



**FIRST TREET  
MANUFACTURING  
MODARABA**

20  
25

**SHAPING  
INDUSTRIES  
EMPOWERING  
LIVES**

**3RD QUARTERLY REPORT**  
For the period ended  
March 31, 2025  
First Treet Manufacturing Modaraba

# CONTENTS

**02**

---

Company  
Information

**03**

---

Directors'  
Review

**06**

---

Condensed Interim Statement of  
Financial Position (un-audited)

**07**

---

Condensed Interim  
Statement of profit (un-audited)

**08**

---

Condensed Interim Statement  
of Comprehensive Income

**09**

---

Condensed Interim Statement  
of Changes in Equity

**10**

---

Condensed Interim Statement  
of Cash Flows

**11**

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Notes to the Condensed  
Interim Financial Statements

## Company information

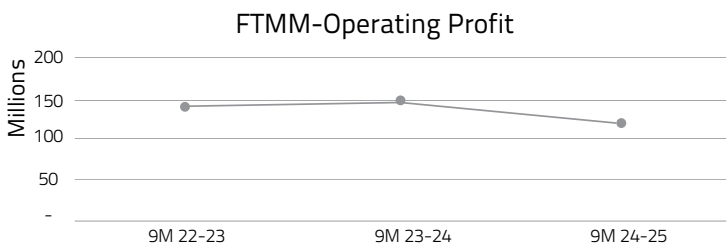
BOARD OF DIRECTORS:	Syed Shahid Ali Syed Sheharyar Ali Mr. Imran Azim Dr. Salman Faridi Mr. Munir Karim Bana Dr. Haroon Latif Khan Ms. Sidra Fatima Sheikh Mr. Ahmad Shahid Hussain	Chairman/ Non-Executive Director Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Female Independent Director Independent Director
AUDIT COMMITTEE	Ms. Sidra Fatima Sheikh Mr. Imran Azim Dr. Salman Faridi Mr. Munir Karim Bana Mr. Ahmad Shahid Hussain	Chairperson/ Member Member Member Member
CHIEF FINANCIAL OFFICER:	Mr. Muhammad Zubair Mr. Mansoor Murad	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	Chartered Accountants
LEGAL ADVISORS:	Asad & Asad Attorney at Law	Advocates
CORPORATE ADVISORS:	Cornelius, Lane & Mufti	Advocates
SHARIAH ADVISOR:	Mufti Muhammad Javed Hassan Corplink (Private ) Limited	
SHARES REGISTRAR:	Winges Arcade, 1-K, Commercial Model Town, Lahore Tel: 042-35916714 Fax: 042-35839182	
BANKERS:	Meezan Bank Limited National Bank of Pakistan Soneri Bank Limited Askari Bank Limited MCB Bank Limited Habib Bank Limited United Bank Limited JS Bank Limited	Habib Metropolitan Bank Limited Bank Islami Pakistan Limited Allied Bank Limited Bank Alfalah Limited MCB Islamic Bank Limited Bank Al Habib Limited Faysal Bank Limited Dubai Islamic Bank Pakistan Limited
REGISTERED OFFICE	72-B, Industrial Area, Kot Lakhpat, Lahore. Fax: 042-35114127 & 35215825 Tel: 042-35830881, 35156567 & 35122296 E-mail: corporate@treetcorp.com Home Page: www.ftmm.com.pk	
PACKAGING SOLUTIONS CORRUGATION	Kacha Tiba Rohi Nala, 22-KM Ferozpur Road, Lahore	
SOAP PLANT	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 the Nine Months ended March, 31 2025.

In three quarters of the fiscal year 2024-25 the corrugated packaging industry went through difficult conditions, which have also effected the Company to some extent. Compared to last year, the soap segment performed marginally lower, yet delivered profitable performance despite multiple challenges. The corrugation segment also faced challenges but successfully keep the momentum of profitability.

As a result, the Modaraba has witnessed a mild downturn in sales which translates into a small reduction in profits. Despite the challenging competitive environment, the Modaraba has once again delivered positive bottom-line results, underscoring our ability to navigate extremely difficult environments with a high level of resilience.



## FINANCIAL HIGHLIGHTS

The Modaraba is engaged in two business segments: Corrugated Boxes and Soaps. The financial results of third quarter of 2024-25 demonstrated slight decline in revenues due to continuing difficult business environment. The Modaraba witnessed a decrease in revenue due to a combination of price pressures in the Corrugation segment, and working capital constraints from distributors in the Soaps segment. This downturn also reflected in a minor decrease in gross profits for the third quarter.

Despite these headwinds, the Modaraba’s operating profit in third quarter jumped to Rs. 38.4 million from Rs. 16.8 million reported in the corresponding period last year due to better cost management.

