PAK LEATHER CRAFTS LIMITED

Corporate Briefing Session

based on Audited Annual Financial Statements for

the Year Ended June 30, 2026

Thursday, 26 November 2026 | 04:30 PM

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- This presentation is intended solely for information purposes for the participants of Pak Leather Crafts Limited's Corporate Briefing Session.
- This presentation is not an offer or solicitation of an offer to buy or sell any securities or any investment.
- The presentation may include forward-looking statements based on current expectations and assumptions, which are subject to risks and uncertainties. Actual results may differ materially.
- Recipients are advised to conduct their own due diligence and rely on independent judgement.

PAK LEATHER CRAFTS LIMITED

PROFILE OF THE COMPANY

Pak Leather Crafts Limited is a public limited company incorporated in Pakistan in 1971 under the repealed Companies Ordinance, 1984, now the Companies Act,2017.

Company's shares are listed on Pakistan Stock Exchange Limited.

Being a responsible corporate citizen, the Company ensures full compliance with all applicable statutory requirements.

Registered Office:

Plot # 18, Sector 7-A, Korangi Industrial Area, Karachi.

Manufacturing Facility:

Plot # 92, Sector 7-A, Korangi Industrial Area, Karachi.

Email address:

export1@pakleather.com

Website address:

https://www.pakleather.com

PRINCIPAL ACTIVITY

The Company is one of the leading manufacturers and exporters of finished leather in Pakistan. The finished leather is produced in several different articles and colors in Lamb, Goat, Cow and Buffalo skins. Our leather is suitable for garments, shoes, gloves and bags.

VISION & MISSION STATEMENT

Vision

We are striving to become a reliable source of high-quality dyed leathers for international and local markets.

Mission

Tanning and manufacturing leather for glove, garments, bags and shoes. We manufacture leather for users who are looking quality and timely delivery. Our tannery is a valuable resource for manufacturers who wish to develop articles for future trends. We believe delivering high quality products has an intrinsic value and we wish to benefit from it the most possible.



A geographically diversified export footprint

From luxury houses in Milan and Paris, to automotive partners in Munich and hospitality clients across the Gulf — we operate to a single global standard, governed by ISO 9001 LWG Gold and SA8000 protocols.

EU
European Union

14 markets · since 1986

NA
North America

USA · Canada · since 1992

AS
East & South Asia

9 markets · since 1978

ME
Middle East

GCC · Levant · since 1980

OC
Oceania

Australia · NZ · since 2004

Membership

- Member of Pakistan Tanner`s Association
- Member of Pakistan Tanners Association Effluent Treatment Plant
- Member of Pakistan Leather Garments Manufacturers and Exporters Association

BOARD OF DIRECTORS

1.Mrs. Rubina Saleem	Chairperson / Non-executive
2. M. Saleem Ahmed	Chief Executive / executive director
3. Umer Ahmed	Executive director
4. Nayyar Ahmed	Non-executive director
5. Azeem Ahmed	Non-executive director
6. Qaiser Jamal	Independent Director (resigned wef. 28.09.2026)
7. Ahmed Jalali	Independent director

STRATEGIC DEVELOPMENTS AND FUTURE OUTLOOK

In line with the decision approved through special resolution by the shareholders in the AGM held 28.10.2024, the Company has so far achieved the following strategic goals:

- Production continued under toll manufacturing model.
- Rented out the building premises and earning monthly rent.
- Acquired gold rated certification of LWG, London .
- Completely paid off long term loan of Albarka Bank Limited.
- Disposal of Plant and Machinery.

Forward-looking strategic plans, in line with the special resolution:

- To continue leather production on toll manufacturing model.
- To acquire a leather goods trading business in USA as the Company's subsidiary / associated undertaking.
- Make a joint venture with an existing leather company with in the Country for value addition in Company's own product.
- In the present cutting-edge digitalization, the Company is considering to launch *eleathershop* and acquire services of social media marketing company.
- Continue renting out the factory building.
- Negotiate with and pay off other lending banks.

Ground realities:

- The management is busy in doing its all-out efforts to increase the volume of sales, both for export and in the local market. However, the estimates are not optimistic due to international economic recession, further described in following para.
- Uncertain international geo-political and economic conditions.
- Ongoing Russia-Ukraine war, US/Israel war with Iran and the unrest in Middle East region has further fueled for economic recession, not only in this region but the world over.
- War-like tension on the eastern and western borders of the Country.
- High electricity and gas tariff and uncertainty on availability.
- However, the government is trying to implement sustainable and long-term measures to bring confidence for economic restoration.

DETAILS OF FINANCIAL INFORMATION

Financial results of the company for the past six years are given to see at the glance:

(Rs. in' 000)

PARTICULARS	**2026**	**2025**	2024	2023	2022	2021
Net Sales	**26,777**	60,094	89,395	90,691	132,935	108,363
Gross Profit/(loss)	**3,967**	16,642	12,954	9,600	13,407	3,773
Net Profit/(loss) before tax	**(4,542)**	9,183	10,940	(10,205)	(1,321)	(7,940)
Gross Profit/(loss) (%)	**14.81**	27.69	14.49	10.58	10.08	3.48
Net Profit/(loss) (%)	**(16.96)**	15.28	12.24	(11.25)	(0.99)	(7.33)
Earnings / (loss) per share (after tax)	**(1.57)**	2.65	2.39	(3.30)	(0.85)	(2.56)
Current ratio	**(0.17)**	(0.15)	(0.16)	(0.17)	(0.28)	(0.28)

OPERATING PERFORMANCE

	Year ended June 30, 2026	Year ended June 30, 2025
	Rupees	Rupees
Sales	26,777,272	60,093,955
Cost of sales	(22,809,697)	(43,451,725)
Gross profit	3,967,575	16,642,230
Other income	9,448,112	9,347,676
	13,415,687	25,989,906
Administrative expenses	15,202,377	13,408,923
Selling and distribution expenses	840,548	1,599,124
Finance cost	492,814	850,637
	(16,535,739)	(15,858,684)
Operating profit	(3,120,052)	10,131,222
Other operating expenses	(1,422,353)	(948,324)
(Loss) / Profit before levy and taxation	(4,542,405)	9,182,898
Provision for levy	(334,716)	-
	(4,877,121)	9,182,898
Provision for taxation	(454,563)	(160,293)
Profit for the year	(5,331,684)	9,022,605
Other comprehensive income	-	-
Total comprehensive income	(5,331,684)	9,022,605
Earning per share -		
Basic and diluted (Rupees per share)	(1.57)	2.65

- During the year under review, the Company made a sale of Rs. 26.777M) comparing to 60.094 (M) last year.
- Export sales dropped to Rs.26.311(M) comparing with Rs.51.780 (M) for the same period last year, making 49% decline in sales over last year. The Company could not get export orders during the third and fourth quarter due to world over economic recession in general and ongoing war between Russia and Ukraine, US vs Iran conflict on the Strait of Hormuz in the region. Moreover, Inflation in the country, high rate of interest, hike in energy cost resulted the increased cost of production made it difficult to compete in the international market.
- Company has been awarded a certificate of "Gold Rated Commissioning Manufacturer" by the Leather Working Group Assurance Services, UK. We may now expect to get better response to get export orders. After close of the year, two export orders have already been received.

QUESTION & ANSWER SESSION