



PANTHER
بر سفر --- بر منزل کا ساتھ

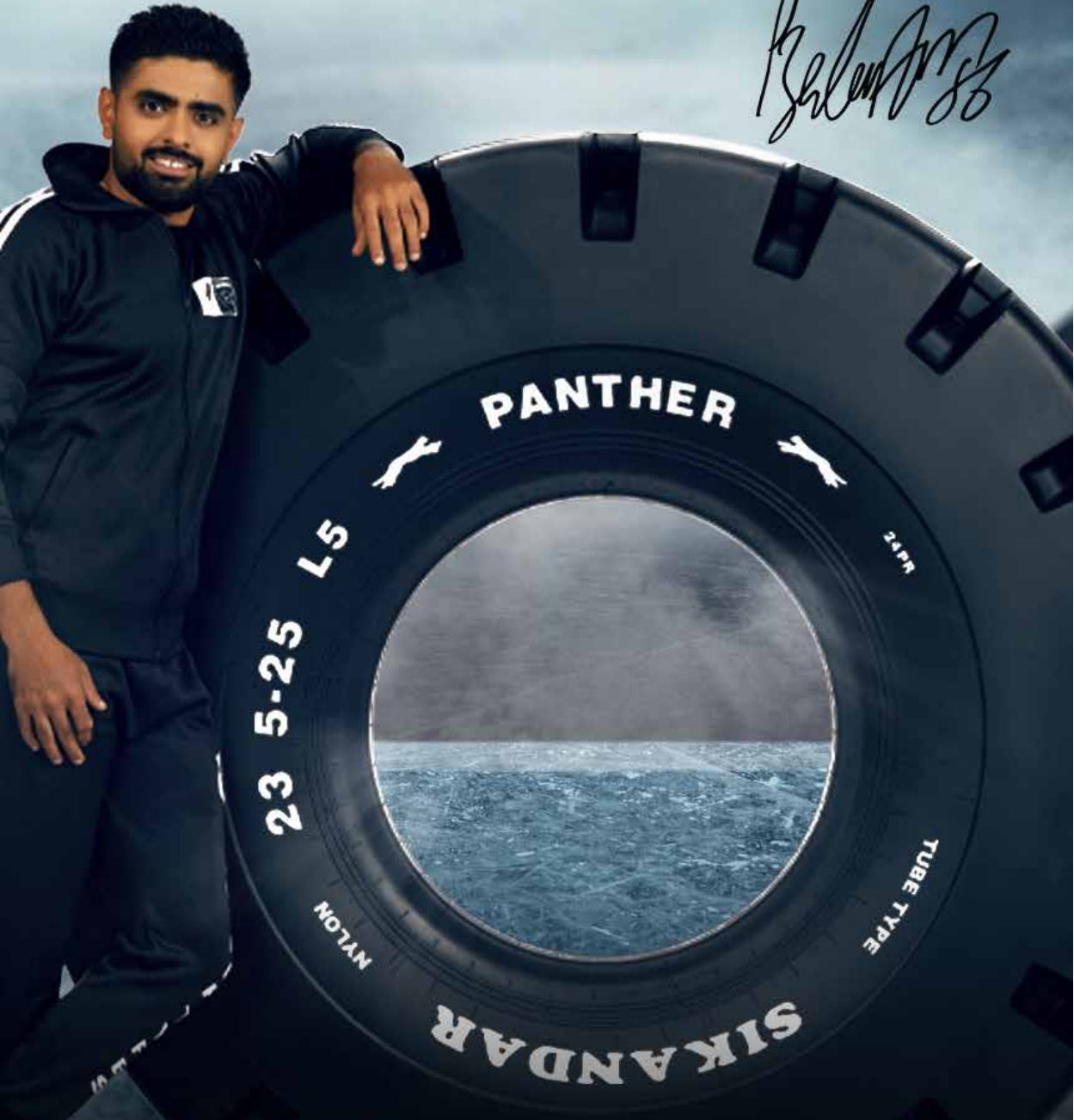
HALF YEARLY | DECEMBER
REPORT | **2023**



PANTHER
A TRUSTED COMPANION

LEVEL HI AUR HAI

Basim Azam
BASIM AZAM



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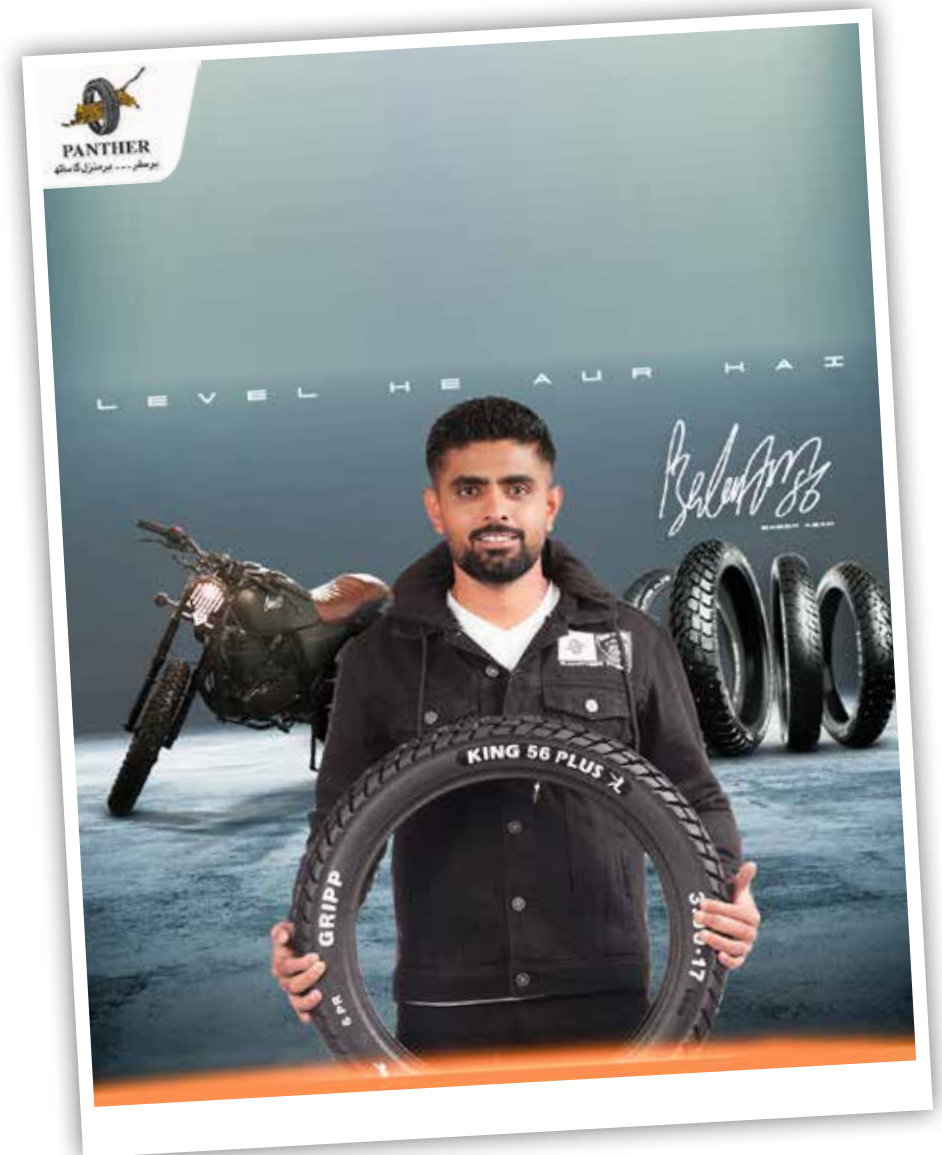


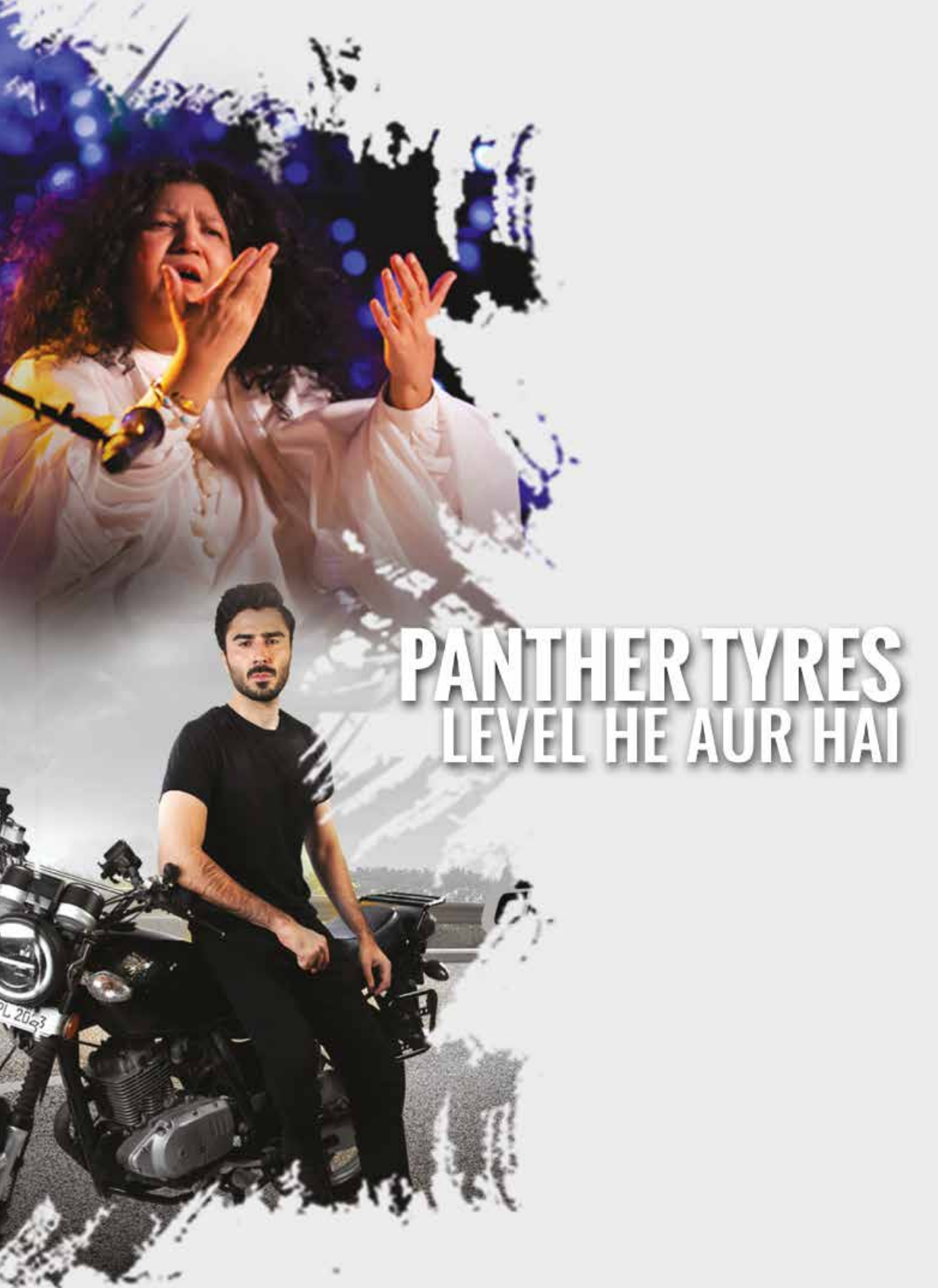
POLO IN PINK RIBBON WEEK

October saw Panther Tyres aligning with Pink Ribbon Polo, a powerful collaboration dedicated to championing the vital cause of breast cancer awareness. Together, we stand as more than mere onlookers; we are active agents of transformation. With every tyre rotation symbolizing our firm commitment, we proclaim, 'It's our turn to make a difference.' This combined effort is an invitation to steer collective awareness, ignite impactful actions and pave the way towards a future liberated from the shadows of breast cancer. Panther Tyres, where every journey matters, especially those steering towards a healthier and brighter tomorrow.

BABAR AZAM X PANTHER TYRES

In anticipation of the ICC World Cup 2023, Panther Tyres strategically collaborated with Babar Azam, the illustrious captain of the Pakistan cricket team, in a spectacular signing ceremony held in Lahore. Welcoming Babar Azam as their brand ambassador, Panther Tyres aimed to amplify their presence on the global stage with the resounding message, "LEVEL HE AUR HAI" (We are on the next level). This strategic alliance not only signifies a powerful partnership but also embodies a shared commitment to excellence and pushing boundaries. As the cricketing world gears up for the World Cup, the collaboration between Panther Tyres and Babar Azam stands as a testament to their collective pursuit of reaching new heights and setting unparalleled standards in their respective fields.





PANTHER TYRES LEVEL HE AUR HAI

COMPANY INFORMATION

BOARD OF MANAGEMENT

EXECUTIVE DIRECTORS

Mian Faisal Iftikhar - CEO
Ms. Ayesha Iftikhar

INDEPENDENT DIRECTORS

Asad Sultan Chaudhary
Javed Masud
Iqbal Ahmed Khan

NON - EXECUTIVE DIRECTORS

Mian Iftikhar Ahmed - Chairman
Zahid Mahmud

AUDIT COMMITTEE MEMBERS

Javed Masud - Chairman
Asad Sultan Chaudhary
Iqbal Ahmed Khan
Zahid Mahmud

HR & REMUNERATION COMMITTEE

Asad Sultan Chaudhary - Chairman
Iqbal Ahmed Khan
Mian Faisal Iftikhar

RISK MANAGEMENT COMMITTEE

Javed Masud - Chairman
Mian Faisal Iftikhar
Zahid Mahmud

NOMINEE COMMITTEE

Mian Iftikhar Ahmed - Chairman
Mian Faisal Iftikhar
Mohsin Muzaffar Butt: Secretary of the Committee

CHIEF FINANCIAL OFFICER

Ghulam Abbas FCA FCMA

COMPANY SECRETARY

Mohsin Muzaffar Butt FCA CIA

HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt FCA CIA

AUDITORS

KPMG Taseer Hadi & Co. Chartered Accountants

REGISTERED OFFICE

Panther House 97-B Aziz Avenue,
Gulberg 5, Canal bank Jail road,
Lahore-54000, Pakistan.
UAN: +42 111-554-444

SHARE REGISTRAR

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

FACTORY ADDRESS

29.5 KM Lahore Sheikhpura Road Sheikhpura

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited-Islamic Banking
Industrial and Commercial Bank of China Ltd.
JS Bank Limited
Meezan Bank Limited
National Bank of Pakistan
National Bank of Pakistan-Islamic Banking
Pak Oman Investment Company Limited
PAIR Investment Company Limited
Pak China Investment Company Limited
Standard Chartered Bank (Pakistan) Limited
Samba Bank Limited
United Bank Limited

WEBSITE

www.panther tyres.com



HEAD OFFICE



FACTORY

DIRECTORS' REVIEW

The Board of Directors of the Company is pleased to present before you the financial statements of the Company for the half year ended December 31, 2023.

ECONOMIC OVERVIEW

During the half year under review, Pakistan's economy struggled with notable challenges characterized by consistent inflation and uncertainty at both economic and political fronts leading to stagnant policy rate of 22% by the State Bank of Pakistan. Despite efforts such as curbing unnecessary imports and cracking down on smuggling, economic indicators depict mixed performance across various sectors during the review period. While the pace of economic recovery remains gradual, there is a consistent effort to rebuild business confidence. Remedial actions taken by the Caretaker Government have led to improvements in trade and current account deficits, easing pressure on the Pakistani Rupee. However, persistent challenges such as high inflation, elevated KIBOR rates, and ongoing energy cost escalation continue to present obstacles to economic growth.

OPERATIONAL PERFORMANCE

During the period under review, the Company showed a substantial growth of 55.20% in top line resulting in 124.17% increase in gross profit as compared to the corresponding period. The company's revenue growth momentum is primarily resulting from increase in sales volumes and cost push price adjustments in all categories including OEM, Exports and Replacement market. Consistent inflationary pressures pose significant checks on consumers spending and demand. However, the Company remains committed to leverage its diverse product portfolio and implementing cost rationalization efforts to minimize any adverse impacts and deliver sustainable results.

Following are the key financial results of the company;

| | Three Months | | | Six Months | | |
|----------------------------|--------------|--------|--------|------------|--------|--------|
| | Dec-23 | Dec-22 | Change | Dec-23 | Dec-22 | Change |
| PKR in millions except EPS | | | | | | |
| Revenue | 6,471 | 4,798 | 35% | 14,396 | 9,275 | 55% |
| Gross profit | 896 | 604 | 48% | 2,179 | 972 | 124% |
| Operating profit | 479 | 305 | 57% | 1,256 | 386 | 226% |
| Finance cost | 351 | 221 | 59% | 638 | 549 | 16% |
| Profit/(Loss) | 130 | 132 | (2%) | 431 | (135) | 418% |
| Earning / (Loss) per share | 0.77 | 0.78 | (2%) | 2.57 | (0.81) | 418% |

The company earned gross profit of Rs. 2,179 million during the half year as compared to Rs. 972 million earned during the same period last year. Increase in gross margin from 10.48% to 15.13% is mainly due to increase in domestic sales prices, improved export sales and operational efficiencies brought in. Selling and distribution expenses increased from Rs. 401 million to Rs. 696 million due to spending in various sales and brand promotional activities, including but not limited to signing off famous cricketer Babar Azam as our brand ambassador.

Financial charges for the period have increased from Rs.549 million to Rs.638 million mainly due to increase in utilization of working capital limits in order to support the growth in top line and business operations.

Resultantly, the company has been able to post profit after tax of Rs. 431 million as compared to loss of Rs.135 million earned during the same period last year.

FUTURE OUTLOOK

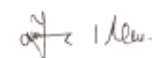
On the global front, the future outlook remains uncertain as the major economies are experiencing slow growth, inflationary pressures and geopolitical crises. However, at the domestic level, we are hopeful that the expected political stability post elections will boost the investors' confidence which along with the declining interest rates and a stable PKR shall trigger the economic activities in the country. However, the challenge of inflation is likely to persist in the country and most economists foresee that it will start to diminish only by the end of ongoing financial year.

The company's management is fully cognizant of developments on all fronts and adeptly adjusting its plans to ensure sustainable financial performance while maintaining the growth momentum with renewed commitment to financial discipline and stringent cost control measures.

ACKNOWLEDGMENT

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

For and on behalf of the Board



Mian Faisal Iftikhar
Chief Executive Officer



Mian Iftikhar Ahmed
Chairman

February 29, 2024
Lahore

ڈائریکٹرز جائزہ رپورٹ

کمپنی کے بورڈ آف ڈائریکٹران 31 دسمبر 2023ء کو ختم ہونے والی ششماہی کے لیے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی کارکردگی کا جائزہ:

زیرہ جائزہ ششماہی میں پاکستان کی معیشت اقتصادی اور سیاسی دونوں محاذوں پر مسلسل افراط زر اور غیر یقینی صورتحال جیسے نمایاں چیلنجز سے نبرد آزما رہی جس کی وجہ سے اسٹیٹ بینک آف پاکستان نے شرح سود 22 فیصد برقرار رکھی۔ غیر ضروری درآمدات کو روکنے اور اسٹاکنگ کے خلاف کریک ڈاؤن جیسے اقدامات کے باوجود، زیرہ جائزہ مدت کے اقتصادی اشاریے مختلف شعبوں میں ملٹی پلی کارکردگی کو ظاہر کرتے ہیں۔ اگرچہ بتدریج اقتصادی بحالی اور کاروباری اعتماد کی واپسی کے لیے مسلسل کوششیں جاری ہیں۔ مگر ان حکومت کی طرف سے اٹھائے گئے اقدامات سے تجارت اور کرنٹ اکاؤنٹ خسارے میں بہتری آئی ہے، جس سے پاکستانی روپے پر دباؤ کم ہوا ہے تاہم، بلند افراط زر، KIBOR ریٹ کی بلند شرح اور توانائی کی لاگت میں مسلسل اضافے نے معاشی ترقی کی راہ میں رکاوٹیں پیدا کیں۔

آپریٹنگ کارکردگی:

زیرہ جائزہ مدت میں، کمپنی کی سیلز میں 55.20 فیصد کا خاطر خواہ اضافہ ہوا جس کے نتیجے میں کمپنی کے مجموعی منافع میں گزشتہ برس کی اس مدت کے مقابلے میں 124.17 فیصد اضافہ ہوا۔ کمپنی کی آمدن میں یہ اضافہ بنیادی طور پر مصنوعات کی فروخت کے حجم میں اضافے، OEM، برآمدات اور متبادل مارکیٹ سمیت تمام شعبوں میں بڑھتی ہوئی لاگت کو قیمتوں میں ایڈجسٹمنٹ کرنے کی وجہ سے ہوا۔ مسلسل افراط زر، رزکا دباؤ، صارفین کے اخراجات اور طلب پر روک کا باعث بنتا ہے۔ تاہم، کمپنی اپنے متنوع پورٹ فولیو سے فائدہ اٹھانے اور کسی بھی قسم کے منفی اثرات کو کم کرنے اور پائیدار نتائج کی فراہمی کے لیے مصنوعات کی لاگت کو بہتر کرنے کی کوششوں کو جاری رکھنے کے لیے پرعزم ہے۔

کمپنی کے اہم مالیاتی نتائج کا خلاصہ ذیل میں ہے:

| | Three Months | | | Six Months | | |
|----------------------------|--------------|--------|--------|------------|--------|--------|
| | Dec-23 | Dec-22 | Change | Dec-23 | Dec-22 | Change |
| PKR in millions except EPS | | | | | | |
| Revenue | 6,471 | 4,798 | 35% | 14,396 | 9,275 | 55% |
| Gross profit | 896 | 604 | 48% | 2,179 | 972 | 124% |
| Operating profit | 479 | 305 | 57% | 1,256 | 386 | 226% |
| Finance cost | 351 | 221 | 59% | 638 | 549 | 16% |
| Profit/(Loss) | 130 | 132 | (2%) | 431 | (135) | 418% |
| Earning / (Loss) per share | 0.77 | 0.78 | (2%) | 2.57 | (0.81) | 418% |

موجودہ ششماہی کی دوران کمپنی نے 2,179 ملین روپے کا مجموعی منافع کمایا جو گزشتہ برس اسی مدت کے دوران 972 ملین روپے تھا۔ مجموعی مارجن 10.48 فیصد سے بہتر ہو کر 15.13 فیصد ہوا جس کی بنیادی وجہ مصنوعات کی مقامی قیمت فروخت میں اضافہ، برآمدات اور آپریٹنگ اسٹنڈاڈ کار میں بہتری تھا۔

مصنوعات کی فروخت اور تقسیم کے اخراجات 401 ملین روپے سے بڑھ کر 696 ملین روپے ہو گئے، جس کی وجہ مختلف قسم کی سیلز اور برانڈ پروموشن کی سرگرمیوں پر خرچ، جس میں مشہور کرکٹرز براہعظم کے ساتھ کمپنی کے برینڈ ایسیڈز کا معاہدہ بھی شامل ہے۔

زیرہ جائزہ مدت میں مالیاتی اخراجات 549 ملین روپے سے بڑھ کر 683 ملین روپے ہو گئے۔ جس کی بنیادی وجہ ڈورنگ لیمٹس کے استعمال میں اضافہ تھا تاکہ ٹاپ لائن اور کاروباری آپریشنز کی گروتھ کو سہارا دیا جاسکے۔

اس سب کے نتیجے میں کمپنی نے بعد از ٹیکس 431 ملین روپے کا منافع کمایا جو گزشتہ برس اسی مدت میں 135 ملین روپے نقصان تھا۔

مستقبل کا منظر نامہ:

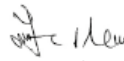
عالمی محاذ پر ایک غیر یقینی منظر نامہ کی صورت حال ہے کیونکہ بڑی معاشی طاقتیں سست روی، افراط زر کے دباؤ اور جغرافیائی سیاسی بحرانوں کا سامنا کر رہی ہیں۔ تاہم، ملکی سطح پر ہمیں امید ہے کہ انتخابات کے بعد متوقع سیاسی استحکام، سرمایہ کاروں کے اعتماد میں اضافہ، شرح سود میں کمی اور روپے کی قدر میں استحکام ملک میں اقتصادی سرگرمیوں کو بڑھائے گا۔ تاہم ملک میں افراط زر کا چیلنج برقرار رہنے کا امکان ہے اور اکثر اقتصادی ماہرین کے اندازوں کے مطابق بیرواں مالی برس کے اختتام تک کم ہونا شروع ہو جائے گا۔


کمپنی کی انتظامیہ تمام محاذوں پر ہونے والی پیش رفت سے پوری طرح آگاہ ہے اور مالیاتی نظم و ضبط اور لاگت پر قابو پانے کے سخت اقدامات کے لیے عزم کے ساتھ ترقی کی رفتار کو برقرار رکھتے ہوئے پائیدار مالی کارکردگی کو یقینی بنانے کے لیے اپنے منصوبوں کو بخوبی ایڈجسٹ کر رہی ہے۔

اظہار تشکر:

بورڈ اس موقع پر اپنے ملازمین، کسٹمرز، بینکوں، سپلائرز اور دیگر اسٹیک ہولڈرز کا ان کی طرف سے کمپنی پر کیے جانے والے مسلسل اعتماد کا تہ دل سے شکریہ ادا کرتا ہے۔

بورڈ کی جانب سے


میاں فیصل انوار
چیف ایگزیکٹو آفیسر


میاں انوار
چیئرمین

29 فروری 2024ء

لاہور



PANTHER

برسفر --- بر منزل کاساتھ

TREKKER
DIRECTIONAL TREAD
PATTERN FOR CITY ROADS



ENDURO
DEEP & WIDER GROOVES
FOR OFF-ROADING



KPMG Taseer Hadi & Co.
Chartered Accountants
351 Shadman-1, Jail Road,
Lahore 54000 Pakistan
+92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Panther Tyres Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Panther Tyres Limited as at 31 December 2023 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion


Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The financial statements of the Company for the year ended 30 June 2023 and interim financial statements for the six month period ended 31 December 2022 were audited / reviewed by another auditor whose reports dated 4 September 2023 and 27 January 2023 respectively, expressed an unmodified opinion and conclusion thereon.

The figures of the condensed interim statement of comprehensive income for the three months period ended 31 December 2023, have not been reviewed by us and we do not express a conclusion on them. The engagement partner on the engagement resulting in this independent auditor's report is M. Rehan Chughtai.

Lahore
Date: 29 February 2024
UDIN: RR2023101839DEYfMk7N


KPMG Taseer Hadi & Co.
Chartered Accountants

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a Private English Company limited by guarantee.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

| Note | Un-audited December 31, 2023 | Audited June 30, 2023 |
|--|------------------------------------|-----------------------------|
| Rupees | | |
| NON CURRENT ASSETS | | |
| Property, plant and equipment | 5 10,749,484,704 | 9,618,216,023 |
| Right-of-use assets | 55,242,386 | 63,138,464 |
| Intangible assets | 1,893,236 | 2,650,530 |
| Long term deposits and receivables | 48,696,393 | 52,644,263 |
| | 10,855,316,719 | 9,736,649,280 |
| CURRENT ASSETS | | |
| Stores and spares | 276,942,367 | 226,406,185 |
| Stock in trade | 4,784,615,159 | 3,805,844,854 |
| Trade debts | 2,755,839,671 | 2,953,278,558 |
| Advances, deposits, prepayments and other receivables | 1,084,977,061 | 869,954,641 |
| Cash and cash equivalent | 534,272,863 | 353,918,334 |
| | 9,436,647,121 | 8,209,402,572 |
| TOTAL ASSETS | 20,291,963,840 | 17,946,051,852 |
| EQUITY AND LIABILITIES | | |
| Authorized Share Capital | | |
| 300,000,000 (30 June 2023: 300,000,000) ordinary shares of Rs.10/- each | 3,000,000,000 | 3,000,000,000 |
| Issued, subscribed and paid up capital | | |
| 168,000,000 (30 June 2023: 168,000,000) Ordinary shares of Rs. 10/- each | 1,680,000,000 | 1,680,000,000 |
| Share premium | 1,294,433,658 | 1,294,433,658 |
| Unappropriated profits | 3,173,780,808 | 3,071,912,956 |
| Surplus on revaluation of property, plant and equipment | 617,776,714 | 596,727,263 |
| | 6,765,991,180 | 6,643,073,877 |
| NON CURRENT LIABILITIES | | |
| Long term liabilities | 6 1,320,348,229 | 1,776,981,652 |
| Loan from director | 7 770,000,000 | 770,000,000 |
| Deferred grant | 57,425,215 | 88,470,465 |
| Deferred taxation | 394,881,003 | 428,150,080 |
| | 2,542,654,447 | 3,063,602,197 |
| CURRENT LIABILITIES | | |
| Current portion of long term liabilities | 543,659,113 | 278,767,478 |
| Short term financing - secured | 8 7,276,421,051 | 5,502,287,452 |
| Unclaimed dividend | 536,607 | 310,463 |
| Trade and other payables | 2,620,620,396 | 2,108,011,878 |
| Accrued mark-up | 542,081,046 | 349,998,507 |
| | 10,983,318,213 | 8,239,375,778 |
| TOTAL EQUITY AND LIABILITIES | 20,291,963,840 | 17,946,051,852 |
| CONTINGENCIES AND COMMITMENTS | | |
| 9 | | |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2023

| Note | Six Months Period Ended | | Three Months Period Ended | |
|--|---|---|---|---|
| | 31 December 2023 (Un-audited) Rupees | 31 December 2022 (Un-audited) Rupees | 31 December 2023 (Un-audited) Rupees | 31 December 2022 (Un-audited) Rupees |
| Revenue from contracts with customers - net | 10 14,396,063,060 | 9,274,556,985 | 6,471,275,610 | 4,797,589,278 |
| Cost of sales | 11 (12,217,347,085) | (8,302,827,753) | (5,574,823,960) | (4,193,633,985) |
| Gross profit | 2,178,715,975 | 971,729,232 | 896,451,651 | 603,955,293 |
| Selling and distribution expenses | (696,361,278) | (400,650,792) | (330,853,166) | (189,944,333) |
| Administrative expenses | (207,556,660) | (204,849,891) | (91,616,502) | (112,685,445) |
| Other operating expenses | (46,275,400) | (25,373,449) | (8,334,809) | (19,127,514) |
| Other operating income | 27,485,760 | 44,917,606 | 13,138,575 | 22,357,941 |
| Profit from operations | 1,256,008,397 | 385,772,706 | 478,785,749 | 304,555,942 |
| Finance cost | (638,012,323) | (549,249,708) | (351,071,401) | (220,759,526) |
| Profit / (loss) before taxation | 617,996,074 | (163,477,002) | 127,714,348 | 83,796,416 |
| Taxation | (187,040,704) | 28,080,094 | 1,918,806 | 48,059,477 |
| Profit / (loss) after taxation | 430,955,370 | (135,396,908) | 129,633,154 | 131,855,893 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income / (loss) | 430,955,370 | (135,396,908) | 129,633,154 | 131,855,893 |
| Earnings / (loss) per share - Basic and diluted (Rs.) | 12 2.57 | (0.81) | 0.77 | 0.78 |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

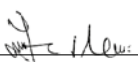

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

| | Capital Reserve | | | Revenue Reserve | Total |
|---|--|---------------|--|-----------------------|---------------|
| | Issued, subscribed and paid-up capital | Share premium | Revaluation surplus on property, plant and equipment | Unappropriated profit | |
| | -----Rupees----- | | | | |
| Balance as on 01 July 2022 (audited) - restated | 1,680,000,000 | 1,294,433,658 | 617,113,914 | 2,794,931,546 | 6,386,479,118 |
| Loss for the period | - | - | - | (135,396,908) | (135,396,908) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | (135,396,908) | (135,396,908) |
| Final dividend for the year ended 30 June 2022 at the rate of Rs. 1 per share | - | - | - | (168,000,000) | (168,000,000) |
| Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax | - | - | (16,868,336) | 16,868,336 | - |
| Impact of rate change on revaluation of fixed assets | - | - | 12,504,013 | - | 12,504,013 |
| Balance as at 31 Dec 2022 (un-audited) | 1,680,000,000 | 1,294,433,658 | 612,749,591 | 2,508,402,974 | 6,095,586,223 |
| Balance as on 01 July 2023 (audited) | 1,680,000,000 | 1,294,433,658 | 596,727,263 | 3,071,912,956 | 6,643,073,877 |
| Profit for the period | - | - | - | 430,955,370 | 430,955,370 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 430,955,370 | 430,955,370 |
| Final dividend for the year ended 30 Jun 2023 at the rate of Rs.2 per share | - | - | - | (336,000,000) | (336,000,000) |
| Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax | - | - | (6,912,482) | 6,912,482 | - |
| Impact of rate change on revaluation of fixed assets | - | - | 27,961,933 | - | 27,961,933 |
| Balance as at 31 Dec 2023 (un-audited) | 1,680,000,000 | 1,294,433,658 | 617,776,714 | 3,173,780,808 | 6,765,991,180 |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

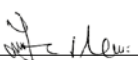

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

| | Six Months Period Ended | |
|---|---------------------------------|---------------------------------|
| | December 31, 2023 Un-audited | December 31, 2022 Un-audited |
| | -----Rupees----- | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit / (Loss) before taxation | 617,996,074 | (163,477,002) |
| Adjustment for non cash charges and other items: | | |
| Depreciation - owned assets | 212,361,057 | 179,417,908 |
| Depreciation - right-of-use assets | 7,896,078 | 8,250,004 |
| Amortization | 757,294 | 757,294 |
| Grant income | (17,530,576) | (36,351,804) |
| Gain on sale of fixed assets | (11,584,013) | (3,533,376) |
| Provision for contribution to provident fund trust | 15,561,748 | 12,189,045 |
| WPPF provision | 33,189,907 | - |
| WWF provision | 12,612,165 | - |
| Allowance of expected credit loss | 25,000,000 | 22,145,199 |
| Provision for slow moving stock in trade | - | (4,813,845) |
| Income from TDR | - | - |
| Unwinding of interest on staff advance | 473,328 | (12,380,528) |
| Unwinding of interest on director's loan | - | 37,753,977 |
| Mark-up on WPPF loan | - | 3,549,411 |
| Mark-up on lease liabilities - rented premises | 9,205,495 | 9,363,912 |
| Mark-up on loans from financial institutions | 34,927,620 | 62,331,113 |
| Mark up on short term finances under mark-up arrangements | 563,581,396 | 461,833,058 |
| | 886,451,499 | 740,511,369 |
| Operating profit before working capital change | 1,504,447,573 | 577,034,367 |
| Adjustment for working capital items | | |
| Increase in stores and spares | (50,536,182) | (3,290,344) |
| (Increase) / decrease in stock in trade | (978,770,305) | 284,335,744 |
| Decrease in trade debtors | 172,438,887 | 292,437,279 |
| Increase in deposits, prepayments and other receivables | (69,272,899) | (177,835,556) |
| Increase in trade payables | 466,407,821 | 376,484,158 |
| | (459,732,678) | 772,131,281 |
| Cash generated from operations | 1,044,714,895 | 1,349,165,648 |
| Contribution paid to provident fund trust | (15,163,123) | (12,663,007) |
| WPPF Paid | - | (40,161,439) |
| Mark-up paid | (388,895,901) | (400,730,780) |
| Income tax paid - net | (338,570,697) | (162,589,864) |
| Net cash generated from operating activities | 302,085,174 | 733,020,558 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (1,351,914,054) | (1,077,471,204) |
| Long term deposits and receivables | 3,947,870 | 25,916,172 |
| Sale proceeds from disposal of property, plant and equipment | 19,868,329 | 12,954,002 |
| Net cash used in investing activities | (1,328,097,855) | (1,038,601,030) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Long-term loan repaid to financial institutions - net | (216,779,303) | (113,625,427) |
| Dividend Paid | (335,773,856) | (168,000,000) |
| Short term running finance - net | 1,774,133,599 | 23,295,543 |
| Loan from director | - | 246,000,000 |
| Lease rentals paid - IFRS 16 | (15,213,230) | (14,031,900) |
| Net cash generated from / (used in) financing activities | 1,206,367,210 | (26,361,784) |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 180,354,529 | (331,942,256) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 353,918,334 | 714,370,353 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 534,272,863 | 382,428,097 |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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 22 February 2021. The Company is principally engaged in the manufacture and sale of tyres and tubes for vehicles.

Following are the business units of the Company along with their respective locations:

| BUSINESS UNIT | LOCATION |
|-------------------|--|
| 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 2023.

2.3 Comparative statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2023, whereas comparative condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the six months period ended 31 December 2022.

2.4 These condensed interim financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

2.5 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. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2023.

In addition to the above, following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto effective for accounting periods beginning on or after 01 January 2024 :

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020)
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022)
- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)
- Lack of Exchangeability (amendments to IAS 21)

The above amendments are not likely to have an impact on the Company's condensed interim financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended 30 June 2023.

5. PROPERTY, PLANT AND EQUIPMENT

| | Note | Un-audited December 31, 2023 | Audited June 30, 2023 |
|------------------------------------|------|------------------------------------|-----------------------------|
| Rupees | | | |
| Operating fixed assets | 5.1 | 8,149,875,014 | 5,658,583,159 |
| Capital work in progress | 5.2 | 2,599,609,690 | 3,959,632,864 |
| | | 10,749,484,704 | 9,618,216,023 |
| 5.1 Opening book value | | 5,658,583,159 | 4,323,456,031 |
| Additions during the period | | 2,711,937,228 | 1,711,210,265 |
| Disposals - Written down value | | (8,284,316) | (24,015,911) |
| Depreciation for the period / year | | (212,361,057) | (352,067,226) |
| Closing book value | | 8,149,875,014 | 5,658,583,159 |
| 5.2 Capital work-in-progress | | | |
| Opening book value | | 3,959,632,864 | 4,051,581,291 |
| Addition during the period / year | | 1,294,511,736 | 1,581,140,498 |
| Transfer during the period / year | | (2,654,534,910) | (1,673,088,925) |
| Closing book value | | 2,599,609,690 | 3,959,632,864 |

6 LONG TERM LIABILITIES

| | Note | Un-audited December 31, 2023 | Audited June 30, 2023 |
|--|------|------------------------------------|-----------------------------|
| Rupees | | | |
| Loan from financial institutions - Secured | 6.1 | 1,816,470,347 | 2,033,249,650 |
| Accrued mark-up | | 186,545,862 | 126,298,704 |
| | | 2,003,016,209 | 2,159,548,354 |
| Less: Deferred grant | | (143,380,862) | (160,911,438) |
| Less: Current portion shown under current liabilities | | (437,260,507) | (176,942,018) |
| Less: Accrued mark-up | | (186,545,862) | (126,298,704) |
| | | (767,187,231) | (464,152,160) |
| Lease liabilities - rented premises | 6.2 | 104,962,210 | 110,969,945 |
| Less: Current maturity shown under current liabilities | | (20,442,959) | (29,384,487) |
| | | 84,519,251 | 81,585,458 |
| | | 1,320,348,229 | 1,776,981,652 |

6.1 These represent long term loans from financial institutions bearing mark up at the rates ranging from 2.75% per annum to 25.09% per annum (30 June 2023: 2.5% per annum to 24.08% per annum). These are repayable in quarterly instalments up to March 2030. The aggregate long term finances are secured by joint pari passu charge on the fixed assets of the Company.

6.2 This represents lease liability towards Mian Iftikhar Ahmed - Chairman of the Company, in respect of rented premises (land and building).

7 LOAN FROM DIRECTOR - UNSECURED

| | | |
|--------------------|-------------|-------------|
| Loan from director | 770,000,000 | 770,000,000 |
|--------------------|-------------|-------------|

The Company has obtained loan from a Director (Mian Iftikhar Ahmed) of the Company in prior years bearing markup at the rate of KIBOR minus spread of 1% per annum with effect from 01 July 2023. Further, the Director has agreed to not demand repayment of the loan on or before 30 June 2025.

8 SHORT TERM FINANCING - Secured

Short term facilities aggregating to Rs. 9.0 billion (30 June 2023: Rs. 8.4 billion) are available from commercial banks and DFIs under mark up arrangements. The mark up is charged at the rates ranging from 14.00% per annum to 25.86% per annum (30 June 2023: 3.00% per annum to 23.97% per annum). The aggregate running finances are secured by joint pari passu charge on the current and fixed assets of the Company.

9 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2023.

COMMITMENTS

Commitments from various banks against letter of credit and letter of guarantees are Rs. 1,140.0 million (30 June 2023: 1,586.4 million) and Rs. 194.80 million (30 June 2023: Rs. 208.44 million) respectively.

| | Six-months period ended | | Three-months period ended | |
|---|-------------------------|------------------------|---------------------------|------------------------|
| | 31 Dec 2023 | 31 Dec 2022 | 31 Dec 2023 | 31 Dec 2022 |
| | (Un-audited) Rupees | (Un-audited) Rupees | (Un-audited) Rupees | (Un-audited) Rupees |
| 10 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET | | | | |
| Local sales | 12,381,571,742 | 7,958,874,510 | 5,513,196,143 | 4,087,330,627 |
| Export sales | 2,014,491,318 | 1,315,682,475 | 958,079,468 | 710,258,651 |
| | 14,396,063,060 | 9,274,556,985 | 6,471,275,610 | 4,797,589,278 |
| 11 COST OF SALES | | | | |
| Cost of goods manufactured | 12,511,534,247 | 8,441,137,533 | 6,342,025,716 | 3,635,815,510 |
| Add: Finished goods - opening | 2,019,054,408 | 1,759,156,475 | 1,670,564,576 | 2,659,037,010 |
| | 14,530,588,655 | 10,200,294,008 | 8,012,590,292 | 6,294,852,520 |
| Add: Finished goods purchased | 214,261,096 | 306,286,352 | 89,736,334 | 102,534,072 |
| Less: Finished goods - closing | 2,527,502,666 | 2,203,752,607 | 2,527,502,666 | 2,203,752,607 |
| Cost of goods sold | 12,217,347,085 | 8,302,827,753 | 5,574,823,960 | 4,193,633,985 |
| 12 EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED | | | | |
| Profit/(Loss) after taxation - Rupees | 430,955,370 | (135,396,908) | 129,633,154 | 131,855,893 |
| Weighted average number of shares | 168,000,000 | 168,000,000 | 168,000,000 | 168,000,000 |
| Earnings/(Loss) per share-Rupees | 2.57 | (0.81) | 0.77 | 0.78 |

13 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees. Significant related party transactions are as follows and the balances as at 31 December 2023 are disclosed in notes 6.2 and 7:

Transactions with related parties:

| Name of Related Party | Nature of Transaction | Un-audited Six months period ended December 31, December 31, | |
|--------------------------------|--------------------------------------|--|----------------|
| | | 2023 Rupees | 2022 Rupees |
| Mian Iftikhar Ahmed - Director | Rent of head office | 15,213,230 | 13,176,900 |
| | Loan obtained | - | 217,000,000 |
| | Markup on loan | 84,561,613 | 19,408,219 |
| Mian Faisal Iftikhar | Loan obtained | - | 15,000,000 |
| Ms. Samina Iftikhar | Loan obtained | - | 14,000,000 |
| Staff provident fund | Contribution to staff provident fund | 15,561,748 | 12,189,045 |

14 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy:

| Note | Financial assets at amortized cost | Financial liabilities | Total |
|---|------------------------------------|-----------------------|-----------------------|
| 31 December 2023 (Un-audited) | | | |
| Financial assets at fair value | | | |
| | - | - | - |
| Financial assets at amortized cost | | | |
| | 48,696,393 | - | 48,696,393 |
| | 2,755,839,671 | - | 2,755,839,671 |
| | 153,689,821 | - | 153,689,821 |
| | 534,272,863 | - | 534,272,863 |
| 14.1 | 3,492,498,748 | - | 3,492,498,748 |
| Financial liabilities measured at fair value | | | |
| | - | - | - |
| Financial liabilities at amortized cost | | | |
| | - | 1,816,470,347 | 1,816,470,347 |
| | - | 770,000,000 | 770,000,000 |
| | - | 7,276,421,051 | 7,276,421,051 |
| | - | 536,607 | 536,607 |
| | - | 2,131,981,578 | 2,131,981,578 |
| | - | 542,081,046 | 542,081,046 |
| 14.1 | - | 12,537,490,629 | 12,537,490,629 |
| Financial assets measured at fair value | | | |
| | - | - | - |

| Note | Financial assets at amortized cost | Financial liabilities | Total |
|---|------------------------------------|-----------------------|-----------------------|
| 31 December 2023 (Un-audited) | | | |
| Financial assets at amortized cost | | | |
| | 52,644,263 | - | 52,644,263 |
| | 2,953,278,558 | - | 2,953,278,558 |
| | 95,151,794 | - | 95,151,794 |
| | 353,918,334 | - | 353,918,334 |
| 14.1 | 3,454,992,949 | - | 3,454,992,949 |
| Financial liabilities measured at fair value | | | |
| | - | - | - |
| Financial liabilities at amortized cost | | | |
| | - | 2,033,249,650 | 2,033,249,650 |
| | - | 770,000,000 | 770,000,000 |
| | - | 5,502,287,452 | 5,502,287,452 |
| | - | 310,463 | 310,463 |
| | - | 1,966,308,530 | 1,966,308,530 |
| | - | 349,998,507 | 349,998,507 |
| 14.1 | - | 10,622,154,602 | 10,622,154,602 |

14.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value. Further, there is no financial instrument which may need to be classified as level 1, 2 or 3.

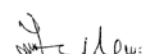
15 SEGMENT REPORTING

The chief operating decision maker (i.e. the Board of Directors) consider the whole business as one operating segment.

16 GENERAL

16.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary for better presentation.

16.2 These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on 29 February 2024.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER