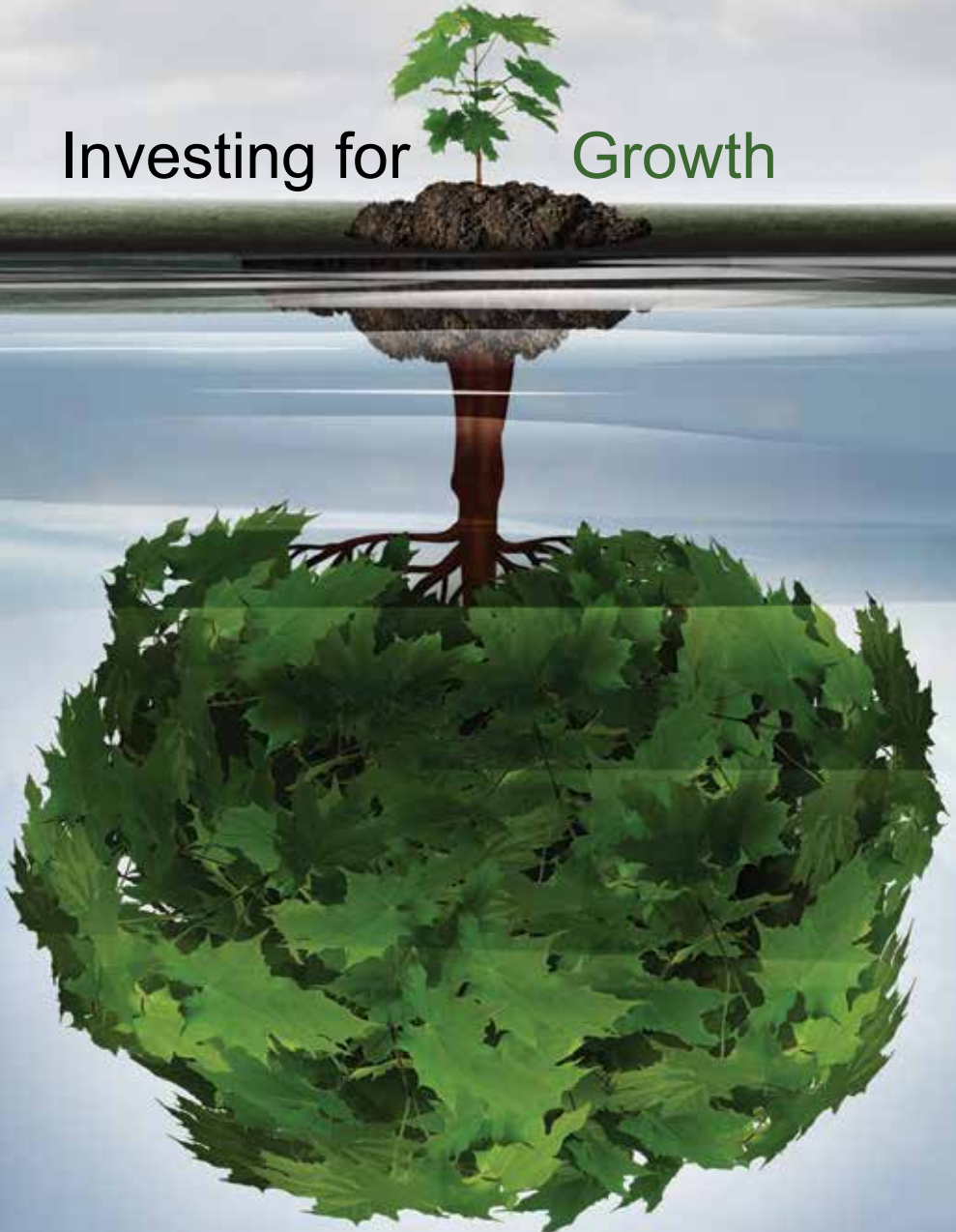


Investing for Growth



Contents

- 02-03 Company Information
- 04-05 Director's Report to the Shareholders
- 06 Independent Auditor's Review Report

Unconsolidated Condensed Interim Financial Statements

- 08-09 Unconsolidated Condensed Interim Statement of Financial Position
- 10 Unconsolidated Condensed Interim Statement of Profit or Loss
- 11 Unconsolidated Condensed Interim Statement of Comprehensive Income
- 12 Unconsolidated Condensed Interim Statement of Changes in Equity
- 13 Unconsolidated Condensed Interim Statement of Cash Flows
- 14-29 Selected Notes to the Unconsolidated Condensed Interim Financial Statements

- 30-31 Group Directors' Report to the Shareholders

Consolidated Condensed Interim Financial Statements

- 34-35 Consolidated Condensed Interim Statement of Financial Position
- 36 Consolidated Condensed Interim Statement of Profit or Loss
- 37 Consolidated Condensed Interim Statement of Comprehensive Income
- 38 Consolidated Condensed Interim Statement of Changes in Equity
- 39-40 Consolidated Condensed Interim Statement of Cash Flows
- 41-52 Selected Notes to the Consolidated Condensed Interim Financial Statements

- 53-54 Group Directors' Report to the Shareholders (Urdu)
- 55-56 Director's Report to the Shareholders (Urdu)

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

Chaudhry 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

Chaudhry 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 Metro Bank

ICBC Pakistan

MCB Bank Limited

MCB Islamic Bank

Meezan Bank Limited

National Bank Limited

Samba Bank Limited

Silk Bank Limited

Standard Chartered Bank

Soneri Bank Limited

The Bank of Punjab

The Bank of Khyber

Bank Islami Pakistan Limited

Dubai Islamic Bank Limited

United Bank Limited

SME Bank Limited

Pak Kuwait Investment Company

Auditors

M/s. Riaz Ahmad & Company,

Chartered Accountants

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.

**Pakistan Stock Exchange Limited**

Stock Exchange Symbol SRVI

Factories

G.T. Road, Gujrat.
Sheikhupura Road, Muridke.

Web Presence

www.servisgroup.com

Directors' Report to the Shareholders

The Directors take pleasure in presenting their Report along with the unconsolidated condensed interim financial statements of Service Industries Limited ("SIL") for the half year ended June 30, 2023.

Key Performance Indicators (KPIs)

Please find below key performance indicators of unconsolidated condensed interim financial statements of SIL for the half year ended June 30, 2023.

Particulars	Half Year Ended		
	June 2023 "000"	June 2022 "000"	Percentage Change
Net Sales	26,553,006	20,682,794	28.38%
Gross Profit	6,269,528	3,856,766	62.56%
Operating profit	3,534,986	1,992,587	77.41%
Profit after tax	793,406	486,179	63.19%
Earnings Per Share (Rs.)	16.89	10.35	63.19%

For the half year under review, revenue have clocked in at PKR 26.55 billion as compared to PKR 20.68 billion in corresponding period last year, registering an overwhelming growth of 28.38%. The Company witnessed increase in gross profits by 62.56%, with current period gross profit reaching PKR 6.26 billion. Profit after tax increased by 63.19%, from PKR 486.18 million in corresponding period last year to PKR 793.41 million in half year under review.

Tyre Division

Tyre Division, the dominant segment of the Company, closed the its topline at PKR 17.58 billion, increasing by PKR 3.1 billion over the same period last year. The increase in sales revenue is attributable to management's balanced approach towards price increase; which enabled the company to increase the topline while maintaining market leadership position. This balanced approach proved to be beneficial as the bottom line improved significantly, despite increase in markup rates, cost inflation and staggering demand.

During the period under review, installation of technologically advanced Mixing Plant has been completed and put to production. The 132 KV Grid Station is also nearing completion. This would smooth out the energy requirements of the division and would lead to lower power breakdowns with less interruptions in manufacturing process.

Footwear Division

The footwear sales have increased from PKR 4.6 billion to PKR 7.39 billion, with growth of 61% over the same period last year. This increase has been both, volume driven and price driven.

Retail segment is the prime contributor towards growth of footwear business. The volumetric growth in this segment is directly linked with increase in number of retail stores. 49 new stores were added to the network in the current period (January 2023 to June 2023), taking the total number of stores to 201. Regular price increases, diverse portfolio offerings and geographical spread of stores at prime locations have resulted in better margins.

In case of rented retail outlets and warehouses, as per the requirements of IFRS 16 "Leases", right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest

expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 is always higher when compared to lease expenses under repealed / previous IAS 17, as the operating expense is replaced by interest expense and depreciation in the statement of profit or loss. In view of ongoing growth in rented retail stores of the Company, the Company, during the period under review, has to recognize such higher expense associated with the leases under IFRS 16 of Rs.151 million in the earlier periods of the leases of retail stores. Going forward as the new retail store openings normalize, such higher expense will decrease.

SPARE PARTS FOR AUTOMOBILES

In-house production of Chain and Sprockets commenced in November last year. Orders for in-house manufacturing is gaining momentum. Side by side, the trading business is also in progress to retain the market share. Sales within this segment remained largely stable.

Earnings Per Share (EPS)

The earnings per share of the Company stood at PKR 16.89 for the half year under review as compared to PKR 10.35 in the same period last year.

Future Outlook

Pakistan is going through a period of economic turbulence. Despite rising inflation, increasing interest rates, heavy taxes and volatility in PKR value against US \$, there are some silver linings. Receipt of foreign exchange funds under IMF Stand-by Arrangement and from friendly countries along with deferral of scheduled debt repayments will help to stabilize the currency, while current bullish trend in stock market is also an indicator of increased confidence of investors.

The company's management is actively monitoring the latest developments, making efforts to take benefit of every opportunity and managing all known risks that may pose threat to profitability. Effective working capital management, rigorous pricing mechanism, opening of new retail outlets and customer driven marketing are among a few of the steps taken. The company is striving to increase both its topline and bottom line, as higher sales would increase profitability by absorbing fixed costs.

Acknowledgment

We would like to convey our sincere appreciation to our colleagues on the Board for their valuable guidance and support and to all our employees for their tireless efforts, dedication and commitment and, our customers for their trust in our products. On behalf of the Board, we also wish to extend our gratitude to our shareholders for their support and trust placed in us.

For and on behalf of the Board



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)

August 22, 2023
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 2023 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. The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended 30 June 2023 and 30 June 2022 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 30 June 2023.

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.

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 22, 2023

UDIN: RR202310168srVwBgPEa



**Unconsolidated
Condensed Interim
Financial Statements**

Unconsolidated Condensed Interim Statement of Financial Position

As at June 30, 2023

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
100,000,000 (31 December 2022: 100,000,000) ordinary shares of Rupees 10 each	1,000,000	1,000,000
Issued, subscribed and paid up share capital		
46,987,454 (31 December 2022: 46,987,454) ordinary shares of Rupees 10 each	469,874	469,874
Reserves	7,348,566	6,801,547
Total equity	7,818,440	7,271,421
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term financing	4 8,675,173	7,102,730
Long term deposits	50,020	1,915
Lease liabilities	4,324,853	3,721,780
Employees' retirement benefit	224,625	214,459
Deferred liabilities	641,862	616,041
	13,916,533	11,656,925
CURRENT LIABILITIES		
Trade and other payables	9,067,608	6,359,206
Accrued mark-up	754,241	612,873
Short term borrowings	11,476,562	11,699,132
Current portion of non-current liabilities	2,593,630	2,608,205
Unclaimed dividend	44,308	42,030
	23,936,349	21,321,446
Total liabilities	37,852,882	32,978,371
Contingencies and commitments	5	
TOTAL EQUITY AND LIABILITIES	45,671,322	40,249,792

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



Arif Saeed
(Chief Executive)

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	12,121,721	10,736,350
Right-of-use assets		3,882,196	3,386,718
Intangible assets		8,441	9,376
Long term investments	7	8,001,114	7,987,951
Long term loans to employees		11,955	13,422
Long term security deposits		220,042	188,810
		24,245,469	22,322,627
CURRENT ASSETS			
Stores, spares and loose tools		443,918	568,953
Stock in trade		11,115,868	9,164,082
Trade debts		5,534,021	4,914,679
Loans and advances		1,473,277	695,309
Advance income tax - net of provision for taxation		338,627	536,034
Trade deposits and prepayments		292,506	236,834
Other receivables		298,725	205,067
Short term investment		24,914	181,615
Cash and bank balances		1,903,997	1,424,592
		21,425,853	17,927,165
TOTAL ASSETS		45,671,322	40,249,792



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, 2023

	Note	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
(Rupees in thousand)					
Revenue	8	26,553,006	20,682,794	15,200,589	11,984,218
Cost of sales	9	(20,283,478)	(16,826,028)	(11,630,075)	(9,798,696)
Gross profit		6,269,528	3,856,766	3,570,514	2,185,522
Distribution cost		(2,136,184)	(1,566,805)	(1,188,429)	(862,196)
Administrative expenses		(915,386)	(705,043)	(476,204)	(370,905)
Other expenses		(152,417)	(94,490)	(95,384)	(67,615)
		(3,203,987)	(2,366,338)	(1,760,017)	(1,300,716)
		3,065,541	1,490,428	1,810,497	884,806
Other income		469,445	502,159	287,124	461,351
Profit from operations		3,534,986	1,992,587	2,097,621	1,346,157
Finance cost		(2,210,878)	(1,250,232)	(1,262,482)	(701,896)
		1,324,108	742,355	835,139	644,261
Share of profit in equity accounted investee - net of taxation		25,788	4,207	8,916	709
Profit before taxation		1,349,896	746,562	844,055	644,970
Taxation		(556,490)	(260,383)	(346,647)	(208,805)
Profit after taxation		793,406	486,179	497,408	436,165
Earnings per share - basic and diluted (Rupees)		16.89	10.35	10.59	9.28

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, 2023

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in thousand)			
Profit after taxation	793,406	486,179	497,408	436,165
Other comprehensive (loss) / income				
Items that will not be reclassified to profit or loss:				
(Deficit) / surplus arising on remeasurement of investment at fair value through other comprehensive income - net of tax	(11,450)	(26,254)	(8,430)	4,785
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive (loss) / income for the period - net of tax	(11,450)	(26,254)	(8,430)	4,785
Total comprehensive income for the period	781,956	459,925	488,978	440,950

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, 2023

	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 2021 - audited	469,874	102,730	64,998	21,217	23,935	927,163	1,140,043	1,558,208	4,140,056	5,698,264	6,838,307	7,308,181
Transactions with owners:												
Final dividend for the year ended 31 December 2021 @ Rupees 7.50 per share	-	-	-	-	-	-	-	-	(352,406)	(352,406)	(352,406)	(352,406)
Profit for the half year ended 30 June 2022	-	-	-	-	-	-	-	-	486,179	486,179	486,179	486,179
Other comprehensive loss for the half year ended 30 June 2022	-	(26,254)	(26,254)	-	-	-	(26,254)	-	(26,254)	(26,254)	(26,254)	(26,254)
Total comprehensive loss/income for the half year ended 30 June 2022	-	(26,254)	(26,254)	-	-	-	(26,254)	-	(26,254)	(26,254)	(26,254)	(26,254)
Balance as at 30 June 2022 - un-audited	469,874	102,730	38,744	21,217	23,935	927,163	1,113,789	1,558,208	4,273,829	5,832,037	6,945,826	7,415,700
Loss for the half year ended 31 December 2022	-	-	-	-	-	-	-	-	(131,752)	(131,752)	(131,752)	(131,752)
Other comprehensive income / (loss) for the half year ended 31 December 2022	-	17,148	17,148	-	-	-	17,148	-	(29,675)	(29,675)	(12,527)	(12,527)
Total comprehensive income / (loss) for the half year ended 31 December 2022	-	17,148	17,148	-	-	-	17,148	-	(161,427)	(161,427)	(144,279)	(144,279)
Balance as at 31 December 2022 - audited	469,874	102,730	55,892	21,217	23,935	927,163	1,130,937	1,558,208	4,112,402	5,670,610	6,801,547	7,271,421
Transactions with owners:												
Final dividend for the year ended 31 December 2022 @ Rupees 5 per share	-	-	-	-	-	-	-	-	(234,937)	(234,937)	(234,937)	(234,937)
Profit for the half year ended 30 June 2023	-	-	-	-	-	-	-	-	793,406	793,406	793,406	793,406
Other comprehensive loss for the half year ended 30 June 2023	-	(11,450)	(11,450)	-	-	-	(11,450)	-	(11,450)	(11,450)	(11,450)	(11,450)
Total comprehensive loss/income for the half year ended 30 June 2023	-	(11,450)	(11,450)	-	-	-	(11,450)	-	(11,450)	(11,450)	(11,450)	(11,450)
Balance as at 30 June 2023 - un-audited	469,874	102,730	44,442	21,217	23,935	927,163	1,119,487	1,558,208	4,670,871	6,229,079	7,348,566	7,818,440

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)

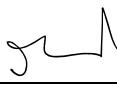
For the half year ended June 30, 2023

		(Un-audited) June 30, 2023	(Un-audited) June 30, 2022
	Note	(Rupees in thousand)	
Cash flow from operating activities			
Cash generated from / (used in) operations	12	3,360,883	(75,258)
Finance cost paid		(1,754,720)	(962,005)
Income tax paid		(353,490)	(367,840)
Staff retirement benefits paid		(15,918)	(20,479)
Long term loans - net		9,206	15,754
Long term security deposits - net		16,190	(46,622)
Net cash generated from / (used in) operating activities		1,262,151	(1,456,450)
Cash flow from investing activities			
Capital expenditure on fixed assets		(1,906,615)	(2,456,741)
Proceeds from disposal of fixed assets		5,275	973
Capital expenditure on intangibles assets		-	(1,053)
Short term investment made		-	(24,919)
Proceeds from disposal of short term investment		155,000	-
Return on short term investments received		13,552	8,784
Long term investment made		-	(749,015)
Dividend received		163,550	327,100
Net cash used in investing activities		(1,569,238)	(2,894,871)
Cash flows from financing activities			
Long term financing obtained		2,617,143	1,549,384
Long term financing repaid		(1,078,095)	(517,851)
Long term deposit - net		48,105	-
Short term borrowings - net		(222,570)	4,247,013
Lease liabilities - net		(345,432)	(243,804)
Dividend paid		(232,659)	(335,824)
Net cash from financing activities		786,492	4,698,918
Net increase in cash and cash equivalents		479,405	347,597
Cash and cash equivalents at the beginning of the period		1,424,592	699,296
Cash and cash equivalents at the end of the period		1,903,997	1,046,893

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, 2023

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, tyres and tubes and technical rubber products. 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 2022. These unconsolidated condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors.

3 Accounting Policies

The accounting policies and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 31 December 2022.

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 published financial statements of the Company for the year ended 31 December 2022.

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	(Rupees in thousand)	
4 Long term financing		
Opening balance	9,316,411	7,818,308
Add: Obtained during the period / year	2,617,143	3,476,129
Less: Repaid during the period / year	(1,078,095)	(1,575,333)
Add: Amortization of Government grant during the period / year	66,180	116,651
Less: Grant recognized during the period / year	(104,472)	(519,344)
Net Impact	(38,292)	(402,693)
	10,817,167	9,316,411
Less: Current portion shown under current liabilities	(2,141,994)	(2,213,681)
	8,675,173	7,102,730

4.1 Long term financing except from Service Global Footwear Limited - Subsidiary company is secured.

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 2022 except as follows:

5.1.1 Guarantees issued in ordinary course of business through banks are of Rupees 2,845.565 million (31 December 2022: Rupees 2,453.647 million).

5.2 Commitments

5.2.1 Contracts for capital expenditure are approximately of Rupees 359.446 million (31 December 2022: Rupees 384.709 million).

5.2.2 Letters of credit other than capital expenditure are of Rupees 3,512.860 million (31 December 2022: Rupees 1,589.768 million).

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

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	(Rupees in thousand)	
Not later than one year	45,162	61,463
Later than one year and not later than five years	19,886	43,657
	65,048	105,120

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

For the half year ended June 30, 2023

5.2.4 Following represent commitments arising from short-term and low value leases recognized on a straight-line basis as expense under the practical expedients applied by the Company. The amount of future payments under these leases and the period in which these payments will become due are as follows:

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	(Rupees in thousand)	
Not later than 1 year		38,293	33,194

6 Fixed assets

Operating fixed assets	6.1	10,085,829	8,800,881
Capital work-in-progress	6.2	2,035,892	1,935,469
		12,121,721	10,736,350

6.1 Operating fixed assets

Opening net book value		8,800,881	7,375,009
Add: Cost of additions during the period / year	6.1.1	1,806,192	2,294,816
Less: Book value of deletions / adjustment during the period / year	6.1.2	(4,810)	(16,645)
Less: Depreciation charged during the period / year		(516,434)	(852,299)
Closing net book value		10,085,829	8,800,881

6.1.1 Cost of additions during the period / year

Freehold land		-	95,896
Buildings on freehold land		311,053	187,474
Plant and machinery		1,012,614	1,260,253
Furniture, fixture and fittings		28,499	36,978
Vehicles		132,478	140,057
Service equipment		168,212	285,675
Leasehold improvements		153,336	288,483
		1,806,192	2,294,816

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	(Rupees in thousand)	
6.1.2 Book value of deletions / adjustments during the period / year			
Cost of deletions / adjustment			
Freehold land		-	5,520
Buildings on freehold land		-	5,980
Plant and machinery		-	371
Furniture, fixture and fittings		577	3,708
Vehicles		1,078	1,651
Service equipment		3,563	6,099
Leasehold improvements		3,527	807
		8,745	24,136
Less: Accumulated depreciation		(3,935)	(7,491)
Book value of deletions during the period / year		4,810	16,645
6.2 Capital work-in-progress			
Buildings on freehold land		139,450	313,703
Plant and machinery		1,324,081	1,013,423
Furniture, fixture and fittings		13,351	3,664
Advances against capital expenditures		-	131,387
Service equipment		518,879	441,204
Advances against purchase of vehicles		31,559	27,965
Leasehold improvements		8,572	4,123
		2,035,892	1,935,469
7 Long term investments			
Investments in subsidiary companies - at cost	7.1	7,559,766	7,559,766
Investment in associate (with significant influence) - under equity method	7.2	369,947	344,159
Investments in joint ventures	7.3	-	-
Other investment - at FVTOCI	7.4	71,401	84,026
		8,001,114	7,987,951

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

For the half year ended June 30, 2023

(Un-audited) June 30, 2023	(Audited) December 31, 2022
----------------------------------	-----------------------------------

(Rupees in thousand)

7.1 Investments in subsidiary companies - at cost

Service Industries Capital (Private) Limited - unquoted

40,000,000 (31 December 2022: 40,000,000) fully paid ordinary shares of Rupees 10 each Equity held 100% (31 December 2022: 100%)	400,000	400,000
---	----------------	---------

Service Global Footwear Limited - quoted

163,550,000 (31 December 2022: 163,550,000) fully paid ordinary shares of Rupees 10 each Equity held 79.75% (31 December 2022: 79.75%)	3,026,184	3,026,184
---	------------------	-----------

Service Long March Tyres (Private) Limited - unquoted

411,233,350 (31 December 2022: 411,233,350) fully paid ordinary shares of Rupees 10 each Equity held 32.09% (31 December 2022: 32.09%)	4,126,367	4,126,367
---	------------------	-----------

SIL GULF FZE - unquoted

1 (31 December 2022: 1) fully paid share of UAE Dirhams 150,000 Equity held 100% (31 December 2022: 100%)	7,215	7,215
--	--------------	-------

7,559,766	7,559,766
------------------	-----------

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

Speed (Private) Limited - unquoted

160,709 (31 December 2022: 160,709) fully paid ordinary shares of Rupees 100 each Equity held 21.90% (31 December 2022: 21.90%)	190,949	190,949
--	----------------	---------

Share of post acquisition reserve

As at the beginning of the period / year

Add: Share of post acquisition profit for the period / year

153,210	124,622
25,788	28,588

178,998	153,210
----------------	---------

369,947	344,159
----------------	---------

(Un-audited) (Audited)
June December
30, 2023 31, 2022
 (Rupees in thousand)

7.3 Investments in joint ventures

S2 Power Limited - unquoted

24,000 (31 December 2022: 24,000) fully paid ordinary shares of Rupees 10 each

240 240

S2 Hydro Limited - unquoted

24,000 (31 December 2022: 24,000) fully paid ordinary shares of Rupees 10 each

240 240

480 480

Less : Impairment loss recognized

(480) (480)

7.4 Other investment - at FVTOCI

TRG Pakistan Limited - quoted

775,000 (31 December 2022: 775,000) fully paid ordinary shares of Rupees 10 each

17,089 17,089

Fair value adjustment

54,312 66,937

71,401 84,026

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

For the half year ended June 30, 2023

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June	June	June	June
	30, 2023	30, 2022	30, 2023	30, 2022
	(Rupees in thousand)			
8 Revenue				
Revenue from contracts with customers:				
Export:				
- Sales	3,720,187	2,316,237	2,139,804	1,170,329
- Discounts, commissions etc.	(38,971)	(39,580)	(16,764)	(25,310)
	3,681,216	2,276,657	2,123,040	1,145,019
Local:				
- Sales	28,698,258	23,260,845	16,055,351	13,628,240
- Processing income	55,541	18,543	47,876	-
- Sales tax	(4,484,560)	(3,558,863)	(2,132,688)	(2,070,649)
- Discounts, commissions etc.	(1,397,449)	(1,314,388)	(892,990)	(718,392)
	22,871,790	18,406,137	13,077,549	10,839,199
	26,553,006	20,682,794	15,200,589	11,984,218

8.1 Major product / service lines

Sales of footwear - net

Export sales	669,071	769,590	357,158	453,678
Local sales	6,666,705	3,812,620	3,751,603	2,293,588
Processing income	55,541	18,543	47,876	-
	7,391,317	4,600,753	4,156,637	2,747,266

Sales of tyres - net

Export sales	3,012,145	1,507,067	1,765,882	691,341
Local sales	14,568,842	12,945,527	8,421,274	7,657,103
	17,580,987	14,452,594	10,187,156	8,348,444

Sales of technical rubber products - net

Local sales	56,801	143,458	26,651	102,498
-------------	--------	---------	--------	---------

Sales of spares parts for automobiles - net

Local sales	1,523,901	1,485,989	830,145	786,010
	26,553,006	20,682,794	15,200,589	11,984,218

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June	June	June	June
	30, 2023	30, 2022	30, 2023	30, 2022
	(Rupees in thousand)			
9 Cost of sales				
Raw materials consumed	14,035,809	11,921,762	7,391,735	6,180,625
Salaries, wages and other benefits	1,611,269	1,371,945	847,825	733,748
Stores and spares consumed	219,010	148,402	108,186	50,274
Packing materials consumed	463,115	358,331	257,771	189,791
Fuel and power	1,177,633	1,102,252	649,146	603,914
Insurance	30,385	19,140	14,424	11,433
Travelling and conveyance	27,971	16,127	16,366	7,724
Repair and maintenance	142,025	120,628	72,106	58,422
Entertainment	8,303	1,630	3,000	974
Depreciation	400,070	327,899	211,796	170,980
Provision for slow moving and obsolete inventory	55,739	14,900	49,543	7,151
Processing charges	4,400	6,093	4,400	6,093
Other manufacturing charges	59,515	44,957	25,998	19,881
	18,235,244	15,454,066	9,652,296	8,041,010
Work in process:				
Movement in work in process	(613,411)	(705,319)	(116,238)	64,992
Cost of goods manufactured	17,621,833	14,748,747	9,536,058	8,106,002
Finished goods:				
Movement in finished goods	2,661,645	2,077,281	2,094,017	1,692,694
	20,283,478	16,826,028	11,630,075	9,798,696

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

For the half year ended June 30, 2023

10 Segment information

The Company has 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		Tyre		Others		Total - Company	
(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
Half Year Ended		Half Year Ended		Half Year Ended		Half Year Ended	
June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,
2023	2022	2023	2022	2023	2022	2023	2022

(Rupees in thousand)

Sales	7,391,317	4,600,753	17,580,987	14,452,594	1,580,702	1,629,447	26,553,006	20,682,794
Profit / (loss) before taxation and unallocated income and expenses	596,259	85,895	2,689,588	1,582,446	(6,711)	183,320	3,279,136	1,851,661
Unallocated income and expenses - net Taxation							(1,929,240)	(1,105,099)
Profit after taxation							793,406	486,179

10.1 Reconciliation of reportable segment assets and liabilities

	Footwear		Tyre		Others		Total - Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Total assets for reportable segment	13,435,664	10,991,281	18,164,844	16,283,976	2,699,075	2,232,004	34,299,583	29,507,261
Unallocated assets							11,371,739	10,742,531
Total assets as per unconsolidated condensed interim statement of financial position							45,671,322	40,249,792
Unallocated liabilities							37,852,882	32,978,371
Total liabilities as per unconsolidated condensed interim statement of financial position							37,852,882	32,978,371

(Rupees in thousand)

Selected Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2023

10.2 Disaggregation of revenue from contracts with customers

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

	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, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022		
Europe	383,994	497,034	176,974	263,849	346,649	67,338	252,786	25,900	-	-	-	-	730,643	564,372	429,760	289,749	
North America and South America	52,586	53,363	14,574	48,594	1,127,155	503,410	639,841	234,981	-	-	-	-	1,179,741	556,773	654,415	283,575	
Asia	212,939	192,877	165,610	141,235	1,531,431	904,019	869,332	403,609	-	-	-	-	1,744,370	1,096,896	1,034,942	544,844	
Australia	19,552	-	-	-	-	-	-	-	-	-	-	-	19,552	-	-	-	-
Africa	-	26,316	-	-	6,910	32,300	3,923	26,851	-	-	-	-	6,910	58,616	3,923	26,851	
Pakistan	6,722,246	3,831,163	3,799,479	2,293,588	14,568,842	12,945,527	8,421,274	7,657,103	1,580,702	1,629,447	856,796	888,508	22,871,790	18,406,137	13,077,549	10,839,199	
	7,391,317	4,600,753	4,156,637	2,747,266	17,580,987	14,452,594	10,187,156	8,348,444	1,580,702	1,629,447	856,796	888,508	26,553,006	20,682,794	15,200,589	11,984,218	

(Rupees in thousand)

10.3 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, 2023

11 Recognized fair value measurements - financial instruments

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are 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 2023 - Un-audited	Level 1	Level 2	Level 3	Total
--	---------	---------	---------	-------

(Rupees in thousand)

Financial assets

Financial asset at fair value through other comprehensive income	71,401	-	-	71,401
--	--------	---	---	--------

Recurring fair value measurements at 31 December 2022 - Audited	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

(Rupees in thousand)

Financial assets

Financial asset at fair value through other comprehensive income	84,026	-	-	84,026
--	--------	---	---	--------

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 2023. 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.

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

For the half year ended June 30, 2023

(ii) Valuation techniques used to determine level 1 fair values

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

	(Un-audited) June 30, 2023	(Un-audited) June 30, 2022
Note	(Rupees in thousand)	
12 Cash generated from / (used in) operations		
Profit before taxation	1,349,896	746,562
Adjustments for non-cash charges and other items:		
Depreciation	516,434	394,734
Depreciation on right-of-use assets	250,346	220,079
Amortization on intangible assets	933	990
Provision for gratuity	26,084	22,590
Finance cost	2,210,878	1,250,232
Provision for workers' profit participation fund	67,681	36,283
Provision for workers' welfare fund	18,730	8,038
Provision for slow moving and obsolete inventory	55,739	14,900
Allowance for expected credit losses	29,411	16,215
Share of profit in equity accounted investee	(25,788)	(4,207)
Gain on termination of lease	(5,705)	(20,976)
(Gain) / loss on disposal of fixed assets	(465)	165
Amortization of deferred income - Government grant	(66,180)	(51,084)
Exchange gain - net	(140,228)	(45,389)
Dividend income	(163,550)	(327,100)
Return on short term investment	(11,850)	(8,552)
Working capital changes	12.1 (751,483)	(2,328,738)
	3,360,883	(75,258)
12.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	69,296	(56,923)
Stock in trade	(1,951,786)	(855,041)
Trade debts	(508,525)	(1,717,809)
Loans and advances	(833,129)	(851,546)
Prepayments	(55,672)	(325,261)
Other receivables	(93,658)	(441,321)
Increase in current liabilities:		
Trade and other payables	2,621,991	1,919,163
	(751,483)	(2,328,738)

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, 2023	June 30, 2022	June 30, 2023	June 30, 2022

(Rupees in thousand)

(i) Transactions:

Service Global Footwear Limited - Subsidiary company

Short term loan obtained	3,429,997	5,972,257	2,904,500	3,064,000
Interest on loans	235,750	252,516	135,540	146,478
Sale of goods	189,512	77,616	112,758	43,116
Purchase of goods	141,973	26,658	53,559	20,450
Loan repaid	2,936,818	4,837,215	2,788,818	3,226,700
Service provided	51,847	18,543	44,182	-
Expenses charged	127,954	101,628	68,986	46,527
Dividend received	163,550	327,100	163,550	327,100

Service Long March Tyres (Private) Limited - Subsidiary company

Advance against purchase of shares	-	641,800	-	641,800
Sale of goods	194,437	101,743	75,744	100,345
Service provided	18,000	18,000	9,000	9,000
Expenses charged	1,953	1,438	1,953	1,438
Purchase of goods	40,839	-	7,235	-

Service Industries Capital (Private) Limited - Subsidiary company

Investment made	-	100,000	-	100,000
-----------------	---	---------	---	---------

SIL GULF FZE - Subsidiary company

Investment made	-	7,215	-	-
Sale of goods	200,429	42,116	125,472	42,116

Jomo Technologies (Private) Limited - Associated company

Sale of goods	-	1,703	-	1,703
---------------	---	-------	---	-------

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

For the half year ended June 30, 2023

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in thousand)			
Donations				
Servis Foundation	18,168	26,032	6,914	14,255
Service Charitable Trust	3,457	3,551	2,302	1,740
Shalamar Hospital	8,702	3,765	6,011	1,884
Key management personnel and directors				
Cash dividend paid	103,349	155,024	103,349	155,024
Remuneration	79,309	91,167	31,551	52,773
Meeting fee to directors - non executive	1,680	1,520	1,040	1,360
Other related parties				
Employees' retirement benefit plans	102,141	83,109	50,027	41,583
Cash dividend paid	11,331	16,996	11,331	16,996

(ii) Period end balances

	As at 30 June 2023 (Un-audited)		
	Subsidiary company	Other related parties	Total
	(Rupees in thousand)		
Employees' retirement benefit	-	268,049	268,049
Trade debts	96,351	-	96,351
Long term loan payable	2,000,000	-	2,000,000
Short term loan payable	750,797	-	750,797
Accrued mark-up	5,871	-	5,871

As at 31 December 2022 (Audited)		
Subsidiary company	Other related parties	Total

(Rupees in thousand)

Employees' retirement benefit	-	246,620	246,620
Long term loan payable	2,250,000	-	2,250,000
Short term loan payable	7,618	-	7,618

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 2022.

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 22, 2023.

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.

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)

Group Directors' Report to the Shareholders

The Directors take pleasure in presenting their Report along with the Consolidated Condensed Interim Financial Statements of Service Industries Limited and its subsidiaries for the half year ended June 30, 2023.

The Group comprises of Service Industries Limited, Service Industries Capital (Private) Limited, a wholly owned subsidiary of Service Industries Limited, Service Global Footwear Limited, a partially owned subsidiary of Service Industries Limited, Service Long March Tyres (Private) Limited, partially owned subsidiary of Service Industries Limited, Service Shoes Lanka (Private) Limited, a partially owned subsidiary company of Service Industries Capital (Private) Limited, SIL Gulf FZE, a wholly owned subsidiary of Service Industries Limited and Dongguan Service Global Limited, wholly owned subsidiary company of Service Global Footwear Limited.

Service Industries Limited

The Director Report providing a commentary on the performance of Service Industries Limited for the half year ended June 30, 2023 has been presented separately. Service Industries Limited has annexed its Consolidated Condensed Interim Financial Statements along with its Unconsolidated Condensed Interim Financial Statements, in accordance with the requirements of International Financial Reporting Standards and Companies Act 2017.

Service Industries Capital (Private) Limited

Service Industries Capital (Private) Limited is wholly owned subsidiary of the Service Industries Limited. Service Industries Capital (Private) Limited got registered under the Companies Ordinance, 1984 (now the Companies Act 2017) in Pakistan as a company limited by shares on November 10, 2015. The registered office of Service Industries Capital (Private) Limited is situated at Servis House, 2-Main Gulberg, Lahore. The main object of Service Industries Capital (Private) Limited is to make investment in new ventures, shares and securities, listed or otherwise, in Pakistan or elsewhere in the world, subject to requirements of applicable law.

Service Global Footwear Limited

Service Global Footwear Limited was incorporated as a public limited company on 19 July 2019 in Pakistan under the Companies Act, 2017. The principal activities of the Company are manufacturing, sale, marketing, import and export of footwear, leather and allied products. Service Industries Limited has 79.75% (2022: 79.75%) equity stake in Service Global Footwear Limited. The Director Report providing a commentary on the performance of Service Global Footwear Limited for the half year ended June 30, 2023 has been presented in its separate report.

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. The shareholding of Service Industries Limited in Service Long March Tyres (Private) Limited is 32.09% (2022:32.09%) and shareholding of Service Global Footwear Limited in Service Long March Tyres (Private) Limited is 18.91% (2022: 18.91%).

The Company and Service Global Footwear Limited - subsidiary company collectively hold 51% of the ordinary shares of Service Long March Tyres (Private) Limited and controls the composition of the board of Service Long March Tyres (Private) Limited.

Service Shoes Lanka (Private) Limited

Service Shoes Lanka (Private) Limited is a subsidiary company of Service Industries Capital (Private) Limited, which is wholly

owned subsidiary of Service Industries Limited. Service Shoes Lanka (Private) Limited is a Private Limited Liability Company incorporated on July 16, 2015 and domiciled in Sri Lanka under the provisions of the Companies Act No. 07 of 2007. The registered office of the Company is located at No 143/17, Sri Wickrema Mawatha, Colombo 15 and the principal place of business is located at Katunayake.

SIL Gulf FZE

SIL Gulf FZE, a wholly owned subsidiary of Service Industries Limited, is incorporated in United Arab Emirates under the applicable corporate regulatory requirements of the jurisdiction. The principal object of the Company is to engage in selling of tyre and allied products.

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 and other related matters. Commercial address of Dongguan Service Global Limited is Room 302, No. 18, Houjie Town, Dongguan City, Guangdong Province, China

For and on Behalf of the Board



Arif Saeed
(Chief Executive)



Omar Saeed
(Director)

August 22, 2023
Lahore.



Consolidated Condensed Interim Financial Statements

Consolidated Condensed Interim Statement of Financial Position

As at June 30, 2023

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 100,000,000 (2022: 100,000,000) ordinary shares of Rupees 10 each	1,000,000	1,000,000
Issued, subscribed and paid up share capital	469,874	469,874
Reserves	8,939,394	8,248,530
Non-controlling interest	6,657,400	6,580,739
Total equity	16,066,668	15,299,143
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term financing	14,888,520	13,387,147
Long term deposits	50,020	1,915
Lease liabilities	4,324,853	3,721,780
Employees' retirement benefit	395,892	371,850
Deferred liabilities	2,412,804	2,369,499
	22,072,089	19,852,191
CURRENT LIABILITIES		
Trade and other payables	13,150,747	9,939,781
Accrued mark-up	1,464,957	1,139,189
Short term borrowings	24,444,572	23,436,108
Current portion of non-current liabilities	3,446,493	3,060,938
Unclaimed dividend	49,457	46,880
	42,556,226	37,622,896
Liabilities directly associated with the assets held for sale	960,817	582,594
Total liabilities	65,589,132	58,057,681
Contingencies and commitments	5	
TOTAL EQUITY AND LIABILITIES	81,655,800	73,356,824

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



Arif Saeed
(Chief Executive)

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	34,643,949	32,852,198
Right-of-use assets		3,882,196	3,386,718
Intangible assets		8,441	9,376
Long term investments		656,338	626,612
Long term loans to employees		31,707	35,600
Long term security deposits		230,614	199,382
		39,453,245	37,109,886
CURRENT ASSETS			
Stores, spares and loose tools		629,739	682,046
Stock-in-trade		19,967,413	19,480,754
Trade debts		11,825,481	8,582,194
Loans and advances		2,927,758	1,730,019
Trade deposits and prepayments		452,566	274,158
Other receivables		2,681,008	2,148,055
Advance income tax - net of provision for taxation		490,797	821,400
Accrued interest		18,680	17,609
Short term Investments		24,914	181,615
Cash and bank balances		2,821,222	2,043,598
		41,839,578	35,961,448
Assets held for sale		362,977	285,490
		42,202,555	36,246,938
TOTAL ASSETS		81,655,800	73,356,824



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, 2023

	Note	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
(Rupees in thousand)					
Continuing operations					
Sales - net	7	43,237,479	27,323,463	24,110,146	16,181,668
Cost of sales	8	(34,002,707)	(22,489,276)	(18,745,023)	(13,511,408)
Gross profit		9,234,771	4,834,187	5,365,122	2,670,260
Distribution cost		(2,849,523)	(2,090,954)	(1,668,113)	(1,147,973)
Administrative expenses		(1,328,270)	(1,007,941)	(684,231)	(528,330)
Other expenses		(206,602)	(126,282)	(127,765)	(83,683)
		(4,384,395)	(3,225,177)	(2,480,109)	(1,759,986)
		4,850,376	1,609,010	2,885,013	910,274
Other income		514,251	268,326	210,704	168,989
Profit from operations		5,364,627	1,877,336	3,095,717	1,079,263
Finance cost		(3,307,017)	(1,184,111)	(1,866,116)	(674,356)
		2,057,610	693,225	1,229,601	404,907
Share of profit/(loss) in equity accounted investee - net of taxation		42,350	(3,349)	14,641	1,165
Profit before taxation		2,099,960	689,876	1,244,242	406,072
Taxation		(832,093)	(440,631)	(544,034)	(324,025)
Profit after taxation from continuing operations		1,267,867	249,245	700,208	82,047
Discontinued operations					
(Loss)/profit after taxation for the period from discontinued operations		(32,093)	58,141	2,080	42,426
Profit after taxation		1,235,774	307,386	702,288	124,474
Share of profit attributable to:					
Equity holders of the holding company		1,051,049	339,549	559,674	163,887
Non-controlling interest		184,725	(32,163)	142,614	(39,413)
		1,235,774	307,386	702,288	124,474
Earnings per share - basic and diluted (Rupees)					
		22.37	7.23	11.91	3.49
Earnings per share from continuing operations					
- basic and diluted (Rupees)		22.78	6.48	11.88	2.95

The annexed notes form an integral part of these 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, 2023

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in thousand)			
Profit after taxation	1,235,774	307,386	702,288	124,474
Other comprehensive (loss) / income				
Items that will not be reclassified to profit or loss:				
Surplus arising on remeasurement of investment at fair value through other comprehensive income - net of tax	(11,450)	(26,254)	(9,605)	4,785
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign subsidiary	(188,624)	106,387	(40,028)	18,652
Exchange difference on translation of goodwill	-	(13,905)	-	(2,034)
	(188,624)	92,482	(40,028)	16,618
Other comprehensive income for the period - net of tax	(200,074)	66,228	(49,633)	21,403
Total comprehensive income for the period	1,035,700	373,614	652,655	145,877
Share of total comprehensive income attributable to:				
Equity holders of the holding company	925,801	363,613	523,693	178,233
Non-controlling interest	109,899	10,001	128,962	(32,356)
	1,035,700	373,614	652,655	145,877

The annexed notes form an integral part of these 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, 2023

	Attributable to the equity holders of the holding company											Shareholders' equity	Non-controlling interest	Total equity			
	Share Capital	Capital Reserves					Share of employees share compensation reserve held by equity accounted investee	Share options reserve	Reserve pursuant to the Scheme	Revenue Reserves					Total Reserves		
		Fair value reserve FVOCI investment	Share premium	Share of share premium held by equity accounted investee	Exchange translation reserve	Reserve pursuant to the Scheme				General reserve	Un-appropriated profit					Sub total	Sub total
Balance as at 31 December 2021 - audited	469,874	102,730	64,998	1,356,636	44,395	(2,886)	927,163	14,978	256	2,508,270	5,153,924	6,712,132	9,220,402	9,690,276	5,663,630	15,353,906	
Transactions with owners:																	
Final dividend for the year ended 31 December 2021 @ Rupees 2 per share															(81,775)	(81,775)	
Final dividend for the year ended 31 December 2021 @ Rupees 7.50 per share														(352,406)	(352,406)	(352,406)	
Share capital to be issued																	
Recognition of share option reserve scheme								10,014		10,014					6,500	6,500	
Non-controlling interest on investment in subsidiary company															2,503	12,517	
Profit / (loss) for the half year ended 30 June 2022																	
Other comprehensive (loss) / income for the half year ended 30 June 2022			(26,254)			50,318				24,064							
Total comprehensive (loss) / income for the half year ended 30 June 2022			(26,254)			50,318				24,064							
Balance as at 30 June 2022 - unaudited	469,874	102,730	38,744	1,356,636	44,395	47,432	927,163	24,992	256	2,542,348	1,558,208	5,141,067	6,699,275	9,241,023	9,711,497	6,559,753	16,271,250
Balance as at 31 December 2022 - audited	469,874	102,730	55,892	1,348,228	44,395	54,568	927,163	19,962	307	2,573,245	1,558,208	4,117,077	5,675,285	8,248,530	8,718,404	6,580,739	15,299,143
Transactions with owners:																	
Final dividend for the year ended 31 December 2022 @ Rupees 1 per share																	
Final dividend for the year ended 31 December 2022 @ Rupees 5 per share																	
Proceeds against shares to be issued under employee's share option scheme																	
Profit for the half year ended 30 June 2023																	
Other comprehensive (loss) for the half year ended 30 June 2023			(11,450)			(113,798)				(125,248)							
Total comprehensive (loss) / income for the half year ended 30 June 2023			(11,450)			(113,798)				(125,248)							
Balance as at 30 June 2023 - unaudited	469,874	102,730	44,442	1,348,228	44,395	(57,230)	927,163	19,962	307	2,447,997	1,558,208	4,933,189	6,491,397	8,939,394	9,409,268	6,657,400	16,066,666

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



Anif 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, 2023

	(Un-audited) June 30, 2023	(Un-audited) June 30, 2022
	(Rupees in thousand)	
Cash flow from operating activities		
Profit before taxation from continued operations	2,099,960	689,876
(Loss) / profit before taxation from discontinued operations	(32,093)	58,141
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	1,418,238	1,018,200
Provision for gratuity	44,679	33,010
Finance cost	3,307,017	1,539,163
Amortisation of deferred income	(66,180)	(53,714)
Provision for workers' profit participation fund	92,183	56,370
Interest on workers' profit participation fund	1,270	9,266
Provision for workers' welfare fund	32,532	10,531
Provision for slow moving and obsolete inventory	29,206	20,771
Allowance for expected credit losses	30,423	17,351
Profit on saving accounts and term deposit receipts	(11,968)	(78,053)
Employee share option expense	-	12,517
Interest on loan to associate	-	(1,794)
Loss on disposal of fixed assets	(560)	-
Share of profit / (loss) in equity accounted investee	(42,350)	3,349
Operating profit before working capital changes	6,902,356	3,334,984
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	51,851	(162,226)
Stock-in-trade	(519,239)	(4,306,232)
Trade debts	(3,299,279)	(3,241,419)
Loans, advances, trade deposits, prepayments and other receivables	(1,912,818)	(3,999,637)
	(5,679,484)	(11,709,514)
Increase in trade and other payables	3,498,563	4,362,804
	(2,180,922)	(7,346,710)
Cash generated from / (used in) operations	4,721,434	(4,011,726)
Finance cost paid	(2,732,637)	(1,080,641)
Income tax paid	(2,013,880)	(490,987)
Employees' retirement benefits paid	(24,038)	(25,072)
Long term loans - net	3,893	13,473
Long term deposits - net	(31,232)	(44,379)
Net cash used in operating activities	(76,459)	(5,639,332)

