Other receivables		3,628,958	3,176,562
Taxation and levy - net		311,920	359,749
Accrued interest		38,803	65,550
Short term Investments		2,852,333	8,083,600
Cash and bank balances		7,637,035	7,957,080
		60,742,841	61,946,327
Assets held for sale		313,623	315,216
		61,056,464	62,261,543
TOTAL ASSETS		114,810,702	110,618,570



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

		(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Note	(Rupees in thousand)			
Continuing operations					
Revenue - net	9	70,292,205	61,037,978	37,772,725	31,597,074
Cost of sales	10	(54,447,485)	(45,427,970)	(29,360,597)	(23,302,946)
Gross profit		15,844,720	15,610,008	8,412,128	8,294,128
Distribution cost		(5,092,387)	(4,091,374)	(2,630,321)	(2,135,316)
Administrative expenses		(2,158,711)	(1,718,484)	(1,077,144)	(882,391)
Other expenses		(568,641)	(517,236)	(353,436)	(232,333)
		(7,819,739)	(6,327,094)	(4,060,901)	(3,250,040)
		8,024,981	9,282,914	4,351,227	5,044,088
Other income		407,416	477,007	203,696	296,720
Profit from operations		8,432,397	9,759,921	4,554,923	5,340,808
Finance cost		(2,885,385)	(3,552,188)	(1,446,426)	(1,821,945)
		5,547,012	6,207,733	3,108,497	3,518,863
Share of profit in equity accounted investee - net of taxation		39,666	22,188	19,378	12,100
Profit before levy and taxation		5,586,678	6,229,921	3,127,875	3,530,963
Levy		(71,260)	(48,656)	(28,940)	13,501
Profit before taxation		5,515,418	6,181,265	3,098,935	3,544,464
Taxation		2,328,217	(1,904,988)	3,056,663	(1,508,846)
Profit after taxation from continuing operations		7,843,635	4,276,277	6,155,598	2,035,618
(Loss)/profit after taxation for the period from discontinued operations		-	-	-	-
Profit after taxation		7,843,635	4,276,277	6,155,598	2,035,618
Share of profit attributable to:					
Equity holders of the holding Company		4,556,368	2,625,189	3,306,558	1,413,994
Non-controlling interest		3,287,267	1,651,088	2,849,040	621,624
		7,843,635	4,276,277	6,155,598	2,035,618
Earnings per share - basic and diluted (Rupees)					
		96.97	55.87	70.37	30.09
Earnings per share from continuing operations - basic and diluted (Rupees)					
		96.97	55.87	70.37	30.09

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

Arif Saeed
(Chief Executive)

Omar Saeed
(Director)

Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
Profit after taxation	7,843,635	4,276,277	6,155,598	2,035,618
Other comprehensive (loss) / income				
Items that will not be reclassified to profit or loss:				
Deficit arising on remeasurement of investment at fair value through other comprehensive income - net of tax	(8,505)	(13,191)	(4,894)	(5,549)
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign subsidiary	6,760	(27,869)	2,527	9,540
Other comprehensive (loss) / income for the period - net of tax	(1,745)	(41,060)	(2,367)	3,991
Total comprehensive income for the period	7,841,890	4,235,217	6,153,231	2,039,609
Share of total comprehensive income attributable to:				
Equity holders of the holding company	4,552,646	2,594,829	3,303,714	1,414,146
Non-controlling interest	3,289,244	1,640,388	2,849,517	625,463
	7,841,890	4,235,217	6,153,231	2,039,609

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

	Attributable to the equity holders of the holding company													Shareholders equity	Non-con- trolling interest	Total equity	
	Capital reserves																
	Share capital	Capital gains	Fair value reserve FYDICI investment	Share premium	Share of share premium reserve held by equity accounted investee	Exchange translation reserve	Reserve pursuant to the Scheme	Share options reserve	Share of employees' share compensation reserve held by equity accounted investee	Sub total	General reserve	Un-appropri-ated profit	Sub total				Total Reserves
Rupees in thousand																	
Balance as at 31 December 2023 - audited	469,874	102,730	34,247	1,383,863	44,395	(39,891)	927,163	711	307	2,453,525	1,558,208	6,657,374	8,215,582	10,669,107	11,138,981	7,830,617	18,949,598
Transactions with owners:																	
Final dividend for the year ended 31 December 2023 @ Rupees 2 per share - Subsidiary																	
Final dividend for the year ended 31 December 2023 @ Rupees 10 per share - Holding																	
Proceeds against shares to be issued under employee's share option scheme																	
Recognition of share option reserve								3,164		3,164				3,164	3,164	4,167	3,984
Share deposit money																(595)	(595)
Non controlling interest's investment in subsidiary company																742,127	742,127
Profit for the half year ended 30 June 2024												2,625,189	2,625,189	2,625,189	2,625,189	1,651,088	4,276,277
Other comprehensive loss for the half year ended 30 June 2024			(13,191)				(17,169)			(30,360)				(30,360)	(10,700)	(41,060)	(41,060)
Total comprehensive (loss) income for the half year ended 30 June 2024			(13,191)				(17,169)			(30,360)			2,625,189	2,625,189	2,594,829	1,640,388	4,235,217
Balance as at 30 June 2024 - unaudited	469,874	102,730	21,056	1,383,863	44,395	(57,060)	927,163	3,875	307	2,423,165	1,558,208	8,812,688	10,370,896	12,977,225	13,267,099	10,132,790	23,399,889
Balance as at 31 December 2024 - audited	469,874	102,730	29,202	1,385,749	20,460	(73,967)	927,163	66,449	307	2,458,093	1,558,208	10,278,584	11,836,792	14,294,885	14,764,759	11,252,743	26,017,502
Transactions with owners:																	
Final dividend for the year ended 31 December 2024 @ Rupees 4 per share - Subsidiary Company																	
Final dividend for the year ended 31 December 2024 @ Rupees 15 per share - Holding Company																	
Proceeds against shares to be issued under employee's share option scheme								(3,079)		7,816				7,816	7,816	6,143	13,960
Recognition of share options reserve								84,750		84,750				84,750	84,750	84,804	169,554
Employee share options lapsed								(444)									
Profit for the half year ended 30 June 2025												4,556,368	4,556,368	4,556,368	4,556,368	3,287,267	7,843,635
Other comprehensive (loss) income for the half year ended 30 June 2025			(8,505)				4,783			(3,722)				(3,722)	(3,722)	1,977	(1,745)
Total comprehensive income for the half year ended 30 June 2025			(8,505)				4,783			(3,722)			4,556,368	4,556,368	4,552,646	3,289,244	7,841,890
Balance as at 30 June 2025 - unaudited	469,874	102,730	20,697	1,397,088	20,460	(69,184)	927,163	147,676	307	2,546,937	1,558,208	14,130,141	15,688,349	18,235,286	18,705,160	14,462,909	33,168,069

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

		(Un-audited) June 30, 2025	(Un-audited) June 30, 2024
	Note	(Rupees in thousand)	
Cash flow from operating activities			
Cash generated from operations	11	8,220,253	8,649,012
Finance cost paid		(2,288,272)	(3,812,510)
Income tax paid		(1,038,760)	(692,144)
Employees' retirement benefits paid		(14,547)	(64,592)
Long term loans - net		(2,897)	(12,693)
Long term deposits - net		(631)	(15,310)
Net cash generated from operating activities		4,875,146	4,051,763
Cash flows from investing activities			
Capital expenditure on operating fixed assets - net		(5,796,437)	(3,257,019)
Intangible asset acquired		-	(7,137)
Proceeds from disposal of fixed assets		30,821	24,432
Interest received		26,747	448
Short term investments		5,314,504	715,936
Dividend received		15,834	-
Net cash used in investing activities		(408,532)	(2,523,339)
Cash flows from financing activities			
Long term financing - net		3,192,291	(2,453,268)
Short term borrowings - net		(6,495,593)	1,143,488
Repayment of lease liabilities		(641,074)	(311,867)
Proceeds against share capital to be issued under employees' share option scheme		13,960	4,167
Share deposit money		-	(595)
Investment in Subsidiary by NCI		-	742,127
Dividend paid		(870,520)	(676,431)
Long term deposits - net		7,500	47,006
Net cash used in financing activities		(4,793,436)	(1,505,373)
Effects of exchange rate changes on cash and cash equivalents		6,760	(27,869)
Net decrease in cash and cash equivalents		(320,062)	(4,818)
Cash and cash equivalents at the beginning of the period		7,960,478	5,636,237
Cash and cash equivalents at the end of the period		7,640,416	5,631,419

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



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

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

For the half year ended June 30, 2025

1. The Group and its Operations

1.1 The Group consists of:

Holding Company

- Service Industries Limited

Subsidiary Companies

- Service Global Footwear Limited
- Service Industries Capital (Private) Limited
- Service Shoes Lanka (Private) Limited
- Service Long March Tyres (Private) Limited
- SIL Gulf FZE
- Dongguan Service Global Limited
- Service Tyres (Private) Limited
- Service Retail (Private) Limited
- SLM International Tyres Trading FZE

Service Industries Limited

Service Industries Limited was incorporated as a private limited company on 20 March 1957 in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017), converted into a public limited company on 23 September 1959 and got listed on 27 June 1970. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activities of Service Industries Limited are purchase, manufacture and sale of footwear and technical rubber products.

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 Service Global Footwear Limited are manufacturing, sale, marketing, import and export of footwear, leather and allied products. It is subsidiary of Service Industries Limited. Ownership interest held by non-controlling interests in Service Global Footwear Limited – Subsidiary Company is 20.63% (2024:20.63%).

Service Industries Capital (Private) Limited

Service Industries Capital (Private) Limited is a private limited company incorporated in Pakistan on 10 November 2015 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). Its registered office and head office is situated at Servis House, 2-Main Gulberg, Lahore. The principal objects of Service Industries Capital (Private) Limited are to hold investments in subsidiaries / joint ventures and other companies, entities and organizations, listed or otherwise in Pakistan or elsewhere in the world subject to all the applicable laws and procedures but not to act as an investment company. It is wholly owned subsidiary of Service Industries Limited.

Service Shoes Lanka (Private) Limited

Service Shoes Lanka (Private) Limited is a Private Limited Liability Company incorporated on 16 July 2015 under the provisions of the Companies Act No. 07 of 2007 in Sri Lanka. The registered office of the Company is located at No. 143 / 17, Sri Wickrama Mawatha, Colombo and the principal place of business is located at Katunayake, Sri Lanka. It is subsidiary of Service Industries Capital (Private) Limited which

is wholly owned subsidiary of Service Industries Limited. Ownership interests held by non-controlling interest in Service Shoes Lanka (Private) Limited – Subsidiary Company is 40% (2024: 40%).

Service Long March Tyres (Private) Limited

Service Long March Tyres (Private) Limited is a Private Limited Company incorporated in Pakistan on January 07, 2020 under Companies Act, 2017 (XIX of 2017). The registered office of the Company is situated at Servis House, 2-Main Gulberg, Lahore. The principal line of business of the Company is to carry on the business of manufacturing, sale, marketing, import and export of all steel radial truck and bus tyres. Ownership interest held by non-controlling interests in Service Long March Tyres (Private) Limited – Subsidiary Company is 52.90% (2024: 52.90%).

SIL Gulf FZE

SIL GULF (FZE) is registered as a Free Zone Establishment with limited liability in Sharjah International Airport Free (SAIF) Zone with licence No. 22182 on 25 February 2021, under SAIF Zone. The registered office address of SIL GULF (FZE) is SAIF office Q1 – 05 - 081/A, Sharjah, United Arab Emirates. The principal activities of SIL GULF (FZE) are trading of the tyres and rims, car tyres and outfit, readymade garments, hand bags and leather products, tanned leather, textile and rubber, professional health and safety outfit and tools. It is wholly owned 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. 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 Service Global Footwear Limited. Service Global Footwear Limited wholly owns Dongguan Service Global Limited..

Service Tyres (Private) Limited

Service Tyres (Private) Limited was incorporated as a private limited company on 21 December 2023 in Pakistan under the Companies Act, 2017. Its registered office is situated at Servis House, 2 - Main Gulberg, Lahore. The principal line of business of Service Tyres (Private) Limited is to carry on the business of manufacturing, trading, sale, marketing, retail, wholesale, import and export of all types of tyres, tubes, spare parts and allied products for bicycles, motorcycles, scooters, rickshaws, automobiles, aircrafts, buses, trucks, cars, tractors, trolleys and other vehicles. It is wholly owned subsidiary of Service Industries Limited.

Service Retail (Private) Limited

Service Retail (Private) Limited was incorporated as a private limited company on 21 December 2023 in Pakistan under the Companies Act, 2017. Its registered office is situated at Servis House, 2 - Main Gulberg, Lahore. The principal line of business of Service Retail (Private) Limited is to carry on the

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

For the half year ended June 30, 2025

business of manufacturing, sale, trading, retail, wholesale, marketing, import and export of footwear, bags, apparel, accessories and other items / products. It is wholly owned subsidiary of Service Industries Limited.

SLM International Tyres Trading FZE

SLM International Tyres Trading FZE, a wholly owned subsidiary of Service Long March Tyres (Private) Limited, is incorporated on June 27, 2024 in United Arab Emirates under the applicable corporate regulatory requirements of the jurisdiction. The principal object of the Company is to engage in trading of Tyres & Rims and Auto Spare Parts & Components. The commercial address of the Company is FZJOA1001 Jebel Ali Freezone, Dubai, United Arab Emirates.

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 interests 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 interests 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.

3. 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 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 required for the full set of annual financial statements and the consolidated condensed interim financial statements should be read in conjunction with the annual audited consolidated financial statements of the company for the year ended 31 December 2024.

b) The condensed consolidated interim financial statements are presented in Pak Rupee which is the company's functional and presentation currency.

4. Accounting policies

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

5. Critical accounting estimates and judgements

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 Group'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.

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

For the half year ended June 30, 2025

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

6. Contingencies and commitments

6.1 Contingencies

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

- 6.1.1 The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 30 August 2024, under section 161 of the Income Tax Ordinance, 2001 for tax year 2021, whereby a demand of Rupees 168.699 million (31 December 2024: Rupees 168.699 million) was raised, against which the Service Global Footwear Limited - Subsidiary Company filed a rectification application to the tax department under section 221 of the Income Tax Ordinance, 2001. The Commissioner Inland Revenue (CIR) passed an order dated 22 March 2025 under which demand has been annulled and the matter has been remanded back to DCIR.
- 6.1.2 The Deputy Commissioner Inland Revenue (DCIR) passed an order dated 24 July 2024 under section 11 of the Sales Tax Act, 1990 whereby a demand of Rupees 7.766 million (31 December 2024: Rupees 7.766 million) was raised. Being aggrieved, Service Global Footwear Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (CIR). The Commissioner Inland Revenue (CIR) passed an order dated 09 May 2025 under which demand has been annulled and the matter has been remanded back to DCIR.
- 6.1.3 Deputy Commissioner Inland Revenue (DCIR) initiated sales tax audit for the year 2013-2014 on 28 December 2017, in which demand of Rupees 80.241 million was created. Service Tyres (Private) Limited - Subsidiary Company filed appeal with CIR (Appeals) on 18 January 2018, who confirmed the demand of Rupees 3.297 million and remanded back certain charges to the tune of Rupees 76.944 million. The Subsidiary Company filed an appeal with ATIR on 14 March 2018, against the decision of CIR (Appeals) which is pending for hearing. Furthermore, the Subsidiary Company filed an application on 07 September 2018, for stay of recovery and Honourable Lahore High Court, Lahore, has granted stay in said case. Later on, the proceedings against remanded back portion were initiated by DCIR and order in this regard has been issued dated 30 June 2025 by creating the same demand i.e. PKR 80.241 million. The appeal against the said order has been filed with CIR (A), the same is pending for hearing.
- 6.1.4 On 07 May 2025, DCIR - Azad Jammu and Kashmir issued a show cause notice under section 11 of Sales Tax Act, 1990 for the period July 2023 to June 2024, in which demand of Rupees 36.180 million was raised. On 25 Jun 2025, after consideration of Service Retail (Private) Limited - Subsidiary Company's reply, the DCIR imposed sales tax of Rupees 21.708 million. The Subsidiary Company has filed appeal before CIR (Appeals) against the order issued by DCIR, which is pending for hearing.
- 6.1.5 The Deputy Commissioner Inland Revenue (DCIR) initiated sales tax audit for the year 2013-2014 on 28 December 2017, in which demand of Rupees 102.465 million (31 December 2024: 102.465 million) was created. The Holding Company filed appeal with Commissioner Inland Revenue (CIR) (Appeals) on

18 January 2018, who confirmed the demand of Rupees 7.328 million (31 December 2024: 7.328 million) and remanded back certain charges to the tune of Rupees 95.137 million (31 December 2024: 95.137 million). The Holding Company filed an appeal with Appellate Tribunal Inland Revenue (ATIR) on 14 March 2018, against the decision of CIR (Appeals) which is pending for hearing. Furthermore, the Holding Company filed an application on 07 September 2018, for stay of recovery and Honourable Lahore High Court, Lahore, has granted stay in said case. Later on, the proceedings against remanded back portion were initiated by DCIR and order in this regard has been issued dated 30 June 2025 in which DCIR created the same demand of Rupees 95.137 million. The Holding Company is in process to file an appeal against order of DCIR.

- 6.1.6** DCIR concluded sales tax audit for the periods from January 2020 to December 2020 and charged sales tax to the tune of Rupees 16.824 million (31 December 2024: 16.824 million) through the order dated 28 June 2024 on the grounds of inadmissible input tax on purchase, suppression of sales with the figures as per the financial statements and other issues. The Holding Company has filed an appeal before the ATIR on 24 July 2024, the ATIR has remanded the case back to the DCIR which is pending adjudication.
- 6.1.7** A Constitutional Petition C.P. No. 4294/2021 was filed by Service Long March Tyres (Private) Limited - Subsidiary Company on 26 July 2021 to challenge the levy of Sindh Infrastructure Development Cess. On 31 August 2021, the Supreme Court of Pakistan has suspended the judgement passed by the Sindh High Court and stayed the encashment of bank guarantees. The amount involved in the matter is Rupees 1,055 million (31 December 2024: 112 million) against which bank guarantee had been submitted as security with the Collectorate. The management in consultation with its legal advisor is confident that the outcome of the case would be in the favour of the Subsidiary Company.
- 6.1.8** A show cause notice was issued against Service Long March Tyres (Private) Limited - Subsidiary Company on account of inadmissible adjustment of input tax on purchase of building material and services for construction of tyre manufacturing facility, amounting to Rupees 363.26 million. The remand-back proceedings under Section 11 of the Sales Tax Act, 1990 were concluded by the DCIR, vide order dated 29 February 2024, whereby sales tax demand of Rupees 42.36 million (including penalty u/s 33(8) of the Sales Tax Act, 1990) was raised. During the year, Service Long March Tyres (Private) Limited - Subsidiary Company has paid the said amount under protest. However, Service Long March Tyres (Private) Limited - Subsidiary Company filed an appeal before the Commissioner Inland Revenue (CIRA) which was subsequently transferred to the Appellate Tribunal Inland Revenue. The ATIR, through its order dated 2 January 2025, has decided the appeal against Service Long March Tyres (Private) Limited - Subsidiary Company and upheld the demand raised by the department. Service Long March Tyres (Private) Limited - Subsidiary Company challenged the aforementioned appellate order before the honorable Lahore High Court that remanded the matter back to ATIR for reconsideration. Following a hearing on 3 July 2025, the ATIR has now passed a revised appellate order, substantially reducing the demand from Rs. 42.36 million to Rs. 5.22 million. The Subsidiary Company is still contesting the revised demand and the management in consultation with its advisor is confident that the outcome of the case would be in the favour of the Subsidiary Company.
- 6.1.9** Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 2,738.633 million (31 December 2024: Rupees 589.330 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.

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

For the half year ended June 30, 2025

6.1.10 Guarantees issued in ordinary course of business through banks are of Rupees 4,432.225 million (31 December 2024: Rupees 3,270.435 million).

6.2 Commitments

6.2.1 Contracts for capital expenditure are approximately of Rupees 65.899 million (31 December 2024: Rupees 2,383.094 million).

6.2.2 Letters of credit other than capital expenditure are of Rupees 1,238.178 million (31 December 2024: Rupees 5,906.252 million).

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

6.2.4 The Company has obtained vehicles under ijarah arrangements from Bank Al Habib Limited for a period of four years. Future Ujrah payments under Ijarah are as follows:

		(Un-audited) June 30, 2025 (Rupees in thousand)	(Audited) December 31, 2024
	Note		
Not later than one year		952	8,142
Later than one year and not later than five years		-	-
		952	8,142

7. Fixed assets

Operating fixed assets	7.1	41,194,894	40,160,220
Capital work-in-progress		5,378,091	2,274,150
		46,572,985	42,434,370

7.1 Operating fixed assets

Opening net book value		40,160,220	34,585,560
Add: Additions during the period / year	7.2	2,692,504	8,466,353
		42,852,724	43,051,913
Less: Disposals during the period / year (at book value)	7.2	(45,041)	(42,601)
		42,807,683	43,009,312
Currency retranslation		514	(515)
		42,808,197	43,008,797
Less: Depreciation charged during the period / year		(1,613,303)	(2,848,577)
		41,194,894	40,160,220

