

**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)

**Syed Shahid Ali**  
(Chief Executive Officer)

**Syed Sheharyar Ali**  
(Executive Director)

**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

Syed Shahid Ali

### Audit Committee

**Dr. Salman Faridi**  
Chairman / Member

**Mr. Imran Azim**  
Member

**Mr. Munir Karim Bana**  
Member

### Human Resource & Remuneration Committee

**Ms. Sidra Fatima Sheikh**  
Chairperson / Member

**Syed Shahid Ali**  
Member

**Mr. Imran Azim**  
Member

### Company Secretary & Head of Legal

Ms. Zunaira Dar

### Chief Financial Officer

Mohammad Mohtashim Aftab

### Head of Internal Audit

Muhammad Ali

### Auditors

M/s Yousuf Adil  
Chartered Accountants Lahore

### Legal Advisors

Chima & Ibrahim Advocates

### 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  
Meezan Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Askari 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

### Group Companies

Treet Holdings Limited  
First Treet Manufacturing Modaraba  
Renacon Pharma Limited  
Treet HR Management (Pvt) Ltd.  
Treet Power Limited  
Treet Battery 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.treetgroup.com

## Directors' Review

It pleases us to present the financial statements (un-audited) for the 3rd quarter ended on March 31<sup>st</sup>, 2022.

### SUMMARY OF COMPARATIVE FINANCIAL RESULTS – CONSOLIDATED

(Rupees in million)

|                                  | Nine Months Ended |           | % Change<br>(1) over (2) | Quarter Ended |           | % Change<br>(3) over (4) |
|----------------------------------|-------------------|-----------|--------------------------|---------------|-----------|--------------------------|
|                                  | 31-Mar-22         | 31-Mar-21 |                          | 31-Mar-22     | 31-Mar-21 |                          |
|                                  | (1)               | (2)       |                          | (3)           | (4)       |                          |
| Sales (net)                      | 11,248            | 10,694    | 5.18%                    | 3,490         | 3,515     | (0.71)%                  |
| Gross Profit/(Loss)              | 1,956             | 2,065     | (5.28)%                  | 453           | 791       | (42.73)%                 |
| Operating Profit/(Loss)          | 754               | 636       | 18.55%                   | 19            | 316       | (94)%                    |
| Profit/(Loss) before Taxation    | 286               | (19)      | 1,605.26%                | (223)         | 137       | (262.77)%                |
| Net Profit/(Loss) after taxation | 102               | (321)     | 131.78%                  | (239)         | 14        | (1,807.14)%              |
| EPS (in Rupees)                  | 0.59              | (1.78)    | 133.15%                  | (1.35)        | 0.08      | (1,788.5)%               |

### SUMMARY OF COMPARATIVE FINANCIAL RESULTS – UNCONSOLIDATED

(Rupees in million)

|                                  | Nine Months Ended |           | % Change<br>(1) over (2) | Quarter Ended |           | % Change<br>(3) over (4) |
|----------------------------------|-------------------|-----------|--------------------------|---------------|-----------|--------------------------|
|                                  | 31-Mar-22         | 31-Mar-21 |                          | 31-Mar-22     | 31-Mar-21 |                          |
|                                  | (1)               | (2)       |                          | (3)           | (4)       |                          |
| Sales (net)                      | 5,626             | 5,982     | (5.95)%                  | 1,720         | 2,022     | (14.94)%                 |
| Gross Profit/(Loss)              | 1,706             | 2,101     | (18.80)%                 | 454           | 796       | (42.96)%                 |
| Operating Profit/(Loss)          | 913               | 1,089     | (16.16)%                 | 157           | 472       | (66.74)%                 |
| Profit/(Loss) before Taxation    | 509               | 838       | (39.26)%                 | (0.184)       | 342       | (100.05)%                |
| Net Profit/(Loss) after taxation | 405               | 677       | (40.18)%                 | 12            | 262       | (95.42)%                 |
| EPS (in Rupees)                  | 2.31              | 3.95      | (41.52)%                 | 0.07          | 1.53      | (95.42)%                 |

### BUSINESS REVIEW – GROUP RESULTS

For the nine months' period, the Group's turnover was Rs. 11,248 million, registering an increase of Rs. 554 million (5.18%) over the same period of previous year. Despite the tough economic conditions due to pandemic, increase in revenue is mainly due to upside in sales of corrugation, battery, bike and pharmaceutical products.

Segment wise sales is as follows:

(Rupees in million)

| Segment        | Sales             |               |              |               |              |                |
|----------------|-------------------|---------------|--------------|---------------|--------------|----------------|
|                | Nine Months Ended |               | % Change     | Quarter Ended |              | % Change       |
|                | 31-Mar-22         | 31-Mar-21     |              | 31-Mar-22     | 31-Mar-21    |                |
|                | (1)               | (2)           | (1) over (2) | (3)           | (4)          | (3) over (4)   |
| Blades         | 5,603             | 5,928         | (5.48)%      | 1,716         | 2,012        | (14.71)%       |
| Soap           | 380               | 603           | (36.98)%     | 125           | 104          | 20.19%         |
| Corrugation    | 1,615             | 1,219         | 32.49%       | 563           | 481          | 17.05%         |
| Battery        | 3,122             | 2,467         | 26.55%       | 909           | 763          | 19.13%         |
| Bike           | 39                | 17            | 129.41%      | 8             | 6            | 33.33%         |
| Trading        | 23                | 54            | (57.41)%     | 4             | 10           | (60.00)%       |
| Pharmaceutical | 466               | 406           | 14.78%       | 165           | 139          | 18.71%         |
| <b>Total</b>   | <b>11,248</b>     | <b>10,694</b> | <b>5.18%</b> | <b>3,490</b>  | <b>3,515</b> | <b>(0.71)%</b> |

## Directors' Review

For the nine months' period under consideration, Operating Profit is Rs. 754 million which shows an improvement by 18.55% over corresponding period last year (March 2021: Rs. 636 million) is mainly driven by overheads control and value chain cost optimization initiatives. Profit after tax is Rs. 102 million which shows an improvement by 131.78% compared to last year same period. The increase in profit is primarily due to lesser financial charges attributable to lower policy rate. However, with the increase in policy rate the finance cost is expected to increase in the coming months. This level of profit has delivered a positive EPS of Rs. 0.59 per share compared to negative EPS of Rs. 1.78 per share last year same period.

Treet sales is experiencing tough call as influx of smuggled blades has increased, and these items are being sold at significant discount compared to our sales price putting dent to our profitability and market share. Resultantly, this has reduced our sales for the quarter. Company has prepared a mitigation plan to curb the influx which has been successfully implemented. It is expected that sales will grow in the next quarter.

### FINANCIAL PLAN

Spin off Battery segment from its subsidiary (First Treet Manufacturing Modaraba) to separate Company (Treet Battery Limited) is in progress. Demerger application has been filed with Honorable Lahore High Court (the Court). During the period scheme of arrangement for merger/ amalgamation was approved in extra ordinary general meeting that was held on 02 March 2022. Accordingly, chairman's report related to such meeting was submitted to the Court.

Reprofiling of Short Term borrowing to long term up to Rs. 3 billion is in progress and Habib Bank Limited (HBL) has been given the mandate to be the lead arranger. It is expected that reprofiling will be completed before the close of current financial year.

### 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**  
April 26, 2022

UNCONSOLIDATED

—

# FINANCIAL STATEMENTS

For the period ended March 31, 2022


## Condensed interim unconsolidated statement of financial position (Un-audited)

As At March 31, 2022


|  | Note | March 2022<br>Un-audited<br>(Rupees in thousand) | June 2021<br>Audited |
|--|------|--|----------------------|
| <b>NON-CURRENT ASSETS</b>                                    |      |  |                      |
| Property, plant and equipment                                |      | 7,593,811  | 7,745,395            |
| Investment property  |      | 12,896   | 12,896               |
| Long term investments  |      | 10,844,514                                       | 10,533,701           |
| Long term loans and deposits                                 |      | 22,505   | 294,522              |
|  |      | <b>18,473,726</b>                                | <b>18,586,514</b>    |
| <b>Current assets</b>  |      |  |                      |
| Stores and spares  |      | 282,411  | 256,208              |
| Stock-in-trade   |      | 1,542,157  | 1,474,422            |
| Trade debts - unsecured considered good                      |      | 409,314  | 157,207              |
| Short term investments                                       |      | 343,107  | 334,695              |
| Loans, advances, deposits, prepayments and other receivables |      | 2,712,406  | 2,040,292            |
| Cash and bank balances                                       |      | 250,932  | 645,781              |
|  |      | <b>5,540,327</b>                                 | <b>4,908,605</b>     |
| Asset held for sale  |      | -  | 313,617              |
| <b>Current liabilities</b>                                   |      |  |                      |
| Current portion of long term liabilities                     |      | 150,259  | 149,315              |
| Short term borrowings  |      | 6,272,996  | 6,171,512            |
| Trade and other payables                                     |      | 1,204,475  | 1,616,781            |
| Provision for taxation                                       |      | 123,658  | 343,448              |
|  |      | <b>7,751,388</b>                                 | <b>8,281,056</b>     |
| <b>Net current assets</b>                                    |      | <b>(2,211,061)</b>                               | <b>(3,058,834)</b>   |
| <b>Non-current liabilities</b>                               |      |  |                      |
| Long term deposits   |      | 5,604  | 3,464                |
| Long term loans  |      | 757,903  | 115,149              |
| Liability against right of use asset                         |      | 15,112   | 20,502               |
| Deferred liabilities   |      | 860,084  | 1,089,756            |
|  |      | <b>1,638,703</b>                                 | <b>1,228,871</b>     |
| <b>Contingencies and commitments</b>                         | 6    | -  | -                    |
| <b>Net assets</b>  |      | <b>14,623,962</b>                                | <b>14,298,809</b>    |
| <b>FINANCED BY:</b>  |      |  |                      |
| Issued, subscribed and paid-up capital                       |      | 1,787,211  | 1,748,343            |
| Reserves   |      | 5,172,460  | 5,116,724            |
| Unappropriated profit / (loss)                               |      | 2,346,974  | 2,101,491            |
| Surplus on revaluation of fixed assets                       |      | 5,317,317  | 5,332,251            |
|  |      | <b>14,623,962</b>                                | <b>14,298,809</b>    |

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

LAHORE  
April 26, 2022

  
**Syed Shahid Ali**  
Chief Executive Officer

  
**Mohtashim Aftab**  
Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
Director




## Condensed interim unconsolidated statement of profit or loss account (Un-audited)

For the period ended March 31, 2022


|  | Note | 9 months ended           |                          | Quarter ended               |                             |
|--|------|--------------------------|--------------------------|-----------------------------|-----------------------------|
|  |      | July to<br>March<br>2022 | July to<br>March<br>2021 | January to<br>March<br>2022 | January to<br>March<br>2021 |
|  |      | (Rupees in thousand)     |                          | (Rupees in thousand)        |                             |
| Revenue -Net                                     | 7    | 5,625,599                | 5,981,931                | 1,720,584                   | 2,021,762                   |
| Cost of revenue                                  | 8    | (3,919,916)              | (3,880,438)              | (1,266,497)                 | (1,226,086)                 |
| <b>Gross Profit / (Loss)</b>                     |      | <b>1,705,683</b>         | <b>2,101,493</b>         | <b>454,087</b>              | <b>795,676</b>              |
| - Administrative expenses                        |      | (359,599)                | (416,875)                | (121,152)                   | (121,959)                   |
| - Distribution cost                              |      | (433,097)                | (595,143)                | (175,910)                   | (201,946)                   |
|  |      | (792,696)                | (1,012,018)              | (297,062)                   | (323,905)                   |
| <b>Operating profit / (loss)</b>                 |      | <b>912,987</b>           | <b>1,089,475</b>         | <b>157,025</b>              | <b>471,771</b>              |
| Other income                                     |      | 100,884                  | 310,930                  | 45,139                      | 64,905                      |
|  |      | 1,013,871                | 1,400,405                | 202,164                     | 536,676                     |
| Financial expenses                               |      | (465,771)                | (509,324)                | (200,880)                   | (175,861)                   |
|  |      | 548,100                  | 891,081                  | 1,284                       | 360,815                     |
| Workers' Profit Participation Fund               |      | (28,823)                 | (49,869)                 | (1,468)                     | (18,521)                    |
| Workers' Welfare Fund                            |      | (10,383)                 | (3,415)                  | -                           | -                           |
|  |      | (39,206)                 | (53,284)                 | (1,468)                     | (18,521)                    |
| <b>Profit / (Loss) before taxation</b>           |      | <b>508,894</b>           | <b>837,797</b>           | <b>(184)</b>                | <b>342,294</b>              |
| Taxation   |      | (103,512)                | (161,191)                | 11,996                      | (79,884)                    |
| <b>Profit / (Loss) from continuing operation</b> |      | <b>405,382</b>           | <b>676,606</b>           | <b>11,812</b>               | <b>262,410</b>              |
| <b>Earnings / (Loss) per share</b>               |      | <b>2.31</b>              | <b>3.95</b>              | <b>0.07</b>                 | <b>1.53</b>                 |

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

LAHORE  
April 26, 2022

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

## Condensed interim unconsolidated statement of comprehensive income (Un-audited)


For the period ended March 31, 2022

|   | 9 months ended                                   |                          | Quarter ended                                       |                             |
|---|--|--------------------------|---|-----------------------------|
|   | July to<br>March<br>2022<br>(Rupees in thousand) | July to<br>March<br>2021 | January to<br>March<br>2022<br>(Rupees in thousand) | January to<br>March<br>2021 |
| Profit after taxation                           | 405,382  | 676,606                  | 11,812  | 262,410                     |
| Other comprehensive income                      |  |                          |   |                             |
| Available for sale financial assets             |  |                          |   |                             |
| Transfer to profit and loss account on disposal | -  | -                        | -   | -                           |
|   | -  | -                        | -   | -                           |
| Total comprehensive income for the period       | 405,382  | 676,606                  | 11,812  | 262,410                     |


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 26, 2022

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director


## Condensed Interim unconsolidated Statement of Changes in Equity (Un-audited)

For the period ended March 31, 2022

|   | Share Capital | Capital Reserve | Surplus on Revaluation of fixed assets | Employee Stock Option Compensation reserve | General Reserve | Fair Value Reserve | Unappropriated Profit | Total      |
|---|---------------|-----------------|--|--|-----------------|--------------------|-----------------------|------------|
| ------(Rupees in thousand)-----   |               |                 |  |  |                 |                    |                       |            |
| <b>Balance as on June 30, 2020 as previously reported</b>   | 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)                                      | 50,030        | 30,095          | -                                      | -  | -               | -                  | -                     | 80,125     |
| Recognition of fair value charge of shares under employee share option scheme (ESOS)              | -             | -               | -                                      | 60,547                                     | -               | -                  | -                     | 60,547     |
| <b>Total comprehensive income for the period</b>  | -             | -               | -                                      | -  | -               | -                  | 676,606               | 676,606    |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment | -             | -               | (14,827)                               | -  | -               | -                  | 14,827                | -          |
| <b>Balance as on March 31, 2021</b>   | 1,748,343     | 4,849,590       | 3,817,485                              | 61,281                                     | 266,400         | -                  | 1,328,155             | 12,071,254 |
| <b>Balance as on June 30, 2021</b>  | 1,748,343     | 4,850,324       | 5,332,251                              | -  | 266,400         | -                  | 2,101,491             | 14,298,809 |
| Issuance of shares under employee share option scheme (ESOS)                                      | 38,868        | 55,736          | -                                      | -  | -               | -                  | -                     | 94,604     |
| <b>Total comprehensive income for the period</b>  | -             | -               | -                                      | -  | -               | -                  | 405,382               | 405,382    |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment | -             | -               | (14,934)                               | -  | -               | -                  | 14,934                | -          |
| Final dividend for the year ended June 30, 2021   | -             | -               | -                                      | -  | -               | -                  | (174,833)             | (174,833)  |
| <b>Balance as on March 31, 2022</b>   | 1,787,211     | 4,906,060       | 5,317,317                              | -  | 266,400         | -                  | 2,346,974             | 14,623,962 |

The annexed notes 1 to 12 form an integral part of these condensed interim unconsolidated financial statements.

LAHORE  
April 26, 2022

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

## Condensed interim unconsolidated statement of cash flows (Un-audited)

For the period ended March 31, 2022

|   | July to March<br>2022 | July to March<br>2021 |
|---|-----------------------|-----------------------|
|   | (Rupees in thousand)  |                       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                       |                       |
| <b>Profit before taxation</b>                                   | <b>508,894</b>        | <b>837,797</b>        |
| Adjustments for non-cash items :                                |                       |                       |
| Financial charges for the period                                | 465,771               | 509,324               |
| Depreciation on property, plant and equipment                   | 314,240               | 222,195               |
| Provision for gratuity  | 33,068                | 46,770                |
| Provision for superannuation fund scheme                        | 26,227                | 42,726                |
| Profit on bank deposits   | (5,922)               | (6,344)               |
| Profit on disposal of investment held for trading               | (6,918)               | (70,683)              |
| Profit on disposal of available for sale investment             | (1,304)               | -                     |
| Employees share option scheme (ESOS)                            | -                     | 60,547                |
| Dividend income   | (3,135)               | -                     |
| Provision for WPPF and WWF                                      | 39,206                | 53,284                |
| (Gain)/Loss on sale of fixed assets                             | (17,593)              | (6,860)               |
|   | <b>843,640</b>        | <b>850,959</b>        |
| <b>Operating profit / (loss) before working capital changes</b> | <b>1,352,534</b>      | <b>1,688,756</b>      |
| (Increase) / decrease in operating assets :                     |                       |                       |
| Stores and spares   | (26,203)              | 12,115                |
| Stock-in-trade  | (67,735)              | 57,106                |
| Trade debts   | (252,107)             | (153,165)             |
| Short term investments  | (1,494)               | 64,862                |
| Loans, advances, deposits, prepayments and other receivables    | (915,762)             | (797,501)             |
|   | <b>(1,263,301)</b>    | <b>(816,583)</b>      |
| <b>Increase / (decrease) in operating liabilities:</b>          |                       |                       |
| Trade and other payables  | (398,432)             | 163,087               |
| <b>Cash generated from /(used in) from operations</b>           | <b>(309,199)</b>      | <b>1,035,260</b>      |
| Financial charges paid  | (452,259)             | (558,929)             |
| Taxes paid  | (93,909)              | (52,568)              |
| WPPF and WWF  | (66,585)              | (3,410)               |
| Payment to gratuity fund  | (140,862)             | (94,063)              |
| Payment to superannuation fund                                  | (133,850)             | (89,150)              |
|   | <b>(887,465)</b>      | <b>(798,120)</b>      |
| <b>Net cash inflow/(outflow) from operating activities</b>      | <b>(1,196,664)</b>    | <b>237,140</b>        |


## Condensed interim unconsolidated cash flow statement (Un-audited)

For the period ended March 31, 2022


|   | July to March<br>2022 | July to March<br>2021 |
|---|-----------------------|-----------------------|
|   | (Rupees in thousand)  |                       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |                       |                       |
| Capital expenditure incurred                                  | (171,647)             | (24,148)              |
| Proceeds from sale of fixed assets                            | 26,584                | 10,928                |
| Long term investments   | 4,108                 | (467,903)             |
| Long term deposits  | 272,017               | 1,813                 |
| Profit received on bank deposits                              | 5,922                 | 6,344                 |
| Dividend received   | 3,135                 | -                     |
| <b>Net cash inflow/(outflow) from investing activities</b>    | <b>140,119</b>        | <b>(472,966)</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                    |                       |                       |
| Payment of lease obligation                                   | (5,390)               | -                     |
| Share capital   | 38,868                | 50,030                |
| Share premium   | 55,736                | 30,095                |
| Long Term Loan  | 643,698               | 136,322               |
| Long Term Deposits  | 2,140                 | (8,750)               |
| Dividend paid   | (174,840)             | 585                   |
| <b>Net cash inflow/(outflow) from financing activities</b>    | <b>560,212</b>        | <b>208,282</b>        |
| <b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b> | <b>(496,333)</b>      | <b>(27,544)</b>       |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>   | <b>(5,525,731)</b>    | <b>(8,482,285)</b>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>         | <b>(6,022,064)</b>    | <b>(8,509,829)</b>    |
| <b>CASH AND CASH EQUIVALENTS</b>                              |                       |                       |
| Cash and bank balances  | 250,932               | 242,794               |
| Finance under mark-up arrangements                            | (6,272,996)           | (8,752,623)           |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>         | <b>(6,022,064)</b>    | <b>(8,509,829)</b>    |

The annexed notes 1 to 12 form an integral part of these condensed interim unconsolidated financial statements.

LAHORE  
April 26, 2022

  
**Syed Shahid Ali**  
 Chief Executive Officer

  
**Mohtashim Aftab**  
 Group Chief Financial Officer

  
**Muhammad Shafique Anjum**  
 Director

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

For the period ended March 31, 2022

### 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 31 March 2022 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 9 months period ended 31 March 2022.

### 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 unconsolidated financial statements (Un-audited)

For the period ended March 31, 2022

### 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.

The provision for taxation for the period has been made on an estimated basis.

### 5. PROPERTY, PLANT AND EQUIPMENT

The following acquisitions and disposals have been made during 9 months ended 31 March 2022:

|                         | Acquisitions<br>(Cost) | Disposals<br>(Book Value) |
|-------------------------|------------------------|---------------------------|
| Plant and machinery     | 349,179                | -                         |
| Furniture and equipment | 20,897                 | 1,900                     |
| Vehicles                | 119,349                | 80,464                    |
|                         | 489,425                | 82,364                    |

### 6. CONTINGENCIES AND COMMITMENTS

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

| 9 Months ended           |                          | Quarter year ended          |                             |
|--------------------------|--------------------------|-----------------------------|-----------------------------|
| July to<br>March<br>2022 | July to<br>March<br>2021 | January to<br>March<br>2022 | January to<br>March<br>2021 |
| (Rupees in thousand)     |                          | (Rupees in thousand)        |                             |

### 7. REVENUE - Net

|                   |           |           |           |           |
|-------------------|-----------|-----------|-----------|-----------|
| Blades - local    | 3,759,037 | 3,751,742 | 1,220,541 | 1,273,841 |
| Blades - export   | 1,844,240 | 2,176,548 | 495,576   | 737,888   |
|                   | 5,603,277 | 5,928,290 | 1,716,117 | 2,011,729 |
| Trading operation | 22,322    | 53,641    | 4,467     | 10,033    |
|                   | 5,625,599 | 5,981,931 | 1,720,584 | 2,021,762 |

### 8. COST OF REVENUE

|                  |             |             |             |             |
|------------------|-------------|-------------|-------------|-------------|
| Blades operation | (3,901,270) | (3,839,425) | (1,263,468) | (1,218,847) |
| Trading activity | (18,646)    | (41,013)    | (3,029)     | (7,239)     |
|                  | (3,919,916) | (3,880,438) | (1,266,497) | (1,226,086) |

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

For the period ended March 31, 2022

| 9 Months ended        |                       |
|-----------------------|-----------------------|
| July to March<br>2022 | July to March<br>2021 |
| (Rupees in thousand)  |                       |

### 9. TRANSACTIONS WITH RELATED PARTIES

|                                    |         |         |
|------------------------------------|---------|---------|
| <b>Subsidiary</b>                  |         |         |
| - Purchases and services received  | 69,898  | 41,596  |
| - Goods sold and services rendered | 8,382   | 21      |
| <b>Associates</b>                  |         |         |
| - Purchases and services received  | 481,285 | 203,346 |
| - Goods sold and services rendered | 212,815 | 475,021 |

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.

10. These unaudited condensed interim financial statements were authorized for issue by the board of directors on April 26, 2022.


### 11. IMPACT OF COVID-19


World Health Organization declared the Novel strain of Corona virus (Covid-19) a global pandemic and recommended containment and mitigation measures worldwide. The federal and provincial governments of Pakistan also took various measures, including imposition of lockdown to contain the spread of Covid-19. This caused an overall economic slowdown and varying degree of disruption to the Company including the suspension of production, sales and operations. However, the Government's initiative to subsequently relax the lockdown along with various other incentives to businesses helped in reviving the demand from June 2020 onwards. The management of the Company has been regularly conducting in depth analysis and has assessed that there is no material impact of COVID - 19 on the carrying amounts of assets and liabilities as at 31 March 2022. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.


### 12. GENERAL

- 12.1 Amounts have been rounded off to thousand rupees.

LAHORE  
April 26, 2022

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director



CONSOLIDATED

—

# FINANCIAL STATEMENTS

For the period ended March 31, 2022


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

As at 31 March 2022


|  | Note | March 2022<br>Un-audited<br>(Rupees in thousand) | June 2021<br>Audited |
|--|------|--|----------------------|
| <b>NON-CURRENT ASSETS</b>                                    |      |  |                      |
| Property, plant and equipment                                |      | 16,997,347                                       | 17,111,252           |
| Investment property  |      | 12,896   | 12,896               |
| Long term investments  |      | 745,758  | 786,944              |
| Long term loans and deposits                                 |      | 87,451   | 356,154              |
|  |      | 17,843,452                                       | 18,267,246           |
| <b>Current assets</b>  |      |  |                      |
| Stores and spares  |      | 404,568  | 341,522              |
| Stock-in-trade   |      | 2,601,478  | 2,683,456            |
| Trade debts - unsecured considered good                      |      | 1,701,432  | 938,767              |
| Short term investments                                       |      | 349,025  | 398,949              |
| Loans, advances, deposits, prepayments and other receivables |      | 1,694,909  | 1,801,486            |
| Cash and bank balances                                       |      | 650,177  | 816,688              |
|  |      | 7,401,589  | 6,980,868            |
| Asset held for sale  |      | -  | 537,384              |
| <b>Current liabilities</b>                                   |      |  |                      |
| Current portion of long term liabilities                     |      | 165,663  | 163,301              |
| Short term borrowings  |      | 9,961,830  | 10,291,822           |
| Trade and other payables                                     |      | 2,668,396  | 2,969,736            |
| Provision for taxation                                       |      | 194,736  | 449,101              |
|  |      | 12,990,625                                       | 13,873,960           |
| <b>Net current assets</b>                                    |      | (5,589,036)                                      | (6,355,708)          |
| <b>Non-current liabilities</b>                               |      |  |                      |
| Long term deposits   |      | 5,603  | 3,465                |
| Long term loans  |      | 840,849  | 206,664              |
| Liability against right of use asset                         |      | 27,696   | 59,515               |
| Deferred liabilities   |      | 1,227,925  | 1,537,389            |
|  |      | 2,102,073  | 1,807,033            |
| <b>Contingencies and commitments</b>                         | 5    | -  | -                    |
| <b>Net assets</b>  |      | 10,152,343                                       | 10,104,504           |
| <b>FINANCED BY:</b>  |      |  |                      |
| Issued, subscribed and paid-up capital                       |      | 1,787,211  | 1,748,343            |
| Reserves   |      | 5,895,680  | 5,839,944            |
| Unappropriated profit / (loss)                               |      | (4,446,405)                                      | (4,567,281)          |
| Surplus on revaluation of fixed assets                       |      | 6,583,233  | 6,775,227            |
| <b>SHARE HOLDERS' EQUITY</b>                                 |      | 9,819,719  | 9,796,233            |
| Minority Interest  |      | 332,624  | 308,271              |
|  |      | 10,152,343                                       | 10,104,504           |

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

LAHORE  
April 26, 2022

  
Syed Shahid Ali  
Chief Executive Officer

  
Mohtashim Aftab  
Group Chief Financial Officer

  
Muhammad Shafique Anjum  
Director


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

For the period ended March 31, 2022


|  | Note | 9 months ended           |                          | Quarter ended               |                             |
|--|------|--------------------------|--------------------------|-----------------------------|-----------------------------|
|  |      | July to<br>March<br>2022 | July to<br>March<br>2021 | January to<br>March<br>2022 | January to<br>March<br>2021 |
|  |      | (Rupees in thousand)     |                          | (Rupees in thousand)        |                             |
| Revenue –Net   | 6    | 11,247,777               | 10,694,467               | 3,490,539                   | 3,515,309                   |
| Cost of revenue  | 7    | (9,291,293)              | (8,629,319)              | (3,037,575)                 | (2,724,408)                 |
| <b>Gross Profit / (Loss)</b>                             |      | <b>1,956,484</b>         | <b>2,065,148</b>         | <b>452,964</b>              | <b>790,901</b>              |
| - Administrative expenses                                |      | (424,387)                | (496,515)                | (134,399)                   | (183,729)                   |
| - Distribution cost                                      |      | (778,114)                | (932,367)                | (299,488)                   | (291,550)                   |
|  |      | (1,202,501)              | (1,428,882)              | (433,887)                   | (475,279)                   |
| <b>Operating profit / (loss)</b>                         |      | <b>753,983</b>           | <b>636,266</b>           | <b>19,077</b>               | <b>315,622</b>              |
| Other income   |      | 294,777                  | 162,733                  | 44,093                      | 75,299                      |
|  |      | 1,048,760                | 798,999                  | 63,170                      | 390,921                     |
| Financial expenses                                       |      | (753,442)                | (775,261)                | (295,761)                   | (237,561)                   |
| Share of profit / (loss) of associate                    |      | 29,720                   | 11,571                   | 10,591                      | 2,620                       |
|  |      | 325,038                  | 35,309                   | (222,000)                   | 155,980                     |
| Workers' Profit Participation Fund                       |      | (28,823)                 | (49,869)                 | (1,468)                     | (18,521)                    |
| Workers' Welfare Fund                                    |      | (10,383)                 | (4,073)                  | -                           | (456)                       |
|  |      | (39,206)                 | (53,942)                 | (1,468)                     | (18,977)                    |
| <b>Profit / (Loss) before taxation</b>                   |      | <b>285,832</b>           | <b>(18,633)</b>          | <b>(232,468)</b>            | <b>137,003</b>              |
| Taxation   |      |                          |                          |                             |                             |
| - Group  |      | (164,986)                | (235,410)                | (8,496)                     | (105,778)                   |
| - Associated company                                     |      | (18,604)                 | (5,379)                  | (6,953)                     | 899                         |
| <b>Profit / (Loss) from continuing operation</b>         |      | <b>102,242</b>           | <b>(259,422)</b>         | <b>(238,917)</b>            | <b>32,124</b>               |
| <b>Profit / (Loss) from discontinued operation</b>       |      | <b>-</b>                 | <b>(61,873)</b>          | <b>-</b>                    | <b>(18,103)</b>             |
| <b>Profit / (Loss) after taxation</b>                    |      | <b>102,242</b>           | <b>(321,295)</b>         | <b>(238,917)</b>            | <b>14,021</b>               |
| <b>(Profit) / Loss attributable to minority interest</b> |      | <b>1,473</b>             | <b>16,406</b>            | <b>1,643</b>                | <b>(47)</b>                 |
| <b>Profit / (Loss) attributable to group</b>             |      | <b>103,715</b>           | <b>(304,889)</b>         | <b>(237,274)</b>            | <b>13,974</b>               |
| <b>Earnings / (Loss) per share</b>                       |      | <b>0.59</b>              | <b>(1.78)</b>            | <b>(1.35)</b>               | <b>0.08</b>                 |

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

LAHORE  
April 26, 2022

  
**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 March 31, 2022

|  | 9 months ended                                   |                          | Quarter ended                                       |                             |
|--|--|--------------------------|---|-----------------------------|
|  | July to<br>March<br>2022<br>(Rupees in thousand) | July to<br>March<br>2021 | January to<br>March<br>2022<br>(Rupees in thousand) | January to<br>March<br>2021 |
| Profit / (loss) after taxation                           | 103,715  | (304,889)                | (237,274)   | 13,974                      |
| 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       | 103,715  | (304,889)                | (237,274)   | 13,974                      |


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  
April 26, 2022

  
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 March 31, 2022


|   | Share Capital | Advance against issue of 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 | 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)                                      | 50,029        | -                                      | 30,095          | -                  | -                 | -   | -  | -               | -                     | 80,124    |
| Recognition of fair value charge of shares under employee share                                   | -             | -                                      | -               | -                  | -                 | -   | 60,547                                     | -               | -                     | 60,547    |
| Total comprehensive income for the period   | -             | -                                      | -               | -                  | -                 | -   | -  | -               | (304,889)             | (304,889) |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment | -             | -                                      | -               | -                  | -                 | (45,904)  | -  | -               | 45,904                | -         |
| <b>Balance as on March 31, 2021</b>   | 1,748,342     | -                                      | 4,848,685       | 20,394             | 511,941           | 4,848,012   | 61,281                                     | 266,400         | (4,577,811)           | 7,727,244 |
| <b>Balance as on June 30, 2021</b>  | 1,748,343     | -                                      | 5,061,603       | -                  | 511,941           | 6,775,227   | -  | 266,400         | (4,567,281)           | 9,796,233 |
| Issuance of shares under employee share option scheme (ESOS)                                      | 38,868        | -                                      | 55,736          | -                  | -                 | -   | -  | -               | -                     | 94,604    |
| Total comprehensive income for the period   | -             | -                                      | -               | -                  | -                 | -   | -  | -               | 103,715               | 103,715   |
| Transferred from surplus on revaluation of property, plant and equipment due to sale              | -             | -                                      | -               | -                  | -                 | (144,951)   | -  | -               | 144,951               | -         |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment | -             | -                                      | -               | -                  | -                 | (47,043)  | -  | -               | 47,043                | -         |
| Final dividend for the year ended June 30, 2021   | -             | -                                      | -               | -                  | -                 | -   | -  | -               | (174,833)             | (174,833) |
| <b>Balance as on March 31, 2022</b>   | 1,787,211     | -                                      | 5,117,339       | -                  | 511,941           | 6,583,233   | -  | 266,400         | (4,446,405)           | 9,819,719 |

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

LAHORE  
April 26, 2022

  
**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 March 31, 2022

|   | July to March<br>2022 | July to March<br>2021 |
|---|-----------------------|-----------------------|
|   | (Rupees in thousand)  |                       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                       |                       |
| <b>Profit / (Loss) before taxation</b>                          | <b>285,832</b>        | <b>(80,506)</b>       |
| Adjustments for non-cash items :                                |                       |                       |
| Financial charges for the period                                | 753,442               | 775,261               |
| Depreciation on property, plant and equipment                   | 554,230               | 608,280               |
| Provision for gratuity  | 33,068                | 53,980                |
| Provision for superannuation fund scheme                        | 26,227                | 43,924                |
| Profit on bank deposits   | (13,598)              | (14,840)              |
| Profit on disposal of investment held for trading               | (6,919)               | (71,385)              |
| Profit on disposal of available for sale investment             | 1,853                 | -                     |
| Share of profit from associated company                         | (29,720)              | (11,571)              |
| Employees share option scheme (ESOS)                            | -                     | 60,547                |
| Dividend income   | (3,136)               | -                     |
| Provision for WPPF and WWF                                      | 39,206                | 53,942                |
| (Gain)/Loss on sale of fixed assets                             | (220,191)             | (10,321)              |
|   | <b>1,134,462</b>      | <b>1,487,817</b>      |
| <b>Operating profit / (loss) before working capital changes</b> | <b>1,420,294</b>      | <b>1,407,311</b>      |
| (Increase) / decrease in operating assets :                     |                       |                       |
| Stores and spares   | (63,046)              | 30,844                |
| Stock-in-trade  | 81,978                | 220,934               |
| Trade debts   | (762,665)             | (433,098)             |
| Short term investments  | 56,843                | 64,862                |
| Loans, advances, deposits, prepayments and other receivables    | (749,325)             | (13,393)              |
|   | <b>(1,436,215)</b>    | <b>(129,851)</b>      |
| <b>Increase / (decrease) in operating liabilities</b>           |                       |                       |
| Trade and other payables  | (304,867)             | 553,148               |
| <b>Cash generated from /(used in) from operations</b>           | <b>(320,788)</b>      | <b>1,830,608</b>      |
| Financial charges paid  | (721,325)             | (989,210)             |
| Taxes paid  | 349,722               | (64,575)              |
| WPPF and WWF  | (67,790)              | 45,674                |
| Payment to gratuity fund  | (140,943)             | (101,273)             |
| Payment to superannuation fund                                  | (133,766)             | (79,988)              |
|   | <b>(714,102)</b>      | <b>(1,189,372)</b>    |
| <b>Net cash inflow/(outflow) from operating activities</b>      | <b>(1,034,890)</b>    | <b>641,236</b>        |


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

For the period ended March 31, 2022


|   | July to March<br>2022 | July to March<br>2021 |
|---|-----------------------|-----------------------|
|   | (Rupees in thousand)  |                       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                       |                       |
| Capital expenditure incurred                                    | (312,914)             | (32,011)              |
| Proceeds from sale of fixed assets                              | 630,164               | 24,761                |
| Long term investments   | 69,053                | (165,717)             |
| Long term deposits  | 268,703               | 1,687                 |
| Profit received on bank deposits                                | 13,598                | 14,840                |
| Dividend received   | 3,136                 | -                     |
| <b>Net cash inflow/(outflow) from investing activities</b>      | <b>671,740</b>        | <b>(156,440)</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                      |                       |                       |
| Payment of lease obligation                                     | (31,819)              | 821                   |
| Share capital   | 38,868                | 50,029                |
| Share premium   | 55,736                | 30,095                |
| Long Term Loan  | 636,547               | 135,679               |
| Long Term Deposits  | 2,138                 | (8,751)               |
| Dividend paid   | (174,839)             | 585                   |
| <b>Net cash inflow/(outflow) from financing activities</b>      | <b>526,631</b>        | <b>208,458</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>     | <b>163,481</b>        | <b>693,254</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>(9,311,653)</b>    | <b>(11,864,063)</b>   |
| <b>CASH AND CASH EQUIVALENTS</b>                                |                       |                       |
| Cash and bank balances  | 650,177               | 641,919               |
| Finance under mark-up arrangements                              | (9,961,830)           | (12,505,982)          |
|   | <b>(9,311,653)</b>    | <b>(11,864,063)</b>   |

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

LAHORE  
April 26, 2022

  
**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 March 31, 2022

### 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 statement (Un-audited)

For the period ended March 31, 2022

- 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 55.86% equity stake in the company. 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 statement (Un-audited)

For the period ended March 31, 2022

|                         | 9 Months Ended       |               | Quarter Ended        |            |
|-------------------------|----------------------|---------------|----------------------|------------|
|                         | July to March        | July to March | January to           | January to |
|                         | 2022                 | 2021          | March 2022           | March 2021 |
|                         | (Rupees in thousand) |               | (Rupees in thousand) |            |
| <b>6. REVENUE - Net</b> |                      |               |                      |            |
| Blades                  | 5,603,277            | 5,928,291     | 1,716,117            | 2,011,729  |
| Soaps                   | 380,255              | 603,293       | 124,634              | 103,663    |
| Packaging products      | 1,615,176            | 1,218,680     | 563,612              | 480,987    |
| Batteries               | 3,121,618            | 2,466,675     | 908,746              | 762,715    |
| Motor bike project      | 39,317               | 17,491        | 7,718                | 6,820      |
| Trading operation       | 22,322               | 53,641        | 4,467                | 10,033     |
| Pharmaceutical products | 465,812              | 406,396       | 165,245              | 139,362    |
|                         | 11,247,777           | 10,694,467    | 3,490,539            | 3,515,309  |

## 7. COST OF REVENUE

|                         |             |             |             |             |
|-------------------------|-------------|-------------|-------------|-------------|
| Blades                  | (3,861,030) | (3,808,463) | (1,248,535) | (1,208,555) |
| Soaps                   | (347,359)   | (594,549)   | (115,856)   | (108,746)   |
| Packaging products      | (1,566,174) | (1,254,251) | (561,986)   | (479,594)   |
| Batteries               | (3,070,173) | (2,577,227) | (961,488)   | (809,431)   |
| Motor bike project      | (48,179)    | (26,990)    | (10,319)    | (9,776)     |
| Trading operation       | (13,964)    | (39,969)    | (1,469)     | (6,198)     |
| Pharmaceutical products | (384,414)   | (327,870)   | (137,922)   | (102,108)   |
|                         | (9,291,293) | (8,629,319) | (3,037,575) | (2,724,408) |

## 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.


|                                  | 9 months ended       |               |
|----------------------------------|----------------------|---------------|
|                                  | July to March        | July to March |
|                                  | 2022                 | 2021          |
|                                  | (Rupees in thousand) |               |
| Purchases and services received  | 540,944              | 324,445       |
| Goods sold and services rendered | 245,741              | 491,538       |

9. These unaudited condensed interim financial statements were authorized for issue by the board of directors on April 26, 2022.


## 10. GENERAL

10.1 Amounts have been rounded off to thousand rupees.

LAHORE  
April 26, 2022

  
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