Additionally, the Modaraba delivered net profit of Rs. 35.4 million in third quarter of 2024-25 which was Rs. 8.4 Millions in same period last year. On a year to date basis, one off expenses from the Soap segment incurred in the first quarter of the fiscal year mean that the profitability of the Modaraba lags behind the same period last year.

Description	Nine Months Ended		(Rupees in Million)	
	31-Mar-25	31-Mar-24	Change	% Change
Sales (net)	2,863	3,163	-300	-9%
Gross Profit/(Loss)	259	269	-10	-4%
Operating Profit/(Loss)	118	146	-28	-19%
Net Profit/(Loss) after Taxation	110	165	-55	-33%
EPS (in Rupees)	0.12	0.19	(0.07)	-35%

Directors’ review

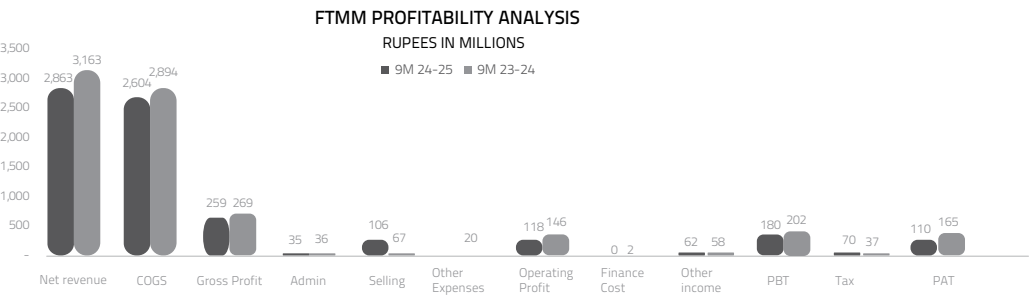
CORRUGATED PACKAGING

In the third quarter, sales revenue of corrugated packaging segment has increased slightly despite increasingly competitive market. While comparing to same period last year, packaging segment has reported mild decline in its gross profit. The net revenue is Rs. 714 million, a 2% increase as compared to the corresponding period last year. The segment has posted a gross profit of Rs. 25.6 million, compared to a gross profit of Rs. 35.5 million, a decrease of Rs. 9.9 million from SPLY. This decrease is primarily due to higher input cost, which has impacted the profitability adversely.

Management has been focused on implementing cost-control strategies to maintain competitiveness in both product quality and operational efficiency, leveraging existing resources. The current business focus is on retaining key clients while strategically acquiring new, high-value customers to strengthen the Company's portfolio—an essential step toward achieving sustainable and profitable growth.

SOAPS

The gross profit for the third quarter of 2024-25 is Rs.40.7 million, which has decreased by 4.9 million (11%) as compared to the corresponding period last year. Sales, volumes, and margins in the soap segment have declined, primarily due to intensified competition in our core markets. In response, our sales teams are proactively working to regain previous performance levels in both volume and revenue. The current strategy emphasizes enhancing product visibility and ensuring availability across key channels to drive sales growth. We anticipate that these focused efforts will contribute to improved margins in the coming quarters.



COUNTRY’S ECONOMIC OUTLOOK


The current macroeconomic situation of our country, while improving, continues to have its challenges after a tumultuous period, there are positive signs that we are now heading towards stability which can be witnessed by stable exchange rate, lower inflation, and significant reduction in policy rate. These macroeconomic gains are closely tied to fiscal discipline, as the government achieved its first primary surplus in two decades in FY24, with another surplus anticipated in FY25. This progress has contributed in narrowing the current account deficit. The important thing now is to keep these measures intact to help the economic growth to get back on track.


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: April 24, 2025  
Lahore

  
Syed Shahid Ali  
Chairman

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# FINANCIAL STATEMENTS


For the period ended March 31, 2025

Condensed interim Statement of Financial Position (un-audited)  
As At March 31, 2025

		31 March 2025 Un-audited	30 June 2024 Audited
	Note	(Rupees in thousand)	
<b>Non-current assets</b>			
Property, plant and equipment	5	811,094	831,432
Long term loans and deposits		9,654	9,654
		820,748	841,086
<b>CURRENT ASSETS</b>			
Stores and spares		87,395	81,819
Stock-in-trade	6	334,703	387,415
Trade debts – unsecured considered good		1,010,072	898,752
Loans, advances, deposits, prepayments and other receivables		818,486	498,575
Advance income tax		1,179,838	1,044,679
Cash and bank balances	7	73,935	195,837
		3,504,429	3,107,077
		4,325,177	3,948,163
<b>EQUITY AND LIABILITIES</b>			
Certificate capital		8,835,903	8,835,903
Deposit for purchase of certificates		1	1
Capital reserve		565,219	565,219
Demerger reserve		(6,879,903)	(6,879,903)
Unappropriated loss		394,631	201,399
Surplus on revaluation of fixed assets		535,827	619,116
		3,451,678	3,341,735
<b>Non-current liabilities</b>			
Deferred taxation		95,131	70,952
		95,131	70,952
<b>Current liabilities</b>			
Retention money payable		12,088	11,942
Trade and other payables		728,608	471,622
Provision for taxation		37,672	51,912
		778,368	535,476
<b>Contingencies and commitments</b>	8	-	-
		4,325,177	3,948,163

The attached notes 1 to 14 form an integral part of these condensed interim financial statements.

LAHORE  
April 24, 2025

  
Syed Shehryar Ali  
Chief Executive Officer

  
Mansoor Murad  
Chief Financial Officer

  
Syed Shahid Ali  
Director

  
Ms. Sidra Fatima Sheikh  
Director

Condensed interim statement of profit (un-audited)  
For the period ended March 31, 2025

	Note	Nine months ended		Three months ended	
		July to 31 March 2025	July to 31 March 2024	January to 31 March 2025	January to 31 March 2024
		(Rupees in thousand)			
Revenue -net	9	2,862,984	3,162,564	886,155	949,656
Cost of sales	10	(2,603,895)	(2,893,652)	(819,791)	(868,474)
Gross Profit		259,089	268,912	66,364	81,182
Operating expenses					
- Administrative expenses		(34,703)	(35,823)	(13,138)	(14,171)
- Distribution cost		(106,261)	(67,083)	(21,534)	(45,649)
- Other Expenses		-	(19,932)	6,795	(4,500)
		(140,964)	(122,838)	(27,877)	(64,320)
Operating Profit		118,125	146,074	38,487	16,862
Other income		62,108	58,041	9,937	4,000
		180,233	204,115	48,424	20,862
Financial expenses		(494)	(1,958)	(75)	(127)
Profit before levies and income tax		179,739	202,157	48,349	20,735
Levies		(37,672)	(20,076)	(6,989)	(6,613)
Profit before income tax		142,067	182,081	41,360	14,122
Taxation - Income tax		(32,124)	(17,119)	(5,959)	(5,639)
Profit from continuing operation		109,943	164,962	35,401	8,483
Earning per share		0.124	0.19	0.040	0.01

The attached notes 1 to 14 form an integral part of these condensed interim financial statements.

LAHORE  
April 24, 2025

  
Syed Shehryar Ali  
Chief Executive Officer

  
Mansoor Murad  
Chief Financial Officer

  
Syed Shahid Ali  
Director

  
Ms. Sidra Fatima Sheikh  
Director



Condensed interim statement of comprehensive income (un-audited)  
For the period Ended March 31, 2025

	Nine months ended		Three months ended	
	July to 31 March 2025	July to 31 March 2024	January to 31 March 2025	January to 31 March 2024
	(Rupees in thousand)			
Profit after taxation	109,943	164,962	35,401	8,483
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	109,943	164,962	35,401	8,483

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

The attached notes 1 to 14 form an integral part of these condensed interim financial statements.

LAHORE

April 24, 2025



Syed Shehryar Ali  
Chief Executive Officer



Mansoor Murad  
Chief Financial Officer



Syed Shahid Ali  
Director



Ms. Sidra Fatima Sheikh  
Director

Condensed interim statement of changes in equity (un-audited)  
For the period Ended March 31, 2025


	Certificate Capital	Purchase for Reserve Certificates	Certificate premium	Statutory Reserve	Surplus on revaluation of fixed assets	Demerger Reserve	Unappropriated Profit / (Loss)	Total
(Rupees in thousand)								
Balance as at June 30, 2023	8,835,903	1	-	511,941	553,025	(6,879,903)	(27,118)	2,993,849
Total comprehensive income for the period	-	-	-	-	-	-	164,962	164,962
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-	(13,231)	-	13,231	-
Balance as on March 31, 2024	8,835,903	1	-	511,941	539,794	(6,879,903)	151,075	3,158,811
Balance as at June 30, 2024	8,835,903	1	-	565,219	619,116	(6,879,903)	201,399	3,341,735
Total comprehensive income for the period	-	-	-	-	-	-	109,943	109,943
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-	(83,289)	-	83,289	-
Balance as on March 31, 2025	8,835,903	1	-	565,219	535,827	(6,879,903)	394,631	3,451,678

The attached notes 1 to 14 form an integral part of these condensed interim financial statements.

LAHORE  
April 24, 2025

  
Syed Shehryar Ali  
Chief Executive Officer

  
Mansoor Murad  
Chief Financial Officer

  
Syed Shahid Ali  
Director

  
Ms. Sidra Fatima Sheikh  
Director

Condensed interim statement of cash flows (un-audited)  
For the period Ended March 31, 2025


	Nine months ended	
	July to 31 March 2025	July to 31 March 2024
	(Rupees in thousand)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	179,739	202,157
Adjustments for non-cash items :		
Financial charges for the period	75	1,958
Depreciation on property, plant and equipment	20,338	29,247
Gain) / loss on sale of fixed assets	-	8
Profit on bank deposits	(1,404)	(9,867)
	19,009	21,346
<b>Operating profit before working capital changes</b>	<b>198,748</b>	<b>223,503</b>
(Increase) / decrease in operating assets :		
Stores and spares	(5,576)	2,492
Stock-in-trade	52,712	47,373
Trade debts	(111,320)	(27,948)
Loans, advances, deposits, prepayments and other receivables	(455,070)	(49,448)
	(519,254)	(27,531)
<b>Increase / (decrease) in operating liabilities</b>		
Trade and other payables	257,132	56,518
<b>Cash generated from operations</b>	<b>(63,374)</b>	<b>252,490</b>
Financial charges paid	(75)	(1,958)
Taxes paid	(59,857)	(245,044)
	(59,932)	(247,002)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(123,306)</b>	<b>5,488</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	-	(59,821)
Proceeds form sale of fixed assets	-	(8)
Long term deposits	-	11,860
Profit received on bank deposits	1,404	9,867
<b>Net cash (outflow)/inflow from investing activities</b>	<b>1,404</b>	<b>(38,102)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(121,902)</b>	<b>(32,614)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>195,837</b>	<b>65,313</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>73,935</b>	<b>32,699</b>

The attached notes 1 to 14 form an integral part of these condensed interim financial statements.

LAHORE  
April 24, 2025

  
Syed Shehryar Ali  
Chief Executive Officer

  
Mansoor Murad  
Chief Financial Officer

  
Syed Shahid Ali  
Director

  
Ms. Sidra Fatima Sheikh  
Director

Notes to the condensed interim financial statement (un-audited)  
For the period Ended March 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 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 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, 2024.

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 Modaraba's annual financial statements for the year ended June 30, 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 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, 2024.

	Un-audited 31 March 2025	Audited 30 June 2024
	(Rupees in thousand)	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating Fixed Assets	775,779	771,085
Capital Work in Process	35,315	60,347
	811,094	831,432
6. STOCK-IN-TRADE		
Raw material	161,013	279,273
Work in process	6,974	11,702
Finished goods	166,716	96,440
	334,703	387,415

Notes to the condensed interim financial statement (un-audited)  
For the period Ended March 31, 2025

	Un-audited 31 March 2025	Audited 30 June 2024
	(Rupees in thousand)	
7. CASH AND BANK BALANCES		
Cash in hand	1,908	1,932
Cash at banks	72,027	193,905
	73,935	195,837

8. CONTINGENCIES AND COMMITMENTS

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

	Nine months ended		Three months ended	
	July to 31 March 2025	July to 31 March 2024	January to 31 March 2025	January to 31 March 2024
	(Rupees in thousand)			
9. SALES				
Packaging products	2,142,885	2,180,868	713,793	698,474
Soaps	720,099	981,696	172,362	251,182
	2,862,984	3,162,564	886,155	949,656
10. COST OF SALES				
Packaging products	2,038,329	2,098,018	688,168	662,974
Soaps	565,566	795,634	131,623	205,500
	2,603,895	2,893,652	819,791	868,474

	Nine months ended	
	July to 31 March 2025	July to 31 March 2024
	(Rupees in thousand)	
11. TRANSACTIONS WITH RELATED PARTIES		
Purchases and services received	2,885	2,724
Goods sold and services rendered	101,375	84,081
Funds received during the period - Net of payment	403,075	260,440

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 Modaraba Company on April 24, 2025.

Notes to the condensed interim financial statement (un-audited)  
For the period Ended March 31, 2025

13. CORRESPONDING FIGURES


Corresponding figures have been reclassified or rearranged, wherever necessary, for the better and fair presentation. Following rearrangement has been made during the period.

Nature	Reclassified from	Reclassified to	Mar-24 (Rs in 000's)
Taxation	Taxation - Income tax	Levies	(20,076)

14. GENERAL

14.1 Amounts have been rounded off to thousand rupees.

LAHORE  
April 24, 2025

  
Syed Shehryar Ali  
Chief Executive Officer

  
Mansoor Murad  
Chief Financial Officer

  
Syed Shahid Ali  
Director

  
Ms. Sidra Fatima Sheikh  
Director





**PACKAGING SOLUTIONS**

**FIRST TREET  
MANUFACTURING  
MODARABA**

## **First Treet Manufacturing Modaraba**

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📱 @treetcorp