



# Leather Up Limited

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS PERIOD ENDED  
MARCH 31, 2026**



## **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: leatherup@cyber.net.pk

Website: leatherupltd.com

### **Share Registrar Office**

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

404, TradeTower, Abdullah Haroon Road, Near Hotel Metroplole, Karachi-75530

Phone: (021) 35687839- (021) 35685930



## **DIRECTORS REPORT**

The Directors of your Company have pleasure in submitting the report on Financial Statements for the Nine Months Period Ended March 31, 2026.

### **Company Performance:**

The company's net revenue for the nine months ended in March 31, 2026 is Rs. 27.3 million, compared to Rs.11.6 million for the same period the previous year. The net loss after taxation for the nine months ended in March 31, 2026 is at 0.9 million whereas in the same comparative period there was a net loss of 1.6 million.

### **Future Outlook:**

Despite various challenges, the company remains focused on improving operational efficiencies, exploring new markets, minimizing production costs effectively, and emphasizing the right performance levers. Despite global uncertainty and challenges within the leather industry, the management is committed to safeguarding the interests of the company's shareholders. We are striving to maintain stability in the current situation and are making concerted efforts to secure export orders of significant value from existing buyers/customers, as well as exploring new markets to sustain upward trends in exports. We hope to achieve reasonable export figures in the foreseeable future.

### **Workers Management Relation:**

The management would like to acknowledge the valued contributions of all staff and workers towards achieving results. We express our gratitude to the shareholders for their continued support during difficult times and aim to maintain this support in the coming years. The worker-management relationship remained excellent throughout the year, resulting in the smooth operation of the company. This is a testament to teamwork, and we hope it continues in the same spirit in the future.

### **Thanks and Appreciation:**

We extend our thanks to our shareholders for their trust and support, both now and during challenging times.

Karachi - April 29,, 2025.

By order of the board

**Khalid H. Shah**

Chief Executive Officer



## ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو خوشی ہے کہ وہ 31 مارچ 2026 کو ختم ہونے والی نو ماہ کی مدت کے مالیاتی بیانات پر مبنی رپورٹ پیش کر رہے ہیں۔

### کمپنی کی کارکردگی

کمپنی کی خالص آمدنی 31 مارچ 2026 کو ختم ہونے والے نو ماہ کے عرصے کے لیے 27.3 ملین روپے رہی، جبکہ گزشتہ سال کے اسی عرصے میں یہ 11.6 ملین روپے تھی۔  
اسی طرح، 31 مارچ 2026 کو ختم ہونے والے نو ماہ کے عرصے کے لیے ٹیکس کے بعد خالص نقصان 0.9 ملین روپے رہا، جبکہ گزشتہ سال کے اسی تقابلی عرصے میں یہ خالص نقصان 1.6 ملین روپے تھا۔

### مستقبل کا لائحہ عمل

مختلف چیلنجز کے باوجود، کمپنی درج ذیل پر توجہ مرکوز رکھے ہوئے ہے:  
آپریشنل کارکردگی کو بہتر بنانا۔  
نئے مارکیٹ مواقع تلاش کرنا۔  
پیداواری لاگت کو کم کرنا۔  
کلیدی کارکردگی کے محرکات سے فائدہ اٹھانا۔  
چمڑے کی صنعت میں عالمی غیر یقینی صورتحال اور چیلنجز کے باوجود، انتظامیہ شیئر ہولڈرز کے مفادات کے تحفظ کے لیے پرعزم ہے۔ ہم استحکام برقرار رکھنے پر توجہ دے رہے ہیں اور موجودہ گاہکوں سے اہم برآمدی آرڈرز حاصل کرنے کے لیے فعال طور پر کام کر رہے ہیں، جبکہ برآمدات کو بڑھانے کے لیے نئی منڈیوں کی تلاش بھی جاری ہے۔  
ہم پر امید ہیں کہ مستقبل قریب میں معقول برآمدی نتائج حاصل کریں گے

### ورکرز اور انتظامیہ کے تعلقات

ہم اپنے تمام عملے اور کارکنوں کی کوششوں کو سراہتے ہیں، جن کی محنت نے ان کامیابیوں کو ممکن بنایا۔ ہم اپنے شیئر ہولڈرز کا بھی شکریہ ادا کرتے ہیں جنہوں نے مشکل وقت میں ہمارا ساتھ دیا، اور ہم امید کرتے ہیں کہ یہ تعاون مستقبل میں بھی جاری رہے گا۔  
ورکرز اور انتظامیہ کے تعلقات پورے سال عمدہ رہے، جس کے نتیجے میں کمپنی کے کام بخوبی چلتے رہے۔ ہم اس ٹیم ورک کی روح کو اہمیت دیتے ہیں اور اسے مزید فروغ دینے کا ارادہ رکھتے ہیں۔  
**شکریہ اور قدر دانی**  
ہم اپنے شیئر ہولڈرز کا مخلصانہ شکریہ ادا کرتے ہیں کہ انہوں نے مشکل وقت اور حالیہ دنوں میں ہمارا اعتماد اور تعاون برقرار رکھا۔

خالد حسین شاہ  
(چیف ایگزیکٹو)

کراچی - 29 اپریل 2025

**LEATHER UP LIMITED**  
**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT March 31, 2026**

|   | <i>Note</i> | March<br>2026       | June<br>2025        |
|---|-------------|---------------------|---------------------|
| <b>ASSETS</b>   |             | ———— Rupees ————    |                     |
| <b>Non-current assets</b>   |             |                     |                     |
| Property, plant and equipment                                     | 4           | 2,325,661           | 2,425,944           |
| <b>Current assets</b>   |             |                     |                     |
| Stock-in-trade  | 5           | 11,513,437          | 10,342,437          |
| Trade debts   | 6           | 1,073,384           | -                   |
| Advances, deposits and other receivables                          | 7           | 5,007,698           | 4,902,622           |
| Tax refunds due from government                                   | 8           | 2,569,208           | 2,338,005           |
| Cash and bank balances  | 9           | 1,657,903           | 1,921,582           |
|   |             | <b>21,821,630</b>   | <b>19,504,646</b>   |
| <b>Total assets</b>   |             | <b>24,147,291</b>   | <b>21,930,590</b>   |
| <b>EQUITY AND LIABILITIES</b>                                     |             |                     |                     |
| <b>Share capital and reserves</b>                                 |             |                     |                     |
| <i>Authorized capital</i>   |             |                     |                     |
| 6,000,000 (June 2025: 6,000,000) ordinary shares of Rs. 10/- each |             | <b>60,000,000</b>   | 60,000,000          |
| Issued, subscribed and paid up capital                            | 10          | <b>60,000,000</b>   | 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                                     |             | (49,921,132)        | (48,977,289)        |
|   |             | <b>(45,075,052)</b> | <b>(44,131,209)</b> |
|   |             | <b>14,924,948</b>   | <b>15,868,791</b>   |
| <b>Non-current liability</b>                                      |             |                     |                     |
| Staff retirement benefits - gratuity                              | 11          | 831,733             | 693,111             |
| <b>Current liabilities</b>  |             |                     |                     |
| Loan from directors   | 12          | 219,849             | 33,600              |
| Trade and other payables  | 13          | 6,540,411           | 3,704,737           |
| Unclaimed dividend  |             | 1,630,351           | 1,630,351           |
|   |             | <b>8,390,611</b>    | <b>5,368,688</b>    |
| <b>Total equity and liabilities</b>                               |             | <b>24,147,291</b>   | <b>21,930,590</b>   |
| <b>Contingency and commitments</b>                                | 14          | -                   | -                   |

*The annexed notes are integral part of these financial statements.*



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE PERIOD ENDED March 31, 2026**

|  | <i>Note</i> | NINE MONTHS ENDED |               | Quarter Ended |               |
|--|-------------|-------------------|---------------|---------------|---------------|
|  |             | March<br>2026     | March<br>2025 | March<br>2026 | March<br>2025 |
|  |             | Rupees            |               |               |               |
| Sales revenue  | 15          | 27,323,620        | 11,692,912    | 2,845,465     | 5,476,455     |
| Cost of sales  | 16          | (23,891,586)      | (10,372,619)  | (2,505,269)   | (4,212,350)   |
| <b>Gross (Loss) / Profit</b>   |             | 3,432,034         | 1,320,293     | 340,196       | 1,264,105     |
| Administrative expenses  |             | (3,385,372)       | (3,289,010)   | (743,416)     | (853,000)     |
| Distribution expenses  |             | (641,215)         | (236,545)     | -             | (70,390)      |
| <b>Operating loss</b>  |             | (4,026,587)       | (3,525,555)   | (743,416)     | (923,390)     |
| Other (expense) / income   |             | (594,553)         | (2,205,262)   | (403,220)     | 340,715       |
| <b>Profit/(loss) before income tax, minimum tax differential and final tax</b> |             | (123,230)         | 683,569       | (31,731)      | 314,367       |
| Minimum tax - levy   |             | (717,783)         | (1,521,693)   | (434,951)     | 655,082       |
| Final taxes - levy   |             | (226,060)         |               | -             |               |
|  |             | -                 | (94,731)      | -             | (44,782)      |
|  |             | (226,060)         | (94,731)      | -             | (44,782)      |
| <b>Profit/Loss Before Taxation</b>   |             | (943,843)         | (1,616,424)   | (434,951)     | 610,300       |
| Taxation   | 17          | -                 | -             | -             | -             |
| <b>Profit/Loss After Taxation</b>  |             | (943,843)         | (1,616,424)   | (434,951)     | 610,300       |
| <b>Profit/(Loss) per share - basic and diluted</b>                             | 18          | (0.16)            | (0.27)        | (0.07)        | 0.10          |

*The annexed notes are integral part of these financial statements.*



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE PERIOD ENDED March 31, 2026**

|  | <u>NINE MONTHS ENDED</u>    |                             | <u>Quarter Ended</u>        |                             |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | <u>March</u><br><u>2026</u> | <u>March</u><br><u>2025</u> | <u>March</u><br><u>2026</u> | <u>March</u><br><u>2025</u> |
|  | <u>Rupees</u>               |                             |                             |                             |
| Profit/(Loss) after taxation                 | (943,843)                   | (1,616,424)                 | (434,951)                   | 610,300                     |
| <b>Other comprehensive income</b>            |                             |                             |                             |                             |
| Actuarial gain on defined benefit obligation | -                           | -                           | -                           | -                           |
| <b>Total comprehensive income (Loss)</b>     | <u>(943,843)</u>            | <u>(1,616,424)</u>          | <u>(434,951)</u>            | <u>610,300</u>              |

*The annexed notes are integral part of these financial statements.*



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR



**LEATHER UP LIMITED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE PERIOD ENDED March 31, 2026**

|                                     | 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                                 |  |                  |                                |                   |
| <b>Balance as at July 01, 2024</b>  | 60,000,000                             | -  | 1,369,610        | (41,115,839)                   | 20,253,771        |
| - Profit/(Loss) after taxation      | -                                      | -  | -                | (1,616,424)                    | (1,616,424)       |
| - Other comprehensive loss          | -                                      | -  | -                | -                              | -                 |
|                                     | -                                      | -  | -                | (1,616,424)                    | (1,616,424)       |
| <b>Balance as at March 31, 2025</b> | <b>60,000,000</b>                      | <b>-</b>                                 | <b>1,369,610</b> | <b>(42,732,263)</b>            | <b>18,637,347</b> |
| <b>Balance as at July 1, 2025</b>   | 60,000,000                             | 3,476,470                                | 1,369,610        | (48,977,289)                   | 15,868,791        |
| - Profit/(Loss) after taxation      | -                                      | -  | -                | (943,843)                      | (943,843)         |
| - Other comprehensive income        | -                                      | -  | -                | -                              | -                 |
|                                     | -                                      | -  | -                | (943,843)                      | (943,843)         |
| <b>Balance as at March 31, 2026</b> | <b>60,000,000</b>                      | <b>3,476,470</b>                         | <b>1,369,610</b> | <b>(49,921,132)</b>            | <b>14,924,948</b> |

*The annexed notes are integral part of these financial statements.*



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

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**1. STATUS AND NATURE OF BUSINESS**

Leather Up Limited ('the Company') was incorporated in Pakistan as a private limited company on March 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.

**4. PROPERTY, PLANT AND EQUIPMENT**

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

| Description                              | Leasehold land   | Building on leasehold land | Plant and machinery | Vehicles      | Furniture and fixtures | Office equipment | Total            |
|--|------------------|----------------------------|---------------------|---------------|------------------------|------------------|------------------|
| Rupees                                   |                  |                            |                     |               |                        |                  |                  |
| <b>For the Period ended Dec 31, 2025</b> |                  |                            |                     |               |                        |                  |                  |
| 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                | -                | (23,559)                   | (41,705)            | (1,675)       | (10,808)               | (22,537)         | (100,283)        |
| <b>Closing net book value</b>            | <b>1,100,000</b> | <b>290,563</b>             | <b>514,356</b>      | <b>9,491</b>  | <b>133,301</b>         | <b>277,948</b>   | <b>2,325,660</b> |
| <b>As at Dec 31, 2025</b>                |                  |                            |                     |               |                        |                  |                  |
| Cost                                     | 1,100,000        | 6,749,315                  | 3,953,132           | 164,365       | 1,295,136              | 3,490,763        | 16,752,711       |
| Accumulated depreciation                 | -                | (6,458,752)                | (3,438,776)         | (154,874)     | (1,161,835)            | (3,212,815)      | (14,427,051)     |
| <b>Net book value</b>                    | <b>1,100,000</b> | <b>290,563</b>             | <b>514,356</b>      | <b>9,491</b>  | <b>133,301</b>         | <b>277,949</b>   | <b>2,325,661</b> |
| <b>Annual rates of depreciation</b>      | <b>-</b>         | <b>10%</b>                 | <b>10%</b>          | <b>20%</b>    | <b>10%</b>             | <b>10%</b>       |                  |
| <b>Year ended June 30, 2025</b>          |                  |                            |                     |               |                        |                  |                  |
| 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)        |
| <b>Closing net book value</b>            | <b>1,100,000</b> | <b>314,122</b>             | <b>556,061</b>      | <b>11,166</b> | <b>144,110</b>         | <b>300,485</b>   | <b>2,425,944</b> |
| <b>As at June 30, 2025</b>               |                  |                            |                     |               |                        |                  |                  |
| 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)     |
| <b>Net book value</b>                    | <b>1,100,000</b> | <b>314,122</b>             | <b>556,061</b>      | <b>11,166</b> | <b>144,110</b>         | <b>300,486</b>   | <b>2,425,944</b> |
| <b>Annual rates of depreciation</b>      | <b>-</b>         | <b>10%</b>                 | <b>10%</b>          | <b>20%</b>    | <b>10%</b>             | <b>10%</b>       |                  |

|   | 31-Mar-26<br>(Unaudited) | 30-Jun-25<br>(Audited) |
|---|--------------------------|------------------------|
|   | Rupees                   |                        |
| <b>4.1 Allocation of the depreciation charge:</b> |                          |                        |
| Cost of sales - Manufacturing expenses            | 60,170                   | 89,327                 |
| Administration expenses                           | 40,113                   | 59,551                 |
|   | <b>100,283</b>           | <b>148,878</b>         |
| <b>5. STOCK-IN-TRADE</b>                          |                          |                        |
| Raw material and accessories                      | 11,513,437               | 10,342,437             |
| Work in process                                   | -                        | -                      |
| Finished goods                                    | 518,008                  | 778,967                |
| Less: Provision for obsolete stock                | 5.1 (518,008)            | (778,967)              |
|   | <b>11,513,437</b>        | <b>10,342,437</b>      |

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

|  | 31-Mar-26<br>(Unaudited)                        | 30-Jun-25<br>(Audited) |                                     |
|--|---|------------------------|-------------------------------------|
|  | ————— Rupees —————                              |                        |                                     |
| <b>5.1 Provision for obsolete stock</b>            |   |                        |                                     |
| 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>         |                                     |
| <b>6. TRADE DEBTS</b>                              |   |                        |                                     |
| Secured- against irrevocable letter of credit      | -   | -                      |                                     |
| Unsecured- sale for document against payment       | 1,073,384                                       | -                      |                                     |
| Less: Allowance for expected credit losses         | -   | -                      |                                     |
|  | <u>1,073,384</u>                                | <u>-</u>               |                                     |
| <b>7. ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b> |   |                        |                                     |
| - Other receivables - Export rebate receivable     | 5,007,698                                       | 3,678,786              |                                     |
| - Advance to suppliers                             | -   | 1,223,836              |                                     |
|  | <u>5,007,698</u>                                | <u>4,902,622</u>       |                                     |
| <b>8. TAX REFUNDS DUE FROM THE GOVERNMENT</b>      |   |                        |                                     |
| 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>       |                                     |
| <b>9. CASH AND BANK BALANCES</b>                   |   |                        |                                     |
| Cash in hand                                       | 77,188  | 35,000                 |                                     |
| Cash at bank:                                      |   |                        |                                     |
| - foreign currency deposit accounts                | 275,002   | 275,002                |                                     |
| - current accounts                                 | 1,305,713                                       | 1,611,580              |                                     |
|  | <u>1,580,715</u>                                | <u>1,886,582</u>       |                                     |
|  | <u>1,657,903</u>                                | <u>1,921,582</u>       |                                     |
| <b>10. ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>  |   |                        |                                     |
| <b>31-Mar-26</b> <b>30-Jun-25</b>                  | <b>31-Mar-26</b>                                | <b>30-Jun-25</b>       |                                     |
| <b>(Unaudited)</b> <b>(Audited)</b>                | <b>(Unaudited)</b>                              | <b>(Audited)</b>       |                                     |
| ————— <b>No. of shares</b> —————                   | ————— <b>Rupees</b> —————                       |                        |                                     |
|  | <b>Ordinary shares of Rs. 10/- each issued:</b> |                        |                                     |
| <b>5,759,100</b> 5,759,100                         | <b>57,591,000</b>                               | 57,591,000             | - for cash                          |
|  |   |                        | - for consideration other than cash |
| <b>125,000</b> 125,000                             | <b>1,250,000</b>                                | 1,250,000              | (cars and furnitures & fixtures)    |
| <b>115,900</b> 115,900                             | <b>1,159,000</b>                                | 1,159,000              | - as bonus shares                   |
| <b>6,000,000</b> 6,000,000                         | <u><b>60,000,000</b></u>                        | <u>60,000,000</u>      |                                     |

31-Mar-26

30-Jun-25

**LEATHER UP LIMITED**  
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|            |   | (Unaudited)       | (Audited)         |
|------------|---|-------------------|-------------------|
|            |   | Rupees            |                   |
| <b>11.</b> | <b>STAFF RETIREMENT BENEFITS - GRATUITY</b>                     |                   |                   |
|            | Staff retirement benefits - gratuity                            | <u>831,733</u>    | <u>611,071</u>    |
| <b>12.</b> | <b>LOANS FROM DIRECTORS</b>                                     |                   |                   |
|            | Opening balance   | 33,600            | 88,600            |
|            | Loan obtained during the year                                   | 300,000           | -                 |
|            | Loan repaid during the year                                     | <u>(113,751)</u>  | <u>(55,000)</u>   |
|            |   | <u>219,849</u>    | <u>33,600</u>     |
| <b>13.</b> | <b>TRADE AND OTHER PAYABLES</b>                                 |                   |                   |
|            | Creditors   | 6,176,547         | 1,697,219         |
|            | Accrued liabilities   | 287,685           | 281,477           |
|            | Advance from customers  | -                 | 1,649,862         |
|            | Provision for Workers' Participation Fund                       | 19,716            | 19,716            |
|            | Provision for Workers' Welfare Fund                             | 56,463            | 56,463            |
|            |   | <u>6,540,411</u>  | <u>3,704,737</u>  |
| <b>14.</b> | <b>CONTINGENCY AND COMMITMENTS</b>                              |                   |                   |
|            | The are no contingencies as at March 31, 2026 (June 2025: Nil). |                   |                   |
|            |   | 31-Mar-26         | 31-Mar-25         |
|            |   | (Unaudited)       | (Unaudited)       |
|            |   | Rupees            |                   |
| <b>15.</b> | <b>SALES REVENUE</b>  |                   |                   |
|            | Export sales  | 25,548,980        | 10,312,912        |
|            | Export Rebate   | 1,774,640         | 1,380,000         |
|            |   | <u>27,323,620</u> | <u>11,692,912</u> |
| <b>16.</b> | <b>COST OF SALES</b>  |                   |                   |
|            | Raw and packing materials consumed                              | 16.1 20,256,290   | 7,497,719         |
|            | <b>Manufacturing expenses</b>                                   |                   |                   |
|            | Cutting and stitching charges                                   | 2,810,400         | 1,311,325         |
|            | Fuel and power  | 338,657           | 1,240,312         |
|            | Repairs and maintenance   | 152,885           | 165,900           |
|            | Depreciation on property, plant and equipment                   | 16.2 60,170       | 44,663            |
|            | Entertainment   | 12,225            | 36,800            |
|            | Printing and stationery   | -                 | 75,900            |
|            |   | <u>3,374,337</u>  | <u>2,874,900</u>  |
|            |   | <u>23,630,627</u> | <u>10,372,619</u> |

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

|  | 31-Mar-26<br>(Unaudited)   | 31-Mar-25<br>(Unaudited)     |
|--|----------------------------|------------------------------|
| <b>Cost of goods manufactured</b>  | ————— Rupees —————         |                              |
| Opening work in progress   | -                          | -                            |
| Closing work in progress   | -                          | -                            |
| Opening stock of finished goods  | 778,967                    | 778,967                      |
| Closing stock of finished goods  | <b>(518,008)</b>           | <b>(778,967)</b>             |
|  | <b>23,891,586</b>          | <b>10,372,619</b>            |
| <b>16.1 Raw and packing materials consumed</b>   |                            |                              |
| Opening stock  | <b>10,342,437</b>          | 17,840,117                   |
| Add: Purchases during the year   | <b>21,427,290</b>          | -                            |
|  | <b>31,769,727</b>          | 17,840,117                   |
| Less : Closing stock   | <b>(11,513,437)</b>        | (10,342,398)                 |
| <b>Raw materials consumed</b>  | <b>20,256,290</b>          | <b>7,497,719</b>             |
| <b>16.2</b> Depreciation expense is allocated to cost of sales and administrative expenses in ratio of 60:40 respectively. |                            |                              |
| <b>17. TAXATION</b>  |                            |                              |
| Current tax - for the year   | -                          | -                            |
| <b>18. PROFIT/(LOSS) PER SHARE</b>   | <b>For the Nine Months</b> | <b>For the quarter ended</b> |
|  | <b>March 31,</b>           | <b>March 31,</b>             |
|  | <b>2026</b>                | <b>2025</b>                  |
|  | <b>March 31,</b>           | <b>March 31,</b>             |
|  | <b>2026</b>                | <b>2025</b>                  |
|  | ————— Rupees —————         |                              |
| Profit/(Loss) after Taxation   | <b>(943,843)</b>           | (1,616,424)                  |
|  | <b>(434,951)</b>           | 610,300                      |
|  | ————— Number —————         |                              |
| Weighted average number of   | 6,000,000                  | 6,000,000                    |
|  | 6,000,000                  | 6,000,000                    |
|  | ————— Rupees —————         |                              |
| Earnings per share - basic and   | <b>(0.16)</b>              | (0.27)                       |
|  | <b>(0.07)</b>              | 0.10                         |
| <b>19. CASH AND CASH EQUIVALENTS</b>   |                            |                              |
| Cash and bank balances   | <b>1,657,903</b>           | 1,921,582                    |
|  | <b>1,657,903</b>           | <b>1,921,582</b>             |

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

**20. RELATED PARTY TRANSACTIONS AND BALANCES**

| Name of the related party | Nature of relationship | Particulars                              | 31-Mar-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 |         |
|---------------|--------------|-----------|-------------------|---------|
|               | Mar-26       | Jun-25    | Mar-26            | Jun-25  |
| Bank balances | 1,258,266    | 1,456,331 | 322,449           | 430,250 |

|         | Conventional |        | Shariah Compliant |            |
|---------|--------------|--------|-------------------|------------|
|         | Mar-26       | Jun-25 | Mar-25            | Jun-25     |
| Revenue | -            | -      | 27,323,620        | 11,692,912 |

**Relationship with Shariah compliant banks**

| Name                            | Type              | 2026    | 2025    |
|---------------------------------|-------------------|---------|---------|
| United Bank Limited             | Conventional      | 615,995 | 615,995 |
| United Bank Limited             | Conventional      | 67,551  | 67,551  |
| Bank Al-Habib Limited           | Conventional      | 494,403 | 745,468 |
| Askari Bank Limited             | Conventional      | 2,317   | 2,317   |
| Bank Al-Falah Limited           | Conventional      | 25,000  | 25,000  |
| Habib Metropolitan Bank Limited | 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 |
| Summit Bank Limited             | Shariah Compliant | 23,392  | 23,392  |
| Summit Bank Limited             | Shariah Compliant | 1,482   | 1,482   |

**22. GENERAL**

**LEATHER UP LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED March 31, 2026 (UNAUDITED)**

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Figures in these condensed interim financial statements have been rounded off to the nearest rupee.

**23. DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 29-April-2026 by the Board of Directors of the Company.



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CHIEF EXECUTIVE



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CHIEF FINANCIAL OFFICER



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DIRECTOR