

## DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to submit the first quarter report along with the condensed interim financial statements of the company for the three months period ended March 31, 2019.

### Business Review:

The macro-economic environment of the country remained challenging during first quarter of 2019 mainly due to increasing inflation. During the period, the Company reported a revenue of PKR 29.1 billion vs PKR 32.0 billion\* in the same period last year, due to general slowdown in the economy and higher inflation, which impacted the purchasing power of the consumers. The company reported Gross Profit of PKR 8.5 billion vs PKR 10.4 billion\* in the same period last year; the decline is mainly due to higher input costs resulting from currency devaluation, increase in energy costs and increase in the prices of commodities. Consequently, Net profit after tax has also dropped from 10.6% to 7.8% vs. same period last year.

The financial performance for the three months period is summarized below:

	Jan – Mar 2019 PKR Million	Jan – Mar* 2018 PKR Million	Change
Sales	29,135	32,029	-9.0%
Gross Profit	8,470	10,361	-18.3%
% of sales	29.1%	32.3%	
Operating Profit	4,027	5,397	-25.4%
% of sales	13.8%	16.8%	
Net Profit after tax	2,274	3,382	-32.8%
% of sales	7.8%	10.6%	
Earnings per share	50.15	74.57	-32.8%

*\*Restated as per IFRS 15*

### Future Outlook:

Despite the challenges, the Company remains focused on meeting the consumer's needs through portfolio innovation & renovation and optimization of value chain to ensure sustainable profitable growth.

For and on behalf of the  
Board of Directors



Freda Yahan Duplan  
Chief Executive

Lahore: April 29, 2019



Director