

**SHAPING
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20
24

3rd Quarterly Report
Treet Corporation Limited

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UNCONSOLIDATED FINANCIAL STATEMENTS

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Company Information

Board of Directors

Syed Shahid Ali

(Chairman/ Non-Executive Director)

Syed Sheharyar Ali

(Chief Executive Officer)

Mr. Imran Azim

(Non-Executive Director)

Dr. Salman Faridi

(Non-Executive Director)

Mr. Munir Karim Bana

(Non-Executive Director)

Dr. Haroon Latif Khan

(Independent Director)

Ms. Sidra Fatima Sheikh

(Female/Independent Director)

Mr. Ahmad Shahid Hussain

(Independent Director)

Audit Committee

Ms. Sidra Fatima Sheikh (Chairperson)

Mr. Imran Azim (Member)

Dr. Salman Faridi (Member)

Mr. Munir Karim Bana (Member)

Mr. Ahmad Shahid Hussain (Member)

Human Resource & Remuneration Committee

Dr. Haroon Latif Khan (Chairman)

Syed Shahid Ali (Member)

Syed Sheharyar Ali (Member)

Mr. Imran Azim (Member)

Chief Executive Officer

Syed Sheharyar Ali

Group Chief Financial Officer

Mr. Mohammad Mohtashim Aftab

Group Company Secretary

& Head of Legal

Ms. Zunaira Dar

Group Head of Internal Audit

Mr. Muhammad Ali

Auditors

M/s Yousuf Adil

Chartered Accountants Lahore

Legal Advisors

Asad & Asad Attorney At Law

Share Registrar

Corplink (Private) Limited

Wing Arcade, 1-K Commercial, Model town, Lahore

Tel: 042-35916714

Fax: 042-35839182

Bankers

Al-Baraka Bank Pakistan Limited

Allied Bank Limited

Askari Bank Limited

Bank Alfalah Limited

Bank Islami Pakistan Limited

Bank of Punjab

Dubai Islamic Bank Pakistan Limited

Faysal Bank Limited

Habib Bank Limited

JS Bank Limited

MCB Bank Limited

MCB Islamic Bank Limited

Meezan Bank Limited

National Bank of Pakistan

Pakistan Kuwait Investment Company (Private) Limited

Samba Bank Limited

Silk Bank Limited

Soneri Bank Limited

United Bank Limited

Registered Office

72-B, Industrial Area, Kot Lakhpat, Lahore.

Tel: 042-35830881, 35156567 & 35122296

Fax: 042-35114127 & 35215825

E-Mail: info@treetonline.com

Home Page: www.treetcorp.com

Directors' Review

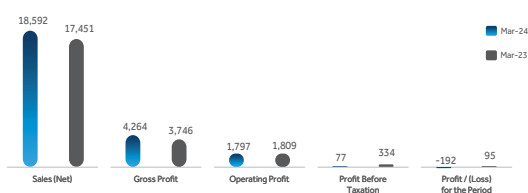
It pleases us to present the financial statements (un-audited) for the 3rd quarter ended on March 31st, 2024.

SUMMARY OF COMPARATIVE FINANCIAL RESULTS – CONSOLIDATED

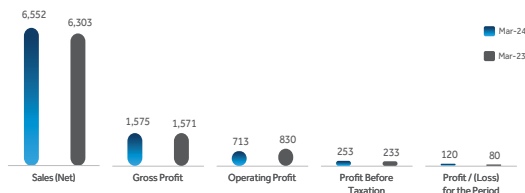
(Rupees in million)

Description	Nine Months Ended		% Change	Quarter Ended		% Change
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23	
	(1)	(2)	(1) over (2)	(3)	(4)	(3) over (4)
Sales (net)	18,592	17,451	7%	6,552	6,303	4%
Gross Profit	4,264	3,746	14%	1,575	1,571	0%
Operating Profit	1,797	1,809	-1%	713	830	-14%
Profit before Taxation	77	334	-77%	253	233	9%
Profit/ (loss) for the period	(192)	95	-303%	120	80	50%
EPS (in Rupees)	(0.88)	0.44	-300%	0.55	0.37	49%

TREET GROUP RESULTS
(Nine Months Rs. in Million)



TREET GROUP RESULTS
(3rd Quarter Rs. in Million)



BUSINESS REVIEW – GROUP RESULTS

During the nine-month period, the Group achieved a turnover of Rs. 18,592 million, representing a significant increase of Rs. 1,141 million compared to the corresponding period last year (March 2023: Rs. 17,451 million). This growth in revenue underscores the robust brand equity of our group entities amid prevailing macroeconomic challenges characterized by high inflation and diminished purchasing power parity.

The cost of sales for the nine-month period amounted to Rs. 14,328 million, reflecting a 5% increase compared to the same period last year (March 2023: Rs. 13,705 million), in line with the heightened sales activity. Gross profit surged to Rs. 4,264 million, indicating a notable improvement of 14% over the previous year (March 2023: Rs. 3,746 million). This enhancement is primarily attributed to strategic pricing adjustments and diligent cost management measures, which facilitated cost rationalization and margin improvement.

Operating profit stood at Rs. 1,797 million, nearly on par with the previous year's figure (March 2023: Rs. 1,809 million). However, the excessive leveraging, coupled with exceptionally high mark-up costs, resulted in a net loss of Rs. 192 million, contrasting with a net profit of Rs. 95 million reported in the previous period. Consequently, this loss translated to a loss per share of Rs. 0.88, as opposed to earnings per share of Rs. 0.44 reported during the same period last year.

Directors' Review

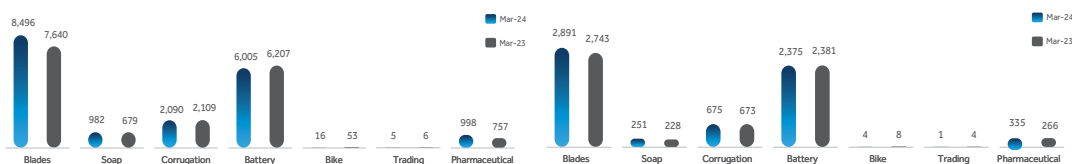
Segment wise sales is as follows:

(Rupees in million)

SEGMENTS	Sales					
	Nine Months Ended		% Change	Quarter Ended		% Change
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23	
	(1)	(2)	(1) over (2)	(3)	(4)	(3) over (4)
Blades	8,496	7,640	11%	2,891	2,743	5%
Soap	982	679	44%	251	228	10%
Corrugation	2,090	2,109	-1%	675	673	0%
Battery	6,005	6,207	-3%	2,375	2,381	0%
Bike	16	53	-68%	4	8	-52%
Trading	5	6	-16%	1	4	-81%
Pharmaceutical	998	757	32%	355	266	33%
Total	18,592	17,451	7%	6,552	6,303	4%

TREET GROUP RESULTS
(Nine Months Rs. in Million)

TREET GROUP RESULTS
(3rd Quarter Rs. in Million)



SUMMARY OF COMPARATIVE FINANCIAL RESULTS – UNCONSOLIDATED (TCL)

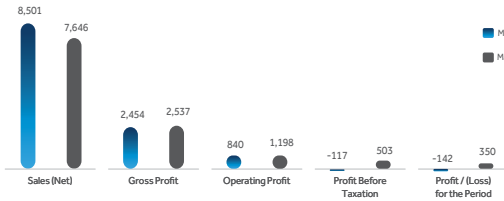
(Rupees in million)

SEGMENTS	Nine Months Ended		% Change	Quarter Ended		% Change
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23	
	(1)	(2)	(1) over (2)	(3)	(4)	(3) over (4)
	Sales (net)	8,501	7,646	11%	2,891	2,747
Gross Profit	2,454	2,537	-3%	930	994	-6%
Operating Profit	840	1,198	-30%	399	435	-8%
Profit before Taxation	(117)	503	-123%	98	191	-48%
Profit/ (loss) for the period	(142)	350	-141%	64	96	-34%
EPS (in Rupees)	(0.65)	1.61	-141%	0.29	0.45	-35%

Directors' Review

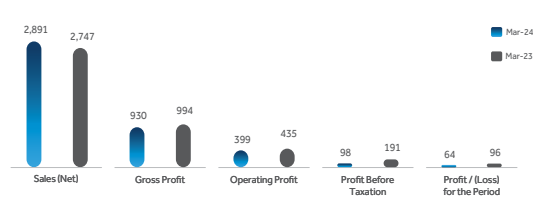
TREET FINANCIAL RESULTS

(Nine Months Rs. in Million)



TREET FINANCIAL RESULTS

(3rd Quarter Rs. in Million)



TREET CORPORATION LIMITED (TCL)

Treet Corporation Limited, a flagship venture within the Group, is primarily involved in the manufacturing and distribution of blades and razors. Throughout the nine-month period, its turnover amounted to Rs. 8,501 million, showcasing a noteworthy increase of 11% over the corresponding period last year (March 2023: Rs. 7,646 million), despite the challenging macroeconomic landscape.

Of particular significance is the substantial growth in local sales, which accounted for 68% of the total sales, reflecting a notable 17% rise compared to the same period last year. Despite this increase in turnover, the company encountered challenges due to prevailing macro-economic instability evident in its financial performance. The prevailing high inflationary pressure, which has adversely affected purchasing power parity, directly impacted the margins, resulting in a 3% decline in Gross Profit Rs. 2,454 million, compared to the corresponding period last year March 2023: Rs. 2,537 million.

Operating Profit also experienced a decline, standing at Rs. 840 million, marking a 30% decrease compared to the corresponding period last year (March 2023: Rs. 1,198 million). Despite maintaining positive operating margins, the excessive leveraging on the balance sheet, coupled with remarkably high mark-up costs, led to a Loss After Tax of Rs. 142 million, contrasting with the profit of Rs. 350 million recorded in the previous period.

Efforts are underway to address these challenges and enhance the company's financial resilience through strategic measures aimed at optimizing operational efficiencies and mitigating risk exposure.

TREET BATTERY LIMITED (TBL)

In the nine months ended 31st March 2024, our company has performed remarkably well considering the severe challenges in the economic & political landscape. While consumer spending dipped due to inflation, our swift and innovative response led to a significant 38% jump in gross profit, rising from Rs. 865 million to Rs. 1,194 million. Even though there was a 27% drop in sales volume compared to same period last year owing to adverse market conditions, however this was largely offset by strategic pricing and increased trade discounts which kept us competitive in the market, offering the best value to our consumers. Despite these headwinds, our company navigated the storm with remarkable agility and strategic thinking. This achievement underscores our unwavering commitment to operational excellence and maximizing profit margins. Operational efficiency also saw a significant boost, with operational profit soaring by 38%. This reflects the successful implementation of cost-saving measures and the company's overall efficiency. While financing costs led to a slight increase in net losses, our focus on margin improvement significantly cushioned the blow. This demonstrates our company's foresight and prudent financial management.

Directors' Review

The pronounced leveraging on the balance sheet, exacerbated by the prevailing extraordinarily high policy rate, has led to elevated mark-up costs. Consequently, this has resulted in a net loss of Rs. 331 million, contrasting with a net loss of Rs. 292 million during the same period last year.

FIRST TREET MANUFACTURING MODARABA (FTMM)

FTMM has demonstrated remarkable improvement across all its segments. Over the nine-month period, the turnover surged to Rs. 3,163 million, marking a notable increase of Rs. 311 million (11%) compared to the same period last year (March 2023: Rs. 2,853 million). This rise in turnover primarily stems from increased sales in the soap segment, underscoring the effectiveness of strategic initiatives. Furthermore, the gross profit witnessed a substantial boost, rising by Rs. 50 million (23%) over the same period last year. Despite the challenges, FTMM achieved an operating profit of Rs. 146 million, slightly surpassing the profit of Rs. 140 million recorded during the same period last year. This outcome underscores the effectiveness of the company's operational strategies and its resilience in navigating market dynamics.

Celebrating our achievements, we're delighted to share that our net profit after tax soared to Rs. 165 million, a significant leap from Rs. 113 million recorded in the same period last year. This extraordinary growth underscores the dedication and hard work of our team. One of the shining stars in our journey of success has been the exceptional performance of our soap segment, witnessing an astounding 45% increase in sales. This achievement not only highlights our product's popularity but also showcases our ability to meet evolving consumer demands.

RENACON PHARMA LIMITED (RPL)

The net revenue for the period stands at Rs. 998 million, marking an impressive 32% increase compared to the same period last year (March 2023: Rs. 756 million). This substantial growth underscores the company's effective strategies and market performance. Furthermore, the gross profit soared to Rs. 357 million, reflecting a remarkable 171% improvement over the same period last year (March 2023: Rs. 132 million). This significant enhancement attributed primarily to the implementation of price rationalization measures, optimizing profitability across operations.

Moreover, the company reported a profit after tax of Rs. 150 million, representing a substantial increase of Rs. 128 million compared to the profit after tax of Rs. 23 million recorded during the same period last year. This considerable growth underscores the company's strong financial performance and effective management practices.

ACKNOWLEDGEMENTS

We place on record our gratitude to our valued customers for their confidence in our products and pledge to provide them the best quality by continually improving our products. We would also like to thank all our colleagues, management and factory staff who are strongly committed to their work as the success of your Company is built around their efforts. We also thank our shareholders for their confidence in our Company and assure them that we are committed to do our best to ensure best rewards for their investment in the Company.



Syed Sheharyar Ali
Chief Executive Officer

LAHORE
April 23, 2024

CONSOLIDATED

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FINANCIAL STATEMENTS

For the period ended March 31, 2024

Condensed interim consolidated statement of financial position (un-audited)

As At March 31, 2024

	Note	March 2024 Un-audited (Rupees in thousand)	June 2023 Audited
NON-CURRENT ASSETS			
Property, plant and equipment		17,519,783	17,041,598
Intangible assets		134,234	134,926
Long term investments		516,557	530,622
Long term loans and advances		125,886	16,763
Long term security deposits		101,641	111,746
		18,398,101	17,835,655
Current assets			
Stores and spares		426,405	426,550
Stock-in-trade		4,354,877	4,538,884
Trade debts - unsecured considered good		1,973,970	1,799,114
Short term investments		107,101	100,668
Loans, advances, deposits, prepayments and other receivables	5	2,877,494	2,047,772
Employee provident fund		-	5,997
Cash and bank balances		687,934	367,407
		10,427,781	9,286,392
Current liabilities			
Current portion of long term liabilities		283,704	140,340
Short term borrowings		7,106,321	8,493,325
Trade and other payables		3,881,783	3,510,117
Unclaimed dividend		14,985	15,602
Accrued markup		691,144	540,632
Provision for taxation		275,589	180,770
		12,253,526	12,880,786
Net current assets			
		(1,825,745)	(3,594,394)
Non-current liabilities			
Deferred liabilities		1,031,137	1,103,599
Long term loans		3,029,419	2,710,632
Government grant		46,304	46,304
Deferred Taxation		427,394	506,173
Liability against right of use asset		13,875	19,971
		4,548,129	4,386,679
Contingencies and commitments			
	6	-	-
Net assets		12,024,227	9,854,582
FINANCED BY:			
Issued, subscribed and paid-up capital		3,710,288	1,787,211
Reserves		6,472,604	5,895,681
Unappropriated profit / (loss)		(4,874,444)	(4,818,098)
Surplus on revaluation of fixed assets		6,283,050	6,419,059
Loan from director		28,400	230,000
SHARE HOLDERS' EQUITY		11,619,898	9,513,853
Minority Interest		404,329	340,729
		12,024,227	9,854,582

The attached notes 1 to 14 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024

Syed Sheharyar Ali
Chief Executive Officer

Muhammad Mohtashim Aftab
Group Chief Financial Officer

Syed Shahid Ali
Director


Condensed interim consolidated statement of profit or loss (un-audited)


For the period ended March 31, 2024

	Note	Nine months ended		Three months ended	
		July to March 2024	July to March 2023	January to March 2024	January to March 2023
		(Rupees in thousand)		(Rupees in thousand)	
Revenue -Net	7	18,592,075	17,450,979	6,552,056	6,303,094
Cost of revenue	8	(14,327,655)	(13,705,338)	(4,977,407)	(4,731,977)
Gross Profit / (Loss)		4,264,420	3,745,641	1,574,649	1,571,117
- Administrative expenses		(870,533)	(608,032)	(323,531)	(219,952)
- Distribution cost		(1,596,499)	(1,328,955)	(538,437)	(520,894)
		(2,467,032)	(1,936,987)	(861,968)	(740,846)
Operating Profit / (Loss)		1,797,388	1,808,654	712,681	830,271
Other income		244,473	(82,996)	95,273	(105,249)
		2,041,861	1,725,658	807,954	725,022
Financial expenses		(1,952,960)	(1,326,181)	(591,348)	(456,719)
Share of profit / (loss) of associate		9,205	(67,895)	38,088	(26,268)
		98,106	331,582	254,694	242,035
Workers' Profit Participation Fund		(9,867)	1,404	-	(3,011)
Workers' Welfare Fund		(11,662)	707	(1,434)	(6,470)
		(21,529)	2,111	(1,434)	(9,481)
Profit / (Loss) before taxation		76,577	333,693	253,260	232,554
Taxation					
- Group		(182,063)	(219,271)	(100,051)	(142,855)
- Associated company		(23,269)	(11,453)	(14,567)	(6,503)
Profit / (Loss) after taxation		(128,755)	102,969	138,642	83,196
(Profit) / Loss attributable to minority interest		(63,600)	(8,388)	(19,134)	(3,420)
Profit/(Loss) attributable to group		(192,355)	94,581	119,508	79,776
Earnings / (Loss) per share	9	(0.88)	Restated 0.44	0.55	Restated 0.37

The attached notes 1 to 14 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim consolidated statement of comprehensive income (un-audited)

For the period ended March 31, 2024

	Nine months ended		Three months ended	
	July to March 2024	July to March 2023	January to March 2024	January to March 2023
	(Rupees in thousand)		(Rupees in thousand)	
Profit / (loss) after taxation	(192,355)	94,581	119,508	79,776
Remeasurement of defined benefit obligation - net of tax				
Other comprehensive income				
Available for sale financial assets				
Fair value adjustment	-	-	-	-
	-	-	-	-
Total comprehensive income / (loss) for the period	(192,355)	94,581	119,508	79,776

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 14 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director


Condensed interim consolidated statement of changes in equity (un-audited)

For the period ended March 31, 2024

	Share Capital	Capital Reserve	Fair Value Reserve	Statutory Reserve	Surplus on revaluation of land buildings - net of tax	Loan from Director	General Reserve	Unappropriated Profit	Total
------(Rupees in thousand)-----									
Balance as on June 30, 2022	1,787,211	4,905,156	212,184	511,941	6,495,360	-	266,400	(4,820,401)	9,357,851
Total comprehensive income for the period	-	-	-	-	-	-	-	94,581	94,581
Loan from Director	-	-	-	-	-	-	-	-	-
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	(219,266)	-	-	219,266	-
Balance as on March 31, 2023	1,787,211	4,905,156	212,184	511,941	6,276,094	-	266,400	(4,506,554)	9,452,432
Balance as on June 30, 2023	1,787,211	4,905,156	212,184	511,941	6,419,059	230,000	266,400	(4,818,098)	9,513,853
Repayment of loan	-	-	-	-	-	(201,600)	-	-	(201,600)
Issuance of shares	1,923,077	576,923	-	-	-	-	-	-	2,500,000
Total comprehensive loss for the period	-	-	-	-	-	-	-	(192,355)	(192,355)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	(136,009)	-	-	136,009	-
Balance as on March 31, 2024	3,710,288	5,482,079	212,184	511,941	6,283,050	28,400	266,400	(4,874,444)	11,619,898

The attached notes 1 to 14 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim consolidated statement of cash flows (un-audited)

For the period ended March 31, 2024

	July to March 2024	July to March 2023
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	76,577	333,693
Adjustments for non-cash items :		
Financial charges for the period	1,952,960	1,326,181
Depreciation on property, plant and equipment	536,310	516,901
Profit on bank deposits	(44,807)	(23,510)
Profit on disposal of investment held for trading	23,805	442
Share of profit from associated company	9,205	67,895
Dividend income	(953)	(895)
Provision for WPPF and WWF	21,528	(2,111)
(Gain)/Loss on sale of fixed assets	(38,277)	(7,749)
	2,459,771	1,877,154
Operating profit / (loss) before working capital changes	2,536,348	2,210,847
(Increase) / decrease in operating assets:		
Stores and spares	145	(28,140)
Stock-in-trade	184,007	(1,162,970)
Trade debts	(174,856)	(520,023)
Short term investments	(6,433)	(15)
Loans, advances, deposits, prepayments and other receivables	123,092	249,378
	125,955	(1,461,770)
Increase / (decrease) in operating liabilities		
Trade and other payables	371,666	1,416,929
Cash generated from /(used in) from operations	3,033,969	2,166,006
Financial charges paid	(1,802,448)	(1,211,449)
Taxes paid	(586,470)	(207,801)
Payment of deferred liabilities	(72,462)	(63,718)
	(2,461,380)	(1,482,968)
Net cash inflow/(outflow) from operating activities	572,589	683,038


Condensed interim consolidated statement of cash flows (un-audited)

For the period ended March 31, 2024

	July to March 2024	July to March 2023
	(Rupees in thousand)	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(1,014,495)	(524,585)
Proceeds from sale of fixed assets	29,944	9,078
Long term deposits	(10,105)	(10,354)
Dividend income	953	23,510
Profit received on bank deposits	44,807	895
Net cash inflow/(outflow) from investing activities	(948,896)	(501,456)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Financing	456,055	9,750
Director Loan	(871,600)	1,741,375
Issuance of Shares	2,500,000	480,000
Short term borrowing	(874,340)	3,750
Dividend paid	(617)	(52)
Net cash inflow/(outflow) from financing activities	1,209,498	2,234,823
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	833,191	2,416,405
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	(5,810,898)	(9,385,532)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	(4,977,707)	(6,969,127)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	687,934	754,353
Finance under mark-up arrangements	(5,665,641)	(7,723,480)
	(4,977,707)	(6,969,127)

The attached notes 1 to 14 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Shehryar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Notes to the consolidated condensed interim financial statements (un-audited)

For the period ended March 31, 2024

1. STATUS AND NATURE OF THE BUSINESS

The Group comprises:

Holding Company

Treet Corporation Limited (TCL)

Subsidiary Companies / Undertakings

Treet Holdings Limited (THL)

First Treet Manufacturing Modaraba (FTMM)

Treet HR Management (Private) Limited (THRM)

Treet Power Limited (TPL)

Renacon Pharma Limited (RPL)

Treet Battery Limited (TBL)

- 1.1 Treet Corporation Limited (the holding Company) was incorporated in Pakistan on 22 January 1977 as a Public Limited Company under the Companies Act, 1913. Its shares are listed on Pakistan Stock Exchange Limited. The principal activity of the holding company is to manufacture and sell razors and razor blades along with other trading activities. The registered office of the holding company is situated at 72-B, Industrial Area Kot Lakhpat, Lahore.
- 1.2 Treet Holdings Limited (Global Econo Trade (Private) Limited) was incorporated in Pakistan on 21 October 2004 as a Private Limited Company under the Companies Ordinance, 1984. Global Econo Trade (Private) Limited commenced its commercial operations from 01 January 2005. The principal activity of the company is the business of manufacturing and sale of bikes. The company was converted into Public Limited Company (unlisted), and the name and objects of the company have also been changed from that of Global Econo Trade (Private) Limited to Treet Holdings Limited w.e.f June 03, 2015 after complying with the legal formalities. Its registered office is situated at 72 - B, Industrial Area Kot Lakhpat, Lahore.
- 1.3 First Treet Manufacturing Modaraba ("the Modaraba") is a multipurpose, perpetual and multi dimensional Modaraba formed on 27 July 2005 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed there-under and is managed by Treet Holdings Limited (a wholly owned subsidiary of Treet Corporation Limited), incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at 72 - B, Kot Lakhpat, Industrial Area, Lahore. The Modaraba is listed on Pakistan Stock Exchange Limited. The Modaraba is engaged in the manufacture and sale of corrugated boxes and soaps.
- 1.4 Treet HR Management (Private) Limited was incorporated in Pakistan on September 18, 2006 as a Private Limited Company under the Companies Ordinance, 1984. The company is engaged in the business of rendering professional & technical services and providing related workforce to the host companies / customers under service agreements. The name of the company has been changed from TCL Labor-Hire Company (Private) Limited to Treet HR Management (Private) Limited with effect from December 31, 2014 after complying with the legal formalities. The registered office of the company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore. The company is a wholly owned subsidiary of Treet Holdings Limited, which is also a wholly owned subsidiary of Treet Corporation Limited - an ultimate parent, a listed company.
- 1.5 Treet Power Limited was incorporated on 20 November 2007 in Pakistan as an unquoted Public Limited Company under the Companies Ordinance, 1984. At present Treet Power Limited is planning to set up an electric power generation project for generating, distribution and selling of electric power. Its registered office is situated at 72-B, Industrial Area Kot Lakhpat, Lahore.

Notes to the consolidated condensed interim financial statements (un-audited)

For the period ended March 31, 2024

1.6 Renacon Pharma Limited (RPL) was incorporated on 07 July 2009 as a Private Limited Company under the Companies Ordinance, 1984. The company was converted into Public Limited Company (unlisted) on 27 January 2017 after complying with the legal formalities. The Company engaged in the business of manufacturing of all types of formulations of Hemodialysis Concentrate in powder and solution form for all brands of machines. Treet Corporaition Limited has acquired 58.16% equity stake in the company on 18 January 2017. The registered office of the company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

1.7 Treet Battery Limited was incorporated on 22 February 2019 in Pakistan under the Companies Act, 2017. The Company is engaged in the business of manufacturers, assemblers, processors, producers, suppliers, sellers, importers, exporters, makers, fabricators and dealers in all batteries including but not limited to lead acid batteries, deep cycle batteries, lithium batteries, nickel cadmium batteries, nickel metal hydride batteries, absorbed glass mat (AGM) batteries, Gel batteries used in or required for industrial, transport, commercial and domestic and any other purpose. The registered office of the Company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

2. BASIS OF PREPARATION

These condensed interim financial statements are un-audited and has been prepared in accordance with the requirements of the approved Accounting Standards as applicable in Pakistan relating to Interim Financial Reporting. These condensed interim financial statements do not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2023.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in preparation of the financial statements for the year ended 30 June 2023.

4. ESTIMATES

The preparation of condensed Interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2023.

5. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

- This includes loan amounting to Rs. 670 million given to director Mr. Syed Shahid Ali. The loan is unsecured, markup bearing and receivable within one year.
- This also includes markup amounting to Rs. 61.03 million receivable on loan to director which carries profit at 3 Months KIBOR + 1.75%. The effective rate of markup charged during the period is 23.68% per annum.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no material change in the position of contingent liabilities since the last audited published financial statements.

6.2 Commitments

There is no material change in the position of commitments since the last audited published financial statements.

Notes to the consolidated condensed interim financial statements (un-audited)

For the period ended March 31, 2024

	Nine months ended		Three months ended	
	July to March 2024	July to March 2023	January to March 2024	January to March 2023
------(Rupees in thousand)-----				
7. REVENUE - Net				
Blades	8,496,526	7,640,239	2,890,503	2,743,200
Soaps	981,696	679,486	251,182	227,836
Packaging products	2,089,657	2,109,120	675,622	672,457
Batteries	6,004,594	6,207,319	2,374,924	2,380,548
Motor bike project	16,679	52,680	4,022	8,417
Trading operation	4,729	5,640	819	4,287
Pharmaceutical products	998,194	756,495	354,984	266,349
	18,592,075	17,450,979	6,552,056	6,303,094
8. COST OF REVENUE				
Blades	(5,993,003)	(5,063,283)	(1,947,046)	(1,743,112)
Soaps	(781,966)	(585,062)	(198,328)	(202,323)
Packaging products	(2,098,020)	(2,048,713)	(667,468)	(658,096)
Batteries	(4,810,883)	(5,342,623)	(1,932,344)	(1,902,833)
Motor bike project	(25,843)	(59,846)	(9,788)	(10,583)
Trading operation	(2,870)	(3,467)	(501)	(5,792)
Pharmaceutical products	(615,070)	(602,344)	(221,932)	(209,238)
	(14,327,655)	(13,705,338)	(4,977,407)	(4,731,977)

9. EARNING PER SHARE

Due to subsequent credit / issuance of right shares as stated in note 11 to these Financial statements, the basic and diluted earning per share of the current and prior presented periods has been adjusted for the said issue as per the requirements of IAS 33.

10. TRANSACTIONS WITH RELATED PARTIES

The Company enters into transaction with related parties in normal course of business on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

	Nine months ended	
	July to March 2024	July to March 2023
(Rupees in thousand)		
Purchases and services received	413,817	1,037,637
Goods sold and services rendered	8	40,480
	413,825	1,078,117

Notes to the consolidated condensed interim financial statements (un-audited)

For the period ended March 31, 2024

11. CORRESPONDING FIGURES

Reclassification has been made to the corresponding figures to enhance comparability with the current year's financial statements. As a result, following line items have been amended in the statement of financial position, statement of profit or loss and related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

Reclassified from	Reclassified to	Rupees in "000"
Loans, advances, deposits, prepayments and other receivables (Advances to suppliers)	Long term loans and advances (Advances to suppliers)	14,011
Long term deposits (Deposits of short term nature)	Trade and other payables (Deposits of short term nature)	13,853

12. DATE OF AUTHORISATION


These unaudited condensed interim financial statements were authorized for issue by the board of directors on April 23, 2024.


13. GENERAL

13.1 Amounts have been rounded off to thousand rupees.

13.2 All figures, except for 30 June 2023, appearing in these condensed interim consolidated financial statements are unaudited.

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

UNCONSOLIDATED



FINANCIAL STATEMENTS

For the period ended March 31, 2024


Condensed interim statement of financial position (un-audited)


As At March 31, 2024

	Note	March 2024 Un-audited (Rupees in thousand)	June 2023 Audited
NON-CURRENT ASSETS			
Property, plant and equipment		7,615,849	7,418,995
Long term investments		11,347,175	11,377,175
Long term loans and deposits		157,510	37,045
		19,120,534	18,833,215
Current assets			
Stores and spares		273,659	278,929
Stock-in-trade		2,683,169	2,858,633
Trade debts - unsecured considered good		371,794	290,342
Short term investments		73,920	97,726
Loans, advances, deposits, prepayments and other receivables		6,089,888	4,696,368
Cash and bank balances		426,920	189,318
		9,919,350	8,411,316
Current liabilities			
Current portion of long term liabilities		248,921	100,441
Short term borrowings		4,864,449	5,828,618
Trade and other payables		2,478,849	2,062,375
Accrued markup		472,405	381,119
Unclaimed dividend		14,951	15,568
Provision for taxation		98,743	732
		8,178,318	8,388,853
Net current assets		1,741,032	22,463
Non-current liabilities			
Long term loans		2,133,671	2,187,500
Liability against right of use asset		6,083	8,155
Deferred liabilities		1,245,900	1,340,016
		3,385,654	3,535,671
Contingencies and commitments	5	-	-
Net assets		17,475,912	15,320,007
FINANCED BY:			
Issued, subscribed and paid-up capital		3,710,288	1,787,211
Reserves		5,749,384	5,172,461
Unappropriated profit		2,829,954	2,914,546
Surplus on revaluation of fixed assets		5,157,886	5,215,789
Loan from Directors		28,400	230,000
		17,475,912	15,320,007

