

Inculcating **Growth** with
Integrity & Passion

PANTHER TYRES LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

31ST MARCH 2021



PANTHER

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COMPANY INFORMATION

BOARD OF MANAGEMENT

Executive Directors

Mian Faisal Iftikhar - CEO
Zahid Mahmud

Independent Directors

Asad Sultan Chaudhary
Javed Masud
Iqbal Ahmed Khan

Non - Executive Directors

Mian Iftikhar Ahmed - Chairman
Samina Iftikhar

Audit Committee Members

Javed Masud-Chairman
Asad Sultan Chaudhary
Iqbal Ahmed Khan

HR Committee Members

Asad Sultan Chaudhary-Chairman
Iqbal Ahmed Khan
Mian Faisal Iftikhar

CHIEF FINANCIAL OFFICER

Ghulam Abbas FCA FCMA

COMPANY SECRETARY/ HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt FCA CIA

AUDITORS

M/s EY Ford Rhodes
Chartered Accountants

LEGAL ADVISOR

Cornelius, Lane & Mufti

REGISTERED OFFICE

Panther House 97-B Aziz Avenue,
Gulberg 5, Canal bank Jail road,
Lahore-5400, Pakistan.
UAN: +42 111-554-444

SHARE REGISTRAR

Corplink (Private) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore.

BANKERS

Bank Alfalah Limited
Faysal Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
United Bank Limited
Standard Chartered Bank (Pakistan) Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Industrial and Commercial Bank of China Limited
Pak Oman Investment Company Limited
PAIR Investment Company Limited

The background of the image shows two silhouetted figures climbing a dark, jagged mountain peak. The figure on the left is higher up, reaching down to assist the second figure. The sky is a deep blue with soft, white clouds. Overlaid on the entire scene is a network of glowing blue and white lines connecting various points, resembling a digital or social network. The text is positioned in the lower half of the image, with 'GROWTH' and 'WORKING TOGETHER' in large, bold, blue letters, and the other phrases in smaller, orange letters.

GROWTH IS NEVER BY
IT IS THE RESULT OF FORCES MERE CHANCE
**WORKING
TOGETHER**

JAMES CASH PENNEY

DIRECTORS' REVIEW REPORT

The Board of Directors of your Company feel honored to present first ever post listing condensed unaudited financial statements of the Company for the nine months and quarter ended March 31, 2021. Your Company posted yet another period of impressive performance not in terms of top line but also in terms of operational performance. The management and the Board are comfortable with this performance as it is in line with the annual plans and targets of the Company for the year ended June 30, 2021.

LISTING OF THE COMPANY ON PAKISTAN STOCK EXCHANGE (PSX)

During the period under review the Company successfully managed to get itself listed on Pakistan Stock Exchange. Total 40 million shares were offered in the IPO process, out of which 30 million new shares were issued by the Company whereas remaining 10 million shares were offered for sale by one of the sponsors, Mian Iftikhar Ahmed. The total issue was offered through book building process.

By the grace of Allah, the book building was extremely successful with a large number of institutions and high net-worth individuals participated in the bidding whereby the issue was oversubscribed by 4.37 times and that too at 40% upper circuit. The strike price was locked in at Rs65.80 per share. The retail portion also attracted tremendous response from the public with the Issue being oversubscribed by 1.92 times or 9.196 million shares. Resultantly, the Company received Rs.1.974 billion through this IPO.

The immense oversubscription received in both book building and general public portion reflects investors' confidence in our business for which we are really grateful. This IPO will help us materialize our

expansion plan and will take us one step forward towards our long term goal of reducing our Country's reliance on imported tyres and tubes.

FINANCIAL PERFORMANCE

Following are the few glimpses of financial performance of the Company for the nine months period ended on March 31, 2021:

Description	Nine months period ended		Percentage Change
	31 March 2021	31 March 2020	
	Rupees in Million		
Sales	11,574	8,553	35%
Gross profit	1,839	1,175	57%
Gross profit Ratio	15.89%	13.73%	
Selling and distribution expenses	399	268	49%
Administrative expenses	226	197	15%
Profit from operations	1162	693	68%
Operating Profit Ratio	10.04%	8.11%	
Finance cost	251	470	-47%
Profit after taxation	652	99	559%
Net Profit Ratio	5.63%	1.16%	

The Company continued its journey on growth path and during the period under review managed to pocket hefty growth of 35%. This growth is emanating from the diversified product portfolio of the Company and all segments of the products have performed well and have contributed equally in the growth of business of the Company. We are expecting that this growth momentum will continue in the foreseeable future as well barring any negative impact of Covid.

During nine months period ended March 31, 2021, the gross profits of the Company increased from Rs.1,175 million to Rs.1,839 million showing an increase of 57%. This decent increase in gross profit translated into higher operating and net margins.

Net profit ratio of the Company remained at 5.63% as compared to 1.16% in the comparable period last year.

Selling and distribution expenses during the nine month period ended on March 31, 2021 increased from Rs.268 million to Rs.399 million, this increase is in line with Company's policy to invest more on brand equity to embark upon future growth requirements of the Company.

During the period under discussion, the financial charges have decreased by 47% due to decrease in discount rates and also due to increase in cheaper financing in the loan portfolio of the Company.

CAPACITY EXPANSION

The expansion plans of the Company are progressing according to pre-determined time lines. The first phase of the expansion is expected to come on-line on various dates by August 31, 2021.

FUTURE OUTLOOK

Recently, the increasing trend in the raw material prices have been witnessed in international market, this increasing trend in prices may affect the margins of the Company if lasts longer in the foreseeable future. However, we are of the strong feelings that this price trend will not last longer and soon the prices will come down just because of lack of demand resulting from rising cases of Covid worldwide. Moreover, more than 4% appreciation of Pak rupee will also help company to reduce its import cost in the last quarter

of ongoing financial year.

The third wave of Covid-19 pandemic is spreading rapidly in Pakistan, particularly in Punjab province and continues to challenge the economic environment, measures to counter these challenges such as vaccination campaigns, smart lockdowns, collaborative health policies and Government's financial support are expected to uplift the economic activities. The recovery would be even stronger if vaccines are rolled out quickly.

On the other hand, ongoing healthy activities in construction & allied industries, strong performance of large scale manufacturing (LSM), stable exchange rate along with rising remittances have restored the investor's confidence. Economic activities had returned to the growth trajectory, despite a successive wave of Covid-19 in Pakistan and it is expected that Pakistan's GDP will grow by 1.5 percent during the ongoing fiscal year.

The company, however, remains focused on minimizing to the extent possible the impact of Covid-19 on its financial and operational performance.

ACKNOWLEDGEMENT

The Board takes this opportunity to express its gratitude and thanks to the employees, customers, bankers, suppliers and other stakeholders for the confidence and faith they have always reposed in the company.



Mian Faisal Iftikhar
Chief Executive Officer
Lahore: April 12, 2021



Mian Iftikhar Ahmed
Chairman

ڈائریکٹر رپورٹ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اسٹاک کمپنی بننے کے بعد نو ماہی اور 31 مارچ 2021 کو ختم ہونے والی سہ ماہی کے پہلے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ آپ کی کمپنی نے شاندار کامیابیوں کا ایک اور سنگ میل عبور کیا ہے۔ جو نہ صرف ٹاپ لائن کے حوالے سے قابل رشک ہے بلکہ کمپنی کی آپریشنل کارکردگی بھی شاندار رہی۔ انتظامیہ اور بورڈ کمپنی کی کارکردگی کے حوالے سے مطمئن ہیں کیونکہ یہ کمپنی کے 30 جون 2021 کے ختم ہونے والے سال کے منصوبوں اور اہداف کے مطابق ہے۔

پاکستان اسٹاک ایکسچینج پر کمپنی کی لسٹنگ:

زیر جائزہ مدت کے دوران آپ کی کمپنی نے پاکستان اسٹاک ایکسچینج میں کامیابی کے ساتھ اپنے آپ کو لسٹ کروایا۔ کمپنی نے آئی پی او کے عمل میں مجموعی طور پر 40 ملین حصص کی پیش کش کی، ان میں سے 30 ملین حصص کمپنی کی جانب سے جاری کیے گئے تھے جبکہ باقی 10 ملین حصص کمپنی کے ایک اسپانسر میاں افتخار احمد نے فروخت کے لئے پیش کیے تھے اور یہ تمام حصص بک بلڈنگ (Book building) کے عمل کے ذریعے پیش کیے گئے۔

اللہ تعالیٰ کے فضل و کرم سے بک بلڈنگ کا طریقہ نہایت کامیابی سے عمل میں آیا اور بولی میں بڑی تعداد میں ادارے اور مستحکم مالی حیثیت کے افراد نے حصہ لیا، جس کی وجہ سے حصص 4.37 گنا اور سبسکرائب ہوا اور اوپری سرکٹ جو کہ 40 فیصد ہے، میں رہا۔ حصص کی قیمت 65.80 روپے فی حصص پر بند ہوئی۔ ریٹیلر حصص نے بھی عوام کی بھرپور توجہ حاصل کی اور 1.92 گنا اور سبسکرائب ہوئے (9.196 ملین حصص)۔ آئی پی او کے اس عمل سے کمپنی نے 1.974 ارب روپے حاصل کیے۔

بک بلڈنگ اور عام عوام کے حصے میں ہونے والی بہت زیادہ سبسکرائپشن سرمایہ کاروں کے ہمارے کاروبار پر اعتماد کا مظہر ہے۔ جس پر ہم ان کے شکر گزار ہیں۔ یہ آئی پی او ہمیں اپنے توسیعی منصوبوں کو عملی شکل دینے میں معاون ثابت ہوگی اور درآمدی ٹائروں اور ٹیویوں پر وطن عزیز کے انحصار کو کم کرنے کے طویل مدتی مقصد کی سمت ایک قدم آگے لے جائے گی۔

مالیاتی کارکردگی:

ذیل میں 31 مارچ 2021 کو نو ماہی مدت ختم ہونے پر کمپنی کی مالیاتی کارکردگی کی جھلکیاں پیش کی گئی ہیں:

نو ماہی مختتمہ			
تفصیل	31 مارچ 2020	31 مارچ 2021	شرح تبدیلی
ملین روپے			
مصنوعات کی کل فروخت	8553	11,574	35 فیصد
مجموعی منافع	1175	1839	57 فیصد
مجموعی منافع کی شرح	13.73 فیصد	15.89 فیصد	
مصنوعات کی فروخت اور تقسیم کے اخراجات	268	399	49 فیصد
ایڈمٹسٹریشن کے اخراجات	197	226	15 فیصد
آپریشنز سے منافع	693	1162	68 فیصد
آپریٹنگ منافع کی شرح	8.11 فیصد	10.04 فیصد	
مالیاتی لاگت	470	251	منفی 47 فیصد
منافع بعد از ٹیکس	99	652	559 فیصد
خالص منافع کی شرح	1.16 فیصد	5.63 فیصد	

زیر جائزہ مدت کے دوران کمپنی نے ترقی کا سفر جاری رکھتے ہوئے 35 فیصد کی شاندار شرح نمو حاصل کی۔ یہ ترقی کمپنی کی مصنوعات کے متنوع پورٹ فولیو کے باعث حاصل ہوئی۔ اور کمپنی مصنوعات کی تمام اقسام نے عمدہ کارکردگی کا مظاہرہ کیا ہے اور کمپنی کے کاروبار کی نمو میں یکساں طور پر حصہ لیا ہے۔ ہم توقع کر رہے ہیں کہ کوویڈ کے کسی بھی منفی اثر کو روکنے کے ساتھ ساتھ مستقبل میں بھی اس شرح نمو کی رفتار برقرار رہے گی۔

31 مارچ 2021 کو ختم ہونے والی نو ماہی کے دوران کمپنی کے مجموعی منافع میں 57 فیصد اضافہ ہوا جو 1175 ملین روپے سے بڑھ کر 1893 ملین روپے ہو گیا۔ منافع کی شرح میں اس معقول اضافے سے نیٹ مارجن بڑھا۔ کمپنی کے خالص منافع کی شرح 5.63 فیصد رہی جو پچھلے سال اسی مدت کے دوران 1.16 فیصد تھی۔ 31 مارچ 2021 کو ختم ہونے والی نو ماہی کے دوران مصنوعات کی فروخت اور تقسیم کے اخراجات 268 ملین روپے سے بڑھ کر 399 ملین روپے ہو گئے۔ اخراجات میں یہ اضافہ مستقبل میں کمپنی کی شرح نمو بڑھانے کے لیے کمپنی پالیسی کے مطابق برانڈ ایکویٹی پر زیادہ سرمایہ کاری کرنے کی وجہ سے ہوا۔ زیر جائزہ مدت کے دوران، مالیاتی اخراجات میں شرح سود میں کمی اور کمپنی قرضہ جات کے سستے ہونے کی وجہ سے 47 فیصد کمی ہوئی۔

توسیعی صلاحیت:

کمپنی کے توسیعی منصوبے پہلے سے طے شدہ ٹائم لائن کے مطابق آگے بڑھ رہے ہیں۔ پہلے فیز کی توسیع اگست 2021 کے ایام میں متوقع ہے۔

مستقبل کا منظر نامہ:

حال ہی میں بین الاقوامی منڈی میں خام مال کی قیمتوں میں اضافے کا رجحان دیکھنے میں آ رہا ہے۔ اگر یہ رجحان مستقبل میں بھی جاری رہا تو اس سے کمپنی کا منافع متاثر ہو سکتا ہے۔ لیکن ہمیں یقین ہے کہ قیمتوں میں اضافے کا یہ رجحان زیادہ مدت تک نہیں رہے گا اور جلد ہی دنیا بھر میں کوویڈ وبا کے بڑھتے ہوئے کیسز کی وجہ سے طلب میں کمی سے قیمتیں نیچے آ جائیں گی۔ مزید برآں، پاکستانی روپے کی قدر میں 4 فیصد اضافے کی وجہ سے جاری مالی سال کی آخری سہ ماہی میں کمپنی کو اپنے درآمدی اخراجات کم کرنے میں بھی مدد ملے گی۔

کوویڈ وبا کی تیسری لہر پاکستان بھر اور خاص طور پر صوبہ پنجاب میں بڑی تیزی سے پھیل رہی ہے۔ جس کی وجہ سے معاشی ماحول متاثر ہو رہا ہے۔ وبا پر قابو پانے کے اقدامات جیسے ویکسین لگانے کی مہم، سمارٹ لاک ڈاؤن، صحت کے حوالے سے مربوط پالیسی سازی اور حکومت کی طرف سے مالی امداد سے معاشی سرگرمیوں میں بہتری کی توقع ہے۔ اگر ویکسین لگانے کا عمل جتنی بنیادوں پر جاری رکھا جاتا ہے تو حالات میں تیزی سے بہتری آئے گی۔

دوسری طرف، تعمیراتی اور اس سے منسلک صنعتوں میں جاری صحت مند معاشی سرگرمیوں، لارج اسکیل مینوفیکچر (LSM) کی بہترین کارکردگی، روپے کی قدر میں استحکام اور ترسیل زرمین اضافے سے سرمایہ کاروں کے اعتماد میں اضافہ ہوگا۔ باوجود کوویڈ وبا کی پے در پے لہروں سے، پاکستان میں معاشی سرگرمیاں بہتر ہوں گی اور جاری مالی سال میں ملکی مجموعی قومی پیداوار میں 1.5 فیصد بڑھوتری کی امید ہے۔

تاہم، کمپنی پوری یکسوئی کے ساتھ حتی المقدور کوشش کرے گی کہ کوویڈ-19 وبا کے اثرات اس کی مالیاتی اور آپریشنل کارکردگی پر کم سے کم اثر انداز ہوں۔

اظہار تشکر:

بورڈ اس موقع پر اپنے ملازمین، کسٹمرز، بینکرز، سپلائرز اور دیگر اسٹیک ہولڈرز کا شکریہ ادا کر رہے ہیں کہ انہوں نے کمپنی پر اپنے اعتماد کا اظہار کیا۔

میاں افتخار احمد
چیئرمین

میاں فیصل افتخار
چیف ایگزیکٹو آفیسر

لاہور اپریل 12، 2021

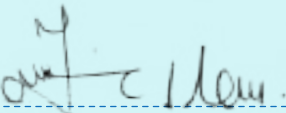
CONDENSED INTERIM

STATEMENT OF FINANCIAL POSITION

AS AT 31st March 2021

		(Un-Audited) 31 st March 2021	(Audited) 30 th June 2020
ASSETS	Note	(Rupees)	
NON CURRENT ASSETS			
Property, plant and equipment	4	4,496,665,730	3,968,362,088
Right-of-use assets		103,393,580	126,517,395
Intangible assets		8,348,919	10,957,365
Long term deposits		23,808,619	23,715,719
		4,632,216,848	4,129,552,567
CURRENT ASSETS			
Stores and spares		153,967,115	87,626,357
Stock in trade	5	3,194,389,895	1,905,084,951
Trade debts - considered good - unsecured		2,694,413,213	2,440,208,722
Advances, deposits, prepayments and other receivables		759,837,539	391,402,478
Cash and bank balances		109,722,764	150,847,714
		6,912,330,526	4,975,170,222
TOTAL ASSETS		11,544,547,374	9,104,722,789
EQUITY AND LIABILITIES			
Authorized Share Capital			
300,000,000 (30 June 2020: 300,000,000) ordinary shares of Rs.10/- each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital			
140,000,000 (30 June 2020: 100,000,000) Ordinary shares of Rs. 10/- each		1,400,000,000	1,000,000,000
Share Premium- Net		1,574,433,658	-
Revaluation surplus on property, plant and equipment		643,838,025	670,459,820
Revenue Reserve		2,532,737,579	1,941,964,836
Unappropriated profit - revenue reserve		6,151,009,262	3,612,424,656
NON CURRENT LIABILITIES			
Long term finances	6	985,741,019	387,560,164
Lease liabilities-rented premises		102,274,670	132,632,118
Deferred grant	6	37,455,421	-
Deferred taxation		539,617,083	488,412,885
		1,665,088,193	1,008,605,167
CURRENT LIABILITIES			
Current portion of long term finances	6	308,744,468	249,999,999
Current portion of lease liabilities		20,442,959	9,518,648
Short term financing - secured	7	2,576,404,191	3,353,578,977
Trade and other payables		777,599,594	740,852,866
Accrued mark-up		45,258,707	129,742,476
		3,728,449,919	4,483,692,966
Contingencies and commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		11,544,547,374	9,104,722,789

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director

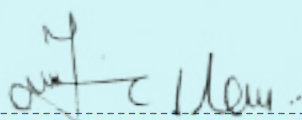

Chief Financial Officer

CONDENSED INTERIM

STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

		Nine months period ended 31 st March 2021 Un-audited		Three months period ended 31 st March 2021 Un-audited	
	Note		31 st March 2020 Un-audited		31 st March 2020 Un-audited
		(Rupees)			
Sales	9	11,574,424,161	8,553,006,881	3,446,315,704	2,189,016,643
Cost of sales	10	(9,735,011,262)	(7,378,264,974)	(2,898,644,546)	(1,976,517,407)
GROSS PROFIT		1,839,412,899	1,174,741,907	547,671,157	212,499,236
Selling and distribution expenses		(398,840,302)	(268,135,535)	(138,977,586)	(83,784,308)
Administrative expenses		(226,197,007)	(197,359,223)	(76,719,367)	(61,111,810)
Other operating expenses		(69,048,167)	(19,311,868)	(18,395,264)	5,582,174
Other operating income		16,394,998	3,314,097	10,720,235	608,107
PROFIT FROM OPERATIONS		1,161,722,421	693,249,378	324,299,175	73,793,399
Finance cost		(251,203,155)	(470,488,817)	(72,440,251)	(180,028,990)
PROFIT / (LOSS) BEFORE TAXATION		910,519,266	222,760,561	251,858,924	(106,235,591)
Taxation		(258,137,246)	(123,939,038)	(71,105,981)	(18,190,727)
PROFIT / (LOSS) AFTER TAXATION		652,382,020	98,821,523	180,752,943	(124,426,318)
OTHER COMPREHENSIVE INCOME					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-	-	-
Deferred tax on revaluation surplus due to increase in effective tax rate		11,768,928	17,863,383	4,674,629	12,639,183
TOTAL OTHER COMPREHENSIVE INCOME		11,768,928	17,863,383	4,674,629	12,639,183
TOTAL COMPREHENSIVE INCOME/(LOSS)		664,150,948	116,684,907	185,427,572	(111,787,135)
Earnings per share -Basic and diluted (Rs.)	11	5.71	0.90	1.47	(1.13)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director

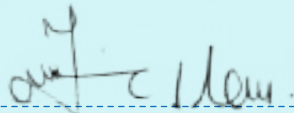

Chief Financial Officer

CONDENSED INTERIM

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

	CAPITAL RESERVE			REVENUE RESERVE	Total
	Share capital	Share Premium	Surplus on revaluation of Property Plant and Equipment (Rupees)	Unappropriated profit	
Balance as at 1 July 2019 (audited)	1,000,000,000	-	709,537,461	1,629,977,428	3,339,514,889
Profit for the period	-	-	-	98,821,523	98,821,523
Other comprehensive income - net of tax	-	-	-	17,863,383	17,863,383
Total comprehensive income for the period	-	-	-	116,684,907	116,684,907
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets for the period	-	-	(30,026,357)	30,026,357	-
Balance as at 31 Mar 2020 (Un-audited)	1,000,000,000	-	679,511,104	1,776,688,691	3,456,199,795
BALANCE AS ON 01 JULY 2020 (AUDITED)	1,000,000,000	-	670,459,820	1,941,964,836	3,612,424,656
Issuance of bonus shares 30,000,000 ordinary shares issued @ Rs. 10 per share	100,000,000 300,000,000	- -	- -	(100,000,000) -	- 300,000,000
Share premium @ Rs. 55.8 per share	-	1,674,000,000	-	-	1,674,000,000
Transaction cost on issuance of shares	-	(99,566,342)	-	-	(99,566,342)
Profit for the period	-	-	-	652,382,020	652,382,020
Other comprehensive income - net of tax	-	-	-	11,768,928	11,768,928
Total comprehensive income for the period	-	-	-	664,150,948	664,150,948
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets for the period	-	-	(26,621,795)	26,621,795	-
BALANCE AS ON 31 MARCH 2021 (UN-AUDITED)	1,400,000,000	1,574,433,658	643,838,025	2,532,737,579	6,151,009,262

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer


CONDENSED INTERIM

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

	Nine months period ended	
	31 st March 2021 Un-audited	31 st March 2020 Un-audited
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation	910,519,266	222,760,561
Adjustment for non cash charges and other items:		
Depreciation	214,876,775	218,468,689
Deferred Grant	37,455,421	-
Amortization	2,608,447	1,472,506
Depreciation - Rights of use of Asset	23,123,815	22,133,933
Gain on sale of fixed assets	(6,021,505)	(2,276,304)
Provision for contribution to provident fund trust	15,468,829	13,723,130
WPPF provision	48,978,372	12,051,469
WWF Provision	20,069,795	6,217,343
Allowance of expected credit loss	22,758,084	8,949,890
Provision for slow moving - stores and spares	-	65,000
Provision for slow moving - stock in trade	-	100,000
Markup on lease liabilities - rented premises	10,795,879	16,275,909
Markup on loans from financial institutions	53,212,062	70,587,675
Mark up on short term finances under markup arrangements	174,310,716	369,678,849
	617,636,689	737,448,089
Operating profit before working capital changes	1,528,155,955	960,208,650
Adjustment for working capital items		
Increase in stores and spares	(66,340,758)	(11,409,170)
Increase in stock in trade	(1,289,304,943)	(1,365,865,397)
Increase in trade debtors	(276,962,575)	(758,354,374)
Increase in advances, deposits, prepayments and other receivables	(294,473,746)	(313,037,618)
Increase in trade and other payables	7,195,951	297,317,726
	(1,919,886,071)	(2,151,348,833)
Cash used in operations	(391,730,116)	(1,191,140,184)
Contribution paid to provident fund trust	(14,481,953)	(12,840,950)
Loan received from provident fund trust	-	75,000,000
Income tax paid - net	(309,609,700)	(85,152,129)
Net cash used in operating activities	(715,821,769)	(1,214,133,263)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(745,249,412)	(173,911,121)
Long term deposits	(92,900)	(1,230,304)
Sale proceeds from disposal of property, plant and equipment	8,090,500	6,130,412
Net cash used in investing activities	(737,251,812)	(169,011,013)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loan obtained / (repaid) to financial institutions	36,925,324	(248,596,382)
Long-term loan obtained from director	620,000,000	-
Short term running finance - net	(777,174,786)	1,874,529,870
Proceeds from issuance of shares - Net of transaction cost	1,874,433,658	-
Lease rentals paid - IFRS 16	(30,229,016)	(27,144,000)
Mark-up paid	(312,006,550)	(361,348,054)
Net cash generated from financing activities	1,411,948,630	1,237,441,434
NET DECREASE IN CASH AND CASH EQUIVALENTS	(41,124,951)	(145,702,842)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	150,847,714	175,837,392
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	109,722,764	30,134,550

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a private limited company under the Companies Act, 1913 and was converted into a public limited company with effect from 10 October 2003. The Company changed its name from Mian Tyre and Rubber Company Limited to Panther Tyres Limited on 25 October 2011. The company got listed on Pakistan Stock Exchange on February 22, 2021.

During the period under review, the company offered 30 million ordinary shares of Rs. 10 each to general public at the strike price of Rs. 65.8 per share including premium of Rs. 55.8 per share which resulted in IPO proceeds of Rs.1.974 billion.

The Company is principally engaged in the manufacture and sale of tyres and tubes of vehicles. Following are the business units of the Company along with their respective locations:

BUSINESS UNIT LOCATIONS

Registered Office

Panther House, 97-B Aziz Avenue, Jail Road, Lahore

Production Plant

29.5 Km, Sheikhpura Road, Sheikhpura.

Regional Office

4th Floor, Shafi Courts, Mereweather Road, Karachi.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2020.
- 2.3 These condensed interim financial statements are unaudited.
- 2.4 The condensed interim financial statements have been prepared under the historical cost convention except for few items of property, plant and equipment which are carried under revaluation model. These financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest Pak Rupees.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial period, except for the following new and amended standards and interpretations effective for annual period beginning on 01 July 2020, as listed below. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New Standards, Interpretations and Amendments

IFRS 3

(Definition of Business - (Amendments))

IAS 1 and IAS 8

(Definition of Material - (Amendments))

IFRS 9, IAS 39 and IFRS 7

(Interest Rate Benchmark Reform - (Amendments))

The adoption of above amendments applied for the first time in the period did not have any material impact on the condensed interim financial statements of the Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

	(Un-Audited) 31 st March 2021	(Audited) 30 th June 2020
4 PROPERTY, PLANT AND EQUIPMENT	(Rupees)	
Operating fixed assets	3,794,820,753	3,854,395,368
Capital work in progress	701,844,977	113,966,720
	4,496,665,730	3,968,362,088

Following are the additions / disposals (at cost) in the operating fixed assets made are as follows:

	Nine Months (Un-Audited)		Twelve Months (Audited)	
	Additions Mar-2021	Disposals Mar-2021	Additions June-2020	Disposals June-2020
	(Rupees)			
Free-hold land	29,780,080	-	-	-
Building on free-hold land	2,423,300	-	1,053,563	-
Plant and machinery	60,575,436	-	207,504,338	-
Moulds	32,991,481	-	42,581,364	-
Furnitures and fixtures	852,032	-	367,900	-
Office equipment	4,074,166	-	3,198,842	-
Motor vehicles	26,674,660	(11,568,380)	53,846,389	(14,853,588)
	157,371,155	(11,568,380)	308,552,396	(14,853,588)

	Note	(Un-Audited) 31 st March 2021 Rupees	(Audited) 30 th June 2020 Rupees
5 STOCK IN TRADE			
Raw and packing materials		1,338,428,439	884,583,268
Work in process		212,836,627	183,572,580
Finished goods-Manufactured & Trading Material		1,032,507,409	847,888,132
		2,583,772,476	1,916,043,980
Raw materials in transit		621,576,448	-
Less: Provision for slow moving items		(10,959,029)	(10,959,029)
		3,194,389,895	1,905,084,951

6 LONG TERM FINANCES			
Long term loans		1,294,485,487	637,560,163
Less: Current portion shown under current liabilities		(308,744,468)	(249,999,999)
	6.1	985,741,019	387,560,164
6.1 Samba Bank Limited	6.1.1	401,177,860	194,703,018
PAIR Investment Company Limited	6.1.2	87,593,341	-
Pak Oman Investment Company Limited	6.1.2	185,714,286	300,000,003
Pak China Investment Company Limited	6.1.2	-	142,857,142
Loan from director	6.1.3	620,000,000	-
	6.1.4	1,294,485,487	637,560,163
Less: Deferred grant		(37,455,421)	-
Less: Current portion shown under current liabilities		(308,744,468)	(249,999,999)
		948,285,598	387,560,164

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

6.1.1 The Company has obtained term finance under refinance scheme for payment of wages and salaries to the workers and employees of business concerns of up to Rs. 389.59 million (30 June 2020: Rs. 135.79 million) and Rs. 99.99 million (30 June 2020: Rs. 58.91 million) against SBP-LTFF loan facility. These facilities carry markup at the rates ranging from 3% per annum to 5% per annum (30 June 2020: 3% per annum to 5% per annum). The facilities are secured by joint pari passu charge on the fixed assets of the company and personal guarantees of the executive director (i.e. Mian Iftikhar Ahmed and Mian Faisal Iftikhar) of the company.

6.1.2 These represent loans from financial institutions bearing mark up at the rates ranging from 5% per annum to 9.48% per annum (30 June 2020: 5% per annum to 16.08% per annum). The aggregate long term finances are secured by joint pari passu charge on the fixed assets of the Company and personal guarantees of the executive directors (i.e. Mian Iftikhar Ahmed and Mian Faisal Iftikhar) of the Company.

6.1.3 This represents loan from director (Mian Iftikhar Ahmed) obtained during the period ended 31 March 2021. The loan is repayable on demand from lender but not prior to 30 June 2022. It carries interest at the rate of 3 Month KIBOR minus 1% spread per annum.

6.1.4 This amount excludes the accrued markup which is separately disclosed.

7 SHORT TERM BORROWINGS - Secured

Short term finances aggregating to Rs. 4.515 billion (30 June 2020: Rs. 4.740 billion) are available from commercial banks under mark up arrangements. The mark up is charged at the rates ranging from 3% per annum to 8.85% per annum (30 June 2020: 3.00% per annum to 15.18% per annum). The aggregate running finances are secured by joint pari passu charge on the current and fixed assets of the Company and personal guarantees of the executive directors (i.e. Mian Iftikhar Ahmed and Mian Faisal Iftikhar) of the Company.

8 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2020.

COMMITMENTS

Commitments from various banks against letter of credit and letter of guarantees are Rs. 2,499 million (30 June 2020: 869 million) and Rs. 56.763 million (30 June 2020: Rs. 56.763 million) respectively.

	Nine-months period ended		Three-months period ended	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
	Un-audited	Un-audited	Un-audited	Un-audited
9 SALES				
	(Rupees)			
Local sales-net	10,588,191,205	7,895,809,384	3,089,704,122	2,057,977,367
Export sales	986,232,956	657,197,497	356,611,582	131,039,276
	11,574,424,161	8,553,006,881	3,446,315,704	2,189,016,643
10 COST OF SALES				
Cost of goods manufactured	9,703,427,683	8,243,508,677	3,277,471,902	2,423,481,096
Add: Finished goods - opening	847,888,132	472,380,947	544,818,360	984,847,946
	10,551,315,815	8,715,889,624	3,822,290,262	3,408,329,042
Add: Finished goods purchased	216,202,856	126,364,807	108,861,693	32,177,822
Less: Finished goods - closing	1,032,507,409	1,463,989,457	1,032,507,409	1,463,989,457
Cost of goods sold	9,735,011,262	7,378,264,974	2,898,644,546	1,976,517,407

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED 31st March 2021

	Nine-months period ended		Three-months period ended	
	31 st March 2021 Un-audited	31 st March 2020 Un-audited	31 st March 2021 Un-audited	31 st March 2020 Un-audited
11 EARNINGS PER SHARE - BASIC AND DILUTED	(Rupees)			
		(Restated)		(Restated)
Profit / (Loss) after taxation	<u>652,382,020</u>	<u>98,821,523</u>	<u>180,752,943</u>	<u>(124,426,318)</u>
Weighted average number of shares	<u>114,160,584</u>	<u>110,000,000</u>	<u>122,666,667</u>	<u>110,000,000</u>
Earnings per share (Rs.)	<u>5.71</u>	<u>0.90</u>	<u>1.47</u>	<u>(1.13)</u>

12 TRANSACTIONS WITH RELATED PARTIES

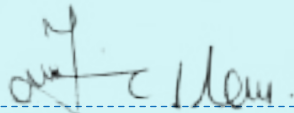
The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees. The Company carries out transactions with its related parties in the normal course of business. Significant related party transactions are as follows:

Transactions with related parties:

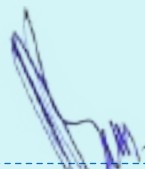
Name of Company and relationship	Nature of Transaction	(Un-audited) Nine-months period ended	
		31 st March 2021	31 st March 2020
		(Rupees)	
Mian Iftikhar Ahmed - Director	Rent of head office paid	16,335,000	13,950,000
Mian Iftikhar Ahmed - Director	Long term loan obtained	620,000,000	-
Mian Iftikhar Ahmed - Director	Markup on loan obtained	3,793,041	-
Mian Faisal Iftikhar - Director	Advance for land purchase	11,480,000	-
Contribution to staff provident fund-Other related party	Contribution to staff provident fund	15,466,269	13,723,130

13 GENERAL

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on April 12, 2021.


Chief Executive


Director


Chief Financial Officer

A person in a dark jacket and light pants is pushing a large, dark, rounded rock. The scene is set against a dark, cloudy sky. A network of glowing blue and orange lines connects various points across the image, creating a sense of digital connectivity. The person is holding a white cloth or paper in their hands as they push the rock.

IT **ALWAYS** SEEMS
IMPOSSIBLE
UNTIL IT IS **DONE!**

NELSON MENDELA



PANTHER

Registered Office: Panther House, 97-B Aziz Avenue, Jail Road, Lahore

Production Plant: 29.5 Km, Sheikhpura Road, Sheikhpura.

Regional Office: 4th Floor, Shafi Courts, Mereweather Road, Karachi.