

December 31, 2025

LEATHER UP LTD

Condensed Interim Financial Statement for the
Half Year Ended December 31, 2025



COMPANY PROFILE

Board of Directors

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

Board Audit Committee

Ellahi Bukhsh	Chairman
Jazim Shah	Member
Mahmooda Shah	Member

Human Resource Committee

Ellahi Bukhsh	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, 15th 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) 35685930

DIRECTORS' REPORT

The Directors of your Company have pleasure in submitting the report on Financial Statements for the Half Year Ended **December 31, 2025 (UNAUDITED)**.

Company Performance:

For the half-year ended December 31, 2025, the company recorded a net revenue of Rs. 24.4 million, up from Rs. 6.2 million in the corresponding period last year. Net loss narrowed to Rs.0.5 million for the half-year ended December 31, 2025, compared to a loss of Rs.2.2 million as of December 31, 2024.

Future Outlook:

The company continues to navigate industry challenges by improving operational efficiency, managing costs, and pursuing new market opportunities. Despite global uncertainties in the leather sector, management remains focused on protecting shareholder value and securing high-value export orders. Our goal is to drive sustainable export growth and maintain steady progress in the coming periods.

Workers Management Relation:

The management sincerely acknowledges the dedication and hard work of all employees, whose efforts have been instrumental to the company's success. We also extend our gratitude to our shareholders for their steadfast support during challenging periods. Throughout the year, the strong relationship between workers and management has ensured seamless operations and reflected a shared spirit of teamwork—one we are committed to upholding in the future.

Thanks and Appreciation:

We extend our sincere gratitude to our shareholders for their continued confidence and steadfast support, particularly during challenging periods. Your trust remains invaluable as we navigate the journey ahead.

Karachi: 28 February, 2026



Khalid H. Shah
(Chief Executive)



Jazim Shah
(Chairman / Director)

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز نصف سال (31 دسمبر 2025) پر ختم ہونے والی مدت کے لیے مالیاتی بیانات (غیر مدقق) کے بارے میں رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی کی کارکردگی

31 دسمبر 2025 کو ختم ہونے والے نصف سال کے دوران کمپنی کی آمدنی 24.4 ملین روپے رہی، جو گزشتہ سال کی اسی مدت کے 6.2 ملین روپے کے مقابلے میں نمایاں اضافہ ہے۔ اسی دوران 31 دسمبر 2025 کو ختم ہونے والے نصف سال میں خالص نقصان کم ہو کر 0.5 ملین روپے رہ گیا، جبکہ 31 دسمبر 2024 کو یہ نقصان 2.2 ملین روپے تھا۔

مستقبل کا لائحہ عمل

کمپنی آپریشنل کارکردگی بہتر بنا کر، اخراجات پر قابو پا کر، اور نئے بازاروں کے مواقع تلاش کر کے صنعت کی مشکلات سے نمٹنے کے لیے مسلسل کوششیں کر رہی ہے۔ چمڑے کے شعبے میں عالمی غیر یقینی صورتحال کے باوجود، انتظامیہ کا فوکس شیئر ہولڈرز کے مفادات کے تحفظ اور اعلیٰ قدر کے برآمدی آرڈرز حاصل کرنے پر مرکوز ہے۔ ہمارا مقصد پائیدار برآمدی ترقی کو فروغ دینا اور آنے والے ادوار میں مسلسل پیش رفت کو برقرار رکھنا ہے۔

ورکرز اور انتظامیہ کے تعلقات

انتظامیہ تمام ملازمین کی لگن اور محنت کو خلوص دل سے تسلیم کرتی ہے، جن کی کوششیں کمپنی کی کامیابی میں کلیدی کردار ادا کرتی ہیں۔ ہم اپنے شیئر ہولڈرز کا بھی مشکل ادوار میں ان کی مضبوط حمایت کے لیے شکریہ ادا کرتے ہیں۔ پورے سال کے دوران، کارکنوں اور انتظامیہ کے درمیان مضبوط تعلقات نے ہموار آپریشنز کو یقینی بنایا ہے اور ٹیم ورک کے مشترکہ جذبے کی عکاسی کی ہے، جسے ہم مستقبل میں بھی برقرار رکھنے کے لیے پرعزم ہیں۔

شکریہ اور قدردانی

ہم اپنے شیئر ہولڈرز کا ان کے مسلسل بھروسے اور مضبوط حمایت کے لیے خلوص دل سے شکریہ ادا کرتے ہیں، خاص طور پر مشکل ادوار میں۔ آپ کا اعتماد ہمارے لیے انمول ہے کیونکہ ہم آگے کے سفر میں گامزن ہیں۔

Karachi: 28 February, 2026



Khalid H. Shah
(Chief Executive)



Jazim Shah
(Chairman / Director)

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Leather Up Limited

Report on review of Condensed Interim financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Leather Up Limited as at 31 December 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Review of interim financial statements consists of making inquiries 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 condensed unconsolidated interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the quarter ended 31 December 2024 and 31 December 2025 as presented in the condensed statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and thus, we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditors' report is Arslan Ahmed.

Uly Hameem Naeem S.C.

KARACHI

DATE: 28th February 2026

UDIN: RR202510311p1QDovnUW

LEATHER UP LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2025

		December 2025	June 2025
ASSETS	<i>Note</i>	Rupees	
Non-current assets			
Property, plant and equipment	4	2,359,088	2,425,944
Current assets			
Stock-in-trade	5	13,293,437	10,342,437
Trade debts	6	-	-
Advances, deposits and other receivables	7	4,917,210	4,902,622
Tax refunds due from government	8	2,569,208	2,338,005
Cash and bank balances	9	15,167,071	1,921,582
		35,946,926	19,504,646
Total assets		38,306,014	21,930,590
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>			
6,000,000 (2024: 6,000,000) ordinary shares of Rs. 10/- each		60,000,000	60,000,000
Issued, subscribed and paid up capital	10	60,000,000	60,000,000
<i>Revenue reserves</i>			
General reserve		1,369,610	1,369,610
Actuarial gain/(loss) on defined benefit		3,476,470	3,476,470
Accumulated (losses) / profit		(49,486,181)	(48,977,289)
		(44,640,101)	(44,131,209)
		15,359,899	15,868,791
Non-current liability			
Staff retirement benefits - gratuity	11	831,733	693,111
Current liabilities			
Loan from directors	12	219,849	33,600
Trade and other payables	13	20,264,182	3,704,737
Unclaimed dividend		1,630,351	1,630,351
		22,114,382	5,368,688
Total equity and liabilities		38,306,014	21,930,590
Contingency and commitments	14	-	-

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

	Note	Half Year Ended		Quarter Ended	
		December 2025	December 2024	December 2025	December 2024
		Rupees			
Sales revenue	15	24,478,155	6,216,457	-	2,200,660
Cost of sales	16	(21,386,317)	(6,160,269)	-	(2,954,579)
Gross (Loss) / Profit		3,091,838	56,188	-	(753,919)
Administrative expenses		(2,641,956)	(2,436,010)	(345,144)	(1,256,010)
Distribution expenses		(641,215)	(166,155)	-	(144,755)
		(3,283,171)	(2,602,165)	(345,144)	(1,400,765)
Operating loss		(191,333)	(2,545,977)	(345,144)	(2,154,684)
Other (expense) / income		(91,499)	369,202	-	66,411
Loss before income tax, minimum tax differential and final tax		(282,832)	(2,176,775)	(345,144)	(2,088,273)
Minimum tax - levy		(226,060)	-	-	-
Final taxes - levy		-	(49,949)	-	(39,081)
		(226,060)	(49,949)	-	(39,081)
Loss Before Taxation		(508,892)	(2,226,724)	(345,144)	(2,127,354)
Taxation	17	-	-	-	-
Loss After Taxation		(508,892)	(2,226,724)	(345,144)	(2,127,354)
Loss per share - basic and diluted	18	(0.08)	(0.37)	(0.06)	(0.35)

The annexed notes are integral part of these financial statements.

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CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

LEATHER UP LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED DECEMBER 31, 2025

	Half Year Ended		Quarter Ended	
	December 2025	December 2024	December 2025	December 2024
	Rupees			
Loss after taxation	(508,892)	(2,226,724)	(345,144)	(2,127,354)
Other comprehensive income				
Actuarial gain on defined benefit obligation	-	-	-	-
Total comprehensive loss	<u>(508,892)</u>	<u>(2,226,724)</u>	<u>(345,144)</u>	<u>(2,127,354)</u>

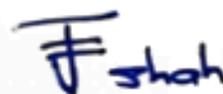
The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES	<i>Note</i>	
Loss before taxation	(282,832)	(2,176,775)
<i>Adjustments for non-cash and other items:</i>		
Provision for staff gratuity	138,622	140,689
Depreciation on property, plant and equipment	66,856	74,439
	205,478	215,128
Cash flow before working capital changes	(77,354)	(1,961,647)
Working capital changes		
<i>(Increase) / decrease in current assets</i>		
- Stock-in-trade	(2,951,000)	4,447,659
- Advances, deposits, prepayments and other receivables	(14,588)	1,026,691
	(2,965,588)	5,474,350
<i>Increase / (decrease) in current liabilities</i>		
-Trade and other payables excluding gratuity payable	16,559,446	(2,741,772)
Cash generated from operations	13,516,503	770,931
Gratuity paid	-	-
Taxes paid	(457,263)	(99,898)
	(457,263)	(99,898)
Net cash (used in) / generated from operating activities	13,059,240	671,032
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash (used in) / generated from investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net loan obtained from / (repaid to) directors	186,249	25,078
Net cash generated from / (used in) financing activities	186,249	25,078
Net increase / (decrease) in cash and cash equivalents	13,245,489	696,110
Cash and cash equivalents at the beginning of the year	1,921,582	1,415,232
Cash and cash equivalents at the end of the year	15,167,071	2,111,342

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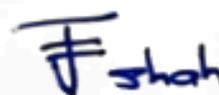
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CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR THE PERIOD ENDED DECEMBER 31, 2025

	Share capital	Capital Reserves	Revenue reserves		Total
	Issued, subscribed and paid up capital	Actuarial gain/(loss) on defined benefit	General reserve	Accumulated (Losses) / Profits	
	Rupees				
Balance as at July 01, 2024	60,000,000	-	1,369,610	(44,468,647)	16,900,963
<i>Total comprehensive income for the period ended December 31, 2024</i>					
- Loss after taxation	-	-	-	(2,226,724)	(2,226,724)
- Other comprehensive loss	-	-	-	-	-
	-	-	-	(2,226,724)	(2,226,724)
Balance as at December 31, 2024	60,000,000	-	1,369,610	(46,695,371)	14,674,239
Balance as at July 1, 2025	60,000,000	3,476,470	1,369,610	(48,977,289)	15,868,791
<i>Total comprehensive income for the period ended December 31, 2025</i>					
- Loss after taxation	-	-	-	(508,892)	(508,892)
- Other comprehensive income	-	-	-	-	-
	-	-	-	(508,892)	(508,892)
Balance as at December 31, 2025	60,000,000	3,476,470	1,369,610	(49,486,181)	15,359,899

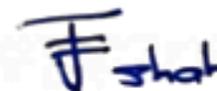
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CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

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) under the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 in May 2017). 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. MATERIAL ACCOUNTING POLICY INFORMATION

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.

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LEATHER UP LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

4. PROPERTY, PLANT AND EQUIPMENT

Description	Leasehold land	Building on leasehold land	Plant and machinery	Vehicles	Furniture and fixtures	Office equipment	Total
Rupees							
For the Period ended							
Dec 31, 2025							
Opening net book value	1,100,000	314,122	556,061	11,166	144,110	300,485	2,425,944
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation for the year	-	(15,706)	(27,803)	(1,117)	(7,206)	(15,025)	(66,856)
Closing net book value	<u>1,100,000</u>	<u>298,416</u>	<u>528,258</u>	<u>10,049</u>	<u>136,904</u>	<u>285,461</u>	<u>2,359,088</u>
As at Dec 31, 2025							
Cost	1,100,000	6,749,315	3,953,132	164,365	1,295,136	3,490,763	16,752,711
Accumulated depreciation	-	(6,450,899)	(3,424,875)	(154,316)	(1,158,232)	(3,205,302)	(14,393,623)
Net book value	<u>1,100,000</u>	<u>298,416</u>	<u>528,258</u>	<u>10,049</u>	<u>136,904</u>	<u>285,461</u>	<u>2,359,088</u>
Annual rates of depreciation	-	10%	10%	20%	10%	10%	
Year ended June 30, 2025							
Opening net book value	1,100,000	349,025	617,846	13,957	160,122	333,872	2,574,822
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation for the year	-	(34,903)	(61,785)	(2,791)	(16,012)	(33,387)	(148,878)
Closing net book value	<u>1,100,000</u>	<u>314,122</u>	<u>556,061</u>	<u>11,166</u>	<u>144,110</u>	<u>300,485</u>	<u>2,425,944</u>
As at June 30, 2025							
Cost	1,100,000	6,749,315	3,953,132	164,365	1,295,136	3,490,763	16,752,711
Accumulated depreciation	-	(6,435,193)	(3,397,072)	(153,199)	(1,151,026)	(3,190,278)	(14,326,768)
Net book value	<u>1,100,000</u>	<u>314,122</u>	<u>556,061</u>	<u>11,166</u>	<u>144,110</u>	<u>300,486</u>	<u>2,425,944</u>
Annual rates of depreciation	-	10%	10%	20%	10%	10%	

4.1 Allocation of the depreciation charge:

Cost of sales - Manufacturing expenses
Administration expenses

	31-Dec-25 (Unaudited)	30-Jun-25 (Audited)
Rupees		
	40,113	89,327
	26,742	59,551
	<u>66,855</u>	<u>148,878</u>

5. STOCK-IN-TRADE

Raw material and accessories
Work in process
Finished goods
Less: Provision for obsolete stock

	13,293,437	10,342,437
	-	-
	518,008	778,967
5.1	(518,008)	(778,967)
	<u>13,293,437</u>	<u>10,342,437</u>

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LEATHER UP LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
 FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

			31-Dec-25 (Unaudited)	30-Jun-25 (Audited)
			Rupees	
5.1	Provision for obsolete stock			
	Balance as at the beginning of the year		778,967	778,967
	Add: Provision made during the year		-	-
	Less: Reversal of provision		(260,959)	-
	Balance as at the end of the year		<u>518,008</u>	<u>778,967</u>
6.	TRADE DEBTS			
	Secured- against irrevocable letter of credit		-	-
	Unsecured- sale for document against payment		-	-
	Less: Allowance for expected credit losses		-	-
			<u>-</u>	<u>-</u>
7.	ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
	- Other receivables - Export rebate receivable		4,917,210	3,678,786
	- Advance to suppliers		-	1,223,836
			<u>4,917,210</u>	<u>4,902,622</u>
8.	TAX REFUNDS DUE FROM THE GOVERNMENT			
	Income tax refundable		1,941,689	1,710,486
	Sales tax refundable		627,519	627,519
			<u>2,569,208</u>	<u>2,338,005</u>
9.	CASH AND BANK BALANCES			
	Cash in hand		51,778	35,000
	Cash at bank:			
	- foreign currency deposit accounts		275,002	275,002
	- current accounts		14,840,291	1,611,580
			<u>15,115,293</u>	<u>1,886,582</u>
			<u>15,167,071</u>	<u>1,921,582</u>
10.	ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
	No. of shares		Rupees	
	Ordinary shares of Rs. 10/- each issued:			
	5,759,100	5,759,100	57,591,000	57,591,000
	125,000	125,000	1,250,000	1,250,000
	115,900	115,900	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>

why

LEATHER UP LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

		31-Dec-25 (Unaudited)	30-Jun-25 (Audited)
		————— Rupees —————	
11. STAFF RETIREMENT BENEFITS - GRATUITY			
Staff retirement benefits - gratuity		831,733	611,071
12. LOANS FROM DIRECTORS			
Opening balance		33,600	88,600
Loan obtained during the year		300,000	-
Loan repaid during the year		(113,751)	(55,000)
		<u>219,849</u>	<u>33,600</u>
13. TRADE AND OTHER PAYABLES			
Creditors		18,250,456	1,697,219
Accrued liabilities		287,685	281,477
Advance from customers	13.1	1,649,862	1,649,862
Provision for Workers' Participation Fund		19,716	19,716
Provision for Workers' Welfare Fund		56,463	56,463
		<u>20,264,182</u>	<u>3,704,737</u>
13.1 Advance from customers			
In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 1,649,862 is not presented since the expected duration of all the contracts entered into with the customers is less than one year.			
14. CONTINGENCY AND COMMITMENTS			
The are no contingencies as at December 31, 2025 (June 2025: Nil).			
		31-Dec-25 (Unaudited)	31-Dec-24 (Unaudited)
		————— Rupees —————	
15. SALES REVENUE			
Export sales		22,794,003	6,216,457
Export Rebate		1,684,152	-
		<u>24,478,155</u>	<u>6,216,457</u>
16. COST OF SALES			
Raw and packing materials consumed	16.1	18,476,290	4,447,659
Manufacturing expenses			
Cutting and stitching charges		2,220,400	711,075
Fuel and power		257,995	940,072
Repairs and maintenance		130,560	-
Depreciation on property, plant and equipment	16.2	40,113	44,663
Entertainment		-	16,800
		<u>2,649,068</u>	<u>1,712,610</u>
		<u>21,125,358</u>	<u>6,160,269</u>

LEATHER UP LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	31-Dec-25 (Unaudited)	31-Dec-24 (Unaudited)
	Rupees	
Cost of goods manufactured		
Opening work in progress	-	-
Closing work in progress	-	-
Opening stock of finished goods	778,967	778,967
Closing stock of finished goods	(518,008)	(778,967)
	<u>21,386,317</u>	<u>6,160,269</u>
16.1 Raw and packing materials consumed		
Opening stock	10,342,437	17,840,117
Add: Purchases during the year	21,427,290	-
	31,769,727	17,840,117
Less : Closing stock	5 (13,293,437)	(13,392,458)
Raw materials consumed	<u>18,476,290</u>	<u>4,447,659</u>
16.2 Depreciation expense is allocated to cost of sales and administrative expenses in ratio of 60:40 respectively.		
17. TAXATION		
Current tax - for the year	-	-
18. PROFIT/(LOSS) PER SHARE	For the half year ended	For the quarter ended
	December 31, 2025	December 31, 2024
	December 31, 2025	December 31, 2024
	Rupees	
Profit/(Loss) after Taxation	<u>(508,892)</u>	<u>(2,226,724)</u>
	Number	
Weighted average number of	<u>6,000,000</u>	<u>6,000,000</u>
	Rupees	
Earnings per share - basic and	<u>(0.08)</u>	<u>(0.37)</u>
	<u>(0.06)</u>	<u>(0.35)</u>
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances	15,167,071	1,921,582
	<u>15,167,071</u>	<u>1,921,582</u>

LEATHER UP LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
 FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

20. RELATED PARTY TRANSACTIONS AND BALANCES

Name of the related party	Nature of relationship	Particulars	31-Dec-25	30-Jun-25
			(Unaudited)	(Audited)
			Rupees	
Mr. Khalid Shah	Director	Loan from Director opening	33,600	88,600
		Add: Loan obtained during the year	300,000	-
		Less: Loan payments made during the year	(113,751)	(55,000)
		Loan payable at year end	<u>219,849</u>	<u>33,600</u>

21. SHARIAH SCREENING DISCLOSURE

	Conventional		Shariah Compliant	
	Dec-25	Jun-25	Dec-25	Jun-25
Bank balances	(322,449)	1,456,331	322,449	(1,456,331)

	Conventional		Shariah Compliant	
	Dec-25	Jun-25	Dec-25	Jun-25
Revenue	-	-	24,478,155	6,216,457

Relationship with Shariah compliant banks

Name	Type	2025	2024
United Bank Limited	Conventional	615,995	615,995
United Bank Limited	Conventional	67,551	67,551
Bank Al-Habib Limited	Conventional	14,028,981	745,468
Askari Bank Limited	Conventional	2,317	2,317
Bank Al-Falah Limited	Conventional	25,000	25,000
Habib Metropolitan Bank	Conventional	53,000	-
Faysal Bank Limited	Shariah Compliant	139,816	139,816
Faysal Bank Limited	Shariah Compliant	7,075	7,075
Faysal Bank Limited	Shariah Compliant	135,186	135,186
Meezan Bank Limited	Shariah Compliant	15,498	123,300
Bank Makramah Limited	Shariah Compliant	23,392	23,392
Bank Makramah Limited	Shariah Compliant	1,482	1,482

21. GENERAL

Figures in these condensed interim financial statements h

22. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 28 FEB 2026 by the Board of Directors of the Company.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR