

**SYMBOL OF TRUST**

**OUR DIVERSIFIED BUSINESS PORTFOLIO**



**BLADES**



**RAZORS**



**BATTERIES**



**CORRUGATED  
BOXES**



**SOAPS**



**PHARMACEUTICAL  
PRODUCTS**



**BIKES**



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## Company Information

### Board of Directors

**Mr. Imran Azim**

Non-Executive Director/Chairman)

**Mr. Syed Shahid Ali**

(Chief Executive Officer)

**Mr. Syed Sheharyar Ali**

(Executive Director)

**Mr. Muhammad Shafique Anjum**

(Executive Director)

**Dr. Salman Faridi**

(Independent Director)

**Ms. Sidra Fatima Sheikh**

(Independent Director)

**Mr. Munir Karim Bana**

(Non-Executive Director)

### Chief Executive Officer

Mr. Syed Shahid Ali

### Company Secretary & Head of Legal

Ms. Zunaira Dar

### Chief Financial Officer

Mr. Mohammad Mohtashim Aftab

### Auditors

KMPG Taseer Hadi & Co.

Chartered Accountants Lahore

### Legal Advisors

Chima & Ibrahim Advocates and Corporate Counsel

### Legal Advisors

Corplink (Private) Limited

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

Tel: 042-35916714

Fax: 042-35839182

### Bankers

Al-Baraka Bank Pakistan Limited

Meezan Bank Limited

National Bank of Pakistan

Soneri Bank Limited

Askari Bank Limited

MCB Bank Limited

Habib Bank Limited

MCB Bank Limited

Samba Bank Limited

United Bank Limited

JS Bank Limited

Habib Metropolitan Bank Limited

Bank Islami Pakistan Limited

Allied Bank Limited

Bank Alfalah Limited

Bank of Punjab

Silk Bank Limited

MCB Islamic Bank Limited

Bank Al Habib Limited

Faysal Bank Limited

Dubai Islamic Bank Pakistan 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.treetonline.com

## Directors' Review

The Directors are pleased to present the un-audited consolidated Financial Statements of the Group for the three months' period ended on September 30, 2021.

### SUMMARY OF COMPARATIVE FINANCIAL RESULTS

(Rupees in million)

	September 30, 2021		September 30, 2020		% Change	
	Treet	Consolidated	Treet	Consolidated		
	(1)	(2)	(3)	(4)	(1) over (3)	(2) over (4)
Sales (net)	1,925	4,032	1,867	3,554	3.11%	13.45%
Gross Profit/(Loss)	591	709	642	545	-7.94%	30.09%
Operating Profit/(Loss)	342	291	352	111	-2.84%	162.16%
Profit/(Loss) before Taxation from Continuing Operations	246	449	374	(89)	-34.22%	604.49%
Net Profit/(Loss) after taxation from Continuing Operations	223	398	329	(156)	-32.22%	355.13%
Net Profit/(Loss) after taxation	223	398	329	(178)	-32.22%	323.60%
EPS (in Rupees)	1.28	2.25	1.93	(0.97)	-33.68%	331.96%

### BUSINESS REVIEW – GROUP RESULTS

It is our pleasure to report that the Group's operational performance has shown significant improvement even in a difficult business environment. For the three months' period, the Group's turnover was Rs. 4,032 million, registering a growth of 13.45% over the corresponding period of last year (Rs. 3,554 million). The increase reflects upside in sales of blade, corrugation and battery products.

For the three months' period under consideration, Operating Profit is Rs. 291 million which has improved by 162% over last year corresponding period. Profit after tax is Rs. 398 million which has improved by 323.6% compared to last year same period. This improvement is primarily due to revenue growth, strict control over costs, and better profit margin management. This level of profit has delivered an EPS of Rs. 2.25 per share [2020-21: Rs. (0.97)] per share last year same period.

Segment wise sales is as follows:

(Rupees in million)

	Sales		
	Quarter Ended		% Change
	September 30, 2021	September 30, 2020	
Blades	1,909	1,848	3.30%
Trading	17	19	-10.53%
Battery	1,247	934	33.51%
Corrugation*	549	326	68.40%
Soap	155	296	-47.64%
Bike	11	5	120.00%
Pharmaceutical	144	126	14.29%
<b>Total</b>	<b>4,032</b>	<b>3,554</b>	<b>13.45%</b>

A brief review of the operational performance of the Group's entities is as follows:

#### **TREET CORPORATION LIMITED (TCL)**

Treet Corporation Limited is a flagship project of the Group and is engaged in manufacturing and sales of blades and razors. For the three months' period, the turnover was Rs. 1,925 million, registering an increase of 3.11% over the same period of last year. Gross profit at Rs. 591 million shows which is 7.94% less compared to same period last year (2020-21: Rs. 642 million). Profit after tax is Rs. 223 million which has decreased by 32.2% compared to last year same period (2020-21: Rs. 329 million).

#### **FIRST TREET MANUFACTURING MODARABA (FTMM)**

##### **a) BATTERY**

The battery segment has shown healthy increase in the volume which is approximately 25.6% higher compared to last year same period. Furthermore, the estimated market share of our battery has increased over 9% during the current period. This is mainly due to increase in level of customer satisfaction.

The net revenue for the period is Rs. 1,247 million, which is 33.5% higher compared to last period. The business has posted gross profit of Rs. 7.5 million which has improved by 107% compared to last year same period.

##### **b) CORRUGATION**

The net revenue for the period is Rs. 562 million which has increased by 64.33% as compared to last year same period. The business has posted a gross profit of Rs. 52 million compared to a gross loss of Rs. 11 million. The profit is mainly due to increase in raw material cost, higher freight charges and limited pass through impact (i.e. increased cost is not passed on to the customer due to intense competition).

Efforts are being made to broaden the customer base through market diversification. Moreover, prices are also being rationalized in tandem with the increased costs (raw material, salaries etc.) however, with time lagged impact.

##### **c) SOAPS**

The net revenue for the period is Rs. 155 million, which has decreased by 47.64% compared to last period. The business has posted gross profit of Rs. 20 million which has improved by 80% compared to last period.

#### **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 Shahid Ali**  
Chief Executive Officer

**LAHORE**  
October 27, 2021

UNCONSOLIDATED

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# FINANCIAL STATEMENTS

For the period ended September 30, 2021


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

As At September 30, 2021


	September 2021 Un-audited (Rupees in thousand)	June 2021 Audited
Note		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	7,887,190	7,745,395
Investment property	12,896	12,896
Long term investments	10,842,318	10,533,701
Long term loans and deposits	292,388	294,522
	<b>19,034,792</b>	<b>18,586,514</b>
<b>Current assets</b>		
Stores and spares	283,659	256,208
Stock-in-trade	1,470,374	1,474,422
Trade debts - unsecured considered good	228,141	157,207
Short term investments	70,264	334,695
Loans, advances, deposits, prepayments and other receivables	1,853,876	2,040,292
Cash and bank balances	291,702	645,781
	<b>4,198,016</b>	<b>4,908,605</b>
Asset held for sale	-	313,617
<b>Current liabilities</b>		
Current portion of long term liabilities	149,315	149,315
Short term borrowings	5,695,909	6,171,512
Trade and other payables	1,396,605	1,616,781
Provision for taxation	365,894	343,448
	<b>7,607,723</b>	<b>8,281,056</b>
<b>Net current assets</b>	<b>(3,409,707)</b>	<b>(3,058,834)</b>
<b>Non-current liabilities</b>		
Long term deposits	3,564	3,464
Long term loans	79,400	115,149
Liability against right of use assets	20,502	20,502
Deferred liabilities	999,344	1,089,756
	<b>1,102,810</b>	<b>1,228,871</b>
<b>Contingencies and commitments</b>	6	-
<b>Net assets</b>	<b>14,522,275</b>	<b>14,298,809</b>
<b>FINANCED BY:</b>		
Issued, subscribed and paid-up capital	1,748,343	1,748,343
Reserves	5,116,724	5,116,724
Unappropriated profit / (loss)	2,329,935	2,101,491
Surplus on revaluation of fixed assets	5,327,273	5,332,251
	<b>14,522,275</b>	<b>14,298,809</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director




## Condensed interim profit and loss account (un-audited)

For the period ended September 30, 2021


		3 Months ended	
		July to September 2021	July to September 2020
	Note	(Rupees in thousand)	
Revenue -Net	7	1,925,398	1,866,894
Cost of revenue	8	(1,334,676)	(1,224,482)
Gross Profit / (Loss)		590,722	642,412
- Administrative expenses		(117,053)	(115,967)
- Distribution cost		(131,562)	(174,841)
		(248,615)	(290,808)
Operating Profit / (Loss)		342,107	351,604
Other income		27,044	233,639
		369,151	585,243
Financial expenses		(119,164)	(191,187)
		249,987	394,056
Workers' Profit Participation Fund		(4,074)	(19,703)
Workers' Welfare Fund		-	-
		(4,074)	(19,703)
Profit / (Loss) before taxation		245,913	374,353
Taxation		(22,447)	(45,452)
Profit / (Loss) from continuing operation		223,466	328,901
Earnings / (Loss) per share		1.28	1.93

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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


For the period ended September 30, 2021

	3 Months ended	
	July to September 2021	July to September 2020
	(Rupees in thousand)	
Profit after taxation	223,466	328,901
Other comprehensive income		
Available for sale financial assets		
Transfer to profit and loss account on disposal	-	-
	-	-
Total comprehensive income for the period	223,466	328,901


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

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director


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

For the period ended September 30, 2021


	Share Capital	Capital Reserve	Surplus on revaluation of fixed assets	Employee stock option compensation reserve	General Reserve	Unappropriated	Total
------(Rupees in thousand)-----							
Balance as on June 30, 2020 as previously reported	1,698,313	4,819,495	3,832,312	734	266,400	636,722	11,253,976
Issuance of shares under employee share option scheme (ESOS)	9,829	5,613	-	-	-	-	15,442
Total comprehensive income for the period	-	-	-	-	-	328,901	328,901
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(4,980)	-	-	4,980	-
<b>Balance as on September 30, 2020</b>	<b>1,708,142</b>	<b>4,825,108</b>	<b>3,827,332</b>	<b>734</b>	<b>266,400</b>	<b>970,603</b>	<b>11,598,319</b>
Balance as on June 30, 2021	1,748,343	4,850,324	5,332,251	-	266,400	2,101,491	14,298,809
Total comprehensive income for the period	-	-	-	-	-	223,466	223,466
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(4,978)	-	-	4,978	-
<b>Balance as on September 30, 2021</b>	<b>1,748,343</b>	<b>4,850,324</b>	<b>5,327,273</b>	<b>-</b>	<b>266,400</b>	<b>2,329,935</b>	<b>14,522,275</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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

For the period ended September 30, 2021

	July to September 2021	July to September 2020
	(Rupees in thousand)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before taxation</b>	<b>245,913</b>	<b>374,353</b>
Adjustments for non-cash items :		
Financial charges for the period	119,164	191,187
Depreciation on property, plant and equipment	80,354	74,675
Provision for gratuity	46,770	15,597
Provision for superannuation fund scheme	42,726	14,242
Profit on bank deposits	(2,035)	(1,239)
Profit on disposal of investment held for trading	(4,050)	(52,419)
Profit on disposal of available for sale investment	891	-
Dividend income	(1,331)	-
Provision for WPPF and WWF	4,074	19,703
(Gain)/Loss on sale of fixed assets	(8,397)	(1,938)
	<b>278,166</b>	<b>259,808</b>
<b>Operating profit / (loss) before working capital changes</b>	<b>524,079</b>	<b>634,161</b>
(Increase) / decrease in operating assets :		
Stores and spares	(27,451)	(3,954)
Stock-in-trade	4,048	108,900
Trade debts	(70,934)	180
Short term investments	268,481	(3)
Loans, advances, deposits, prepayments and other receivables	220,663	(245,447)
	<b>394,807</b>	<b>(140,324)</b>
<b>Increase / (decrease) in operating liabilities</b>		
Trade and other payables	(170,670)	217,126
<b>Cash generated from /(used in) from operations</b>	<b>748,216</b>	<b>710,963</b>
Financial charges paid	(172,736)	(223,627)
Taxes paid	(34,247)	(23,005)
WPPF and WWF	-	6
Payment to gratuity fund	(95,614)	(33,436)
Payment to superannuation fund	(84,296)	(36,620)
	<b>(386,893)</b>	<b>(316,682)</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>361,323</b>	<b>394,281</b>


## Condensed interim cash flow statement (un-audited)

For the period ended September 30, 2021


	July to September 2021	July to September 2020
	(Rupees in thousand)	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(389,296)	795
Proceeds from sale of fixed assets	175,544	11,179
Long term investments	4,109	-
Long term deposits	2,134	981
Profit received on bank deposits	2,035	1,239
Dividend received	1,331	-
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(204,143)</b>	<b>14,194</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share capital	-	9,829
Share premium	-	5,613
Long Term Loan	(35,749)	164,795
Long Term Deposits	100	(10,001)
Dividend paid	(7)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(35,656)</b>	<b>170,236</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>121,524</b>	<b>578,711</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>(5,525,731)</b>	<b>(8,482,285)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>(5,404,207)</b>	<b>(7,903,574)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	291,702	201,144
Finance under mark-up arrangements	(5,695,909)	(8,104,718)
	<b>(5,404,207)</b>	<b>(7,903,574)</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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

For the period ended September 30, 2021

### 1. STATUS AND NATURE OF THE 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 30 September 2021 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 2021. 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 2021, 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 15 months period ended 30 September 2021.

### 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 2021 except for the adoption of new standards effective.

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

For the period ended September 30, 2021

### 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 2021.

### 5. CONTINGENCIES AND COMMITMENTS

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

	3 Months ended	
	July to September 2021	July to September 2020
	(Rupees in thousand)	
<b>6. REVENUE - Net</b>		
Blades - local	1,255,021	1,166,646
Blades - export	653,725	681,574
	1,908,746	1,848,220
Trading operation	16,652	18,674
	1,925,398	1,866,894

### 7. COST OF REVENUE

Blades operation	(1,320,260)	(1,208,741)
Trading activity	(14,416)	(15,741)
	(1,334,676)	(1,224,482)

### 8. TRANSACTIONS WITH RELATED PARTIES

<b>Subsidiary</b>		
- Purchases and services received	15,613	12,510
- Goods sold and services rendered	913	164,458
<b>Associates</b>		
- Purchases and services received	107,470	47,212
- Goods sold and services rendered	3,592	61,385

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

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

For the period ended September 30, 2021


9. These unaudited condensed interim financial statements were authorized for issue by the board of directors October 27, 2021.

### 10. GENERAL


10.1 The Board of Directors in their meeting held on 26 October 2021 has proposed a dividend of 10% for the year ended 30 June 2021 (2020: Nil ) amounting to Rs. 174.834 million (2020: Rs. Nil ) for the approval of the members at the annual general meeting to be held on 23 November 2021. These condensed interim financial statements do not reflect this proposed dividend payable.

10.2 Amounts have been rounded off to thousand rupees.

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director



CONSOLIDATED

—

# FINANCIAL STATEMENTS

For the period ended September 30, 2021


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

As At September 30, 2021


	September 2021 Un-audited (Rupees in thousand)	June 2021 Audited
Note		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	17,448,420	17,573,455
Investment property	12,896	12,896
Long term investments	734,505	762,135
Long term loans and deposits	356,810	356,154
	<b>18,552,631</b>	<b>18,704,640</b>
<b>Current assets</b>		
Stores and spares	376,550	341,522
Stock-in-trade	2,484,858	2,683,456
Trade debts - unsecured considered good	944,559	938,767
Short term investments	76,182	398,949
Loans, advances, deposits, prepayments and other receivables	2,100,096	1,801,486
Cash and bank balances	846,799	816,688
	<b>6,829,044</b>	<b>6,980,868</b>
Asset held for sale	-	404,741
<b>Current liabilities</b>		
Current portion of long term liabilities	174,228	163,301
Short term borrowings	9,946,242	10,291,822
Trade and other payables	2,725,447	2,969,735
Provision for taxation	577,043	449,101
	<b>13,422,960</b>	<b>13,873,959</b>
<b>Net current assets</b>	<b>(6,593,916)</b>	<b>(6,488,350)</b>
<b>Non-current liabilities</b>		
Long term deposits	3,563	3,464
Long term loans	162,346	206,664
Liability against right of use assets	60,627	59,515
Deferred liabilities	1,287,875	1,566,186
	<b>1,514,411</b>	<b>1,835,829</b>
<b>Contingencies and commitments</b>	5	-
<b>Net assets</b>	<b>10,444,304</b>	<b>10,380,461</b>
<b>FINANCED BY:</b>		
Issued, subscribed and paid-up capital	1,748,343	1,748,343
Reserves	5,839,944	5,817,155
Unappropriated profit / (loss)	(4,002,714)	(4,542,230)
Surplus on revaluation of fixed assets	6,604,634	7,046,473
<b>SHARE HOLDERS' EQUITY</b>	<b>10,190,207</b>	<b>10,069,741</b>
Minority Interest	254,097	310,720
	<b>10,444,304</b>	<b>10,380,461</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director