7.2 Following is the detail of additions and disposals during the period:

	Additions		Disposals - NBV	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
	(Rupees in thousand)			
Building on leasehold land	430,435	247,820	-	-
Building on freehold land	265,971	228,432	179	-
Plant and machinery	1,120,819	5,593,144	1,033	2,101
Furniture, fixture and fittings	48,398	97,890	4,126	5
Vehicles	171,059	513,866	18,192	32,594
Service equipments	564,673	1,559,453	17,571	7,901
Leasehold improvements	91,149	225,748	3,940	-
	2,692,504	8,466,353	45,041	42,601

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

8. Long term investments

Investment in associate (with significant influence) - under equity method	8.1	705,287	681,454
Investment in joint ventures - at cost	8.2	-	-
Other investment - at FVTOCI	8.3	43,795	54,769
		749,082	736,223

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

For the half year ended June 30, 2025

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

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

Speed (Private) Limited		
263,909 (31 December 2024: 263,909) fully paid ordinary shares of rupees 100 each	342,526	342,526
Share of post acquisition reserve		
As at the beginning of the period / year	338,928	304,757
Share of post acquisition profit for the period / year	39,666	70,142
Dividend received	(15,834)	(35,971)
	362,761	338,928
	705,287	681,454

JOMO Technologies (Private) Limited		
46,666,667 (31 December 2024: 46,666,667) fully paid ordinary shares of Rupees 1 each	80,000	80,000
As at the beginning of the period / year	(80,000)	(80,000)
Share of post acquisition profit for the period / year	-	-
Share of other comprehensive loss - net of tax	-	-
	(80,000)	(80,000)
	-	-
	705,287	681,454

8.2 Investment in joint ventures - at cost

S2 Power Limited		
24,000 (31 December 2024: 24,000) fully paid ordinary shares of Rupees 10 each	240	240
S2 Hydro Limited		
24,000 (31 December 2024: 24,000) fully paid ordinary shares of Rupees 10 each	240	240
Impairment loss recognized against investments	(480)	(480)
	-	-

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

8.3 Other investment - at FVTOCI

TRG Pakistan Limited		
775,000 (31 December 2024: 775,000) fully paid ordinary shares of Rupees 10 each	17,089	17,089
Fair value adjustment	26,706	37,680
	43,795	54,769

(Un-audited) (Un-audited)
Half Year Ended **Quarter Ended**
June June **June** June
30, 2025 30, 2024 **30, 2025** 30, 2024
(Rupees in thousand)

9. Revenue - net

Sales of footwear - net

Export sales	9,472,213	8,799,682	4,713,661	4,064,412
Local sales	9,360,649	7,770,025	4,168,502	4,017,672
	18,832,862	16,569,707	8,882,163	8,082,084

Sales of tyres - net

Export sales	11,402,988	9,603,689	6,252,717	4,947,891
Local sales	38,169,753	33,145,392	21,654,839	17,682,530
	49,572,741	42,749,081	27,907,556	22,630,421

Sales of technical rubber products - net

Local sales	6,808	106,549	(414)	61,259
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Sales of spare parts for automobiles - net

Export sales	5,680	-	-	-
Local sales	1,874,114	1,612,641	983,420	823,310
	1,879,794	1,612,641	983,420	823,310
	70,292,205	61,037,978	37,772,725	31,597,074

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

For the half year ended June 30, 2025

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
10. Cost of sales				
Raw materials consumed	40,740,654	32,965,286	20,525,354	16,410,223
Salaries, wages and other benefits	4,437,575	3,680,382	2,248,772	1,893,225
Stores and spares consumed	620,520	403,393	308,764	180,081
Packing materials consumed	1,113,379	991,321	534,265	518,428
Fuel and power	2,366,920	2,444,143	1,141,036	1,236,891
Insurance	79,048	49,087	37,937	27,654
Travelling	88,911	57,180	47,279	29,170
Repair and maintenance	212,547	213,030	101,619	104,690
Entertainment	15,978	10,159	9,476	6,129
Depreciation	1,342,913	1,156,984	702,160	583,629
Provision / (reversal) for slow moving and obsolete inventory	5,937	4,380	(17,380)	16,464
Other manufacturing charges	1,004,218	851,628	505,896	445,486
	52,028,600	42,826,973	26,145,178	21,452,070
Work-in-process:				
Movement in work in process	(608,013)	(520,463)	58,203	308,612
Cost of goods manufactured	51,420,587	42,306,510	26,203,381	21,760,682
Finished Goods:				
Movement in finished goods	3,026,898	3,121,460	3,157,216	1,542,264
Cost of sales	54,447,485	45,427,970	29,360,597	23,302,946

		(Un-audited)	
		Half Year Ended	
		June	June
		30, 2025	30, 2024
		(Rupees in thousand)	
	Note		
11. Cash generated from operations			
Profit before taxation and levy		5,586,678	6,229,921
Adjustments for non-cash charges and other items:			
Depreciation and amortisation		2,028,611	1,697,958
Provision for gratuity		65,704	66,323
Finance cost		2,885,385	3,552,188
Amortisation of deferred income		(262,424)	(71,513)
Provision for workers' profit participation fund		121,378	132,212
Interest on workers' profit participation fund		10,040	1,245
Provision for workers' welfare fund		99,775	69,518
Provision for slow moving and obsolete inventory		7,866	51,151
Provision against doubtful advances to suppliers		-	2,650
Employee share option expense		169,554	3,984
Allowance for expected credit losses		60,602	50,726
(Gain) / loss on termination of lease		(24,171)	3,102
Profit on saving accounts and term deposit receipts		(83,237)	(14,768)
Loss / (gain) on disposal of fixed assets		14,221	(1,842)
Exchange loss		29,731	-
Debit balance written off		17,201	-
Share of profit in equity accounted investee		(39,666)	(22,188)
Working capital changes	11.1	(2,466,995)	(3,101,655)
		8,220,253	8,649,012

11.1 Working capital changes

Increase in current assets:		
Stores, spares and loose tools	(122,649)	(353,960)
Stock-in-trade	(445,606)	(2,001,980)
Trade debts	(3,535,891)	(2,431,552)
Loans, advances, trade deposits, prepayments and other receivables	(361,661)	(1,047,097)
	(4,465,807)	(5,834,589)
Increase in trade and other payables	1,998,812	2,732,934
	(2,466,995)	(3,101,655)

Selected Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)
For the half year ended June 30, 2025

12. Segment information

The Company has three (31 December 2024: three) reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Footwear: Purchase, manufacturing and sale of different qualities of footwear.

Tyre: Manufacturing of different qualities of tyres and tubes.

Others: Manufacturing of different qualities of rubber products on specifications and trading and manufacturing of spare parts of automobiles.

	Footwear (Un-audited)		Tyre (Un-audited)		Others (Un-audited)		Total - Company (Un-audited)	
	Half Year Ended		Half Year Ended		Half Year Ended		Half Year Ended	
	June 30, 2025	June, 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
(Rupees in thousand)								
Sales								
- Export	9,472,213	8,799,682	11,402,988	9,603,689	5,680	-	20,880,881	18,403,371
- Local	9,360,649	7,770,025	38,169,753	33,145,392	1,880,922	1,719,190	49,411,324	42,634,607
Cost of sales	18,832,862	16,569,707	49,572,741	42,749,081	1,886,602	1,719,190	70,292,205	61,037,978
Gross profit	(12,913,626)	(11,449,190)	(39,895,056)	(32,492,303)	(1,638,803)	(1,486,477)	(54,447,485)	(45,427,970)
	5,919,236	5,120,517	9,677,685	10,256,778	247,799	232,713	15,844,720	15,610,008
Distribution cost	(3,180,355)	(2,684,198)	(1,819,606)	(1,340,063)	(92,426)	(67,113)	(5,092,387)	(4,091,374)
Administrative expenses	(1,172,310)	(966,195)	(937,617)	(700,935)	(48,784)	(51,354)	(2,158,711)	(1,718,484)
	(4,352,665)	(3,650,393)	(2,757,223)	(2,040,998)	(141,210)	(118,467)	(7,251,097)	(5,809,858)
Profit before levy and taxation and unallocated income and expenses	1,566,571	1,470,124	6,920,462	8,215,780	106,589	114,246	8,593,622	9,800,150
Unallocated income and expenses:								
Other expenses							(568,641)	(517,236)
Other income							407,416	477,007
Share of net profit of associate accounted for using the equity method							39,666	22,188
Finance cost							(2,885,385)	(3,552,188)
Levy							(71,260)	(48,656)
Taxation							2,328,217	(1,904,988)
Profit after taxation							7,843,635	4,276,277

12.1 Reconciliation of reportable segment assets and liabilities

	Footwear		Tyre		Others		Total - Company	
	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024
(Rupees in thousand)								
Total assets for reportable segment	22,394,189	24,422,576	68,201,286	58,012,666	2,914,349	2,990,773	93,509,824	85,426,015
Unallocated assets:								
Long term investments							749,082	736,223
Intangible assets							3,370	4,547
Right-of-use assets							4,730,656	4,874,794
Taxation and levy - net							311,920	359,749
Deferred income tax asset - net							1,387,524	-
Other receivables							3,628,958	3,176,562
Short term investments							2,852,333	8,083,600
Cash and bank balances							7,637,035	7,957,080
Total assets as per consolidated statement of financial position							114,810,702	110,618,570
Total liabilities for reportable segment	12,059,692	12,950,293	8,334,145	6,218,865	3,560,956	2,371,227	23,954,793	21,540,385
Unallocated liabilities:								
Long term financing							20,213,850	16,992,346
Deferred liabilities							1,651,669	3,870,527
Accrued mark-up							923,349	803,245
Short term borrowings							34,898,972	41,394,565
Total liabilities as per consolidated statement of financial position							81,642,633	84,601,068

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

For the half year ended June 30, 2025

13. 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 recognised and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2025 (Un-audited)	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Financial asset at fair value through profit or loss	219,390	-	-	219,390
Financial assets at fair value through other comprehensive income	43,795	-	-	43,795
Total financial assets	263,185	-	-	263,185

Financial liabilities

Derivative financial liabilities	-	70,367	-	70,367
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Recurring fair value measurements At 31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Financial assets at fair value through other comprehensive income	54,769	-	-	54,769
Financial assets at fair value through profit or loss	7,708,423	-	-	7,708,423
Derivative financial assets	-	167,213	-	167,213
Total financial assets	7,763,192	167,213	-	7,930,405

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 period. Further, there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise 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 trading 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 valuation techniques used to value financial instruments include the use of quoted market prices.

