



**SHAPING
INDUSTRIES,
EMPOWERING
LIVES**

Half Yearly Report

For the period ended
December 31, 2025

First Treet Manufacturing Modaraba

**20
25**

02

Company Information

03

Directors' review

08

Condensed interim statement
of financial position

09

Condensed interim
statement of profit or
loss (Un-Audited)

10

Condensed interim
statement of
comprehensive
income (Un-Audited)

11

Condensed interim
statement of Changes
in equity (Un-Audited)

12

Condensed interim
statement of Cash flows
(Un-Audited)

13

Notes to the
condensed interim
financial statements
(Un-Audited)

Company information

BOARD OF DIRECTORS

Syed Shahid Ali	(Chairman/ Non-Executive Director)
Syed Sheharyar Ali	(Chief Executive Officer)
Mr. Imran Azim	(Non-Executive Director)
Dr. Salman Faridi	(Non-Executive Director)
Mr. Abdul Fadil Hameed	(Independent Director)
Dr. Haroon Latif Khan	(Independent Director)
Ms. Sidra Fatima Sheikh	(Female/Independent Director)
Mr. Ahmad Shahid Hussain	(Independent Director)

AUDIT COMMITTEE

Ms. Sidra Fatima Sheikh	(Chairperson/ Member)
Mr. Imran Azim	(Member)
Dr. Salman Faridi	(Member)
Mr. Abdul Fadil Hameed	(Member)
Mr. Ahmad Shahid Hussain	(Member)

CHIEF FINANCIAL OFFICER

Mr. Muhammad Zubair	Modaraba Management Company
Mr. Mansoor Murad	Modaraba

CHIEF INTERNAL AUDITOR

COMPANY SECRETARY

Muhammad Ali

EXTERNAL AUDITORS OF MODARABA

Ms. Zunaira Dar

EXTERNAL AUDITORS OF MODARABA

M/s Kreston Hyder Bhimji & Co

Chartered Accountants

MANAGEMENT COMPANY

M/s . BDO Ebrahim & Co

LEGAL ADVISORS

Asad & Asad Attorney At Law

CORPORATE ADVISORS

Cornelius, Lane & Mufti

SHARIAH ADVISORS

Mufti Muhammad Javed Hassan

SHARE REGISTRAR

Corplink (Private) Limited

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

Tel: 042-35916714

Fax: 042-35839182

BANKERS

Meezan Bank Limited
 National Bank of Pakistan
 Askari Bank Limited
 Habib Bank Limited
 Habib Metropolitan Bank Limited
 Allied Bank Limited
 Bank Alfalah Limited
 MCB Islamic Bank Limited
 Dubai Islamic Bank Pakistan Limited
 Bank Al-Habib Limited

REGISTERED OFFICE

72-B, Quaid-e- Azam Industrial Estate, Kot Lakhpat, Lahore.

Tel: 042-35830881, 35156567 & 35122296

Fax: 042-35114127 & 35215825

E-Mail: Corporate@treetcorp.com

Home Page: www.ftmm.com.pk

PACKING SOLUTIONS

SOAP

Kacha Tiba Rohi Nala, 22-KM, Ferozpur Road, Lahore
 Ghakkar 80 KM, G.T. Road, Ghakkar Mandi, Gujranwala

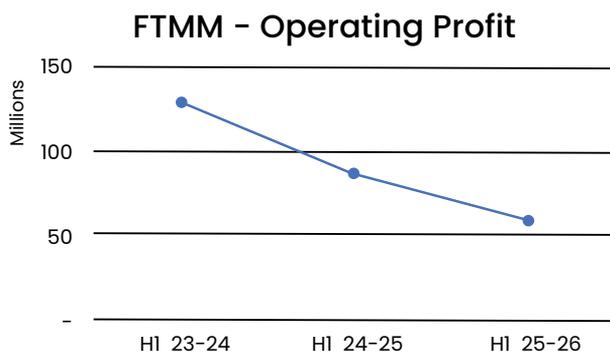
Directors' review

We are pleased to present the Directors' Report together with the unaudited Financial Statements for half year ended 31st Dec 2025.

During the first half of fiscal year of 2025–26, the Modaraba demonstrated a moderate yet stable performance. Although profit after tax is slightly lower than last year, yet still the Modaraba has continued to demonstrate stable profitability performance.

Both business segments of the Modaraba, corrugated packaging and soap, continued to operate in a highly competitive market environment, with competitive pressures intensifying over time. Notwithstanding these challenges, management remains cautiously optimistic and confident in its strategic initiatives and operational capabilities, and expects to sustain positive financial and operational performance for the remainder of the fiscal year.

The Modaraba's operating profit is lower than the same period last year due to the higher cost of raw materials in soap segment and higher admin expenses in the company overall. However, it is worth noting that the Modaraba managed to achieve higher sales compared to the same period last year. Both segments of the Modaraba are focused on growing business in profitable segments, and as these strategies take off in the coming months we are confident that the same will also reflect in the bottom line of the Modaraba.



FINANCIAL HIGHLIGHTS

The Modaraba operates in two business segments: Corrugated Boxes and Soaps. During the first half of the fiscal year 2025–26, the Modaraba achieved a modest increase in revenue in terms of both sales volume and overall sales value. However, the Modaraba faced intense competition during the first six months of the financial year, which adversely impacted margins. Consequently, operating and net profit declined compared to the corresponding period of the previous year.

The Modaraba's operating profit for the 1st half of the year was 59 million compared to 94 million in the same period last year.

Furthermore, the Modaraba achieved a net profit of Rs. 76 million during the first 6 months of FY 2025–26, a decrease of 3.6 million from last year. The Modaraba remains fully committed to sustaining this positive momentum by optimizing its resources and focusing on operational excellence to deliver continued growth and value for its stakeholders.

(Rupees in Million)

Description	6 Months Ended		Change	% Change
	31-Dec-25	31-Dec-24 (Restated)		
Sales (net)	2,017	1,976	41	2%
Gross Profit/(Loss)	164	200	-36	-18%
Operating Profit/(Loss)	59	94	-35	-37%
Net Profit/(Loss) after Taxation	76	80	-4	-5%
EPS (in Rupees)	0.390	0.410	(0.02)	-5%

CORRUGATED PACKAGING

During the first six months of the current financial year, the Corrugated Packaging segment recorded a slight increase in sales volume; however, profitability exhibited a downward trend due to intense market competition and an ongoing price war among industry participants.

Gross profit declined by 25% compared to the corresponding period of the previous year. The segment reported net revenue of Rs. 1,429 million, reflecting consistent performance compared to the same period last year, while gross profit decreased to Rs. 59.42 million from Rs. 86.23 million.

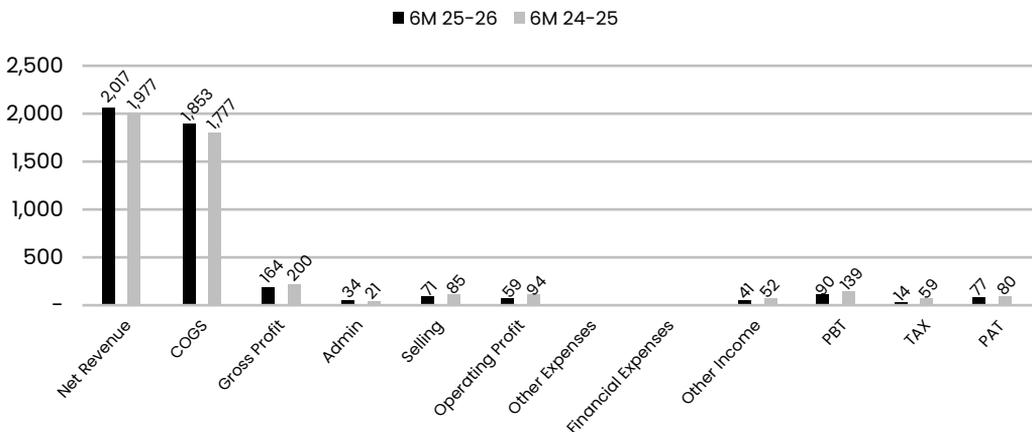
The decline in gross profit is primarily attributable to aggressive pricing strategies adopted by major players in the packaging industry and the industry shift to price competitive customers and suppliers. Despite these challenges, management remains committed to implementing cost optimization measures and business enhancement initiatives aimed at improving operational efficiency and restoring profitability. The segment's current strategic focus is to retain key clients while selectively acquiring high-value customers, thereby strengthening the Modaraba's business portfolio and advancing its objective of sustainable and profitable growth.

SOAPS

During the first six months of FY 2025–26, the Soap Segment recorded a gross profit of Rs. 104.9 million, representing a decrease of Rs. 8.8 million (8%) compared to the corresponding period of the previous year. Sales revenue increased to Rs. 587 million, reflecting a growth of 7% over the same period last year. The decline in gross profit was primarily attributable to higher raw material costs compared to the previous period.

Despite intensified competition in its core markets, the segment's sales teams are actively pursuing initiatives to restore performance levels in terms of both volume and revenue. The current strategic focus is on enhancing product visibility and ensuring consistent availability across key sales channels to strengthen market penetration. Management expects that these targeted efforts will support sustained sales growth and margin improvement in the coming quarters.

FTMM Profitability Analysis



ACKNOWLEDGEMENT:

The Board would like to take this opportunity to express gratitude and thanks to our valuable customers for their patronage and support, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and Modaraba Association of Pakistan for their continuous support and guidance.

Special thanks are due to our certificate holders for the trust and confidence shown in us.

For and on behalf of the Board



Syed Shehryar Ali
Chief Executive Officer
Date: February 26, 2026
Lahore



Syed Shahid Ali
Chairman

Independent Auditors' Review Report

To the Certificate Holders of First Treet Manufacturing Modaraba

Report on Review of Condensed Interim Financial Statements

INTRODUCTION

We have reviewed the accompanying condensed interim statement of financial position of **First Treet Manufacturing Modaraba (the "Modaraba")** as at December 31, 2025, and the related condensed interim statement of profit and loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, and notes to the financial statements for the six month period then ended (**here-in-after referred to as the "interim financial statements"**). Modaraba Management Company is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim statement of profit and loss and other comprehensive income for the quarter ended December 31, 2025 have not been reviewed and we do not express a conclusion on them.

The condensed interim financial statements of the Modaraba for the half year ended December 31, 2024 and financial statements for the year ended June 30, 2025, were reviewed / audited by another auditor who expressed an unmodified conclusion and opinion respectively on those financial statements on February 26, 2025 and September 30, 2025 respectively.

The engagement partner on the review resulting in this independent auditor's report is Muhammad Usman Shah, FCA



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Lahore: February 26, 2026
UDIN: RR202510269DJW81ifoc

FINANCIAL STATEMENTS

For the Half Year ended December 31, 2025

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Condensed interim Statement of Financial Position
As At December 31, 2025

		December 31 2025	June 30 2025
	Note	Un-audited	Audited
		(Rupees in thousand)	
NON-CURRENT ASSETS			
Property, plant and equipment	4	346,916	260,370
Long term loans and deposits		9,654	9,654
Deferred taxation	5	15,010	10,789
		371,580	280,813
CURRENT ASSETS			
Stores and spares		92,352	85,038
Stock-in-trade	6	451,143	366,098
Trade debts - unsecured considered good		1,249,126	802,379
Advances, deposits, prepayments and other receivables	7	373,724	677,358
Taxes recoverable / adjustable		1,183,074	1,012,735
Cash and bank balances	11	198,568	469,382
		3,547,987	3,412,990
		3,919,567	3,693,803
EQUITY AND LIABILITIES			
Certificate capital			
195,599,994 Modaraba certificates of Rs. 10 each		1,956,000	1,956,000
Deposit for purchase of certificates		1	1
Capital reserve			
Statutory reserve		604,025	588,712
Revenue reserve			
Accumulated profit		213,734	445,882
		2,773,760	2,990,595
NON-CURRENT LIABILITIES			
Deferred liabilities - employees retirement benefits	8	16,628	4,936
CURRENT LIABILITIES			
Retention money payable		14,289	12,990
Trade and other payables	9	1,089,647	633,755
Provision for taxation		25,243	51,527
		1,129,179	698,272
Contingencies and commitments			
	10	-	-
		3,919,567	3,693,803

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Condensed interim statement of profit or loss (un-audited)
For the Half Year ended December 31, 2025

	Note	Restated		Restated	
		For the half year ended		For the quarter ended	
		December 31 2025	December 31 2024	December 31 2025	December 31 2024
(Rupees in thousand)					
Revenue - net		2,017,477	1,976,829	920,029	973,211
Cost of sales	12	(1,853,151)	(1,776,666)	(869,329)	(872,314)
Gross Profit		164,326	200,163	50,700	100,897
Operating expenses					
Administration and general expenses		(34,186)	(21,254)	(17,551)	(9,356)
Selling and distribution expenses		(71,301)	(84,549)	(40,153)	(20,058)
		(105,487)	(105,803)	(57,704)	(29,414)
Operating Profit / (Loss)		58,839	94,360	(7,004)	71,483
Other operating expense		(9,133)	(6,795)	(9,133)	(6,795)
Financial expenses	13	(795)	(419)	(22)	(290)
Other income		41,255	52,170	23,209	55,440
Profit before levies and income tax		90,166	139,316	7,050	119,838
Levies	14	(25,243)	(24,724)	(11,487)	(12,277)
Profit / (Loss) before income tax		64,923	114,592	(4,437)	107,561
Taxation - Income tax	15	11,642	(34,423)	12,791	(42,250)
Profit for the period		76,565	80,169	8,354	65,311
Earnings per share (Basic and Diluted)		Rs 0.39	Restated 0.41	0.04	Restated 0.33

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Condensed interim statement of comprehensive income (Un-Audited)
 For the Half Year ended December 31, 2025

	Restated For the half year ended		Restated For the quarter ended	
	December 31 2025	December 31 2024	December 31 2025	December 31 2024
	----- (Rupees in '000') -----			
Profit after taxation	76,565	80,169	8,354	65,311
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	76,565	80,169	8,354	65,311

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

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Condensed interim statement of changes in equity (un-audited)
For the Half Year ended December 31, 2025

	Certificate Capital	Deposit for purchase of Certificate	Capital reserves			Revenue reserve	Total
			Statutory Reserve	Surplus on revaluation of property, plant and equipment (Rupees in thousand)	Demerger Reserve	Accumulated profit	
Balance as at 1 July 2024 (audited)	8,835,903	1	565,219	619,116	(6,879,903)	201,399	3,341,735
Effects for change in accounting policy (Note3.1)	-	-	-	(619,116)	-	150,513	(468,603)
Balance as at 1 July 2024 as restated	8,835,903	1	565,219	-	(6,879,903)	351,912	2,873,132
Total comprehensive income for the period as restated							
Profit for the period as restated	-	-	-	-	-	80,169	80,169
Other comprehensive income for the period as restated	-	-	-	-	-	-	-
	-	-	-	-	-	80,169	80,169
Balance as at 31 December 2024 as restated	8,835,903	1	565,219	-	(6,879,903)	432,081	2,953,301
Balance as at 31 December 2024 as previously reported	8,835,903	1	565,219	610,296	(6,879,903)	284,761	3,416,277
Effects for change in accounting policy (Note3.1)	-	-	-	(610,296)	-	147,320	(462,976)
Balance as at 31 December 2024 as restated	8,835,903	1	565,219	-	(6,879,903)	432,081	2,953,301
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	37,294	37,294
Other comprehensive income for the period	-	-	-	-	-	-	-
	-	-	-	-	-	37,294	37,294
Transactions with the entity's owners							
Transfer of 20% profit for the year to statutory reserve	-	-	23,493	-	-	(23,493)	-
Certificate capital reduction	(6,879,903)	-	-	-	6,879,903	-	-
Balance as at 30 June 2025 (audited)	1,956,000	1	588,712	-	-	445,882	2,990,595
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	76,565	76,565
Other comprehensive income for the period	-	-	-	-	-	-	-
	-	-	-	-	-	76,565	76,565
Transactions with the entity's owners							
Transfer of 20% profit for the year to statutory reserve	-	-	15,313	-	-	(15,313)	-
Interim dividend paid @ Rs. 1.5 per certificate	-	-	-	-	-	(293,400)	(293,400)
Balance as at 31 December 2025	1,956,000	1	604,025	-	-	213,734	2,773,760

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Condensed interim statement of cash flows (un-audited)

For the Half Year ended December 31, 2025

		December 31 2025	December 31 2024 Restated
	Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and income tax		90,166	139,316
Adjustments for non-cash and other items:			
Depreciation on operating fixed assets	4.1.1	14,584	14,956
Impairment allowance for expected credit loss		4,000	4,325
Exchange loss		12	133
Profit on bank deposits		(863)	(601)
Intercompany markup income		(33,305)	(48,084)
Finance cost		795	419
Provision for staff retirement benefits		11,692	-
Gain on sale of scrap		-	-
		(3,085)	(28,852)
Operating cash flows before working capital changes		87,081	110,464
(Increase) / decrease in current assets:			
Stores and spares		(7,314)	(1,900)
Stock-in-trade	6	(85,045)	(56,362)
Trade debtors		(450,747)	(19,225)
Advances, deposits, prepayments and other receivables	7	336,939	(237,293)
Taxes recoverable / adjustable		(170,339)	63,784
		(376,506)	(250,996)
Increase in current liabilities:			
Retention money payable		1,299	1,130
Trade and other payables	9	389,051	47,444
		390,350	48,574
Cash generated from / (used in) operations		100,925	(91,958)
Finance cost paid		(795)	(419)
Levies and income tax paid		(44,106)	(59,857)
Net cash generated from / (used in) operating activities		56,024	(152,234)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments made in property, plant and equipment		(101,129)	(12,745)
Profit received on bank deposits		863	601
Net cash used in investing activities		(100,266)	(12,144)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid to the certificate holders		(293,400)	-
Net cash used in financing activities		(293,400)	-
Net decrease in cash and cash equivalents		(337,642)	(164,378)
Cash and cash equivalents at beginning of the period		450,476	195,837
Cash and cash equivalents at end of the period	11	112,834	31,459

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
 For the Half Year ended December 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

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 thereunder and is managed by Treet Holdings Limited (a wholly owned subsidiary of Treet Corporation Limited (TCL), the parent company of the Modaraba), incorporated in Pakistan under the (repealed) Companies Ordinance, 1984 (now the Companies Act, 2017) and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba and its management company is situated at 72 - B, Quaid e Azam Industrial Estate, Kot Lakhpat, Lahore Punjab Pakistan. The Modaraba is listed on Pakistan Stock Exchange Limited and is engaged in the manufacturing and sale of corrugated boxes and soaps.

The Board of directors in their meeting held on 30th September 2025 has approved to convert the Modaraba into a newly formed company namely; Treet Packaging Limited (TPL) subject to the approval of SECP, CCP, Court and secured creditors (if any). As per the approval, both segments of the Modaraba i.e. soap and corrugation will be transferred to TPL and all the assets and liabilities of the Modaraba will be owned by the TPL. The effective date for this transaction is 31st December 2025.

2. BASIS OF PREPARATION

- 2.1** These condensed interim financial statements are unaudited and have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting (IAS-34) and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan (the Modaraba Regulations). In case above requirements of applicable accounting standards differ, the provisions of or directives issued under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Modaraba Companies and Modaraba Rules, 1981 and directives issued by Securities and Exchange Commission of Pakistan shall prevail. The disclosures in these condensed interim financial statements do not include all the information reported in audited annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2025.
- 2.2** 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 Modaraba'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 2025.
- 2.3** These condensed interim financial statements are presented in Pak Rupees which is also the Modaraba's functional currency. All financial information presented in Pak Rupees has been rounded to the nearest thousand of Rupees. Figures for previous year/ period are rearranged wherever necessary to facilitate comparison. Appropriate disclosure is given in relevant note in case of material rearrangement.

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)

For the Half Year ended December 31, 2025

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those used in the annual audited financial statements for the year ended 30 June 2025.

As already stated in the preceding annual audited financial statements of the Modaraba, the Modaraba had changed its accounting policy for measuring its property, plant and equipment from revaluation model to cost model w.e.f. July 01, 2024 with retrospective treatment. As a result, this treatment has an impact on the corresponding figures of the condensed interim financial statements for the half year ended December 31, 2024. The financial impact is disclosed as under:

For the year ended 31 December 2024			For the quarter ended 31 December 2024		
As previously reported	As restated	Restatement	As previously reported	As restated	Restatement

Effect on the statement of profit or loss

-----Rs'000-----

-----Rs'000-----

Cost of sales

- Corrugated boxes	20,971	13,666	(7,305)	10,676	7,024	(3,652)
- Soap	184	51	(133)	92	25	(67)
Administration and general expenses	1,002	691	(311)	501	346	(155)
Selling and distribution expenses	725	547	(178)	363	274	(89)
Deferred tax expense / (income)	(6,636)	(4,337)	2,299	(3,373)	(2,224)	1,149

Amount in Rupees

Amount in Rupees

Effect on earning per modaraba certificate

Earnings per modaraba certificate - basic and diluted	0.08	0.05	0.13	0.07	0.03	0.10
Effect of reduction in certificate capital	-	0.36	0.36	-	0.31	0.31
	0.08	0.41	0.49	0.07	0.33	0.41

The change did not have any impact on the Modaraba's operating, investing and financing cashflows.

3.2 Standards and amendments to published accounting and reporting standards which were effective during the half year ended 31 December 2025

There are other new standards which are effective from 01 July 2025 but they do not have a material effect on the Modaraba's condensed interim financial statements (although they may effect the accounting for futue transactions and events).

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

3.3 Standards and amendments to approved accounting and reporting standards that are not yet effective

There are other new standards and certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Modaraba's annual accounting periods beginning on or after 01 January 2026. However, these standards, amendments and interpretations will not have any significant impact on the financial reporting of the Modaraba and, therefore, have not been disclosed in these condensed interim financial statements.

The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18 (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities

	Note	Un-audited December 31 2025 (Rupees in thousand)	Audited June 30 2025
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible owned	4.1	249,787	226,870
Capital work-in-progress (CWIP)	4.2	97,129	33,500
		346,916	260,370
4.1 Operating fixed assets - tangible owned			
Opening balance - net book value		226,870	211,973
Transferred from CWIP		37,346	44,109
Additions during the period / year		155	-
Assets disposed off during the period / year		-	(203)
Depreciation charged during the period / year	4.1.1	(14,584)	(29,009)
Closing balance - net book value		249,787	226,870
4.1.1 The depreciation charged for the period/ year has been allocated as under:			
Cost of sales			
Packaging solutions - corrugated boxes	11.1	12,487	25,358
Soaps	11.2	474	404
Administration and general expenses		1,009	2,019
Selling and distribution expenses		614	1,228
		14,584	29,009

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)**Notes to the condensed interim financial statement (un-audited)**

For the Half Year ended December 31, 2025

4.2 Capital work-in-progress (CWIP)

The movement under this head of account is as follows:

Description	Opening balance	Additions during the period	Transferred to Operating fixed assets	Closing balance
Plant and machinery	33,500	97,621	(37,346)	93,775
Computer equipments	-	3,354	-	3,354
December 31, 2025	33,500	100,975	(37,346)	97,129

		Un-audited 31 December 2025	Audited 30 June 2025
	Note	(Rupees in thousand)	
5 DEFERRED TAXATION			
Deferred tax asset	5.1	(15,010)	(10,789)
5.1 Taxable temporary differences:			
Property, plant and equipment		32,155	32,381
Deductible temporary differences:			
Provision for slow moving/ obsolete stores		(2,089)	(2,089)
Provision for doubtful debts		(18,965)	(17,805)
Provision for employees' retirement benefits		(4,822)	-
Unused tax depreciation loss		(21,289)	(23,276)
		(47,165)	(43,170)
		(15,010)	(10,789)
5.2 Deferred tax asset as at period end, recognized in the statement of financial position		(15,010)	(10,789)
Less: Opening deferred tax asset		(10,789)	(19,556)
Deferred tax (income) / expense recognized in the statement of profit and loss		(4,221)	8,767
6 STOCK-IN-TRADE			
Raw material and chemicals		200,129	166,798
Packing material		15,100	15,234
Work-in-process		6,533	6,645
Finished goods		229,381	177,421
		451,143	366,098

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

		Un-audited	Audited
		31 December	30 June
		2025	2025
	Note	(Rupees in thousand)	
7	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
	Considered good	7.1	36,225
	Related parties:		121,037
	Treet Corporation Limited – parent company	53,118	239,677
	Treet Battery Limited – associated undertaking	284,381	316,644
		337,499	556,321
		373,724	677,358
7.1	This includes Rs. 36.225 million (30 June 2025: Rs. 60.970 million) as advances to suppliers.		
8	DEFERRED LIABILITIES – employees retirement benefits	16,628	4,936
9	TRADE AND OTHER PAYABLES	9.1	1,089,647
9.1	These include balances due from		
	Associated undertakings namely		
	Treet Holdings Limited	25,998	40,613
	Renacon Pharma Limited	13,529	-
		39,527	40,613
10	CONTINGENCIES AND COMMITMENTS		
10.1	Contingencies		
	There are no material changes in contingencies from the preceding annual published financial statements of the Modaraba for the year ended 30 June 2025.		
10.2	Commitments		
10.2.1	Bank guarantees		
	MCB Islamic Bank Limited has issued the following bank guarantee on behalf of the Company in favor of:		
	Sui Northern Gas Pipeline Limited	7,245	7,245

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

	Un-audited December 31 2025 (Rupees in thousand)	Audited June 30 2025
10.2.2 Outstanding letters of credit	-	61,577
11 CASH AND CASH EQUIVALENTS		
Cash and bank balances	198,568	469,382
Temporary book overdraft - unsecured	(85,734)	(18,906)
Cash and cash equivalents at end of the period	112,834	450,476

	Note	Unaudited		Unaudited	
		For the half year ended December 31 2025	December 31 2024 Restated	For the quarter ended December 31 2025	December 31 2024 Restated
12 COST OF SALES					
Packaging solutions - Corrugated boxes	12.1	1,378,749	1,342,856	707,522	645,227
Soaps	12.2	474,402	433,810	161,807	227,087
		1,853,151	1,776,666	869,329	872,314
12.1 Cost of sales - Packaging solutions					
Raw and packing material					
Opening stock		137,064	194,255	150,112	295,049
Add : Purchases		1,068,827	1,026,979	542,314	396,227
		1,205,891	1,221,234	692,426	691,276
Less : Closing stock		(158,317)	(189,585)	(158,317)	(189,548)
Raw and packing material consumed		1,047,574	1,031,649	534,109	501,728
Stores and spares consumed		45,065	28,588	22,533	17,888
Salaries, wages and other benefits		118,067	109,804	62,824	54,884
Fuel and power		66,262	72,401	32,554	29,435
Freight and forwarding		52,138	56,942	26,872	37,666
Depreciation	4.1.1	12,487	13,666	6,147	7,024
Other expenses		36,511	37,405	18,748	11,108
		1,378,104	1,350,455	703,787	659,733
Work-in-process					
Add: Opening stock		6,645	11,702	11,093	11,518
Less: Closing stock		(6,533)	(10,146)	(6,533)	(10,146)
		112	1,556	4,560	1,372
Cost of goods manufactured		1,378,216	1,352,011	708,347	661,105

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)

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

For the Half Year ended December 31, 2025

	Note	Unaudited For the half year ended December 31		Unaudited For the quarter ended December 31	
		2025	December 31 2024 Restated	2025	December 31 2024 Restated
(Rupees in thousand)					
Finished goods					
Add: Opening stock		25,700	27,568	24,342	20,845
Less: Closing stock		(25,167)	(36,723)	(25,167)	(36,723)
		533	(9,155)	(825)	(15,878)
		1,378,749	1,342,856	707,522	645,227
12.2 Cost of sales - Soaps					
Raw and packing material					
Opening stock		44,968	85,018	32,214	91,536
Add : Purchases					
Others		499,056	428,231	186,385	230,793
Intersegment		8,556	9,252	4,818	-
		507,612	437,483	191,203	230,793
Elimination of inter segment purchases		(8,556)	(9,252)	(8,556)	-
Less : Closing stock		(56,912)	(61,532)	(56,912)	(61,532)
Raw and packing material consumed		487,112	451,717	157,949	260,797
Stores and spares consumed		92	400	92	389
Salaries, wages and other benefits		1,496	1,552	859	1,392
Freight and forwarding		12,961	14,698	3,887	12,930
Depreciation	4.1.1	474	51	101	25
Other expenses		24,760	42,311	11,677	24,831
Cost of goods manufactured		526,895	510,729	174,565	300,364
Finished goods					
Add: Opening stock		151,721	68,872	191,456	72,514
Less: Closing stock		(204,214)	(145,791)	(204,214)	(145,791)
		(52,493)	(76,919)	(12,758)	(73,277)
		474,402	433,810	161,807	227,087
13 FINANCE COST					
Bank charges		795	419	22	290
14 LEVIES		25,243	24,724	11,487	12,277
15 TAXATION					
Income tax - prior year		(7,421)	7,945	(7,421)	-
Deferred tax	5	(4,221)	26,478	(5,370)	42,250
		(11,642)	34,423	(12,791)	42,250

This represents minimum taxes paid under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/ IAS 37.

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

16 BUSINESS SEGMENTS

The Modaraba is engaged into two main business segments, which are as follows:

- (i) Manufacturing and sale of corrugated boxes
- (ii) Manufacturing and sale of soaps

	Business segments (Unaudited)					
	Corrugated boxes		Soaps		Total	
	31 December	31 December	31 December	31 December	31 December	31 December
	2025	2024	2025	2024	2025	2024
		Restated		Restated		Restated
	(Rupees in thousand)					
Revenue:						
Inter-segment	8,556	9,252	-	-	8,556	9,252
Others	1,570,353	1,573,039	716,179	675,865	2,286,532	2,248,904
Sale of waste paper	99,707	111,198	-	-	99,707	111,198
	1,678,616	1,693,489	716,179	675,865	2,394,795	2,369,354
Less:						
Sales tax	(239,594)	(255,066)	(127,872)	(128,129)	(367,466)	(383,195)
Trade discount	(849)	(78)	(447)	-	(1,296)	(78)
Elimination of inter-segment sales	(8,556)	(9,252)	-	-	(8,556)	(9,252)
Net revenue	1,429,617	1,429,093	587,860	547,736	2,017,477	1,976,829
Cost of goods sold:						
Inter-segment	-	-	8,556	9,252	8,556	9,252
Others	1,370,193	1,342,856	482,957	433,810	1,853,151	1,776,666
Elimination of inter-segment sales	-	-	(8,556)	(9,252)	(8,556)	(9,252)
	1,370,193	1,342,856	482,957	433,810	1,853,151	1,776,666
Gross profit	59,424	86,237	104,903	113,926	164,326	200,163
Operating expenses						
Administrative and general expenses	(27,868)	(17,977)	(6,318)	(3,277)	(34,186)	(21,254)
Selling and distribution expenses	(24,228)	(20,558)	(47,073)	(63,991)	(71,301)	(84,549)
	(52,096)	(38,535)	(53,391)	(67,268)	(105,487)	(105,803)
Operating profit/ (loss)	7,328	47,702	51,512	46,658	58,839	94,360
Other expenses					(9,133)	(6,795)
Finance cost					(795)	(419)
Other income					41,255	52,170
Profit before levies and income tax					90,166	139,316
Levies					(25,243)	(24,724)
Profit before income tax					64,923	114,592
Taxation - Income tax					11,642	(34,423)
Profit for the period					76,565	80,169

16.1 There is no material change in basis of segmentation of net assets from the amounts disclosed in the last annual financial statements for the year ended 30 June 2025:

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

	Corrugated boxes		Soaps		Total	
	(Unaudited)	Audited	(Unaudited)	Audited	(Unaudited)	Audited
	31 December	30 June	31 December	30 June	31 December	30 June
	2025	2025	2025	2025	2025	2025
	----- (Rupees in '000') -----					
Segment assets	2,295,750	2,293,156	1,623,817	1,400,647	3,919,567	3,693,803
Segment liabilities	722,031	429,715	423,777	273,493	1,145,808	703,208
Depreciation on property, plant and equipment	14,110	28,605	474	404	14,584	29,009

17 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiaries, associated undertakings, other related group companies, directors of the Modaraba Management Company and key management personnel. The Modaraba in the normal course of business carries out transactions with various related parties. Significant transactions carried out with related parties during the period are as follows:

Name of parties	Nature and description of related party transaction	Un-audited	
		For the half year ended December 2025	December 2024
(Rupees in thousand)			
Parent company			
	Sale of corrugated boxes	66,419	51,031
	Finance cost charged to parent company	14,804	22,491
Treet Corporation Limited	Funds paid to parent company - net of receipts	229,256	304,649
	Expenses borne by the parent company	19,766	99,530
	Markup received	55,863	-
	Rent charged by the parent company - net	4,679	2,475
Management company			
Treet Holdings Limited	Funds received from modaraba management company	4,841	-
	Management fee charged by Modaraba Management Company	4,746	-
Associated undertakings			
Treet HR Management (Private) Limited	Services obtained	-	1,857
	Rent charged to associated undertaking-net	2,476	2,475
	Finance cost charged to associated undertaking	19,425	26,270
Treet Battery Limited	Funds paid to associated undertaking - net of receipts	-	680
	Funds received from associated company	46,680	-
	Expenses incurred on behalf of associated undertaking	124,221	21,185

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
For the Half Year ended December 31, 2025

Name of parties	Nature and description of related party transaction	Un-audited	
		For the half year ended	
		December 2025	December 2024
(Rupees in thousand)			
Renacon Pharma Limited	Sale of corrugated boxes	13,501	22,904
	Finance cost charged by associated undertaking	528	677
	Expenses incurred on behalf of associated undertaking	-	23,236
	Expenses borne by associated undertaking	13,529	-
Ghulab Devi Chest Hospital	Services obtained	-	27
Pakistan Standard and Quality Control Authority	Funds paid to associated undertaking	-	48

17.1 All the transactions with the related parties are priced at comparable uncontrolled market price.

17.2 All the executives, officers and other employees of the Modaraba have been outsourced from its related party namely Treet HR Management (Private) Limited

	Note	Un-audited	Audited
		31 December 2025	30 June 2025
(Rupees in '000')			
18 SHARIAH COMPLIANT DISCLOSURE			
Statement of Financial Position			
- Markup accrued on conventional loan		-	5,095
- Short Term Shariah compliant investment		-	-
- Shariah compliant bank deposit, bank balances	18.1	-	16,553
- Shariah compliant overdrawn bank balances		(19,958)	-

18.1 This temporary over draft represents the cheques issued to variuos parties that has been cleared subsequent to the reporting date.

	Unaudited	
	For the half year ended	
	31 December 2025	31 December 2024
(Rupees in '000')		
Statement of Comprehensive Income		
- Turnover from a Shariah compliant business segment	2,017,477	1,976,829
- Profit earned from Shariah-compliant bank deposits, bank deposits	863	601
- Break-up of other income excluding profit in bank deposits and TDRs	40,392	51,570

First Treet Manufacturing Modaraba (Managed and Controlled by Treet Holdings Limited)
Notes to the condensed interim financial statement (un-audited)
 For the Half Year ended December 31, 2025

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period except the following for appropriate presentation:

Description	Note	From	To	Audited
				30 June 2025
				(Rupees in '000')
Reclassification of gratuity and superannuation provision	9	Trade and other payables	Deferred Liabilities	4,936

19.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Modaraba for year ended June 30, 2025 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Modaraba for the half year ended December 31, 2024.

20 DATE OF AUTHORIZATION FOR ISSUE

These unaudited condensed interim financial statements were approved and authorized for issue by the Board of Directors of the management company on February 26, 2026.

21 GENERAL

All figures, except for 30 June 2025, appearing in these condensed interim financial statements are unaudited.

LAHORE
February 26, 2026


Syed Shehryar Ali
Chief Executive Officer


Mansoor Murad
Chief Financial Officer


Syed Shahid Ali
Director


Ms. Sidra Fatima Sheikh
Director



First Treet Manufacturing Modaraba

📍 72B, Peco Road, Kot Lakhpat Industrial Area, Lahore 54770, Pakistan

☎ +92-42-1111-Treet (87338) / WhatsApp: +92 328 8733888

🌐 www.ftmm.com.pk

✉ corporate@treetcorp.com

📱 @treetcorp