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

For the period ended September 30, 2021

	Note	3 Months ended	
		July to September 2021	July to September 2020
		(Rupees in thousand)	
Revenue -Net	6	4,032,101	3,554,069
Cost of revenue	7	(3,323,012)	(3,009,094)
<b>Gross Profit / (Loss)</b>		<b>709,089</b>	<b>544,975</b>
- Administrative expenses		(149,453)	(131,336)
- Distribution cost		(269,066)	(302,374)
		(418,519)	(433,710)
<b>Operating profit / (loss)</b>		<b>290,570</b>	<b>111,265</b>
Other income		371,110	104,709
		661,680	215,974
Financial expenses		(211,016)	(280,505)
Share of profit / (loss) of associate		2,731	(4,354)
		453,395	(68,885)
Workers' Profit Participation Fund		(4,074)	(19,703)
Workers' Welfare Fund		(134)	(67)
		(4,208)	(19,770)
<b>Profit / (Loss) before taxation</b>		<b>449,187</b>	<b>(88,655)</b>
Taxation			
- Group		(54,970)	(65,368)
- Associated company		3,654	(1,664)
<b>Profit / (Loss) from continuing operation</b>		<b>397,871</b>	<b>(155,687)</b>
<b>Profit / (Loss) from discontinued operation</b>		<b>-</b>	<b>(22,659)</b>
<b>Profit / (Loss) after taxation</b>		<b>397,871</b>	<b>(178,346)</b>
<b>(Profit) / Loss attributable to minority interest</b>		<b>(3,897)</b>	<b>12,465</b>
<b>Profit / (Loss) attributable to group</b>		<b>393,974</b>	<b>(165,881)</b>
<b>Earnings / (Loss) per share</b>		<b>2.25</b>	<b>(0.97)</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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


For the period ended September 30, 2021

	3 Months ended	
	July to September 2021	July to September 2020
	(Rupees in thousand)	
Profit / (loss) after taxation	393,974	(165,881)
Other comprehensive income		
Available for sale financial assets		
Transfer to profit and loss account on disposal	-	-
	-	-
Total comprehensive income / (loss) for the period	393,974	(165,881)


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

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director


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

For the period ended September 30, 2021


	Share Capital	Capital Reserve	Fair Value Reserve	Statutory Reserve	Surplus on revaluation of land buildings - net of tax	Employee stock option compensation reserve	General Reserve	Unappropriated Profit/ (Loss)	Total
----- (Rupees in thousand) -----									
<b>Balance as on June 30, 2020 as previously reported</b>	1,698,313	4,818,590	20,394	511,941	4,893,916	734	266,400	(4,318,826)	7,891,462
Issuance of shares under employee share option scheme (ESOS)	9,829	5,613	-	-	-	-	-	-	15,442
Total comprehensive income for the period	-	-	-	-	-	-	-	(165,881)	(165,881)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	(20,030)	-	-	20,030	-
<b>Balance as on September 30, 2020</b>	1,708,142	4,824,203	20,394	511,941	4,873,886	734	266,400	(4,464,677)	7,741,023
<b>Balance as on June 30, 2021</b>	1,748,343	4,849,419	212,184	511,941	6,775,227	-	266,400	(4,567,281)	9,796,233
Transferred to profit and loss due to sale	-	-	-	-	(144,951)	-	-	144,951	-
Total comprehensive income for the period	-	-	-	-	-	-	-	393,974	393,974
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	(25,642)	-	-	25,642	-
<b>Balance as on September 30, 2021</b>	1,748,343	4,849,419	212,184	511,941	6,604,634	-	266,400	(4,002,714)	10,190,207

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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