14. Transactions with related parties

- (i) Transaction with related parties and associated undertakings, other than those disclosed elsewhere in the financial statements are as follows:

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in thousand)			
Associated companies				
Sale of goods	95,105	1,885,352	30,236	1,885,352
Donations made	66,367	31,632	32,683	10,441
Purchase of goods	318,630	162,028	162,506	99,909
Key management personnel				
Cash dividend paid	278,959	185,973	278,959	185,973
Remuneration	101,986	64,881	56,639	34,829
Meeting fee to directors - non executive	1,280	1,813	800	1,535
Other related parties				
Employees' retirement benefits	344,293	263,005	173,397	133,098
Cash dividend paid	37,142	22,662	37,142	22,662

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

For the half year ended June 30, 2025

(ii) Period end balances

	As at 30 June 2025 (Un-audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Trade and other payables	342,770	-	342,770
Employee benefit plans	-	767,294	767,294

	As at 31 December 2024 (Audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Employee benefit plans	-	800,747	800,747
Trade debts	68,342	-	68,342

15. The financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual audited consolidated financial statements as at December 31, 2024.

There have been no changes in the risk management policies since the year end.

16. Date of authorization for issue

These financial statements were authorized for issue on August 26, 2025 by the Board of Directors of the Company.

17. 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 cash flows and consolidated condensed interim statement of changes in equity 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 and reclassifications made accordingly

18. General

Figures have been rounded off to nearest thousand of Rupees, except stated otherwise.



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)



Badar Ul Hassan
(Chief Financial Officer)

ذیلی کمپنیز سے ڈیویڈنڈ کی آمدنی

زیر جائزہ ششماہی کے دوران سروس انڈسٹریز لمیٹڈ نے اپنی ذیلی کمپنیوں سے مجموعی طور پر 965 ملین روپے کا کثیر ڈیویڈنڈ حاصل کیا۔ اس میں 300 ملین روپے سروس ٹائرز (پرائیویٹ) لمیٹڈ سے، 11 ملین روپے سروس انڈسٹریز کیمیکل (پرائیویٹ) لمیٹڈ سے، اور 654 ملین روپے سروس گلوبل فٹ ویئر لمیٹڈ سے حاصل ہوا۔ کمپنی کو توقع ہے کہ سال کے اختتام سے قبل مزید ڈیویڈنڈ موصول ہوگا، جو اس کے طویل مدتی منصوبہ بندی کے تحت کی گئے سرمایہ کاری پورٹ فولیو سے حاصل کردہ فرائٹ کو ظاہر کرتی ہیں۔ یہ کارکردگی ہماری ذیلی کمپنیوں کے مضبوط عملی نتائج اور ہمارے سرمایہ لگانے کی موثر حکمت عملی کو اجاگر کرتی ہے۔

مستقبل کی آؤٹ لک

پاکستان کا مجموعی معاشی ماحول 30 جون 2025 کو ختم ہونے والے نصف سال کے دوران مستحکم رہا، جون میں مہنگائی کی شرح پچھلے سال کے جون کے مقابلے میں 3.2 فیصد رہی، جبکہ اسٹیٹ بینک کی پالیسی ریٹ 11 فیصد پر رہی، جو کہ 2024 کے وسط سے اب تک مجموعی طور پر 11 فیصد کی کمی کے بعد ہے۔ دوسری سہ ماہی کے دوران روپے کی قدر بڑی حد تک امریکی ڈالر کے مقابلے میں 280 سے 285 روپے کے درمیان مستحکم رہی۔ وفاقی بجٹ نے مالیاتی استحکام کو آگے بڑھایا، تاہم ٹیکس نیٹ کو وسیع کرنا اب بھی ایک اہم اور نامکمل معاملہ ہے۔

ہمارے شعبوں کے لیے صورتحال ملی جلی مگر عمومی طور پر مثبت رہی۔ بڑی سطح کی صنعت (LSM) نے پہلی ششماہی کے آخر تک بتدریج بہتری کے آثار دکھائے، جس میں آٹوموٹو سیکٹر کی بحالی نے اہم کردار ادا کیا جو مقامی ٹائرز کی طلب کا ایک کلیدی محرک ہے، جبکہ فٹ ویئر کی برآمدات میں تاحال مالی سال 2025 کے بیشتر عرصے کے دوران مثبت رجحان برقرار رہا۔ مستحکم زر مبادلہ اور کم افراط زر سے خام مال کی لاگت میں استحکام حاصل ہوا ہے، تاہم اگر خام مال کی لاگت میں بڑھی تو یہ مارجنز کو کم کر سکتا ہے۔ پاکستان آئی ایم ایف کے ساتھ تعمیری مذاکرات میں مصروف ہے، تاہم بیرونی قرضوں کی ادائیگی اب بھی ایک چیلنج ہے۔

مہنگائی میں کمی، مستحکم شرح سود (جس میں مزید کمی کی گنجائش موجود ہے)، مستحکم کرنسی، اور حالیہ امریکی ٹریف مذاکرات میں پیش رفت کے باعث، انتظامیہ کو توقع ہے کہ 2025 کی دوسری ششماہی میں ملکی طلب میں مسلسل بہتری آئے گی۔ سروس انڈسٹریز لمیٹڈ کو توقع ہے کہ سال کی دوسری ششماہی میں مضبوط آپریٹنگ کارکردگی برقرار رہے گی، جس کی بنیاد اس کا متنوع پورٹ فولیو، مضبوط کیش جزیشن صلاحیت، اور ورکنگ کپیکلٹی کے منظم اور محتاط انتظام پر ہوگی۔

اظہار اعتراف

ڈائریکٹرز اپنے تمام شیئرز ہولڈرز کے تہہ دل سے شکر گزار ہیں۔ جنہوں نے ہمیشہ کمپنی پر اپنے اعتماد کا مظاہرہ کیا ہے اور ہم اپنے ملازمین کی مسلسل محنت کی بھی قدر کرتے ہیں جو کمپنی کے مقاصد کے حصول کے لیے کی جارہی ہیں۔ ہم اپنے گاہکوں، سپلائرز اور بینکوں کا بھی شکریہ ادا کرتے ہیں جنہوں نے ہمیشہ ہمارا ساتھ دیا۔ ہم اس سال میں بہترین نتائج فراہم کرنے کے لئے پُر اعتماد ہیں۔

منجانب بورڈ

عمر سعید

ڈائریکٹر

عارف سعید

چیف ایگزیکٹو

26 اگست، 2025

لاہور

ڈائریکٹران کا جائزہ

سروس انڈسٹریز لمیٹڈ ("SIL" یا "کمپنی") کے ڈائریکٹر اپنی جائزہ رپورٹ بعد 30 جون 2025 کو ختم ہونے والے ششماہی کے مجموعی اور غیر مجموعی مختصر مالی بیانات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی کارکردگی

مندرجہ ذیل جدول 30 جون 2025 کو ختم ہونے والے ششماہی کے اہم مالی نکات کا موازنہ گزشتہ سال کی اسی مدت سے کرتا ہے:

تفصیلات	مجموعی			غیر مجموعی		
	جون 30, 2025 روپے، ہزار میں	جون 30, 2024 روپے، ہزار میں	فیصد تبدیلی	جون 30, 2025 روپے، ہزار میں	جون 30, 2024 روپے، ہزار میں	فیصد تبدیلی
خالص فروخت	70,292,205	61,037,978	15%	3,997,290	2,738,556	46%
مجموعی منافع	15,844,720	15,610,008	2%	485,773	541,355	(10%)
ڈیویڈنڈ آمدنی	-	-	-	965,660	817,750	18%
آپریٹنگ منافع	8,432,397	9,759,921	(14%)	1,181,640	1,137,601	4%
منافع قبل از ٹیکس اور لیوی	5,586,678	6,229,921	(10%)	461,629	120,340	283%
منافع بعد از ٹیکس	7,843,635	4,276,277	83%	334,502	47,035	611%
نیٹ شیئر آمدنی (روپے)	96.97	55.87	74%	7.12	1.00	611%

مجموعی مالی کارکردگی کی نمایاں جھلکیاں

30 جون 2025 کو ختم ہونے والے نصف سال میں کمپنی نے مضبوط مجموعی کارکردگی کا مظاہرہ کیا ہے۔ فروخت میں 15% اضافہ ہوا جو بڑھ کر 70.29 ارب روپے تک پہنچ گیا، جو گزشتہ سال کی اسی مدت میں 61.04 ارب روپے تھا۔ مجموعی منافع میں سال بہ سال 2% اضافہ ہوا، جبکہ ٹیکس کے بعد خالص منافع میں 83% اضافہ ہوا جو بڑھ کر 7.84 ارب روپے تک پہنچ گیا، جو گزشتہ سال اسی مدت میں 4.28 ارب روپے تھا۔

غیر مجموعی مالی کارکردگی کی نمایاں جھلکیاں

30 جون 2025 کو ختم ہونے والے نصف سال میں کمپنی نے غیر مجموعی بنیادوں پر 1.18 ارب روپے کا آپریٹنگ منافع رپورٹ کیا، جو گزشتہ سال اسی مدت کے 1.13 ارب روپے کے مقابلے میں مستحکم نمو ظاہر کرتا ہے۔ ٹیکس اور لیوی سے پہلے خالص منافع میں نمایاں اضافہ ہوا اور یہ بڑھ کر 461 ملین روپے تک پہنچ گیا، جو گزشتہ سال کی اسی مدت میں 120 ملین روپے تھا۔ یہ نمایاں بہتری بنیادی طور پر کم مالی لاگت اور ذیلی کمپنیوں سے زیادہ ڈیویڈنڈ آمدنی کے باعث ہوئی۔

کمپنی بنیادی طور پر ایک سرمایہ کاری ہولڈنگ کمپنی کے طور پر کام کرتی ہے، اپنے ذیلی اداروں کے ذریعے متعدد شعبوں میں حکمت عملی سے متنوع پورٹ فولیو کو برقرار رکھتی ہے۔ اس کی آپریشنز میں ٹائزوں، ٹیوبوں اور جوتوں کی تیاری شامل ہے۔ اس کے علاوہ، گروپ تجارت میں بھی مصروف ہے اور اپنے مشہور برانڈ 'سروس' کے نام سے جوتوں اور لیکٹیو ویئر کے لیے ایک ملکی سطح پر رینٹل نیٹ ورک چلاتا ہے۔ کمپنی کی مالی کارکردگی اس کے گروپ کمپنیوں کے آپریشنل اور مالی نتائج سے منسلک ہے۔ کمپنی کی ذیلی کمپنیوں میں کی جانے والی سرمایہ کاری کی تفصیل کمپنی کے انفرادی عبوری مالی بیانات کے نوٹ 7 میں پیش کی گئی ہے جو اس رپورٹ کے ساتھ منسلک ہے۔

بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) اور کمپنیز ایکٹ 2017 کے متعلقہ احکام کی تعمیل میں، کمپنی نے اپنی علیحدہ عبوری مختصر مالی بیانات کے ساتھ ساتھ اپنے مجموعی عبوری مختصر مالی بیانات کو بھی منسلک کیا ہے۔

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