ACCOUNTS FOR
THE 1ST QUARTER ENDED
SEPTEMBER 30, 2025
(UNAUDITED)

Pak Leather Crafts Limited

Pak Leather Crafts Limited

DIRECTORS' REVIEW

Your directors are pleased to present their report along with the condensed unaudited financial statements for the first quarter ended September 30, 2025.

FINANCIAL RESULTS:	**September 30, 2025**	September 30, 2024
	............(Rs. In '000')...........	
Profit/(loss) before taxation	**(2,298)**	(1,322)
Taxation	**(63)**	(187)
Profit/(loss) after taxation	**(2,361)**	(1,509)
Accumulated (loss) B/F	**(353,354)**	(362,377)
Accumulated (loss) C/F	**(355,715)**	(363,886)
(Loss) per share after tax (Rupees)	**(0.69)**	(0.44)

Total turnover of Rs.6.548 million is composed of exports including rebate comparing to total turnover of Rs.18.610 million during the corresponding period last year. The cost of sales has substantially reduced from 87.86% to 72.92%.

During the period under review, there was no local sales and the production for the export orders was done under toll manufacturing arrangement. This resulted in the saving of manufacturing expenses which used to remain under absorbed in the previous self-manufacturing scenario. Company ended up with loss of Rs. (2.361) million comparing with Rs (1.509) million. The loss per share remained to Rs.(0.69) comparing with loss per share of Rs. (0.44) for the same period last year.

Your directors are busy to implement the members' decisions made in the last annual general meeting. Major part of the decisions has been implemented. Accordingly, after disposing of the plant and machinery, toll manufacturing has been arranged, resulting the saving in manufacturing expenses. Similarly, negotiations are under way to rent out the building on good terms to continue a regular source of income of the Company.

FUTURE OUTLOOK:

In view of uncertain international geo-political conditions including ongoing Russia-Ukraine war, invasion by Israel in Gazastrip and other areas of Middle East, our estimates are not optimistic. Moreover, tension on the two sides of Pakistan's border is itself a major reason of slow economy in the Country

ACKNOLEDGEMENT:

The Board is thankful to all the stakeholders including employees, customers and banks for their efforts, cooperation and trust.

For and on behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive

UMER AHMED
Director

Karachi:-October 30, 2025

Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2025

	Unaudited Sept. 30, 2025	Audited June 30, 2025
	............(Rs. In '000')............	
ASSETS		
Non-current assets		
Property, plant and equipment	18,103	17,563
Long term deposits	1,410	1,410
	19,513	18,973
Current assets		
Stock in trade	41,268	35,803
Trade debts	5,281	5,527
Advances and other receivables	5,888	13,636
Tax refunds due from Government	3,420	3,093
Cash and bank balances	248	522
	56,105	58,581
TOTAL ASSETS	75,618	77,554
CAPITAL AND LIABILITIES		
Share capital and reserves		
Share capital	34,000	34,000
Accumulated losses	(355,715)	(353,354)
	(321,715)	(319,354)
Non-current liabilities		
Long term loans	14,025	14,025
Deferred interest income	3,352	3,352
	17,377	17,377
Current liabilities		
Short term bank borrowings	206,336	207,042
Current portion of long term financing	54,903	54,903
Interest / mark up payable	81,965	81,965
Trade and other payables	34,986	33,918
Provision for taxation - income tax	1,624	1,561
Unclaimed dividend	142	142
	379,956	379,531
Contingencies	-	-
TOTAL EQUITY AND LIABILITIES	75,618	77,554

Muhammad Saleem Ahmed
Chief Executive

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer

Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025

	Note	Quarter ended September 30, 2025	Quarter ended September 30, 2024
		............(Rs. In '000')............	
Sales	2	**6,548**	18,610
Cost of sales	3	**4,774**	16,351
Gross profit		**1,774**	2,259
Administrative expenses	4	**3,591**	2,697
Selling and distribution expenses		**373**	557
Finance Cost		**108**	327
		4,072	3,581
Operating (Loss) for the period before taxation		**(2,298)**	(1,322)
Provision for taxation		**63**	187
(Loss) for the period		**(2,361)**	(1,509)
Other comprehensive income		**-**	-
Total comprehensive (loss) for the period		**(2,361)**	(1,509)
(Loss) per share - Basic and diluted		**(0.69)**	(0.44)

Muhammad Saleem Ahmed
Chief Executive

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer

Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025

		Quarter ended September 30, 2025	Quarter ended September 30, 2024
		............(Rs. In '000')............	
Cash Flows from operating Activities			
(Loss) before taxation		**(2,298)**	(1,322)
Adjustment for non-cash charges and other items:			
Depreciation		**300**	677
		300	677
Cash flows before working capital changes		**(1,998)**	(645)
Changes in working capital			
(Increase)/decrease in current assets			
Stock in trade		**(5,464)**	2,103
Trade debts		**245**	8,693
Advances and other receivables		**7,747**	(253)
Tax refunds due from government		**(119)**	45
Increase / (decrease) in current liabilities			
Trade and other payables		**1,068**	(1,323)
		3,477	9,265
Cash flow from operations		**1,479**	8,620
Income tax paid		**(207)**	(348)
Net cash generated from/(used in) operating activities	(a)	**1,272**	8,272
Cash flows from Investing activities			
Addition in property, plant and equipment		**(840)**	(393)
Net cash used in investing activities	(b)	**(840)**	(393)
Cash flows from financing activities			
Loan from director obtained - net		**(705)**	(3,919)
Repayment of borrowings from financial institutions		**-**	(2,000)
Net cash flows used in financing activities	(c)	**(705)**	(5,919)
Net increase/(decrease) in cash and cash equivalents	(a+b+c)	**(273)**	1,960
Cash and cash equivalents at the beginning of the period		**521**	942
Cash and cash equivalents at the end of the period		**248**	2,902

Muhammad Saleem Ahmed	**Umer Ahmed**	**Naseer Ahmed**
Chief Executive	Director	Chief Financial Officer

Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025

Particulars	Issued, Subscribed and paid up Capital	Accumulated losses	Total
	(Rs. In '000')		
Balance as at July 01, 2024	34,000	(362,377)	(328,377)
Total comprehensive income for the period (loss) 1st quarter ended September 30, 2024	-	(1,509)	(1,509)
Other comprehensiv income	-	-	-
	-	(1,509)	(1,509)
Balance as at quarter ended September 30, 2024	**34,000**	**(363,886)**	**(329,886)**
Balance as at July 01, 2025	34,000	(353,354)	(319,354)
Total comprehensive income for the period (loss) 1st quarter ended September 30, 2025	-	(2,361)	(2,361)
Other comprehensiv income	-	-	-
	-	(2,361)	(2,361)
Balance as at 1st quarter ended September 30, 2025	**34,000**	**(355,715)**	**(321,715)**

Muhammad Saleem Ahmed	Umer Ahmed	Naseer Ahmed
Chief Executive	Director	Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE IST QUARTER ENDED SEPTEMBER 30, 2025

1. Pak Leather Crafts Ltd, is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and quoted on the Pakistan stock Exchange. The principal activity of the company is Leather tanning, Manufacturing of Leather garments and export of Leather and Leather Garments.

	Note	SEPT. 2025	SEPT. 2024
		...........(Rs. In '000')...........	
2 SALES			
Export:			
Leather		6,437	16,984
		6,437	16,984
Local:			
Sale		-	1,333
Rebate		111	293
		6,548	18,610

	Note	SEPT. 2025	SEPT. 2024
		...........(Rs. In '000')...........	
3 COST OF SALES			
Opening stock finished goods		24,022	27,679
Cost of goods manufactured	3.1	2,289	16,200
		26,311	43,879
Closing stock finished goods		(21,537)	(27,528)
		4,774	16,351
3.1 COST OF GOODS MANUFACTURED			
Raw material consumed	3.1.1	1,198	9,636
Salaries, wages, and benefits		566	3,141
Toll Manufacturing expenses		467	-
Power and fuel		-	1,942
Repairs and maintenance		33	820
Carriage and cartage		25	15
Depreciation		-	637
Others factory over heads		-	9
		2,289	16,200
Opening stock work-in-process		-	-
Closing stock work-in-process		-	-
		-	-
		2,289	16,200

Pak Leather Crafts Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE IST QUARTER ENDED SEPTEMBER 30, 2025

	Note	SEPT. 2025	SEPT. 2024
		..........(Rs. In '000')..........	
3.1.1 Raw material consumed			
Opening stock		**11,781**	16,356
Purchases		**9,148**	7,685
		-	-
Available for consumption		**20,929**	24,041
Closing stock		**(19,731)**	(14,405)
		1,198	9,636
4 ADMINISTRATIVE EXPENSES			
Directors' remuneration		**1,350**	1,350
Salaries, wages and other benefits		**664**	597
Postage and telephone		**30**	73
Fees and subscription		**385**	308
Printing and stationery		**10**	11
Repairs and maintenance		**101**	59
Power and water		**418**	-
Vehicles running expenses		**90**	41
Auditors' remuneration		**180**	180
Legal fee		**20**	-
Depreciation		**300**	41
Others		**43**	37
		3,591	2,697

5. These financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act 2017.

6. The accounting policies adopted for the preparation of these accounts are the same as those applied in preparing the accounts for the preceding period.

7. Figures have been re-arranged and re-classified, wherever necessary, to facilitate comparison.

8. These financial statements were authorized for issue on October 30, 2025 by the Board of Directors of the Company.

Muhammad Saleem Ahmed	**Umer Ahmed**	**Naseer Ahmed**
Chief Executive Officer	Director	Chief Financial Officer

Pak Leather Crafts Limited

CORPORATE PROFILE

CHAIRPERSON
Mrs. Rubina Saleem

DIRECTORS
Muhammad Saleem Ahmed
Qaiser Jamal
Nayyer Ahmed
Azeem Ahmed
Umer Ahmed
Ahmed Jalali

AUDIT COMMITTEE
Qaiser Jamal
Nayyer Ahmed
Azeem Ahmed

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ahmed Jalali
Nayyer Ahmed
Azeem Ahmed

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY
Naseer Ahmed

TOLL MANUFACTURING FACILITY
Plot No. 92, Sector 7-A, K.I.A.
Karachi.

BOOK POST

PRINTED MATTER

BANKERS
Albaraka Bank Pakistan Ltd
Habib Bank Limited
Industrial Development Bank Ltd
MCB Limited
Faysal Bank Limited
Habib Metropoliton Bank Ltd
Soneri Bank Ltd
Bank Alfalah Ltd
Bank of Khyber
Meezan Bank
Askari Bank Ltd
Bank Al Habib Ltd
United Bank Limited

EXTERNAL AUDITORS
RSM Avais Hyder Liaquat Nauman
Chartered Accountants
Lahore

SHARE REGISTRAR
JWAFFS Registrar Services (pvt) Ltd Office # 20, 5th Floor, Arkay Square Extension, New Chali Shahrah-e-Liaquat, Karachi.
Tel: (+92-91) 32440974 - 75

LEGAL ADVISOR
Talat Aftab Advocate, Karachi.

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

If undelivered please return to:
PAK LEATHER CRAFTS LIMITED
Plot 18, Sector 7 - A, Korangi Industrial Area,
Karachi. (Pakistan)
Ph: (92-21) 35064100 - 02, 35121615
Website: www.pakleather.com, e-mail: export1@pakleather.com