The attached notes 1 to 12 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director


Condensed interim statement of profit and loss (un-audited)


For the period ended March 31, 2024

	Note	Nine months ended		Three months ended	
		July to	July to	January to	January to
		March	March	March	March
		(Rupees in thousand)		(Rupees in thousand)	
		2024	2023	2024	2023
Revenue -Net	6	8,501,255	7,645,879	2,891,323	2,747,487
Cost of revenue	7	(6,047,064)	(5,108,602)	(1,961,813)	(1,753,777)
Gross Profit / (Loss)		2,454,191	2,537,277	929,510	993,710
- Administrative expenses		(770,870)	(536,185)	(287,373)	(200,302)
- Distribution cost		(843,373)	(803,146)	(243,366)	(358,554)
		(1,614,243)	(1,339,331)	(530,739)	(558,856)
Operating Profit / (Loss)		839,948	1,197,946	398,771	434,854
Other income		563,879	278,009	157,890	114,460
		1,403,827	1,475,955	556,661	549,314
Financial expenses		(1,520,107)	(976,188)	(458,231)	(349,662)
		(116,280)	499,767	98,430	199,652
Workers' Profit Participation Fund		-	1,494	-	(3,011)
Workers' Welfare Fund		(1,078)	1,400	(128)	(6,051)
		(1,078)	2,894	(128)	(9,062)
Profit / (Loss) before taxation		(117,358)	502,661	98,302	190,590
Taxation		(25,137)	(153,097)	(34,440)	(94,099)
Profit / (Loss) after taxation		(142,495)	349,564	63,862	96,491
Earnings / (Loss) per share	9	(0.65)	Restated 1.61	0.29	Restated 0.45

The attached notes 1 to 12 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim statement of comprehensive income (un-audited)

For the period ended March 31, 2024

	Nine months ended		Three months ended	
	July to March 2024	July to March 2023	January to March 2024	January to March 2023
	(Rupees in thousand)		(Rupees in thousand)	
Profit after taxation	(142,495)	349,564	63,862	96,491
Other comprehensive income				
Available for sale financial assets				
Transfer to profit and loss account on disposal	-	-	-	-
	-	-	-	-
Total comprehensive income / (loss) for the period	(142,495)	349,564	63,862	96,491

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 12 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim statement of changes in equity (un-audited)

For the period ended March 31, 2024

	Share Capital	Capital Reserve	Surplus on revaluation of fixed assets	General Reserve	Loan from Director	Unappropri- ated Profit	Total
------(Rupees in thousand)-----							
Balance as on June 30, 2022	1,787,211	4,906,061	5,261,768	266,400	-	2,808,409	15,029,849
Loan from Director	-	-	-	-	480,000	-	480,000
Total comprehensive income for the period	-	-	-	-	-	349,564	349,564
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(115,867)	-	-	115,867	-
Balance as on March 31, 2023	1,787,211	4,906,061	5,145,901	266,400	480,000	3,273,840	15,859,413
Balance as on June 30, 2023	1,787,211	4,906,061	5,215,789	266,400	230,000	2,914,546	15,320,007
Loan Repayment	-	-	-	-	(201,600)	-	(201,600)
Total comprehensive income for the period	-	-	-	-	-	(142,495)	(142,495)
Issuance of shares	1,923,077	576,923	-	-	-	-	2,500,000
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(57,903)	-	-	57,903	-
Balance as on March 31, 2024	3,710,288	5,482,984	5,157,886	266,400	28,400	2,829,954	17,475,912

The attached notes 1 to 12 form an integral part of this condensed interim financial statements

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim statement of cash flows (un-audited)

For the period ended March 31, 2024

	July to March 2024	July to March 2023
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(117,358)	502,661
Adjustments for non-cash items:		
Financial charges for the period	1,520,107	976,188
Depreciation on property, plant and equipment	290,256	276,394
Profit on bank deposits	(18,891)	(8,546)
Profit on disposal of investment held for trading	23,805	443
Impairment Loss on investment in subsidiary	30,000	-
Dividend Income	(952)	(895)
Provision for WPPF and WWF	1,078	(2,894)
(Gain)/Loss on sale of fixed assets	(29,964)	(7,715)
	1,815,439	1,232,975
Operating profit / (loss) before working capital changes	1,698,081	1,735,636
(Increase) / decrease in operating assets :		
Stores and spares	5,270	(5,796)
Stock-in-trade	175,464	(503,753)
Trade debts	(81,452)	(164,358)
Short term investments	23,806	(16)
Loans, advances, deposits, prepayments and other receivables	(1,172,984)	(706,869)
	(1,049,896)	(1,380,792)
Increase / (decrease) in operating liabilities		
Trade and other payables	429,553	1,070,651
Cash generated from /(used in) from operations	1,077,738	1,425,495
Financial charges paid	(1,428,821)	(857,298)
Taxes paid	(147,662)	(45,116)
WPPF and WWF	(9,627)	13,320
Post employment benefits	(94,116)	-
	(1,680,226)	(889,094)
Net cash inflow/(outflow) from operating activities	(602,488)	536,401

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director

Condensed interim statement of cash flows (un-audited)

For the period ended March 31, 2024

	July to March 2024	July to March 2023
	(Rupees in thousand)	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(487,110)	(85,045)
Proceeds from sale of fixed assets	21,868	8,824
Long term deposits	(120,465)	(13,141)
Profit received on bank deposits	5,455	8,546
Dividend received	-	895
Net cash inflow/(outflow) from investing activities	(580,252)	(79,921)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loan	92,579	1,447,080
Short Term Loan	469,285	-
Share Issuance	2,500,000	-
Payment of lease obligation	(5,851)	8,234
Participation term finance certificates	-	(29,101)
Director loan	(201,600)	480,000
Long Term Deposits	-	3,750
Dividend paid	(617)	(52)
Net cash inflow/(outflow) from financing activities	2,853,796	1,909,911
Net (decrease) / increase in cash and cash equivalents	1,671,056	2,366,391
Cash and cash equivalents at beginning of the period	(4,391,492)	(7,210,208)
Cash and cash equivalents at end of the period	(2,720,436)	(4,843,817)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	426,920	520,660
Finance under mark-up arrangements	(3,147,356)	(5,364,477)
	(2,720,436)	(4,843,817)

The attached notes 1 to 12 form an integral part of this condensed interim financial statements

Notes to the condensed interim financial statements (un-audited)

For the period ended March 31, 2024

1. STATUS AND NATURE OF BUSINESS

Treet Corporation Limited ("the Company") was incorporated in Pakistan on 22 January 1977 as a Public Limited Company under the Company's Act 1913 (now Companies Ordinance 1984). Its shares are listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to manufacture and sale of razors and razor blades along with other trading activities. The registered office of the Company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

2. BASIS OF PREPARATION

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the provisions of the Companies Act, 2017
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 31 March 2024 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows together with the notes forming part thereof.

These condensed interim unconsolidated financial statements are being submitted to the shareholders as required by section 237 of the Companies Act, 2017 and are un-audited as required by Code of Corporate Governance.

These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual unconsolidated financial statements as at and for the year ended 30 June 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last financial statements.

Comparative unconsolidated statement of financial position's numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 30 June 2023, whereas comparative unconsolidated profit or loss, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statements of the Company for the 9 months period ended 31 March 2024.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the period ended March 31, 2024

3. ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these condensed financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2023.

4. ESTIMATES

The preparation of condensed Interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2023. The provision for taxation for the period has been made on an estimated basis.

5. CONTINGENCIES AND COMMITMENTS

There are no significant changes in the contingent liabilities and commitments since the last audited published financial statements.

	Nine months ended		Three months ended	
	July to March 2024 (Rupees in thousand)	July to March 2023 (Rupees in thousand)	January to March 2024 (Rupees in thousand)	January to March 2023 (Rupees in thousand)
6. REVENUE - Net				
Blades - local	5,800,361	4,972,281	2,064,504	1,896,856
Blades - export	2,695,851	2,667,958	825,686	846,344
	8,496,212	7,640,239	2,890,190	2,743,200
Trading operation	5,043	5,640	1,133	4,287
	8,501,255	7,645,879	2,891,323	2,747,487
7. COST OF REVENUE				
Blades operation	(6,044,194)	(5,105,135)	(1,961,312)	(1,751,107)
Trading activity	(2,870)	(3,467)	(501)	(2,670)
	(6,047,064)	(5,108,602)	(1,961,813)	(1,753,777)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the period ended March 31, 2024

	Nine months ended	
	July to March 2024	July to March 2023
	(Rupees in thousand)	
8. TRANSACTIONS WITH RELATED PARTIES		
Subsidiary		
- Purchases and services received	94,442	68,593
- Goods sold and services rendered	4,609	-
Associates		
- Purchases and services received	300,900	784,286
- Goods sold and services rendered	-	-

The Company enters into transactions with related parties on an arm's length basis.

9. RESTATEMENT

Due to subsequent credit / issuance of right shares as stated in note 19 to these Financial statements, the basic and diluted earning per share of the current and prior presented periods has been adjusted for the said issue as per the requirements of IAS 33.

10. RECLASSIFICATION

Reclassification has been made to the corresponding figures to enhance comparability with the current year's financial statements. As a result, following line items have been amended in the statement of financial position, statement of profit or loss and related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.


Reclassified from	Reclassified to	Rupees in "000"
Loans, advances, deposits, prepayments and other receivables (Advances to suppliers)	Long term loans and advances (Advances to suppliers)	14,011
Long term deposits (Deposits of short term nature)	Trade and other payables (Deposits of short term nature)	13,853

11. These unaudited condensed interim financial statements were authorized for issue by the board of directors on April 23, 2024.

12. GENERAL

12.1 Amounts have been rounded off to thousand rupees.

LAHORE
April 23, 2024


Syed Sheharyar Ali
Chief Executive Officer


Muhammad Mohtashim Aftab
Group Chief Financial Officer


Syed Shahid Ali
Director



Shaping Industries,
Empowering Lives



Treet Corporation Limited

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