

November 7, 2023

General Manager,
Pakistan Stock Exchange,
Stock Exchange Building,
Stock Exchange Road,
Karachi, Pakistan

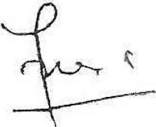
Subject: **Submission of un-audited quarterly accounts of First Treet Manufacturing Modaraba and Treet Battery Limited**

Dear Sir/Madam,

This is in continuation of our earlier letter dated October 27, 2023, issued in connection with the de-merger of and subsequent transfer and vesting of the battery undertaking and business of First Treet Manufacturing Modaraba Treet (“**FTMM**”) to Treet Battery Limited (“**Company**”) in accordance with the scheme of arrangement (“**Scheme**”) entered into between FTMM and the Company, pursuant to the provisions of Section 279 to 282 of the Companies Act, 2017.

For the information of the certificate holders of FTMM and the shareholders of the Company, the un-audited accounts of FTMM for the first quarter ended on September 30, 2023, approved during the Board of Directors meeting of FTMM held on October 27, 2023 and the un-audited accounts of the Company for the first quarter ended on September 30, 2023, approved during the Board of Directors meeting of the Company held on October 25, 2023 are attached herewith.

Regards,



Zunaira Dar
Company Secretary
First Treet Manufacturing Modaraba





1st Quarter Report
For the period ended
September 30, 2023

2023

**OUR
DIVERSIFIED
BUSINESS
PORTFOLIO**

 **FIRST TREET
MANUFACTURING
MODARABA**

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COMPANY INFORMATION

BOARD OF DIRECTORS:	Mr. Imran Azim Syed Shahid Ali Syed Sheharyar Ali Dr. Salman Faridi Ms. Sidra Fatima Sheikh Mr. Munir K. Bana Dr. Haroon Latif Khan	Non-Executive Director/Chairman Chief Executive Officer Non-Executive Director Independent Director Female/Independent Director Non-Executive Director Independent Director
AUDIT COMMITTEE:	Dr. Salman Faridi Mr. Imran Azim Mr. Munir K. Bana	Chairman/Member Member Member
CHIEF ACCOUNTANTS:	Mr. Moazzam Hussain Hashmi Mr. Muhammad Zubair	Modaraba Management Company Modaraba
COMPANY SECRETARY:	Ms. Zunaira Dar	
EXTERNAL AUDITORS:	M/s Rahman Sarfaraz Rahim Iqbal Rafiq	Chartered Accountants
EXTERNAL AUDITORS OF MODARABA MANAGEMENT COMPANY:	M/s Yousuf Adil	Chartered Accountants
LEGAL ADVISORS:	Asad & Asad Attorney at Law	Advocates
CORPORATE ADVISORS:	Cornelius, Lane & Mufti	Advocates
SHARIAH ADVISOR:	Mufti Muhammad Javed Hassan	
BANKERS:	Al-Barka Bank Pakistan Limited Allied Bank Limited Habib Metropolitan Bank Ltd BankIslami Pakistan Limited Faysal Bank Limited Habib Metropolitan Bank Limited MCB Islami Bank Limited Bank Alfalah Limited The Soneri Bank Limited	Habib Bank Limited Meezan Bank Limited Askari Bank Limited MCB Bank Limited National Bank Limited The Bank of Punjab Dubai Islami Bank Pakistan Limited JS Bank Limited United Bank Limited
REGISTERED OFFICE/ PLACE OF BUSINESS:	72-B, Industrial Area, Kot Lakhpat, Lahore. Tel: 042-35830881, 35156567 & 35122296 Fax: 042-35114127 & 35215825 E-mail: info@treetonline.com Home Page: www.ftmm.com.pk	
SHARES REGISTRAR:	Corplink (Private) Limited Winges Arcade, 1-K, Commercial Model Town, Lahore	
PACKAGING SOLUTIONS	Kacha Tiba Rohi Nala, 22-KM	
CORRUGATION:	Ferozpur Road, Lahore	
SOAP PLANT:	Ghakkar 80 KM, G.T. Road, Ghakkar Mandi, Gujranwala	

DIRECTORS' REVIEW

Board of Directors of Treet Holdings Limited (THL), the Management Company of First Treet Manufacturing Modaraba (FTMM), is pleased to present financial statements for the first quarter ending September 30, 2023.

SUMMARY OF COMPARATIVE FINANCIAL RESULTS

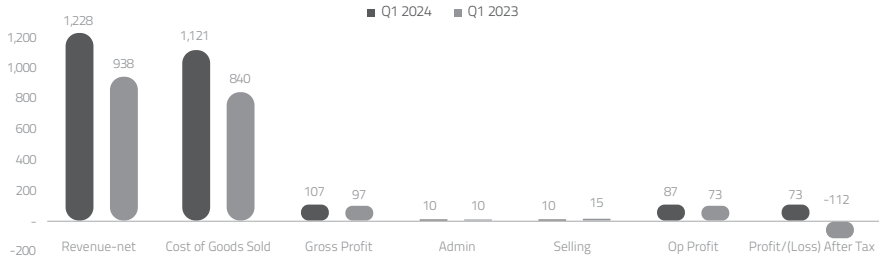
(Rupees in million)

Description	Quarter Ended		Change	% Change
	30-Sep-23	30-Sep-22		
Sales (net)	1,228	938	290	31%
Gross Profit	107	97	10	10%
Operating Profit	87	73	14	19%
Net Profit after Taxation	73	64	9	14%
(Loss) from discontinued operation	-	-177		
Net Profit/(Loss) after Taxation	73	-112	185	165%
EPS (in Rupees)	0.08	-0.13	0.21	162%

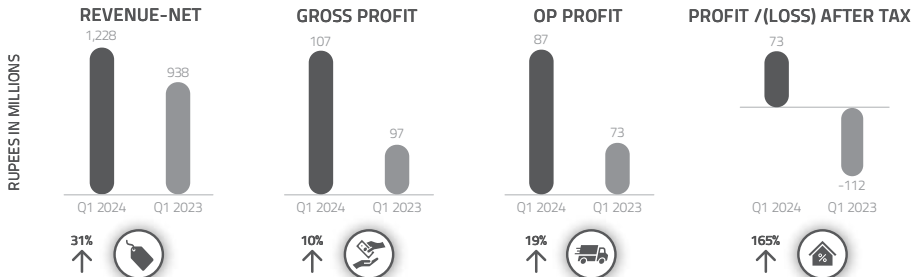
BUSINESS REVIEW

In the first quarter of FY 2023/24, the modaraba experienced a remarkable improvement in its financial performance. It achieved a net profit after tax of Rs. 73 million, a significant turnaround from the net loss of Rs. 112 million in the same period last year. It is important to note that the net loss in the previous year included a loss from discontinued operations of Rs. 177 million due to the demerger of the battery segment. One of the key drivers behind this improvement was the notable increase in sales. Overall sales grew by 31% compared to the same period last year. This growth was primarily fueled by the exceptional performance of the soap segment, which experienced a remarkable increase of 121%. Additionally, the corrugation segment also saw a respectable 8% increase in sales. Furthermore, the modaraba's gross margin exhibited a robust increase of 10% compared to the corresponding period last year, depicting our strategy of improving margin by manage costs and adjusting the sale price to pass on the impact of inflation, thus improving its profitability. Overall, these financial results demonstrate the modaraba's ability to successfully navigate challenges and capitalize on growth opportunities. The significant increase in net profit, along with the impressive sales growth and improved gross margin, showcases the modaraba's strong performance in the first quarter of FY 2023/24.

FTMM PROFITABILITY ANALYSIS RUPEES IN MILLIONS



Last year battery segment was demerged from FTMM and became Treet Battery Limited, as a results of that, loss from discontinued operation of Rs. 177 is separately mentioned in Profit & loss.



DIRECTORS' REVIEW

SEGMENT WISE SALES IS AS FOLLOWS:

(Rupees in Millions)

Business Segment	Sales			
	Quarter Ended		Increase / (Decrease)	% Change
	30-Sep-23	30-Sep-22		
Corrugation	806	747	59	8%
Soap	422	191	231	121%
Total	1,228	938	290	31%

1) CORRUGATION:

During the period under review, the corrugation segment generated a net revenue of Rs. 806 million, reflecting an 8% increase compared to the same period last year. This growth in revenue signifies the corrugation segment's ability to attract and retain customers, despite the challenges in the market. To address the existing economic challenges, the corrugation segment is actively implementing strategies to broaden its customer base through market diversification. Additionally, the corrugation segment is also rationalizing prices in line with the increased costs, ensuring that pricing remains competitive while also maintaining profitability.

It is important to acknowledge that the impact of these efforts may not be immediately apparent due to the time lag associated with implementing and realizing the full benefits of these strategies. However, the corrugation segment remains committed to these initiatives and expects them to have a positive impact on its financial performance in the long run. By diversifying the customer base and rationalizing prices, the corrugation segment aims to mitigate the impact of increased costs and position itself for sustainable growth and profitability.

2) SOAP:

In the current period, the soap segment achieved a remarkable increase in net revenue, reaching Rs. 422 million. This represents a substantial growth of 121% compared to the same period last year. This impressive surge in revenue demonstrates the soap segment's ability to effectively capture market opportunities and drive sales.

Furthermore, the soap segment's gross profit for this period amounted to Rs. 76 million, showing a remarkable increase of 122% compared to the gross profit of Rs. 34 million achieved in the same period last year. This significant improvement in gross profit highlights the soap segment's success in managing costs, optimizing operations, and maximizing profitability. These outstanding financial results reflect the soap segment's strong performance and effective strategies in capturing market share and generating higher revenues. The substantial increase in net revenue and gross profit signifies the soap segment's ability to meet customer demands, deliver value, and maintain a competitive edge in the market. Moving forward, the soap segment will continue to leverage its strengths, such as market diversification and price rationalization, to sustain this positive momentum and drive further growth. By capitalizing on its current success, the soap segment is well-positioned to achieve continued financial success and deliver value to its stakeholders.

ACKNOWLEDGEMENTS

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 Exchange Limited and Modaraba Association of Pakistan for their continuous support and guidance.

Special thanks to our certificate holders for the trust and confidence reposed in us.

For and on behalf of the Board.



Syed Shahid Ali
Chief Executive Officer


CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)


As At September 30, 2023

	Note	September 2023 Un-audited (Rupees in thousand)	June 2023 Audited
NON-CURRENT ASSETS			
Property, plant and equipment		688,961	693,031
Long term loans and deposits		8,782	21,724
		697,743	714,755
Current assets			
Stores and spares		83,897	88,102
Stock-in-trade		533,572	414,991
Trade debts - unsecured considered good		916,054	860,067
Loans, advances, deposits, prepayments and other receivables		1,233,148	1,269,391
Advance income tax		408,476	293,137
Cash and bank balances		14,293	65,313
		3,189,440	2,991,001
Current liabilities			
Trade and other payables		590,840	497,839
Provision for taxation		141,931	126,484
		732,771	624,323
Net current assets		2,456,669	2,366,678
Non-current liabilities			
Deferred liabilities		87,584	87,584
Contingencies and commitments	5	-	-
Net assets		3,066,828	2,993,849
FINANCED BY:			
Certificate capital		8,835,903	8,835,903
Deposit for purchase of certificates		1	1
Capital reserve		511,941	511,941
Demerger reserve		(6,879,903)	(6,879,903)
Unappropriated loss		50,287	(27,118)
Surplus on revaluation of fixed assets		548,599	553,025
		3,066,828	2,993,849

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

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer



Ms. Sidra Fatima Sheikh
Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
For the period ended September 30, 2023

	Note	3 months ended	
		July to September 2023	July to September 2022
		(Rupees in thousand)	
Net sales	6	1,228,341	937,753
Cost of revenue	7	(1,121,013)	(840,460)
Gross Profit / (Loss)		107,328	97,293
- Administrative expenses		(10,343)	(10,038)
- Distribution cost		(10,330)	(14,568)
		(20,673)	(24,606)
Operating profit / (loss)		86,655	72,687
Other income		2,037	4,820
		88,692	77,507
Financial expenses		(266)	(1,334)
Profit / (Loss) before taxation		88,426	76,173
Taxation		(15,447)	(11,742)
Profit after taxation from continue operation		72,979	64,431
(Loss) after taxation from discontinue operation		-	(176,912)
Profit / (Loss) after taxation for the period		72,979	(112,481)
Earnings / (loss) per certificate continuing operations		0.08	(0.13)

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

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer


Ms. Sidra Fatima Sheikh
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For the period ended September 30, 2023

	3 months ended	
	July to September 2023	July to September 2022
	(Rupees in thousand)	
Profit / (Loss) after taxation	72,979	(112,481)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the period	72,979	(112,481)

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

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

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer



Ms. Sidra Fatima Sheikh
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For the period ended September 30, 2023

	Certificate Capital	Deposit for purchase of Certificate	Certificate premium	Statutory Reserve	Surplus on revaluation of fixed assets	Demerger Reserve	Unappropriated Profit / (Loss)	Total
(Rupees in thousand)								
Balance as at June 30, 2022	8,835,903	1	1,952,870	511,941	1,212,893	-	(8,141,947)	4,371,661
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	(112,481)	(112,481)
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-	(46,341)	-	46,341	-
Balance as on September 30, 2022	8,835,903	1	1,952,870	511,941	1,166,552	-	(8,208,087)	4,259,180
Balance as at June 30, 2023	8,835,903	1	-	511,941	553,025	(6,879,903)	(27,118)	2,993,849
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-	(4,426)	-	4,426	-
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	72,979	72,979
Balance as on September 30, 2023	8,835,903	1	-	511,941	548,599	(6,879,903)	50,287	3,066,828

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

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer


Ms. Sidra Fatima Sheikh
Director


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the period ended September 30, 2023

	July to September 2023	July to September 2022
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	88,426	(72,829)
Adjustments for non-cash items:		
Financial charges for the period	266	173,193
Depreciation on property, plant and equipment	9,452	73,738
Profit on bank deposits	(4,495)	(6,109)
	5,223	240,822
Operating profit / (loss) before working capital changes	93,649	167,993
(Increase) / decrease in operating assets :		
Stores and spares	4,205	(5,531)
Stock-in-trade	(118,581)	(17,138)
Trade debts	(55,987)	(60,098)
Loans, advances, deposits, prepayments and other receivables	36,241	19,818
	(134,122)	(62,949)
Increase / (decrease) in operating liabilities		
Trade and other payables	93,001	342,901
Cash generated from / (used in) from operations	52,528	447,945
Financial charges paid	(266)	(219,693)
Taxes paid	(115,339)	(81,976)
	(115,605)	(301,669)
Net cash inflow/(outflow) from operating activities	(63,077)	146,276
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(5,380)	(25,540)
Long term deposits	12,942	(560)
Profit received on bank deposits	4,495	6,109
Net cash inflow/(outflow) from investing activities	12,057	(19,991)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loan	-	-
Net cash inflow/(outflow) from financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(51,020)	126,285
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	65,313	(5,330,584)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	14,293	(5,204,299)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	14,293	343,196
Finance under mark-up arrangements	-	(5,547,495)
	14,293	(5,204,299)

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer


Ms. Sidra Fatima Sheikh
Director

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

For the period ended September 30, 2023

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, Kot Lakhpat, Industrial Area, 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 Soap.

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, 2023.

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, 2023.

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, 2023.

5. 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 2023	July to September 2022
	(Rupees in thousand)	
6. SALES		
Packaging products	806,592	746,658
Soaps	421,749	191,095
	1,228,341	937,753

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

For the period ended September 30, 2023

	3 Months ended	
	July to September 2023	July to September 2022
	(Rupees in thousand)	
7. COST OF REVENUE		
Packaging products	780,881	684,270
Soaps	340,132	156,190
	1,121,013	840,460
8. TRANSACTIONS WITH RELATED PARTIES		
Purchases and services received	51,324	49,833
Goods sold and services rendered	18,354	27,594

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. These condensed interim financial statements were authorized for issue by the board of directors of the Modaraba Company on October 27, 2023.