For the period ended September 30, 2021

	July to September 2021	July to September 2020
	(Rupees in thousand)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before taxation</b>	<b>449,187</b>	<b>(111,314)</b>
Adjustments for non-cash items :		
Financial charges for the period	211,016	280,505
Depreciation on property, plant and equipment	158,432	238,442
Provision for gratuity	53,980	18,010
Provision for superannuation fund scheme	43,924	15,276
Profit on bank deposits	(5,702)	(3,777)
Profit on disposal of investment held for trading	(4,051)	(52,419)
Share of profit from associated company	(2,731)	-
Realization of fair value reserve	-	4,354
Realization of revaluation surplus	(144,951)	-
Dividend income	(1,332)	-
Provision for WPPF and WWF	4,208	19,770
(Gain)/Loss on sale of fixed assets	(355,624)	(1,912)
	<b>(42,831)</b>	<b>518,249</b>
<b>Operating profit / (loss) before working capital changes</b>	<b>406,356</b>	<b>406,935</b>
(Increase) / decrease in operating assets :		
Stores and spares	(35,028)	(5,660)
Stock-in-trade	198,598	432,117
Trade debts	(5,792)	43,936
Short term investments	265,276	(3)
Loans, advances, deposits, prepayments and other receivables	(212,813)	(37,893)
	<b>210,241</b>	<b>432,497</b>
<b>Increase / (decrease) in operating liabilities</b>		
Trade and other payables	(210,300)	412,184
<b>Cash generated from /(used in) from operations</b>	<b>406,297</b>	<b>1,251,616</b>
Financial charges paid	(252,565)	(469,582)
Taxes paid	(85,797)	(37,464)
WPPF and WWF	3,359	758
Payment to gratuity fund	(102,824)	(35,849)
Payment to superannuation fund	(85,494)	(28,252)
	<b>(523,321)</b>	<b>(570,389)</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(117,024)</b>	<b>681,227</b>


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

For the period ended September 30, 2021


	July to September 2021	July to September 2020
	(Rupees in thousand)	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(443,565)	(4,901)
Proceeds from sale of fixed assets	928,073	11,724
Long term investments	34,015	(15,084)
Long term deposits	(656)	(2,758)
Profit received on bank deposits	5,702	3,777
Dividend received	1,332	-
<b>Net cash inflow/(outflow) from investing activities</b>	<b>524,901</b>	<b>(7,242)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease obligation	1,112	-
Share capital	-	9,829
Share premium	-	5,613
Long Term Loan	(33,391)	164,795
Long Term Deposits	99	(24,563)
Dividend paid	(6)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(32,186)</b>	<b>155,674</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>375,691</b>	<b>829,659</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>(9,475,134)</b>	<b>(12,557,317)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>(9,099,443)</b>	<b>(11,727,658)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	846,799	687,098
Finance under mark-up arrangements	(9,946,242)	(12,414,756)
	<b>(9,099,443)</b>	<b>(11,727,658)</b>

The attached notes 1 to 10 form an integral part of this condensed interim financial statements

LAHORE  
October 27, 2021

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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

For the period ended September 30, 2021

### 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 was incorporated in Pakistan on 21 October 2004 as a Private Limited Company under the Companies Ordinance, 1984. Global Econo Trade 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, soaps and batteries.
- 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.



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

For the period ended September 30, 2021

- 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.
- 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 Corporation 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 and in the process of initiating its operations by the period end. The Company will carry out business as 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 2021.

### 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 2021.

### 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 2021.

### 5. CONTINGENCIES AND COMMITMENTS

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

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

For the period ended September 30, 2021

	3 Months ended	
	July to	July to
	September 2021	September 2020
	(Rupees in thousand)	
<b>6. REVENUE - Net</b>		
Blades	1,908,746	1,848,220
Soaps	155,051	296,042
Packaging products	548,876	326,329
Batteries	1,247,331	934,218
Motor bike project	11,397	5,063
Trading operation	16,652	18,674
Pharmaceutical products	144,048	125,523
	<b>4,032,101</b>	<b>3,554,069</b>

## 7. COST OF REVENUE

Blades	(1,301,083)	(1,194,864)
Soaps	(131,729)	(283,572)
Packaging products	(507,014)	(350,770)
Batteries	(1,239,802)	(1,049,039)
Motor bike project	(14,463)	(8,121)
Trading operation	(12,852)	(15,738)
Pharmaceutical products	(116,069)	(106,990)
	<b>(3,323,012)</b>	<b>(3,009,094)</b>

## 8. TRANSACTIONS WITH RELATED PARTIES

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

Purchases and services received	152,637	130,680
Goods sold and services rendered	3,761	60,480


9. These unaudited condensed interim financial statements were authorized for issue by the board of directors October 27, 2021.


## 10. GENERAL


10.1 The Board of Directors in their meeting held on 26 October 2021 has proposed a dividend of 10% for the year ended 30 June 2021 (2020: Nil ) amounting to Rs. 174.834 million (2020: Rs. Nil ) for the approval of the members at the annual general meeting to be held on 23 November 2021. These condensed interim financial statements do not reflect this proposed dividend payable.

10.2 Amounts have been rounded off to thousand rupees.

LAHORE  
October 27, 2021

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director





**HEAD OFFICE**

72-B, Industrial Area Kot Lakhpat,  
Lahore - 54770, Pakistan