



1st QUARTER REPORT 2026

For the period ended
September 30, 2026

First Treet
Manufacturing
Modaraba



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COMPANY INFORMATION

BOARD OF DIRECTORS:	Syed Shahid Ali	Chairman/ Non-Executive Director
	Syed Sheharyar Ali	Chief Executive Officer
	Mr. Imran Azim	Non-Executive Director
	Dr. Salman Faridi	Non-Executive Director
	Mr. Abdul FadiH Hameed	Independent Director
	Dr. Haroon Latif Khan	Independent Director
AUDIT COMMITTEE:	Ms. Sidra Fatima Sheikh	Female/Independent Director
	Mr. Ahmad Shahid Hussain	Independent Director
	Ms. Sidra Fatima Sheikh	Chairperson/Member
	Mr. Imran Azim	Member
	Dr. Salman Faridi	Member
	Mr. Abdul FadiH Hameed	Member
CHIEF FINANCIAL OFFICER:	Mr. Ahmad Shahid Hussain	Member
	Mr. Muhammad Zubair	Modaraba Management Company
COMPANY SECRETARY:	Syed Zeeshan Pervez	Modaraba
	Ms. Zunaira Dar	
EXTERNAL AUDITORS OF MODARABA:	M/s Kreston Hyder Bhimji & Co	Chartered Accountants
EXTERNAL AUDITORS OF MODARABA MANAGEMENT COMPANY:	M/s. BDO Ebrahim & Co	Chartered Accountants
LEGAL ADVISORS:	Asad & Asad Attorney at Law	
CORPORATE ADVISORS:	Cornelius, Lane & Mufti	
SHARIAH ADVISOR:	Mufti Muhammad Javed Hassan	
SHARES REGISTRAR:	Corplink (Private) Limited	
	Winges Arcade, 1-K, 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
	The Bank of Punjab	
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	
PACKAGING SOLUTIONS SOAP:	Kacha Tiba Rohi Nala, 22-KM Ferozpur Road, Lahore	
	Ghakkar 80 KM, G.T. Road, Ghakkar Mandi, Gujranwala	

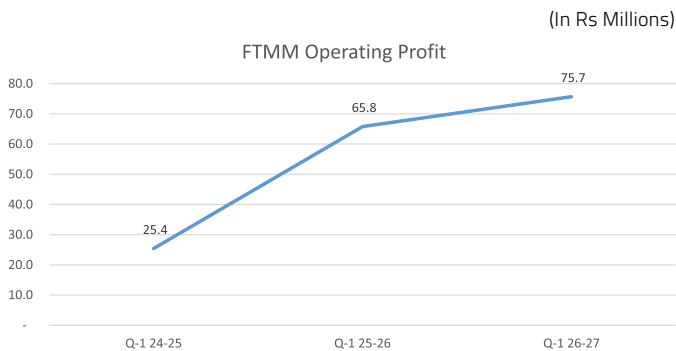
DIRECTORS’ REVIEW

The Board of Directors of the Modaraba are pleased to present the Directors’ Review together with the un-audited Financial Statements for the quarter ended September 30, 2026.

COUNTRY’S ECONOMIC OUTLOOK

Pakistan’s economy remained relatively stable during the first quarter ended on September 30, 2026. However, overall economic activity continued to face challenges arising from inflationary pressures and external uncertainties. Average CPI inflation stood at 10.2% (4.3% SPLY) during the quarter, adversely affecting consumer purchasing power and intensifying price competition in the domestic consumer goods market. The Pak Rupee remained broadly stable against the USD, while the State Bank of Pakistan maintained its policy rate at 11.5%, providing relative stability in the monetary and foreign exchange environment.

The Modaraba remains resilient to geopolitical and regional tensions and the impact of inflation in the quarter. The Corrugated Packaging segment delivered growth in both sales volume and gross profit. The Soap segment remained under pressure, with revenue below the corresponding period of the previous year. Nevertheless, the Modaraba’s overall operating profit increased by 14.9%.



FINANCIAL HIGHLIGHTS

The Modaraba is engaged in two business segments: Corrugated Boxes and Soaps. During the first quarter of the fiscal year 2026–27, the Modaraba sales revenue increased from the same period last year, resulting in higher operating profit compared to the corresponding period of the previous year. Revenue growth was driven by higher sales in the Corrugated Packaging segment, which more than offset the decline in Soap segment revenue.