10. GENERAL

10.1 Amounts have been rounded off to thousand rupees.

LAHORE
October 27, 2023


Syed Shahid Ali
Chief Executive Officer


Mohtashim Aftab
Group Chief Financial Officer


Ms. Sidra Fatima Sheikh
Director



treetonline.com



HEAD OFFICE

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1st Quarterly Accounts (un-audited) of Treet Battery Limited
for the period ended September 30, 2023.

TREET BATTERY LIMITED

CONDENSED INTERIM BALANCE SHEET (Un-audited)

As At September 30, 2023

	Note	March 2023 UNAUDITED Rupees in '000	June 2023 AUDITED Rupees in '000
NON-CURRENT ASSETS			
Property, plant and equipment		7,467,910	7,539,844
Long term loans and deposits		36,525	36,525
		<u>7,504,435</u>	<u>7,576,369</u>
CURRENT ASSETS			
Stores and spares		58,376	56,638
Stock-in-trade	5	912,081	1,141,068
Trade debts - unsecured considered good		564,419	450,605
Loans, advances, deposits, prepayments and other receivables		78,630	51,366
Advance Income Tax		83,643	23,647
Cash and bank balances		77,470	24,969
		<u>1,774,619</u>	<u>1,748,293</u>
CURRENT LIABILITIES			
Current portion of long term liabilities		7,020	7,020
Short term borrowings	6	6,601,310	6,806,544
Trade and other payables		970,548	899,018
Accrued markup		182,866	119,730
Provision for taxation		49,939	25,507
		<u>7,811,683</u>	<u>7,857,819</u>
NET CURRENT ASSETS		<u>(6,037,064)</u>	<u>(6,109,526)</u>
NON-CURRENT LIABILITIES			
Liability against right of use asset		11,943	11,943
Deferred liabilities		144,366	144,366
Contingencies and commitments	7	-	-
NET ASSETS		<u>1,311,062</u>	<u>1,310,534</u>
FINANCED BY:			
Issued, subscribed and paid-up capital		8,822,765	8,822,765
Share Issuance Reserve		11,008	11,008
Demerger Deficit		(8,211,666)	(8,211,666)
Unappropriated Profit		105,982	70,255
Surplus on revaluation of fixed assets		582,973	618,172
		<u>1,311,062</u>	<u>1,310,534</u>

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



Chief Executive




Director

TREET BATTERY LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)

For the period ended September 30, 2023

	<i>Note</i>	3 Months ended	
		July to September 2023	July to September 2022
		Rupees in '000	
Net sales	8	2,165,783	-
Cost of revenue	9	(1,648,886)	-
Gross Profit / (Loss)		516,897	-
- Administrative expenses		(10,222)	(8)
- Distribution cost		(187,301)	
		(197,523)	(8)
Operating Profit / (Loss)		319,374	(8)
Other (expense)/income		(87)	19
		319,287	11
Financial expenses	10	(294,340)	
		24,947	11
Profit / (Loss) before taxation		24,947	11
Taxation		(24,419)	3
Profit / (Loss) after taxation		528	14

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



Chief Executive



Director

TREET BATTERY LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)

For the period ended September 30, 2023

	3 Months ended	
	July to September 2023	July to September 2022
	Rupees in '000	
Loss after taxation	528	14
Other comprehensive income	-	-
Total comprehensive income / (loss) for the period	<u>528</u>	<u>14</u>

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.



Chief Executive



Director

TREET BATTERY LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)

For the period ended September 30, 2023

	Share Capital	Reserve for Issuance of Share	Demerger Deficit	Surplus on revaluation of fixed assets	Unappropriated Profit	Total
	<i>Rupees in '000</i>					
Balance as at June 30, 2022	1,000	-	-	-	88	1,088
Total comprehensive income / (loss) for the period	-	-	-	-	14	14
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-	-	-
Balance as on September 30, 2022	1,000	-	-	-	102	1,102
Balance as at June 30, 2023	8,822,765	11,008	(8,211,666)	618,172	70,255	1,310,534
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	(35,199)	35,199	-
Total comprehensive income / (loss) for the period	-	-	-	-	528	528
Balance as on September 30, 2023	8,822,765	11,008	(8,211,666)	582,973	105,982	1,311,062

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



Chief Executive




Director

TREET BATTERY LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

For the period ended September 30, 2023

	July to Sep 2023	July to Sep 2022
	Rupees in '000	Rupees in '000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	24,947	11
Adjustments for non-cash items :		
Financial charges for the period	149,340	-
Financial charges Related party	145,000	-
Depreciation on property, plant and equipment	76,162	-
(Gain)/Loss on sale of fixed assets	2	-
	370,504	-
Operating profit / (loss) before working capital changes	395,451	11
(Increase) / decrease in operating assets :		
Stores and spares	(1,738)	-
Stock-in-trade	228,987	-
Trade debts	(113,814)	-
Loans, advances, deposits, prepayments and other receivables	(25,436)	-
	87,999	-
Increase / (decrease) in operating liabilities		
Trade and other payables	69,713	-
Cash generated from / (used in) from operations	553,163	11
Financial charges paid	(86,204)	-
Taxes paid	(59,996)	-
	(146,200)	-
Net cash inflow/(outflow) from operating activities	406,963	11
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(4,228)	-
Net cash inflow/(outflow) from investing activities	(4,228)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowing	(215,191)	-
Borrowin from Related parties	(135,043)	-
Net cash inflow/(outflow) from financing activities	(350,234)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	52,501	11
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	24,969	1,193
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	77,470	1,204

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



Chief Executive



Director

TREET BATTERY LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For the period ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Treet Battery Limited (the Company) was incorporated on February 22, 2019 as a public company limited by shares under the provisions of the Companies Act, 2017. The principal activities of the Company is to 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 hydrid batteries, absorbed glass mat (AGM) batteries, gel batteries used in or required for industrial, transport, commercial and domestic and any other purpose. The Company is a subsidiary of Treet Corporation Limited, a listed company. The registered office of the Company and its holding entity is situated at 72-B, Industrial Area, Kot Lakhpat, Lahorc, whereas the manufacturing plant is situated at Plot Number 1, Phase 2, M-3 Industrial City

2. BASIS OF PREPARATION

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the
- 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 financial statements comprise the condensed interim statement of financial position of the Company and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof.

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

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended June 30, 2023.

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 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, 2023.

5. Stock-in-trade

Raw Materials
Work in Process
Finished Goods
Stock in Transit

September 2023	June 2023
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Rupees in '000

418,748	728,117
280,507	238,743
114,755	48,479
98,071	125,729

912,081	1,141,068
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6. Short term borrowings

From Banking Companies
From Related Parties

2,303,094	2,518,285
4,298,216	4,288,259

6,601,310	6,806,544
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7. CONTINGENCIES AND COMMITMENTS

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

3 Months ended	
July to September 2023	July to September 2022
Rupees in '000	

8. Sales

External Customer
- Local Sale
- Sale of Scrap

2,665,251	-
56,207	-

2,721,458

Less:
- Sales Tax
- Discount

(473,603)	
(82,072)	

(555,675)

<u>2,165,783</u>	
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9. COST OF REVENUE

Raw and packing material consumed
Salaries, wages and other benefits
Fuel and power
Depreciation
Other expenses

1,298,920	-
91,242	-
122,972	-
70,012	-
65,740	-

1,648,886

10. Financial expenses

Borrowings from financial institution
Borrowings from related parties
Bank Charges

148,936	-
145,000	-
404	-

294,340

11. TRANSACTIONS WITH RELATED PARTIES

Purchases and services received

<u>30,840</u>	-
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Goods sold and services rendered

-	-
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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.

12. These condensed interim financial statements were authorized for issue by the board of directors of the Company on 25 October, 2023

13. GENERAL

13.1 Amounts have been rounded off to thousand rupees.



Chief Executive




Director