

**3RD QUARTERLY REPORT**  
**2024**

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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)

**Mr. Muhammad Mohtashim Aftab**

(Non-Executive Director)

**Ms. Zunaira Dar**

(Non-Executive Director)

**Dr. Haroon Latif Khan**

(Independent Director)

**Mr. Mohammad Majid Munir**

(Non-Executive Director)

**Mr. Ahmad Shahid Hussain**

(Independent Director)

### Officers

**Syed Sheharyar Ali**

(Chief Executive Officer)

**Chief Financial Officer**

Mr. Muhammad Khurram Iqbal

**Company Secretary**

Mr. Taimoor Wakil Malik

**Group Head of Internal Audit**

Mr. Muhammad Ali

### Audit Committee

**Mr. Ahmad Shahid Hussain**

(Independent Director – Chairman)

**Mr. Mohammad Majid Munir**

(Non-Executive Director)

**Mr. Muhammad Mohtashim Aftab**

(Non-Executive Director)

**Ms. Zunaira Dar**

(Non-Executive Director)

### Human Resource & Remuneration Committee

**Dr. Haroon Latif Khan**

(Independent Director – Chairman)

**Mr. Imran Azim**

(Non-Executive Director)

**Ms. Zunaira Dar**

(Non-Executive Director)

**Syed Sheharyar Ali**

(Chief Executive Officer)

### Auditors

M/s Rahman Sarfaraz Rahim Iqbal Rafiq

Chartered Accountants

### Legal Advisors

M/s Asad & Asad Attorney at Law

### Share Registrar

Corplink (Private) Limited

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

Tel: 042-35916714

Fax: 042-35839182

### Bankers

Askari Bank Limited

Habib Bank Limited

Dubai Islamic Bank Pakistan Limited

MCB Islamic Bank Limited

Bankislami Pakistan Limited

Bank Al-Habib Limited

Al Baraka Bank Limited

Faysal Bank Limited

Soneri Bank Limited

### Registered Office

72-B, Industrial Area, Kot Lakhpat, Lahore

Tel: 042-35830881, 042-111187338

Fax: 042-35114127 & 35215825

E-Mail: info@treetcorp.com

Home Page: www.treetbattery.com

## DIRECTORS' REVIEW

Board of Directors of Treet Battery Limited (TBL) are pleased to present financial statements for the nine months ended March 31st, 2024.

To provide better understanding of the financial results the comparative quarterly financials (FY 2022/23) have been drawn from FTMM Battery segment.

### SUMMARY OF COMPARATIVE FINANCIAL RESULTS

(Rupees in million)

	Nine Months Ended		% Change	Quarter Ended		% Change
	Mar-24	Mar-23		Mar-24	Mar-23	
	(1)	(2)	(1) over (2)	(3)	(4)	(3) over (4)
Sales (net)	6,005	6,207	-3%	2,384	2,381	0%
Gross Profit	1,194	865	38%	452	478	-5%
Operating Profit	555	402	38%	209	327	-36%
Net Loss	(331)	(292)	-14%	(45)	(8)	-459%
Profit/(Loss) per Share	(0.38)	(0.33)	-14%	(0.05)	(0.01)	-459%

### BUSINESS REVIEW

In the nine months ended 31st March 2024, our company has performed remarkably well considering the severe challenges in the economic & political landscape. While consumer spending dipped due to inflation, our swift and innovative response led to a significant 38% jump in gross profit, rising from Rs. 865 million to Rs. 1,194 million.

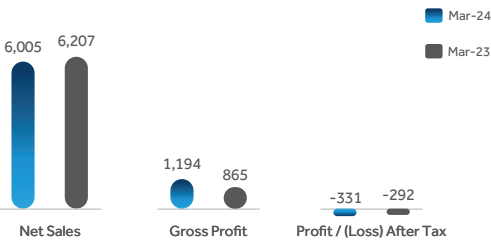
Even though there was a 27% drop in sales volume compared to same period last year owing to adverse market conditions, however this was largely offset by strategic pricing and increased trade discounts which kept us competitive in the market, offering the best value to our consumers. Despite these headwinds, our company navigated the storm with remarkable agility and strategic thinking. This achievement underscores our unwavering commitment to operational excellence and maximizing profit margins.

Operational efficiency also saw a significant boost, with operational profit soaring by 38%. This reflects the successful implementation of cost-saving measures and the company's overall efficiency. While financing costs led to a slight increase in net losses, our focus on margin improvement significantly cushioned the blow. This demonstrates our company's foresight and prudent financial management.

The increase in net losses (Rs. 292 million to Rs. 331 million) stems from higher financing costs which is beyond our control at the moment. However, proactive cost management and operational efficiency initiatives have successfully offset these challenges, ensuring a positive trajectory towards future profitability.

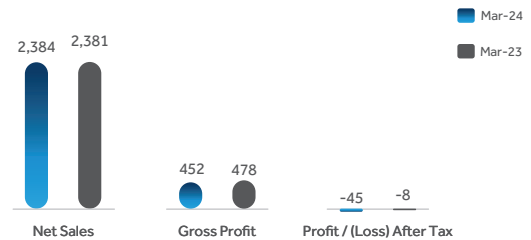
### TBL PROFITABILITY ANALYSIS

(Nine Months Ended Rs. in Million)



### TBL PROFITABILITY ANALYSIS

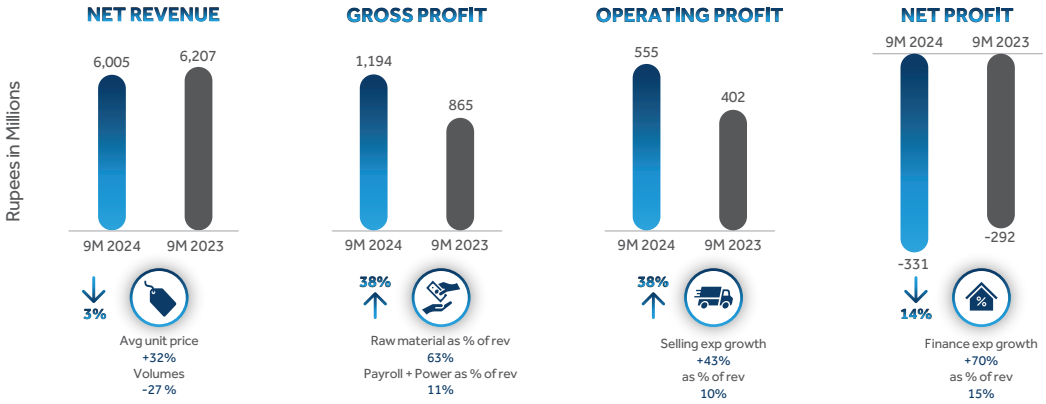
(Quarter Ended Rs. in Million)



The company has seen strong financial results recently. Operating profit has jumped significantly by 38%, climbing from Rs. 402 million to Rs. 555 million compared to last year. This remarkable uptrend is a sign of the company's increased efficiency and strategic ability to leverage its core business activities.

However, the company has also faced some financial headwinds. The cost of financing has risen sharply by 70% against same period last year, reaching Rs. 903 million. The company is actively working on solutions to bring these costs down.

## DIRECTORS' REVIEW



Undeterred by the rising challenges ahead, our leadership team is taking a proactive approach to ensure long-term growth. We're actively tackling challenges while capitalizing on opportunities. We remain committed to delivering exceptional quality, streamlining operations to enhance productivity, controlling costs, exploring export markets, and providing top-notch after-sales service for customer retention.

### ACKNOWLEDGEMENTS

The Board would like to take this opportunity to express gratitude and thanks to our valuable customers, and all other stakeholders and also to all of our extremely dedicated employees for their patronage and support, and the Securities and Exchange Commission of Pakistan, The Pakistan Stock Exchange Limited for their continuous support and guidance.

For and on behalf of the Board.

**Syed Sheharyar Ali**  
Chief Executive Officer

**LAHORE**  
April 23, 2024

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**FINANCIAL  
STATEMENTS**

For the 3rd Quarter ended March 31, 2024

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)


As At March 31, 2024

	Note	March 2024 Un-audited (Rupees in thousand)	June 2023 Audited
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		7,377,279	7,539,844
Long term security deposits		64,635	36,525
		<b>7,441,914</b>	<b>7,576,369</b>
<b>Current assets</b>			
Stores and spares		64,195	56,638
Stock-in-trade		1,158,985	1,141,068
Trade debts - unsecured considered good		387,308	450,605
Loans, advances, deposits, prepayments and other receivables	5	787,272	51,366
Advance Income Tax		147,142	23,647
Cash and bank balances		158,854	24,969
		<b>2,703,756</b>	<b>1,748,293</b>
<b>Current liabilities</b>			
Current portion of long term liabilities		7,885	7,020
Short term borrowings	6	7,868,937	6,806,544
Trade and other payables		926,718	899,018
Accrued markup		155,333	119,730
Provision for taxation		71,922	25,507
		<b>9,030,795</b>	<b>7,857,819</b>
<b>Net current assets</b>		<b>(6,327,039)</b>	<b>(6,109,526)</b>
<b>Non-current liabilities</b>			
Liability against right of use asset		7,792	11,943
Deferred liabilities		127,813	144,366
Contingencies and commitments	7	-	-
<b>Net assets</b>		<b>979,270</b>	<b>1,310,534</b>
<b>FINANCED BY:</b>			
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		(189,959)	70,255
Surplus on revaluation of fixed assets		547,122	618,172
		<b>979,270</b>	<b>1,310,534</b>

The attached notes 1 to 11 form an integral part of this condensed interim financial statements

LAHORE  
April 23, 2024

  
Mohammad Majid Munir  
Director

  
Syed Sheharyar Ali  
Chief Executive Officer

  
Muhammad Khurram Iqbal  
Chief Financial Officer



## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)


For the period ended March 31, 2024

	Note	Nine months ended		Three months ended	
		July to March 2024	July to March 2023	January to March 2024	January to March 2023
------(Rupees in thousand)-----					
Net sales	8	6,004,594	-	2,383,924	-
Cost of revenue		(4,810,883)	-	(1,932,137)	-
<b>Gross Profit / (Loss)</b>		<b>1,193,711</b>	<b>-</b>	<b>451,787</b>	<b>-</b>
- Administrative expenses		(31,068)	(45)	(8,696)	(15)
- Distribution cost		(607,411)	-	(234,002)	-
		(638,479)	(45)	(242,698)	(15)
<b>Operating Profit / (Loss)</b>		<b>555,232</b>	<b>(45)</b>	<b>209,089</b>	<b>(15)</b>
Other (expense)/income		75,092	111	46,856	37
		630,324	66	255,945	22
Financial expenses		(903,312)	-	(274,090)	-
		(272,988)	66	(18,145)	22
Workers' Profit Participation Fund		-	-	-	-
Workers' Welfare Fund		(2,800)	-	-	-
		(2,800)	-	-	-
<b>Profit / (Loss) before taxation</b>		<b>(275,788)</b>	<b>66</b>	<b>(18,145)</b>	<b>22</b>
Taxation		(55,476)	(19)	(26,664)	(7)
<b>Profit / (Loss) after taxation</b>		<b>(331,264)</b>	<b>47</b>	<b>(44,809)</b>	<b>15</b>
<b>Earnings / (loss) per share</b>		<b>(0.38)</b>	<b>0.00</b>	<b>(0.05)</b>	<b>0.00</b>

The attached notes 1 to 11 form an integral part of this condensed interim financial statements

LAHORE  
April 23, 2024

  
Mohammad Majid Munir  
Director

  
Syed Sheharyar Ali  
Chief Executive Officer

  
Muhammad Khurram Iqbal  
Chief Financial Officer

**Condensed interim statement of comprehensive income (un-audited)**  
For the period ended March 31, 2024

	Nine months ended		Three months ended	
	July to March 2024	July to March 2023	January to March 2024	January to March 2023
------(Rupees in thousand)-----				
Loss after taxation	(331,264)	47	(44,809)	15
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>(331,264)</b>	<b>47</b>	<b>(44,809)</b>	<b>15</b>

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

The attached notes 1 to 11 form an integral part of this condensed interim financial statements

LAHORE  
April 23, 2024

  
Mohammad Majid Munir  
Director

  
Syed Sheharyar Ali  
Chief Executive Officer

  
Muhammad Khurram Iqbal  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the period ended March 31, 2024

	Share Capital	Reserve for Issuance of Share	Demerger Deficit	Surplus on revaluation of fixed assets	Unappropriated Profit	Total
------(Rupees in thousand)-----						
Balance as on June 30, 2022	1,000	-	-	-	119	1,119
Total comprehensive income for the period	-	-	-	-	47	47
Transfer of net assets from the Modaraba	-	8,832,773	(8,211,666)	630,317	-	1,251,424
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	(12,145)	12,145	-
Issuance of shares	8,821,765	(8,821,765)	-	-	-	-
<b>Balance as on March 31, 2023</b>	<b>8,822,765</b>	<b>11,008</b>	<b>(8,211,666)</b>	<b>618,172</b>	<b>12,311</b>	<b>1,252,590</b>
Balance as on 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	-	-	-	(71,050)	71,050	-
Total comprehensive loss for the period	-	-	-	-	(331,264)	(331,264)
<b>Balance as on March 31, 2024</b>	<b>8,822,765</b>	<b>11,008</b>	<b>(8,211,666)</b>	<b>547,122</b>	<b>(189,959)</b>	<b>979,270</b>

The attached notes 1 to 11 form an integral part of this condensed interim financial statements

LAHORE  
April 23, 2024



Mohammad Majid Munir  
Director



Syed Sheharyar Ali  
Chief Executive Officer



Muhammad Khurram Iqbal  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the period ended March 31, 2024

	July to March 2024 (Rupees in thousand)	July to March 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(275,788)	53
Adjustments for non-cash items:		
Financial charges for the period	431,659	-
Financial charges Related party	-	-
Profit on bank deposit	(7,413)	(53)
Depreciation on property, plant and equipment	213,529	-
(Gain)/Loss on sale of fixed assets	(8,076)	-
	629,699	(53)
<b>Operating profit / (loss) before working capital changes</b>	353,911	-
(Increase) / decrease in operating assets :		
Stores and spares	(7,557)	-
Stock-in-trade	(17,917)	-
Trade debts	63,297	-
Loans, advances, deposits, prepayments and other receivables	(65,906)	(38)
	(28,083)	(38)
<b>Increase / (decrease) in operating liabilities</b>		
Trade and other payables	27,700	(113)
<b>Cash generated from /(used in) from operations</b>	353,528	(151)
Financial charges paid	(396,056)	-
Taxes paid	(149,109)	(20)
	(545,165)	(20)
<b>Net cash inflow/(outflow) from operating activities</b>	(191,637)	(171)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(50,964)	-
Proceeds from disposal of operating fixed assets	8,076	-
Profit received on bank deposits	7,413	53
<b>Net cash inflow/(outflow) from investing activities</b>	(35,475)	53
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term borrowing	1,062,393	-
Long term deposit	(28,110)	-
Loan to Director	(670,000)	-
Lease liability	(3,286)	-
Borrowings from Related parties	-	-
<b>Net cash inflow/(outflow) from financing activities</b>	360,997	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	133,885	(118)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	24,969	1,790
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	158,854	1,672

The attached notes 1 to 11 form an integral part of this condensed interim financial statements

LAHORE  
April 23, 2024

  
Mohammad Majid Munir  
Director

  
Syed Sheharyar Ali  
Chief Executive Officer

  
Muhammad Khurram Iqbal  
Chief Financial Officer

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

For the period ended March 31, 2024

### 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 hydride 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, Lahore, whereas the manufacturing plant is situated at Plot Number 1, Phase 2, M-3 Industrial City (FIEDMC), Sahianwala Interchange, Faisalabad.

### 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 reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the provisions of the Companies Act, 2017
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim 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.

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

For the period ended March 31, 2024

### 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.

	March 2024 Un-audited	June 2023 Audited
	(Rupees in thousand)	
<b>5. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS &amp; OTHER RECEIVABLES</b>		
Loan to director	670,000	-
Markup receivable	61,030	-
Others	56,242	51,366
	<b>787,272</b>	<b>51,366</b>

5.1 This represents loan given to director Mr. Syed Shahid Ali. The loan is unsecured, markup bearing and receivable within one year.

5.2 This represents markup receivable on loan to director which carries profit at 3 months KIBOR + 1.75% the effective rate of markup charged during the period is per 23.49% anum.

<b>6. SHORT TERM BORROWINGS</b>		
From Banking Companies	2,218,262	2,518,285
From Related Parties	5,650,675	4,288,259
	<b>7,868,937</b>	<b>6,806,544</b>

### 7. CONTINGENCIES AND COMMITMENTS

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

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

For the period ended March 31, 2024

	Nine months ended		Three months ended	
	July to March 2024 (Rupees in thousand)	July to March 2023	January to March 2024 (Rupees in thousand)	January to March 2023
<b>8. Sales</b>				
External Customer				
- Local Sale	7,398,303	-	2,966,453	-
- Sale of Scrap	129,658	-	57,879	-
	7,527,961	-	3,024,332	-
Less:				
- Sales Tax	(1,128,555)	-	(452,510)	-
- Discount	(394,812)	-	(187,898)	-
	(1,523,367)		(640,408)	
	6,004,594	-	2,383,924	-

	Nine months ended	
	July to March 2024 (Rupees in thousand)	July to March 2023
<b>9. TRANSACTIONS WITH RELATED PARTIES</b>		
Purchases and services received	198,670	-
Goods sold and services rendered	-	-

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.


10. These condensed interim financial statements were authorized for issue by the board of directors of the Company on April 23, 2024.

### 11 GENERAL

11.1 Amounts have been rounded off to thousand rupees.

LAHORE  
April 23, 2024

  
Mohammad Majid Munir  
Director

  
Syed Sheharyar Ali  
Chief Executive Officer

  
Muhammad Khurram Iqbal  
Chief Financial Officer

treetbattery.com

SYMBOL OF TRUST

**Treet**<sup>®</sup>  
Battery



**Treet Battery Limited**

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