The Modaraba’s operating profit for the quarter rose significantly to Rs. 75.7 Mn, compared to Rs. 65.8 Mn reported in the same period last year. Despite a 14.9% improvement in operating profit, profit after taxation declined by 6.0% to Rs.64.1 million, mainly due to lower other income compared with the corresponding period.

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.

Description	3 Months Ended		Change (%)
	30-Sep-26	30-Sep-25	
Sales (net)	1,214.6	1,097.4	10.7%
Gross Profit/(Loss)	134.0	113.6	18.0%
Operating Profit/(Loss)	75.7	65.8	14.9%
Net Profit/(Loss) after Taxation	64.1	68.2	(6.0%)
EPS (in Rupees)	0.328	0.349	(6.0%)

DIRECTORS' REVIEW

CORRUGATED PACKAGING

During the first quarter, the sales revenue of the Corrugated Packaging segment grew by 19% in value and 12% in quantity. This strong business performance is due to the management's focus on profitable new business despite intense competition in the market. Gross profit of corrugation segment is higher by 38.5% over corresponding period last year due to effective reduction in the paper prices in this period and control of plant expenses. This increase in gross profit is primarily attributable to the segment's effective cost optimization initiatives and implementation of cost-saving strategies, which helped offset the impact of competitive market pressures.

The segment reported net revenue of Rs. 840 Mn versus Rs. 705 Mn in the same period last year, while gross profit increased to Rs. 47 Mn from Rs. 34 Mn, representing an improvement of Rs. 13 Mn.

Management remains focused on maintaining a strong balance between product quality and operational efficiency through disciplined cost control and resource optimization. The segment's current strategic priority is to retain key clients while selectively acquiring new high-value customers, thereby strengthening the Modaraba's business portfolio and supporting its objective of sustainable and profitable growth.

SOAPS

The Soap Segment recorded net revenue of Rs. 374.5 Mn during Q1 FY26-27, compared to Rs. 392.2 Mn in the corresponding period last year, reflecting a decline of 4.5%. Sales volumes decreased by 15.2%, from 670 tons to 568 tons, primarily due to intensified market competition, particularly from established competing brands and increasing pressure from lower priced alternatives. Management is targeting the relaunch of Bodyguard and Fresh White by the end of December 2026, subject to completion of product, packaging, production and distribution readiness. Additionally, the management also plans to revamp the existing Saba soap range through improved packaging and product designs. These initiatives could not be implemented as originally planned during Q1 FY 26-27, delaying their anticipated contribution to sales volumes.

Despite lower sales volumes and revenue, the segment achieved gross profit of Rs. 87.0 Mn during Q1 FY27, compared to Rs. 79.6 Mn in the corresponding period last year, representing an increase of 9.2%. Gross profit margin improved by 2.9 percentage points, from 20.3% to 23.2%, supported by pricing adjustments and improved revenue realization. The improvement in gross profit and margins reflects the segment's ability to maintain profitability despite the challenging competitive environment and lower sales volumes.

For the remainder of FY 26-27, management will focus on restoring sales momentum through the execution of these planned initiatives. The introduction of the low-cost variant, targeted in the coming quarters, is expected to strengthen the segment's competitiveness in price-sensitive market segments, while the relaunch of Bodyguard and Fresh White, planned for the end of December 2026, and the revamping of the Saba range are aimed at broadening the product portfolio, strengthening brand presence and supporting volume recovery. These initiatives are expected to contribute towards improving the segment's sales performance during the remainder of the financial year.

ACKNOWLEDGEMENT

The Board would like to take this opportunity to thank its valued customers for their patronage, and the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and the Modaraba Association of Pakistan for their continued 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 Sheharyar Ali
Chief Executive Officer



Syed Shahid Ali
Chairman

LAHORE
October 28, 2026

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED) CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As At September 30, 2026

