



Directors' Review

The un-audited financial statements of the Company for the first quarter ended September 30, 2009 together with the results for the three months are presented along with an update on the Company's performance.

The Company recorded gross turnover of Rs.456 million during this quarter as compared to Rs.288 million recorded in the same quarter last year registering an increase of 58%.

Net turnover increased to Rs.350 million as compared to Rs.224 million last year an increase of 56%. The drop of 2% as compared to the increase in gross turnover was due to higher discounts passed to the trade during this quarter.

Gross profit during this period was Rs.71 million up from Rs.63 million recorded last year registering an increase of only 13% despite net sales registering an increase of 56%. This was due to high cost of imported inputs along with the high cost of sugar.

The operating profit was Rs.4.6 million as compared to a loss of Rs.26.2 million in the corresponding quarter last year. Despite our best efforts the quarter ended with a loss after taxation of Rs.3.6 million, mainly due to a prior year taxation charge of Rs.5.7 million.

The next quarter would traditionally be very slow for the Tang business because of winter months.

On behalf of the Board of Directors

IQBAL ALI LAKHANI
Chairman

Karachi: October 29, 2009