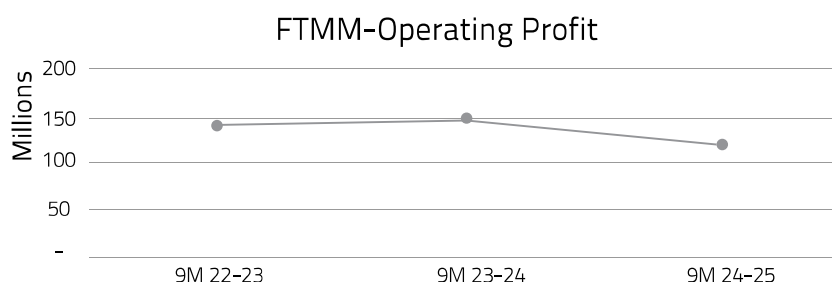


Directors' review

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		Change	% Change
	31-Mar-25	31-Mar-24		
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

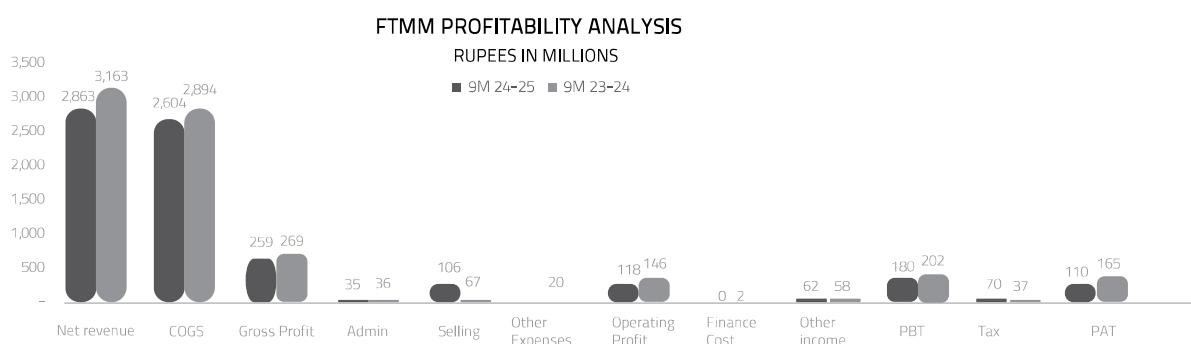
CORRUGATED PACKAGING

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