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

For the half year ended June 30, 2023

	(Un-audited) June 30, 2023	(Un-audited) June 30, 2022
	(Rupees in thousand)	
Cash flows from investing activities		
Capital expenditure on operating fixed assets - net	(3,005,033)	(6,095,283)
Intangible asset acquired	(2,390)	(1,053)
Proceeds from disposal of fixed assets	5,452	-
Interest received	(1,071)	36,027
Investments - net	169,844	(24,919)
Net cash used in investing activities	(2,833,198)	(6,085,228)
Cash flows from financing activities		
Long term financing - net	3,466,473	1,690,758
Short term borrowings - net	973,907	6,320,443
Repayment of lease liabilities	(346,435)	(264,780)
Proceeds against share capital to be issued under employees' share option scheme	8,300	6,500
Proceeds from NCI of subsidiary Company - Service Long March Tyres (Private) Limited	-	958,894
Dividend paid	(273,898)	(413,407)
Long term deposits - net	48,105	-
Net cash generated from financing activities	3,876,452	8,298,408
Effects of exchange rate changes on cash and cash equivalents	(188,624)	107,252
Net increase / (decrease) in cash and cash equivalents	778,171	(3,318,900)
Cash and cash equivalents at the beginning of the period	2,045,895	4,593,434
Cash and cash equivalents at the end of the period	2,824,065	1,274,534

The annexed notes form an integral part of these 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, 2023

1. The Group and its Operations

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 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 the Company are purchase, manufacture and sale of footwear, tyres and tubes 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 Company 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 interest in Service Global Footwear Limited – Subsidiary Company is 20.25% (2022:20.25%).

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 the Company 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 Wickrema 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 interest held by non-controlling interest in Service Shoes Lanka (Private) Limited – Subsidiary Company is 40% (2022: 40%).

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

For the half year ended June 30, 2023

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 interest in Service Long March Tyres (Private) Limited – Subsidiary Company is 49% (2022: 49%).

SIL Gulf FZE

SIL Gulf FZE, a wholly owned subsidiary of Service Industries Limited, is incorporated in United Arab Emirates under the applicable corporate regulatory requirements of the jurisdiction. The principal object of the Company is to engage in selling of tyre and allied products.

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 and other related matters. Commercial address of Dongguan Service Global Limited is Room 302, No. 18, Houjie Town, Dongguan City, Guangdong Province, China. It is wholly owned subsidiary of Service Global Footwear Limited.

2. Basis of Consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line-by-line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interest are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interest are presented as separate item in the consolidated condensed 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**

3.1.1 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 do not include all the information required for the full set of annual consolidated 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 2022.

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

4. **Accounting Policies**

Accounting policies adopted for the preparation of these consolidated condensed Interim financial statements are the same as those applied in the preparation of preceding annual audited consolidated financial statements of the Company.

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates. In preparing these consolidated condensed interim financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the audited consolidated financial statements as at and for the year ended December 31, 2022.

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

For the half year ended June 30, 2023

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 consolidated financial statements of the Company for the year ended 31 December 2022 except for the following:

Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 2,607.589 million (2022: Rupees 2,471.501 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.

5.1.1 Guarantees issued in ordinary course of business through banks are of Rupees 3,425.534 million (2022: Rupees 2,453.647 million).

5.2 Commitments

5.2.1 Contracts for capital expenditure are approximately of Rupees 627.219 million (2022: Rupees 696.522 million).

5.2.2 Letters of credit other than capital expenditure are of Rupees 5,643.766 million (2022: Rupees 3,095.448 million).

5.2.3 Outstanding foreign currency forward contracts are of Rupees 2,804.056 million (2022: 2,133.050 million).

5.2.4 The Company has obtained vehicles under ijarah arrangements from Meezan Bank Limited, Allied Bank Limited and Bank Al Habib Limited for a period of five years. Future Ujrah payments under Ijarah are as follows:

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Note	(Rupees in thousand)	
Not later than one year	55,412	71,971
Later than one year and not later than five years	31,045	59,819
	86,457	131,790

6. Fixed assets

Operating fixed assets	6.1	31,765,866	30,509,561
Capital work-in-progress		2,878,083	2,342,637
		34,643,949	32,852,198

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	(Rupees in thousand)	
6.1 Operating fixed assets			
Opening net book value		30,509,561	10,361,648
Add: Additions during the period / year	6.2	2,422,140	22,176,115
		32,931,701	32,537,763
Less: Disposals during the period / year (at book value)	6.2	(4,892)	(8,019)
Less: Written off due to fire		-	(13,264)
Adjustments		-	(11,450)
		32,926,809	32,505,030
Currency retranslation		-	(22,034)
		32,926,809	32,482,996
Less: Depreciation charged during the period / year		(1,160,943)	(1,868,030)
Assets held for sale			(105,405)
		31,765,866	30,509,561

6.2 Following is the detail of additions and disposals during the period / year:

	Additions		Disposals - NBV	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	(Rupees in thousand)			
Land	-	95,896	-	-
Building on leasehold land	-	6,850,150	-	-
Building on freehold land	522,449	291,593	-	-
Plant and machinery	1,165,357	13,726,812	5	5,621
Furniture, fixture and fittings	47,741	159,727	477	315
Vehicles	197,706	210,266	468	785
Service equipments	335,551	553,188	1,047	1,298
Leasehold improvements	153,336	288,483	2,895	-
	2,422,140	22,176,115	4,892	8,019

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

For the half year ended June 30, 2023

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in thousand)			
7. Sales of footwear - net				
Export sales	7,976,271	5,943,594	4,049,463	3,176,497
Local sales	6,452,165	5,398,610	3,656,072	3,870,988
	14,428,436	11,342,204	7,705,535	7,047,485
Sales of tyres - net				
Export sales	5,699,109	1,508,028	3,825,295	692,302
Local sales	21,529,232	12,843,784	11,722,520	7,553,373
	27,228,341	14,351,812	15,547,815	8,245,675
Sales of technical rubber products - net				
Local sales	56,801	143,458	26,651	102,498
Sales of spare parts for automobiles - net				
Local sales	1,523,901	1,485,989	830,145	786,010
	43,237,479	27,323,463	24,110,146	16,181,668
8. Cost of sales				
Raw materials consumed	24,165,148	16,659,013	12,666,364	9,876,077
Salaries, wages and other benefits	3,336,942	2,543,203	1,724,245	1,389,361
Stores and spares consumed	465,059	319,150	258,318	176,084
Packing materials consumed	835,197	640,307	450,077	341,973
Fuel and power	1,890,093	1,518,965	1,030,073	967,359
Insurance	39,220	41,448	(1,229)	30,215
Travelling	53,507	51,951	6,244	35,479
Repair and maintenance	161,044	168,397	38,293	96,592
Entertainment	9,027	15,441	1,140	13,833
Depreciation	1,035,117	704,983	533,850	474,307
Provision for slow moving and obsolete inventory	29,206	20,771	26,429	9,022
Other manufacturing charges	373,842	159,064	299,712	110,004
	32,393,402	22,842,693	17,033,516	13,520,306
Work-in-process:				
Movement in work in process	(556,068)	(1,127,886)	(40,987)	(276,902)
Cost of goods manufactured	31,837,334	21,714,807	16,992,529	13,243,404
Finished goods:				
Movement in finished goods	2,165,373	774,469	1,752,494	268,004
	34,002,707	22,489,276	18,745,023	13,511,408

9. Segment information

The Company has 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		Tyre		Others		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	Half Year Ended	June 30, 2022	Half Year Ended	June 30, 2022	Half Year Ended	June 30, 2022	Half Year Ended	June 30, 2022
	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023

(Rupees in thousand)

Sales	14,428,436	11,342,204	27,228,341	14,351,812	1,580,702	1,629,447	43,237,479	27,323,463
Profit / (loss) before taxation and unallocated income and expenses	1,572,028	596,205	3,709,479	1,400,691	(6,711)	183,320	5,274,796	2,180,216
Unallocated income and expenses							(3,206,929)	(1,432,199)
Taxation							(832,093)	(440,631)
Profit after taxation							1,235,774	307,386

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

For the half year ended June 30, 2023

9.1 Reconciliation of reportable segment assets and liabilities

	Footwear		Type		Others		Total - Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Total assets for reportable segment	28,241,276	21,751,663	49,252,878	46,430,646	2,699,075	2,232,004	80,193,230	70,414,313
Unallocated assets							1,462,570	2,942,511
Total assets as per consolidated condensed interim statement of financial position							81,655,800	73,356,824
Unallocated liabilities							65,589,132	58,057,681
Total liabilities as per consolidated condensed interim statement of financial position							65,589,132	58,057,681

(Rupees in thousand)

10 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 condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 June 2023	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

(Rupees in thousand)

Financial assets				
Derivative financial assets		867		867
Financial assets at fair value through other comprehensive income	71,401	-	-	71,401
Total financial assets	71,401	867	-	72,268

Recurring fair value measurements at 31 December 2022	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

(Rupees in thousand)

Financial assets				
Derivative financial assets	-	9,425	-	9,425
Financial assets at fair value through other comprehensive income	84,026	-	-	84,026
Total financial assets	84,026	9,425	-	93,451

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.

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

For the half year ended June 30, 2023

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.

11 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, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in thousand)			
Associated companies				
Sale of goods	-	19,081	(1,341)	4,861
Donations made	30,327	33,348	15,227	17,879
Loan Disbursed	4,500	100,000	-	100,000
Interest received	-	837	-	837
Interest charged	13,340	1,794	7,615	975
Purchase of goods	450,254	-	334,015	-
Key management personnel and directors				
Cash dividend paid	103,349	155,024	103,349	155,024
Remuneration	79,309	91,167	31,551	52,773
Meeting fee to directors - non executive	1,680	1,520	1,040	1,360
Other related parties				
Employees' retirement benefits	200,470	139,632	101,830	70,145
Cash dividend paid	11,331	16,996	11,331	16,996

(ii) Period end balances

	As at 30 June 2023 (Un-audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Employee benefit plans	-	517,689	517,689
Trade debts	101,322	-	101,322
Accrued Interest	18,680	-	18,680
Loans and advances	134,500	-	134,500

	As at 31 December 2022 (Audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Employee benefit plans	-	460,904	460,904
Trade debts	5,958	-	5,958
Accrued Interest	5,340	-	5,340
Loans and advances	130,000	-	130,000

12 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 consolidated condensed interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the company's annual audited consolidated financial statements as at 31 December 2022.

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

13 Date of authorization for issue

These financial statements were authorized for issue on August 22, 2023 by the Board of Directors of the Company.

14 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 and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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

For the half year ended June 30, 2023

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison.

15 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)

سروس شوز لٹکا (پرائیویٹ) لمیٹڈ

سروس شوز لٹکا (پرائیویٹ) لمیٹڈ، سروس انڈسٹریز کمپنیل (پرائیویٹ) لمیٹڈ کا ایک ذیلی ادارہ ہے، جو کہ سروس انڈسٹریز لمیٹڈ کا مکمل ملکیتی ماتحت ادارہ ہے۔ سروس شوز لٹکا (پرائیویٹ) لمیٹڈ ایک پرائیویٹ لمیٹڈ لیمیٹڈ کمپنی ہے جو 16 جولائی 2015 کو کمپنیز ایکٹ 2007 کی دفعات کے تحت سری لنکا میں تشکیل دی گئی۔ کمپنی کارجسٹرز آفس نمبر 143/17 سری وکرما ماوتھا کولمبو 15 پر واقع ہے اور اس کا کاروباری مرکز کاتونانکے میں واقع ہے۔

SIL گلف FZE

SIL گلف FZE، سروس انڈسٹریز لمیٹڈ کا ایک کلی ملکیتی ذیلی ادارہ، جو کہ متحدہ عرب امارات میں متعلقہ قابل اطلاق قانونی تقاضوں کے تحت تشکیل دیا گیا ہے۔ SIL گلف FZE کا بنیادی مقصد ٹائر اور اس سے منسلک مصنوعات کی فروخت ہے۔

ڈونگ گوان سروس گلوبل لمیٹڈ

ڈونگ گوان سروس گلوبل لمیٹڈ ایک لمیٹڈ لائیمیٹڈ کمپنی ہے (جو کہ کلی طور پر فارن لیگل پرسن کی ملکیت ہے) اور ڈونگ گوان ایڈمنسٹریشن آف مارکیٹ ریگولیشن، چین کے ساتھ رجسٹرڈ ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کی تاریخ تشکیل 18 دسمبر 2022 ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کا کاروباری دائرہ کار جو توں اور ٹیویوں کی بڑے پیمانے پر فروخت، چمڑے کی مصنوعات کی فروخت، سلعے ہوئے ملبوسات اور اس سے منسلک خام مال کی فروخت، ہارڈ ویئر مصنوعات کی بڑے پیمانے پر فروخت، بیگز کی فروخت، روزمرہ کی ضروریات، ملبوسات کا معائنہ اور انکی فنڈنگ کی خدمات، تکنیکی خدمات اور دیگر متعلقہ امور پر محیط ہے۔ ڈونگ گوان سروس گلوبل لمیٹڈ کمرہ 302، نمبر 18، ہوجی ٹاؤن، ڈونگ گوان سٹی، گوانگ ڈونگ صوبہ، چین میں واقع ہے۔

منجانب بورڈ



عمر سعید
ڈائریکٹر



عارف سعید
چیف ایگزیکٹو

22 اگست 2023

لاہور

گروپ کی ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2023 کو ختم ہونے والی ششماہی کے لیے سروس انڈسٹریز لمیٹڈ اور اس کے ذیلی اداروں کے مختصر مجموعی عبوری مالیاتی معلومات کے ساتھ اپنی رپورٹ پیش کرنے میں خوش محسوس کرتے ہیں۔

گروپ، سروس انڈسٹریز لمیٹڈ، سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ جو کہ سروس انڈسٹریز لمیٹڈ کا مکمل ملکی ذیلی ادارہ ہے، سروس گلوبل فٹ ویئر لمیٹڈ جو کہ سروس انڈسٹریز لمیٹڈ کا جزوی ملکی ذیلی ادارہ ہے، سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ جو کہ سروس انڈسٹریز لمیٹڈ کا جزوی ملکی ذیلی ادارہ ہے، سروس شوز لیکا (پرائیویٹ) لمیٹڈ جو کہ سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ کا جزوی ملکی ذیلی ادارہ ہے، SIL Gulf FZE، سروس انڈسٹریز لمیٹڈ کا مکمل ملکی ذیلی ادارہ ہے اور ڈونگ گوان سروس گلوبل لمیٹڈ، سروس گلوبل فٹ ویئر لمیٹڈ کا ذیلی ادارہ ہے، پر مشتمل ہے۔

سروس انڈسٹریز لمیٹڈ

30 جون 2023 کو ختم ہونے والی ششماہی کی سروس انڈسٹریز لمیٹڈ کی کارکردگی پر ڈائریکٹرز کے تبصرہ کی رپورٹ الگ سے پیش کی گئی ہے سروس انڈسٹریز لمیٹڈ نے انٹرنیشنل فائنیشنل رپورٹنگ اسٹینڈرڈز اینڈ کیپیٹل ایکٹ 2017 کے تقاضوں کے مطابق اپنے مجموعی مختصر عبوری گوشواروں کے ساتھ اپنے انفرادی مختصر عبوری مالیاتی گوشواروں کو اس رپورٹ میں منسلک کر دیا ہے۔

سروس انڈسٹریز کیپیٹل پرائیویٹ لمیٹڈ

سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ، سروس انڈسٹریز لمیٹڈ کا مکمل ملکی ماتحت ادارہ ہے سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ کو کیپیٹل آرڈیننس 1984 (جو کہ اب کیپیٹل ایکٹ 2017 ہے) کے تحت پاکستان میں 10 نومبر 2015 کو حصص کے لحاظ سے لمیٹڈ کمپنی کے طور پر رجسٹر کیا گیا۔ سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ کار جسٹرز آفس سروس ہاؤس، 2 مین گلبرگ، لاہور واقع ہے سروس انڈسٹریز کیپیٹل (پرائیویٹ) لمیٹڈ کا بنیادی مقصد پاکستان یا دنیا میں کہیں اور قابل اطلاق قانون کے تقاضوں کے تابع نئے کاروباروں، حصص اور سیکیورٹیز میں سرمایہ کاری کرنا ہے۔

سروس گلوبل فٹ ویئر لمیٹڈ

سروس گلوبل فٹ ویئر لمیٹڈ کو 19 جولائی 2019 کو پاکستان میں ایک پبلک لمیٹڈ کمپنی کے طور پر کیپیٹل ایکٹ 2017 کے تحت تشکیل دیا گیا تھا۔ کمپنی کی بنیادی سرگرمیاں جوتے، چبڑے اور متعلقہ مصنوعات کی تیاری، فروخت، مارکیٹنگ، درآمد اور برآمد ہے۔ سروس گلوبل فٹ ویئر لمیٹڈ میں سروس انڈسٹریز لمیٹڈ کے 79.75% (2022:79.75%) حصص ہیں۔ 30 جون 2023 کو ختم ہونے والی ششماہی کے لیے سروس گلوبل فٹ ویئر لمیٹڈ کی کارکردگی پر ڈائریکٹرز کے تبصرہ کی رپورٹ الگ سے پیش کی گئی ہے۔

سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ

سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ ایک پرائیویٹ لمیٹڈ کمپنی ہے جو پاکستان میں 07 جنوری 2020 کو کیپیٹل ایکٹ، 2017 (XIX) کے تحت تشکیل دی گئی تھی۔ کمپنی کار جسٹرز آفس سروس ہاؤس، 2 مین گلبرگ، لاہور میں واقع ہے۔ کمپنی کا بنیادی کاروبار سٹیل ریڈیل ٹرک اور بس ٹائروں کی تیاری، فروخت، مارکیٹنگ کی درآمد اور برآمد ہے۔ سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ میں سروس انڈسٹریز لمیٹڈ کے 32.09% (2022:32.09%) حصص ہیں اور سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ میں سروس گلوبل فٹ ویئر لمیٹڈ کی حصص 18.91% (2022: 18.91%) ہے۔

سروس انڈسٹریز لمیٹڈ اور اس کی ذیلی کمپنی سروس گلوبل فٹ ویئر لمیٹڈ مجموعی طور پر سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ کے 51% حصص رکھتے ہیں اور سروس لانگ مارچ ٹائرز (پرائیویٹ) لمیٹڈ کے بورڈ کی تشکیل کی مجاز ہیں۔

کرائے کے ریٹیل آؤٹ لیٹس اور گوداموں کی صورت میں، IFRS 16 "لیز" کی شن کے مطابق، اثاثوں کے استعمال کے حق اور اس سے متعلقہ لیز کی ادائیگیوں کو بیلنس شیٹ میں ظاہر کیا جاتا ہے۔ سٹریٹ لائن آپریٹنگ لیز کے اخراجات کو اثاثوں کے استعمال کے حق کے ڈیپریسی ایشن اخراجات (آپریٹنگ اخراجات میں شامل) اور تسلیم شدہ لیز کی واجبات پر سود کے اخراجات (مالیاتی اخراجات میں شامل) سے تبدیل کر دیا جاتا ہے۔ لیز کے پہلے ادوار میں، IFRS 16 کے تحت لیز سے متعلقہ اخراجات بمقابلہ منسوخ شدہ / سابقہ IAS 17 کے تحت لیز کے اخراجات سے ہمیشہ زیادہ ہوتے ہیں کیونکہ آپریٹنگ اخراجات کو منافع یا نقصان کے گوشوارے میں سود کے اخراجات اور ڈیپریسی ایشن سے بدل دیا جاتا ہے۔ کمپنی کے کرائے کے ریٹیل اسٹورز میں جاری نمو کے پیش نظر، کمپنی کو زیر جائزہ مدت کے دوران، ریٹیل اسٹورز کے لیز کے ابتدائی ادوار میں 151 ملین روپے کے IFRS 16 کے تحت لیز سے متعلقہ زیادہ اخراجات کو تسلیم کرنا ہوگا۔ نئے ریٹیل اسٹور کے کھلنے کے معمول پر آنے کے بعد اس طرح کے زیادہ اخراجات کم ہو جائیں گے۔

آٹوموبیل کے پرزہ جات

چین اور گری کی ان ہاؤس پروڈکشن گزشتہ سال نومبر میں شروع ہوئی۔ ان ہاؤس پروڈکشن کے آرڈرز تیزی سے بڑھ رہے ہیں۔ اس کے ساتھ ساتھ، ٹریڈنگ کاروبار بھی مارکیٹ شیئر کو برقرار رکھنے کے لیے جاری ہے۔ اس شعبے میں فروخت بڑی حد تک مستحکم رہی۔

فی شیئر آمدنی

اس شش ماہی میں فی شیئر آمدنی 16.89 روپے رہی جو پچھلے سال کی اسی مدت میں 10.35 روپے تھی۔

مستقبل پر ایک نظر

پاکستان معاشی بحران کے دور سے گزر رہا ہے۔ برصغیر ہونے کی وجہ سے، شرح سود میں اضافہ، بھاری ٹیکسز اور روپے کی قدر میں اتار چڑھاؤ کے باوجود امید کی کرن نظر آ رہی ہے۔ آئی ایم ایف سے معاہدے کے تحت اور دوست ممالک سے زرمبادلہ کی وصولی کے ساتھ ساتھ طے شدہ قرضوں کی ادائیگیوں کو مؤخر کرنے سے روپے کی قدر کو مستحکم کرنے میں مدد ملے گی، جبکہ اسٹاک مارکیٹ میں موجودہ تیزی کارخانہ بھی سرمایہ کاروں کے بڑھتے ہوئے اعتماد کا مظہر ہے۔ کمپنی کی انتظامیہ فعال طور پر تازہ ترین پیشرفت پر نظر رکھے ہوئے ہے، کاروبار بڑھانے کے ہر موقع سے فائدہ اٹھانے کی کوششیں کر رہی ہے اور ان تمام ممکنہ خطرات سے بچنے کے لئے اقدامات کر رہی ہے جو منافع میں کمی کا باعث بن سکتے ہیں۔ درکنگ کمیٹیٹل کاموثر استعمال، قیمتوں کے تعین کا انتہائی موثر طریقہ کار اور نئے ریٹیل اسٹورز کا قیام اور گاہکوں کے رویوں کے مطابق اپنی مصنوعات کے تشہیر ان اقدامات میں شامل ہیں۔ کمپنی اپنی فروخت اور منافع دونوں کو بڑھانے کی کوشش کر رہی ہے، کیونکہ زیادہ فروخت مقررہ لاگت کے اثرات کو کم کر کے منافع میں اضافہ کرے گی۔

اظہار تشکر

ہم تہہ دل سے بورڈ کے ممبران کی قابل قدر رہنمائی اور تعاون کے مشکور ہیں۔ علاوہ ازیں ہم تمام ملازمین کی انتھک اور پر عزم کوششوں اور ہمارے گاہکوں کی ہماری مصنوعات پر اعتماد کے بھی شکر گزار ہیں۔ ہم بورڈ کی جانب سے اپنے حصص یافتگان کا مخلص ترین شکر یہ ادا کرتے ہیں۔ کہ انہوں نے ہم پر بھروسہ کیا اور ہماری غیر متزلزل حمایت جاری رکھی۔

منجانب بورڈ



عارف سعید

چیف ایگزیکٹو



عمار سعید

ڈائریکٹر

ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2023 کو ختم ہونے والی ششماہی کی سروس انڈسٹریز لمیٹڈ کی انفرادی مختصر عبوری مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالی کارکردگی کا موازنہ

30 جون 2023 کو ختم ہونے والی ششماہی کی سروس انڈسٹریز لمیٹڈ کی انفرادی عبوری مالیاتی کارکردگی درج ذیل ہے۔

ششماہی اختتام		تفصیلات	
فیصد تبدیلی	جون 30، 2022 روپے، ہزار میں	جون 30، 2023 روپے، ہزار میں	
28.38%	20,682,794	26,553,006	خالص فروخت
62.56%	3,856,766	6,269,528	گراس منافع
77.41%	1,992,587	3,534,986	آپریٹنگ منافع
63.19%	486,179	793,406	منافع بعد از ٹیکس
63.19%	10.35	16.89	فی شیئر آمدنی (روپے)

سروس انڈسٹریز لمیٹڈ کی فروخت زیر نظر ششماہی میں 26.55 ارب روپے تک پہنچ گئی ہے جو کہ پچھلے سال کی اسی مدت میں 20.68 ارب روپے تھی اس طرح فروخت میں 28.38 فیصد کا زبردست اضافہ ہوا۔ کمپنی نے گراس منافع میں 62.56% اضافہ حاصل کیا، اور اس طرح موجودہ مدت کا مجموعی منافع 6.26 ارب روپے تک پہنچ گیا۔ بعد از ٹیکس منافع میں 63.19% کا اضافہ ہوا، جو کہ گزشتہ سال کی اسی مدت میں 486.18 ملین روپے تھا جو زیر جائزہ ششماہی میں 793.41 ملین روپے ہو گیا۔

ٹائر ڈویژن

ٹائر ڈویژن سروس انڈسٹریز لمیٹڈ کی آمدنی کا ایک بڑا ذریعہ ہے۔ ٹائر ڈویژن نے اس ششماہی میں 17.58 ارب روپے کی فروخت حاصل کی جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 3.1 ارب روپے کا اضافہ ظاہر کرتا ہے۔ فروخت میں یہ اضافہ قیمتوں میں اضافہ کرنے کی متوازن حکمت عملی کا نتیجہ ہے جس سے، ٹائر بنانے والی صنعت میں اپنی مارکٹ لیڈر شپ پوزیشن برقرار رکھنے ہوئے، فروخت بڑھانے میں مدد ملی۔ یہ متوازن حکمت عملی مفید ثابت ہوئی جس کی وجہ سے شرح سود اور لاگت میں اضافے اور گرتی ہوئی مانگ کے باوجود منافع میں نمایاں بہتری آئی۔

زیر جائزہ مدت کے دوران جدید ترین کسٹنگ پلانٹ کی تنصیب کا کام مکمل ہو چکا ہے اور اس پلانٹ نے کام کرنا شروع کر دیا ہے۔ KV 132 استعداد کے گرڈ اسٹیشن کی تنصیب بھی تکمیل کے قریب ہے۔ یہ ٹائر ڈویژن کی توانائی کی ضروریات کو پورا کرنے میں معاون ہو گا اور پیداوار میں رکاوٹیں کم کرنے کا باعث بنے گا۔

فٹ وئیر ڈویژن

جو توں کی فروخت 4.6 ارب روپے سے بڑھ کر 7.39 ارب روپے تک پہنچ گئی ہے، جس میں گزشتہ سال کی اسی مدت کے مقابلے میں 61 فیصد اضافہ ہوا ہے۔ یہ اضافہ فروخت کے حجم اور قیمتوں میں اضافے کی وجہ سے ہوا ہے۔

جو توں کے کاروبار میں ریٹیل کاروبار سے بڑا حصہ ہے۔ اس شعبے میں حجمی نمو کا براہ راست تعلق ریٹیل اسٹورز کی تعداد میں اضافے سے ہے۔ موجودہ مدت (جنوری 2023 سے جون 2023) میں ریٹیل نیٹ ورک میں 49 نئے اسٹورز شامل کیے گئے، جس سے اسٹورز کی کل تعداد 201 ہو گئی۔ قیمتوں میں بتدریج اضافہ، بہتر پروڈکٹ پورٹ فولیو اور ملک کے طول و عرض میں اہم مقامات پر ریٹیل اسٹورز کو کھولنے کے نتیجے میں بہتر مارجن حاصل ہوا ہے۔

servisgroup.com

SERVIS HOUSE

2-Main Gulberg, Lahore-54662, Pakistan.

Tel: +92-42-35751990-96

Fax: +92-42-35711827, 35710593