	Note	September 2026 Un-audited (Rupees in thousand)	June 2026 Audited
NON-CURRENT ASSETS			
Property, plant and equipment	5	384,679	367,964
Long term loans and deposits		9,654	9,654
		394,333	377,618
CURRENT ASSETS			
Stores and spares		95,710	87,152
Stock-in-trade	6	531,598	552,436
Trade debts - unsecured considered good		840,259	716,253
Loans, advances, deposits, prepayments and other receivables		373,978	374,731
Advance income tax		1,074,112	1,001,182
Cash and bank balances	7	282,984	211,706
		3,198,641	2,943,460
		3,592,974	3,321,078
EQUITY AND LIABILITIES			
Certificate capital		1,956,000	1,956,000
Deposit for purchase of certificates		1	1
Capital reserve		612,697	612,697
Unappropriated profit		312,509	248,421
		2,881,207	2,817,119
NON-CURRENT LIABILITIES			
Deferred taxation		3,423	3,423
		3,423	3,423
CURRENT LIABILITIES			
Retention money payable		13,113	13,097
Trade and other payables		626,558	433,324
Provision for taxation		68,673	54,115
		708,344	500,536
Contingencies and commitments	8	-	-
		3,592,974	3,321,078

The attached notes 1 to 13 form an integral part of these condensed interim financial statements.

LAHORE
October 28, 2026


Syed Sheharyar Ali
Chief Executive Officer


Syed Zeeshan Pervez
Group Chief Financial Officer


Syed Shahid Ali
Director


Sidra Fatima Sheikh
Director

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED) CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the period ended September 30, 2026

	Note	3 months ended	
		July to September 2026	July to September 2025
		(Rupees in thousand)	
Revenue -Net	9	1,214,565	1,097,448
Cost of revenue	10	(1,080,520)	(983,820)
Gross Profit		134,045	113,628
- Administrative expenses		(16,320)	(16,635)
- Distribution cost		(42,075)	(31,148)
		(58,395)	(47,783)
Operating profit		75,650	65,845
Other income		3,250	18,046
		78,900	83,891
Finance cost		(275)	(773)
Profit before levies and income tax		78,625	83,118
Levies		(14,537)	(13,756)
Profit before income tax		64,088	69,362
Taxation - Income tax		-	(1,149)
Profit from continuing operation		64,088	68,213
		Rupees	
Earnings per share		0.328	0.349

The attached notes 1 to 13 form an integral part of these condensed interim financial statements.

LAHORE
October 28, 2026


Syed Sheharyar Ali
Chief Executive Officer


Syed Zeeshan Pervez
Group Chief Financial Officer


Syed Shahid Ali
Director


Sidra Fatima Sheikh
Director

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the period ended September 30, 2026

	3 months ended	
	July to	July to
	September 2026	September 2025
	(Rupees in thousand)	
Profit after taxation	64,088	68,213
Other comprehensive income	-	-
Total comprehensive income for the period	64,088	68,213

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

The attached notes 1 to 13 form an integral part of these condensed interim financial statements.

LAHORE
October 28, 2026


Syed Sheharyar Ali
Chief Executive Officer


Syed Zeeshan Pervez
Group Chief Financial Officer


Syed Shahid Ali
Director


Sidra Fatima Sheikh
Director

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED) CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the period ended September 30, 2026

	Certificate Capital	Deposit for purchase of Certificate	Certificate premium	Statutory Reserve	Demerger Reserve	Unappropriated Profit / (Loss)	Total
(Rupees in thousand)							
Balance as at June 30, 2025	1,956,000	1	-	588,712	-	445,882	2,990,596
Total comprehensive income for the period	-	-	-	-	-	68,213	68,213
Balance as at September 30, 2025	1,956,000	1	-	588,712	-	514,095	3,058,809
Balance as at June 30, 2026	1,956,000	1	-	612,697	-	248,421	2,817,119
Total comprehensive income for the period	-	-	-	-	-	64,088	64,088
Balance as at September 30, 2026	1,956,000	1	-	612,697	-	312,509	2,881,207

The attached notes 1 to 13 form an integral part of these condensed interim financial statements.

LAHORE
October 28, 2026


Syed Sheharyar Ali
Chief Executive Officer


Syed Zeeshan Pervez
Group Chief Financial Officer


Syed Shahid Ali
Director


Sidra Fatima Sheikh
Director

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED) CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the period ended September 30, 2026

	July to September 2026 (Rupees in thousand)	July to September 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	78,625	83,118
Adjustments for non-cash items:		
Financial charges for the period	275	773
Depreciation on property, plant and equipment	6,337	7,524
Profit on bank deposits	(1,685)	(839)
Provision for expected credit loss	1,341	1,000
	6,268	8,458
Operating profit before working capital changes	84,893	91,576
(Increase) / decrease in operating assets :		
Stores and spares	(8,558)	(6,972)
Stock-in-trade	20,838	(43,120)
Trade debts	(125,347)	(267,083)
Loans, advances, deposits, prepayments and other receivables	753	(192,869)
	(112,314)	(510,044)
Increase / (decrease) in operating liabilities		
Trade and other payables	193,234	264,065
Retention money payable	16	521
Cash generated from operations	165,829	(153,882)
Financial charges paid	(275)	(773)
Taxes paid	(72,909)	(152,352)
	(73,184)	(153,125)
Net cash inflow/(outflow) from operating activities	92,645	(307,007)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(23,052)	(15,574)
Profit received on bank deposits	1,685	839
Net cash (outflow)/inflow from investing activities	(21,367)	(14,735)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loan	-	-
Net cash inflow/(outflow) from financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	71,278	(321,742)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	211,706	469,382
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	282,984	147,640

The attached notes 1 to 13 form an integral part of these condensed interim financial statements.

LAHORE
October 28, 2026


Syed Sheharyar Ali
Chief Executive Officer


Syed Zeeshan Pervaz
Group Chief Financial Officer


Syed Shahid Ali
Director


Sidra Fatima Sheikh
Director

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED)

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

For the period ended September 30, 2026

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 there-under and is managed by Treet Holdings Limited (a wholly owned subsidiary of Treet Corporation Limited), incorporated in Pakistan under the Companies Ordinance, 1984 and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at 72-B Maulana Shaukat Ali Rd, Quaid-e-Azam Industrial Estate Kot Lakhpat, Lahore. The Modaraba is listed on Pakistan Stock Exchange Limited (Formerly Lahore Stock Exchange (Guarantee) Limited). The Modaraba is engaged in the manufacture and sale of corrugated boxes and soaps.

2. BASIS OF PREPARATION

These condensed interim financial statements are un-audited and have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan (the Modaraba Regulations). In cases where the requirements differ, the provisions of or directives issued under the Ordinance or Regulations shall prevail. The disclosures in the 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 June 30, 2026.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Modaraba's annual financial statements for the year ended June 30, 2026.

4. SIGNIFICANT ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the 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 estimation uncertainty were the same as those that applied to the annual audited and published financial statements for the year ended June 30, 2026.

	Un-audited September 2026 (Rupees in thousand)	Audited June 2026
5. PROPERTY, PLANT AND EQUIPMENT		
Operating Fixed Assets	331,237	337,575
Capital Work in Process	53,442	30,389
	384,679	367,964
6. STOCK-IN-TRADE		
Raw material	292,064	365,410
Work in process	2,016	4,447
Finished goods	237,518	182,579
	531,598	552,436

FIRST TREET MANUFACTURING MODARABA (MANAGED BY TREET HOLDINGS LIMITED)

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

For the period ended September 30, 2026

	Un-audited September 2026 (Rupees in thousand)	Audited June 2026
7. CASH AND BANK BALANCES		
Cash in hand	1,843	1,620
Cash at banks	281,141	210,086
	282,984	211,706

8. CONTINGENCIES AND COMMITMENTS

There is no material change in the position of contingent liabilities since the last annual balance sheet.

	3 Months ended	
	July to September 2026 (Rupees in thousand)	July to September 2025
9. REVENUE - NET		
Packaging products	840,058	705,231
Soaps	374,507	392,217
	1,214,565	1,097,448
10. COST OF REVENUE		
Packaging products	792,978	671,226
Soaps	287,542	312,594
	1,080,520	983,820
11. TRANSACTIONS WITH RELATED PARTIES		
Funds transferred - net of receipts	-	1,121
Rental charged to parent company	3,730	2,230
Expenses borne by the Parent Company	39,502	59,741
Goods sold during the period	6,198	41,844
Finance cost charged	2,857	8,480
Services received	928	1,077

The Modaraba 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.

12. These condensed interim financial statements were authorized for issue by the board of directors of the Modaraba on October 28, 2026.

13. GENERAL

13.1 Amounts have been rounded off to thousand rupees.

LAHORE October 28, 2026	 Syed Sheharyar Ali Chief Executive Officer	 Syed Zeeshan Pervez Group Chief Financial Officer	 Syed Shahid Ali Director	 Sidra Fatima Sheikh Director
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First Treet Manufacturing Modaraba

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