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HALF YEARLY
R E P O R T
DECEMBER, 31

2025

COMPANY INFORMATION

BOARD OF DIRECTORS

Lt Gen (R) Ali Kuli Khan Khattak - Chairman
Mr. Hussain Kuli Khan - Chief Executive
Mr. Ahmad Kuli Khan Khattak
Mr. Atif Anwar
Mr. Ikram-ul-Majeed Sehgal
Mr. Manzoor Ahmed
Mr. Muhammad Kuli Khan Khattak
Mrs. Nazia Qureshi
Mr. Naeem A. Sattar
Syed Ahmed Iqbal Ashraf

CHIEF FINANCIAL OFFICER

Mr. Muhammad Asghar Bhatti

COMPANY SECRETARY

Mr. Athar A. Khan

HEAD OF INTERNAL AUDIT

Mr. Zia Akhtar

BOARD AUDIT COMMITTEE

Syed Ahmed Iqbal Ashraf - Chairman
Lt Gen (R) Ali Kuli Khan Khattak
Mr. Ahmad Kuli Khan Khattak
Mr. Manzoor Ahmed
Mr. Naeem A. Sattar

BOARD HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ikram-ul-Majeed Sehgal - Chairman
Lt Gen (R) Ali Kuli Khan Khattak
Mr. Ahmad Kuli Khan Khattak
Mr. Atif Anwar
Mr. Hussain Kuli Khan
Mr. Manzoor Ahmed
Mrs. Nazia Qureshi

AUDITORS

M/s. Shinewing Hameed Chaudhri & Co.
Chartered Accountants

LEGAL ADVISOR

M/s. Ahmed and Qazi Associates

SHARE REGISTRAR

CDC Share Registrar Services Limited

BANKERS

Al-Baraka Bank Pakistan Limited
Askari Bank Limited
Bank Al-Falah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Samba Bank Limited
The Bank of Punjab
The Bank of Khyber
United Bank Limited
Soneri Bank Limited

REGISTERED OFFICE & FACTORY

H-23/2, Landhi Industrial and Trading Estate,
Landhi, Karachi
Phone: 021-35080172-81, 021-38020207-13
UAN: 021-111 487 487
Fax: 021-35080171
Website : www.gtr.com.pk

BRANCH OFFICES

Islamabad Office

Plot No. 148-149, Khuda Baksh Road, Saraan
Kahuta, Industrial Triangle, Kahuta Road,
Hummak Islamabad.
Phone No: 051-5971612-13, 051-5971650
Fax No: 051-5971615

Lahore Office (Sales & Service Centre)

Plot No. 20, Shahrah-e-Fatima Jinnah, Lahore
Phone No: 042-36308605-6
Fax No: 042-36308607

Multan Office

Plot No. 758-759/21, Khanewal Road, Multan
Phone No: 061-774407
Fax No: 061-774408

Sukkur Warehouse

Plot No. B30/8, Site Area, Sukkur
Phone No: +92 300 0562502

Pakistan Stock Exchange Limited

Stock Exchange Symbol

* Sequence of names in alphabetical order



DIRECTORS' REVIEW

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2025.

BUSINESS REVIEW

Net sales in value terms for the half year ended December 31, 2025 were Rs. 8.21 billion as compared to Rs. 9.00 billion in the same period last year, showing marginal decline of 9%.

Sales for farm tyre were lower from last period. Sales were mainly impacted due to floods and low purchasing power of farmers. However, the Government of Punjab has announced another Green Tractor Scheme. The sales of which are expected to be recorded in coming quarters. Moreover, the Government has announced various measures as Kissan Card for subsidize loan, warehousing receipts etc., which should improve farmers liquidity and would ultimately help them to buy agricultural inputs including tyres. In agriculture sector, latest information on sowing expects encouraging prospects for wheat crop in upcoming season. This will support the Company's sales performance by partially offsetting the adverse impact of recent floods on the purchasing power of the farming community.

Sales of Off The Road (OTR), Truck Bus (TB), Passenger car (PCR) tyres segments have shown good growth from SPLY. It is mainly due to decrease in policy rate resulting in increase in auto financing and stable exchange rates. In current quarter, OEM sales have shown growth as compared to SPLY. The sales of these segments are also expected to improve in coming quarter due to gradual improvement in economic activity. Further, Sales of Motorcycle tyre (MC) have also shown good growth from SPLY.

Export sales for the period were Rs. 39 million as compared to Rs. 102 million in same period last year. Lower sales from same period last year is mainly due to closure of Pak-Afghan border. The Company is continuously exploring opportunities to expand its export sale in new markets.

The gross profit for the period was Rs. 1,133 million as compared to Rs. 1,274 million in same period last year. Gross profit margin was 13.8% almost similar to last period's margin of 14.1%. Gross margin was marginally lower mainly due to revision in gas prices and increase in minimum wages partly offset by better sales mix, stable exchange rate and raw material prices.

The finance cost for the period was Rs. 597 million as compared to Rs. 733 million in the same period last year. Decrease in financial cost is mainly attributable to decrease in discount rate by SBP.

As a result of the factors mentioned above, loss after tax for the half year ended December 31, 2025 was Rs. 162.2 million as compared to profit after tax of Rs. 25.1 million reported in same period last year.



FUTURE PROSPECTS

Discount rate has been reduced substantially, which is benefiting the Company in terms of lower financial costs. It is expected that the discount rate will reduce further before the end the financial year. This will further reduce financial cost. Additionally, this reduction may drive further increase in auto financing, leading to improved OEM sales. This along with exchange rate stability and the revival of economic activity, are key factors for the future profitability of the Company.

As seen in past, in short term floods impact farm tyre demand, however, post floods demand of farm tyres gradually improve due to reconstruction activities and improvement in land fertility. Further the Government is evaluating various proposals to support farmers of flood affected areas. This along with the Government of Punjab Green Tractor Scheme would also support farm tyre sales.

As highlighted earlier, the Company remains committed to cost minimization and sustainability. In this regard, we have partnered with K Solar (Pvt.) Limited to develop up to 2MW solar project under the build, operate, and transfer (BOT) model, which has already been installed and commissioned in Q4 of last year. This initiative strengthens our energy portfolio, enhances operational efficiency, and mitigates long-term energy risks while reinforcing our commitment to sustainable business practices.

Additionally, we remain committed to introducing new sizes and designs for both the OEM and RM segments, with several already commercialized and actively available in the market.

The Government's regulatory and administrative efforts to combat smuggling are commendable. However, sustained action is essential to further strengthen the country's economic landscape. Under-invoicing and smuggling not only harmful for the local industry but also result in significant tax revenue losses for the Government. Continued enforcement of these measures will help create a level playing field for local businesses and support job creation.

Despite the difficult economic times and competitive pressures, we are confident that we would navigate through these challenges with determination and unwavering support of our stakeholders. We believe that the long- term growth potential of the business is intact.

The Board would like to thank all our OEM and RM customers for their patronage and loyalty with the Company's products.

The Board also thanks to its financial institutions for providing support, as solicited. The Board also appreciates the dedicated services rendered by the employees and the management in difficult economic time.

A handwritten signature in blue ink, appearing to read 'Hussain K. K.', with a horizontal line underneath.

**Chief Executive
Karachi**

A handwritten signature in blue ink, appearing to read 'Javed Iqbal', with a horizontal line underneath.

Director

Dated: February 19, 2026

ڈائریکٹرز کا تجزیہ

کپنی کے ڈائریکٹرز 31 دسمبر، 2025 کو ختم ہونے والی ششماہی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

کاروباری تجزیہ

31 دسمبر، 2025 کو ختم ہونے والی ششماہی میں خالص فروخت کی مالیت 8.21 ارب روپے رہی، جو کہ گزشتہ سال اسی مدت میں 9.00 ارب روپے کے مقابلے میں قدر کے لحاظ سے 9 فیصد کی معمولی کمی کو ظاہر کرتی ہے۔

فارم ٹائز کی فروخت گزشتہ مدت سے کم رہی۔ فروخت بنیادی طور پر سیلاب اور کسانوں کی کم قوت خرید کی وجہ سے متاثر ہوئی۔ تاہم، حکومت پنجاب نے ایک اور گرین ٹریکٹر اسکیم کا اعلان کیا ہے۔ جس کی فروخت آنے والی سہ ماہیوں میں ریکارڈ ہونے کی توقع ہے۔ مزید یہ کہ، حکومت نے قرض، گودام کی رسیدوں وغیرہ کو سبسڈی دینے کے لیے کسان کارڈ کے طور پر مختلف اقدامات کا اعلان کیا ہے، جس سے کسانوں کی لیکویڈیٹی میں بہتری آئے گی اور بالآخر انہیں ٹائز سمیت زرعی سامان خریدنے میں مدد ملے گی۔ زراعت کے شعبے میں، بوائی کے بارے میں تازہ ترین معلومات آئندہ سیزن میں گندم کی فصل کے لیے حوصلہ افزاء امکانات کی توقع کرتی ہے۔ اس سے کاشتکار برادری کی قوت خرید پر حالیہ سیلاب کے منفی اثرات کو جزوی طور پر ختم کر کے کپنی کی فروخت کی کارکردگی میں مدد ملے گی۔

گزشتہ سال اسی مدت کے مقابلے میں مسافر کار (PCR)، ٹرک بس (TB) اور آف دی روڈ (OTR) ٹائزوں کی فروخت میں اچھا اضافہ ہوا ہے۔ یہ بنیادی طور پر پالیسی ریٹ میں کمی کی وجہ سے ہے جس کے نتیجے میں آٹو فنانسنگ میں اضافہ اور شرح مبادلہ کی شرح مستحکم ہو رہی ہے۔ گزشتہ سال اسی مدت کے مقابلے میں موجودہ سہ ماہی میں، OEM کی فروخت میں اضافہ ہوا ہے۔ اقتصادی سرگرمیوں میں بتدریج بہتری کی وجہ سے آنے والی سہ ماہی ان طبقات کی فروخت میں بھی بہتری متوقع ہے۔ مزید برآں، موٹر سائیکل (MC) ٹائز کی فروخت میں بھی گزشتہ سال کی اسی مدت کے مقابلے میں اچھی بہتری آئی ہے۔

