

September 30, 2025

# LEATHER UP LTD

Condensed Interim Financial Statement  
for the First Quarter Ended September  
30, 2025 (Unaudited)

# COMPANY PROFILE

## Board of Directors

Khalid H. Shah	Chief Executive/ Director
Mahmooda Shah	Director
Jazim Shah	Director / Chairman
S. Faisal Shah	Director
Ellahi Bukhsh Qureshi	Director
Farooq Raza	Director
Shaikh Abdus Sami	Director

## Board Audit Committee

Ellahi Bukhsh Qureshi	Chairman
Jazim Shah	Member
Mahmooda Shah	Member

## Human Resource Committee

Ellahi Bukhsh Qureshi	Chairman
S. Faisal Shah	Member
Mahmooda Shah	Member

## Chief Financial Officer / Company Secretary

Ali Ahmar

## Auditors

UHY Hassan Naeem & Co.

## Legal Advisor

Maqsood Ahmad Bullo & Company  
Advocate

## Bankers

MCB Bank Ltd	United Bank Ltd	Faysal Bank Ltd
Summit Bank Ltd	Askari Bank Ltd	Meezan Bank Ltd
Bank Al-falah Ltd	Bank Al Habib Ltd	

## Registered Office/Factory

Plot # 23/C, 15<sup>th</sup> Commercial Street Phase II Extension, Defence Housing Authority, Karachi.

Phone: (021) 35880771-2 Fax: (021) 35880773

E-mail: Inquiry@leatherupltd.com

Website: www.leatherupltd.com

## Share Registrar Office

M/s C&K Management Associates (Pvt) Limited

M13, Progressive Plaza, Civil Lines Quarter, Near P.I.D.C, Beaumont Road, Karachi - 75530, Pakistan

Phone: (021) 35687839- (021) 3568

# DIRECTORS' REPORT

The Directors are pleased to present the financial report for the first quarter ended September 30, 2025.

## Company Performance:

The company's net revenue for this period amounted to Rs 25.5 million, compared to Rs 4 million in the same period last year. The net profit after taxation for the first quarter ended September 30, 2025, stands at Rs 828,168, whereas the same period in the previous year recorded a net loss of Rs127,583.

## Future Outlook:

Building on our current positive momentum, the company remains focused on:

Enhancing operational efficiencies.

Exploring new market opportunities.

Reducing production costs.

Leveraging key performance drivers.

While global uncertainties and challenges within the leather industry persist, the management remains committed to maximizing shareholders' value. We are focused on sustaining this growth trajectory and are actively working to secure significant export orders from existing clients, while also exploring new markets to support sustainable export growth. We remain confident about achieving even stronger export figures in the near future.

## Workers Management Relation:

We commend the exceptional efforts of our staff and workers, whose dedication and hard work directly contributed to these outstanding results. We are also grateful to our shareholders for their continued support, which has been instrumental in our success.

Worker-management relations have been excellent, ensuring smooth operations and contributing significantly to our improved performance. We value this spirit of teamwork and are committed to strengthening it further.

## Thanks and Appreciation:

We sincerely thank our shareholders for their unwavering trust and support, which has been crucial to our successful turnaround and continued growth.

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**Karachi - October 29, 2025.**

By order of the board



**Khalid H. Shah**

Chief Executive Officer

## ڈائریکٹرز کی رپورٹ

ڈائریکٹرز 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے مالیاتی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

### کمپنی کی کارکردگی

اس عرصے کے دوران کمپنی کی آمدنی 25.5 ملین روپے تھی، جو گزشتہ سال اسی عرصے میں 4.0 ملین روپے تھی۔ 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے بعد ٹیکس کے بعد خالص منافع 828,168 روپے ہے، جبکہ گزشتہ سال اسی عرصے میں 127,583 روپے کا خالص نقصان درج کیا گیا تھا۔

### مستقبل کا لائحہ عمل

موجودہ مثبت رفتار کو برقرار رکھتے ہوئے، کمپنی مندرجہ ذیل پر توجہ مرکوز کیے ہوئے ہے:

آپریشنل کارکردگی کو بہتر بنانا۔

نئے مارکیٹ مواقع کی تلاش۔

پیداواری لاگت میں کمی۔

کلیدی کارکردگی کے محرکات کو بروئے کار لانا۔

اگرچہ عالمی غیر یقینی صورتحال اور چمڑے کی صنعت کے اندر چیلنجز برقرار ہیں، مینجمنٹ شیئر ہولڈرز کی قدر کو زیادہ سے زیادہ بڑھانے کے لیے پرعزم ہے۔ ہم اس ترقی کے راستے کو برقرار رکھنے پر توجہ مرکوز کر رہے ہیں اور موجودہ گاہکوں سے اہم برآمدی آرڈر حاصل کرنے کے لیے فعال طور پر کام کر رہے ہیں، جبکہ پائیدار برآمدی ترقی کو سپورٹ کرنے کے لیے نئی منڈیوں کی تلاش بھی کر رہے ہیں۔ ہم قریب مستقبل میں مزید مضبوط برآمدی اعداد و شمار حاصل کرنے کے حوالے سے پراعتماد ہیں۔

### کارکنوں کے مینجمنٹ کے تعلقات:

ہم اپنے اسٹاف اور کارکنوں کی شاندار کوششوں کو سراہتے ہیں، جن کی لگن اور محنت نے ان شاندار نتائج میں براہ راست حصہ ڈالا۔ ہم اپنے شیئر ہولڈرز کے جاری تعاون کے لیے بھی شکر گزار ہیں، جو ہماری کامیابی میں اہم کردار ادا کر رہا ہے۔ کارکنوں اور مینجمنٹ کے درمیان تعلقات شاندار رہے ہیں، جس نے آپریشنز کو ہموار رکھا اور ہماری بہتر کارکردگی میں نمایاں حصہ ڈالا۔ ہم ٹیم ورک کی اس روح کو قدر کی نگاہ سے دیکھتے ہیں اور اسے مزید مضبوط کرنے کے لیے پرعزم ہیں۔

### شکریہ اور قدردانی

ہم اپنے شیئر ہولڈرز کے انجان اعتماد اور تعاون کے لیے خلوص دل سے شکریہ ادا کرتے ہیں، جو ہماری کامیاب تبدیلی اور مسلسل ترقی کے لیے اہم رہا ہے۔

کراچی - 29 اکتوبر 2025۔



خالد حسین شاہ  
چیف ایگزیکٹو آفیسر

**LEATHER UP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2025**

	<i>Note</i>	Sep 2025	June 2025
<b>ASSETS</b>		Rupees	
<b>Non-current assets</b>			
Property, plant and equipment		2,395,620	2,425,944
<b>Current assets</b>			
Stock-in-trade		10,242,187	10,342,437
Trade debts		22,336,239	-
Advances, deposits and other receivables		4,818,914	4,902,622
Tax refunds due from government		2,413,107	2,338,005
Cash and bank balances		1,396,446	1,921,582
		41,206,893	19,504,646
<b>Total assets</b>		<b>43,602,513</b>	<b>21,930,590</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<i>Authorized capital</i>			
6,000,000 (2022: 6,000,000) ordinary shares of Rs. 10/- each		60,000,000	60,000,000
Issued, subscribed and paid up capital		60,000,000	60,000,000
<i>Revenue reserves</i>			
General reserve		1,369,610	1,369,610
Accumulated (losses) / profit		(44,672,651)	(45,500,819)
		(43,303,041)	(44,131,209)
		16,696,959	15,868,791
<b>Non-current liability</b>			
Staff retirement benefits - gratuity		693,111	693,111
<b>Current liabilities</b>			
Loan from directors		33,600	33,600
Trade and other payables		24,548,492	3,704,737
Unclaimed dividend		1,630,351	1,630,351
		26,212,443	5,368,688
<b>Total equity and liabilities</b>		<b>43,602,513</b>	<b>21,930,590</b>

**Contingency and commitments**

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

	Sep 2025	Sep 2024
<i>Note</i>	Rupees	
Sales revenue	25,519,018	4,015,797
Cost of sales	(21,916,654)	(3,205,690)
<b>Gross Profit</b>	<b>3,602,364</b>	<b>810,107</b>
Administrative expenses	(2,296,812)	(1,180,000)
Distribution expenses	(180,250)	(21,400)
	(2,477,062)	(1,201,400)
<b>Operating loss</b>	<b>1,125,302</b>	<b>(391,293)</b>
Other (expense) / income	-	302,791
<b>Profit/Loss before income tax, minimum tax differential and final tax</b>	<b>1,125,302</b>	<b>(88,502)</b>
Minimum tax - levy	-	-
Final tax - levy	(297,134)	(39,081)
Profit/Loss before taxation	828,168	(127,583)
Taxation	-	-
<b>Profit/Loss after taxation</b>	<b>828,168</b>	<b>(127,583)</b>
<b>Profit/Loss per share - basic and diluted</b>	<b>0.14</b>	<b>(0.02)</b>

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

	Sep 2025	Sep 2024
<i>Note</i>	Rupees	
Profit/(Loss) after taxation	828,168	(127,583)
Other comprehensive income		
Total comprehensive Profit/Loss for the period	<u>828,168</u>	<u>(127,583)</u>



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<i>Note</i>	Rupees
Profit/Loss before taxation		
	1,125,302	(88,502)
<i>Adjustments for non-cash and other items:</i>		
- Depreciation on property, plant and equipment	30,324	51,496
- Provision for staff gratuity		
	30,324	51,496
<b>Cash flow before working capital changes</b>	<b>1,155,626</b>	<b>(37,006)</b>
<b>Working capital changes</b>		
<i>(Increase) / decrease in current assets</i>		
- Stock-in-trade	100,250	1,778,450
- Trade debts	(22,336,239)	
- Advances, deposits, prepayments and other receivables	83,708	(302,791)
- Tax	(297,133)	(39,081)
<i>Increase / (decrease) in current liabilities</i>		
- Trade and other payables excluding gratuity payable	20,843,755	(1,850,080)
	(1,605,659)	(413,502)
<b>Cash generated from operations</b>	<b>(450,033)</b>	<b>(450,508)</b>
Gratuity paid	0	
Taxes paid	(75,103)	(75,103)
	(75,103)	(75,103)
<b>Net cash (used in) / generated from operating activities</b>	<b>(525,135)</b>	<b>(525,611)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Net cash (used in) / generated from investing activities</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net loan obtained from / (repaid to) directors	-	
Unclaimed Dividend Paid	-	-
<b>Net cash generated from / (used in) financing activities</b>	-	-
Net increase / (decrease) in cash and cash equivalents	(525,135)	(525,611)
Cash and cash equivalents at the beginning of the year	1,921,582	1,415,232
<b>Cash and cash equivalents at the end of the year</b>	<b>1,396,446</b>	<b>889,626</b>

The annexed notes are integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 CHIEF FINANCIAL OFFICER

  
 DIRECTOR



**LEATHER UP LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

	Revenue reserves			
	Issued, subscribed and paid up capital	General reserve	Accumulated (loss) / profit	Total
	Rupees			
<b>Balance as at June 30, 2024</b>	60,000,000	1,369,610	(41,115,839)	20,253,771
<i>Total comprehensive loss for the period ended Sep 30, 2024</i>				
- Profit/(Loss) after taxation	-	-	(127,583)	(127,583)
- Other comprehensive loss	-	-	-	-
	-	-	(127,583)	(127,583)
<b>Balance as at Sep 30, 2024</b>	<b>60,000,000</b>	<b>1,369,610</b>	<b>(41,243,423)</b>	<b>20,126,187</b>
<b>Balance as at June 30, 2025</b>	60,000,000	1,369,610	(45,500,819)	15,868,791
<i>Total comprehensive profit for the period ended Sep 30, 2025</i>				
- Profit/(Loss) after taxation	-	-	828,168	828,168
- Other comprehensive income	-	-	-	-
	-	-	828,168	828,168
<b>Balance as at Sep 30, 2025</b>	<b>60,000,000</b>	<b>1,369,610</b>	<b>(44,672,651)</b>	<b>16,696,959</b>

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

## LEATHER UP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2025 (UN-AUDITED)

#### 1. STATUS AND NATURE OF BUSINESS

Leather Up Limited ('the Company') was incorporated in Pakistan as a private limited company on December 2, 1990 vide registration no. K-02440 of 1990-91. Subsequently, the Company was converted into a public limited company on May 15, 1993. The Company is listed on Pakistan Stock Exchange since 1994.

The Company is engaged in the manufacture and export of leather garment products. The Head Office and the manufacturing facility of the Company are located at Plot # 23/C, 15th Commercial Street, Phase II Extension, Defence Housing Authority, Karachi.

#### 2. BASIS OF PREPARATION

##### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These condensed interim financial statements are unaudited and subject to limited scope review by the auditors. These are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act).

2.3 These condensed interim financial statements do not include all the information and disclosures required in annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025.

#### 3. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and method of computations followed for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual published financial statements of the company for the year ended June 30, 2025.

##### 3.1 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2025, except as disclosed otherwise.

	Sep 30, 2025 (Unaudited)	June 30, 2025 (Audited)
	Note	Rupees
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets - at net book value	2,395,620	2,425,944
Additions - operating fixed assets (at cost)	-	-
Disposals - operating fixed assets (at net book value)	-	-
	<u>2,395,620</u>	<u>2,425,944</u>
	Sep 30, 2025 (Unaudited)	June 30, 2025 (Audited)
<b>4.1 Depreciation charge for the period</b>	<u>30,324</u>	<u>51,496</u>

	Sep 30, 2025 (Unaudited)	June 30, 2025 (Audited)
	Rupees	
<b>5 STOCK IN TRADE</b>		
Raw material and accessories	10,242,187	10,342,437
Work in process	-	-
Finished goods	778,967	778,967
Less: Provision for obsolete stock	(778,967)	(778,967)
	<u>10,242,187</u>	<u>10,342,437</u>

**6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

Sep30, 2025 (Unaudited)	June 30, 2025 (Audited)		Sep 30, 2025 (Unaudited)	June 30, 2025 (Audited)
Number of Shares			Rupees	
5,759,100	5,759,100	Ordinary shares of Rs. 10/- each fully paid in cash.	57,591,000	57,591,000
125,000	125,000	Ordinary shares of Rs. 10/- each issued for consideration other than cash.	1,250,000	1,250,000
115,900	115,900	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares.	1,159,000	1,159,000
<u>6,000,000</u>	<u>6,000,000</u>		<u>60,000,000</u>	<u>60,000,000</u>

**7 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on October 29, 2025 by the Board of Directors of the Company.

**8 GENERAL**

- Figures have been rounded off to the nearest rupee.
- Figures have been rearranged / reclassified where ever necessary

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR