

Director's Report

We are pleased to present the Directors' Report together with the audited Financial Statements for the year ended June 30, 2024.

These accounts have been audited by statutory auditors of the Treet Holdings Limited and are accompanied by their audit report.

Background:

Treet Holdings Ltd., a Treet Holdings Limited ("the Company") was incorporated in Pakistan on 21 October 2004 under the Companies Ordinance, 1984 (now Companies Act, 2017) and commenced commercial operations w.e.f. 01 January 2005. The principal activity of the Company is assembling and sale of motor bikes and rickshaws. The Company is the management Company of First Treet Manufacturing Modaraba and is a subsidiary of Treet Corporation Limited (the "Parent Company"), a listed company.

FINANCIAL HIGHLIGHTS:

During the year under review, sales of the company decreased to Rs. 43.95 million as compared to Rs. 79.38 for the same period last year, showing a decrease of 45% due to tough market conditions. Furthermore, Operating profit for FY 2024 amounted to 2.72 million rupees, compared to the loss of Rs. 10.81 million rupees in FY 2023, representing an impressive decrease in loss by 125%. These accomplishments were achieved despite numerous challenges.

Descriptions	(Rupees in 000)		
	2023-2024	2022-2023	% Change
Sales (net)	43,956	79,382	-45%
Gross Profit	22,033	16,349	35%
Operating Profit / (Loss)	2,722	(10,817)	-125%
Net Profit	27,059	2,380	1037%

Due to current economic situation, we are facing lesser demand of bikes which is core our business. During the year, the Company has delivered a net profit for the year of Rs. 27.06 million (2023: Rs. 2.38 million). The Company's management has made the strategic decision to discontinue the production of traditional bikes. Consequently, the Company has started clearing its remaining inventory of traditional bikes in the current year. In addition, the Company's management is considering multiple alternate options to increase shareholder value. The Modaraba has also performed well this year, and declared management fees of Rs. 14.79 million which was nil last year due to loss in the modaraba. At the bottom line we have positive Rs. 27 million which was only Rs. 2 million last year.

COUNTRY'S ECONOMIC OUTLOOK

Pakistan's economy is just starting to emerge from the effects of the austerity measures employed by the Government in order to fend off one of the worst exchange crises experienced in the history of the country. Going forward, with the interest rate and inflation both coming down, and global commodity prices also showing signs of softening, the consensus is that Pakistan will return to a growth path in the coming months. With the support of our certificate holders, the Modaraba is well positioned to benefit from this recovery, and deliver another year of strong performance in 2024-25.

Closing and Thank You:

In conclusion, Treet Holding Limited extends sincere gratitude for your continued support and trust in our company. We look forward to the future with optimism, emphasizing our unwavering commitment to excellence, innovation, and growth. Your partnership remains pivotal in our ongoing success.



TREET HOLDINGS LIMITED
Chief Executive Officer
Syed Sheharyar Ali



TREET HOLDINGS LIMITED
Chairman
Syed Shahid Ali