اس مدت میں کپنی کی برآمدی فروخت 39 ملین روپے رہی جو گزشتہ سال کے اسی دورانیہ میں 102 ملین روپے تھی۔ گزشتہ سال اسی مدت کے مقابلے میں کم فروخت کی بنیادی وجہ پاک افغان سرحد کی بندش ہے۔ کپنی نئی منڈیوں میں اپنی برآمدی فروخت کو بڑھانے کے لیے مسلسل مواقع تلاش کر رہی ہے۔

اس مدت کے دوران مجموعی منافع 1,133 ملین روپے رہا جو گزشتہ سال اسی مدت کے مقابلے میں 1,274 ملین روپے تھا۔ مجموعی منافع کا مارجن 13.8 فیصد رہا جو گزشتہ مدت کے مارجن 14.1 فیصد سے تقریباً مماثل تھا۔ مجموعی مارجن میں معمولی کمی کی بنیادی وجہ گیس کی قیمتوں میں اضافہ اور کم از کم اجرت میں اضافے کے باعث ہوا، تاہم مستحکم شرح مبادلہ، بہتر سیلز کمس اور خام مال کی قیمتوں میں کمی نے جزوی طور پر اس اثر کو متوازن کیا۔

اس مدت میں مالیاتی اخراجات 597 ملین روپے رہے جو کہ پچھلے سال اسی مدت کے مقابلے میں 733 ملین روپے تھے۔ مالیاتی لاگت میں کمی بنیادی طور پر اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے ڈسکاؤنٹ ریٹ میں کمی سے منسوب ہے۔

مذکورہ بالا عوامل کے نتیجے میں، 31 دسمبر، 2025 کو ختم ہونے والی ششماہی کے لیے نقصان بعد از محصل 162.2 ملین روپے رہا، جبکہ گزشتہ سال کی اسی مدت میں 25.1 ملین روپے بعد از محصل منافع رپورٹ کیا گیا تھا۔

مستقبل کے امکانات

ڈسکاؤنٹ شرح میں خاطر خواہ کمی کی گئی ہے، جس سے کمپنی کو کم مالی اخراجات کے لحاظ سے فائدہ ہو رہا ہے۔ توقع ہے کہ مالی سال کے اختتام سے پہلے ڈسکاؤنٹ شرح مزید کم ہو جائے گی۔ اس سے مالیاتی اخراجات میں مزید کمی آئے گی۔ مزید یہ کہ، اس کے نتیجے میں آٹوفنانسنگ میں اضافہ ہو سکتا ہے جس کے نتیجے میں OEM طبقہ میں بہتری آسکتی ہے۔ یہ شرح مبادلہ کے استحکام اور معاشی سرگرمیوں کے احیاء کے ساتھ، کمپنی کے مستقبل کے منافع کے لیے اہم عوامل ہیں۔

جیسا کہ ماضی میں دیکھا گیا، قلیل مدتی سیلاب فارم کے ٹائروں کی مانگ کو متاثر کرتے ہیں، تاہم، تعمیر نو کی سرگرمیوں اور زمین کی زرخیزی میں بہتری کی وجہ سے سیلاب کے بعد فارم کے ٹائروں کی مانگ بتدریج بہتر ہوتی ہے۔ مزید یہ کہ حکومت سیلاب سے متاثرہ علاقوں کے کسانوں کی مدد کے لیے مختلف تجاویز کا جائزہ لے رہی ہے۔ یہ حکومت پنجاب کی گرین ٹریکٹر اسکیم کے ساتھ فارم ٹائری فروخت میں بھی معاونت کرے گی۔

جیسا کہ پہلے ذکر کیا گیا، کمپنی اخراجات کو کم کرنے اور پائیداری کے لیے پر عزم ہے۔ اس سلسلے میں، ہم نے K Solar (Pvt.) Limited کے ساتھ 2 میگا واٹ تک کے سولر پروجیکٹ کو تعمیر، چلانے اور منتقلی (BOT) کے ماڈل کے تحت تیار کرنے کے لیے شراکت داری کی ہے، جو گزشتہ سال کی چوتھی سہ ماہی میں پہلے ہی تنصیب اور شروع ہو چکا ہے۔ یہ اقدام کمپنی کے توانائی کے پورٹ فولیو کو مضبوط بنانے گا، آپریشنل صلاحیتوں کو بہتر بنانے گا اور طویل مدتی توانائی کے خطرات کو کم کرے گا اور کمپنی کے پائیدار کاروباری طریقوں کے عزم کی توثیق کرے گا۔

مزید یہ کہ، ہم OEM اور RM دونوں طبقوں کے لیے نئے ساز اور ڈیزائن متعارف کرانے کے لیے پر عزم ہیں، جن میں سے کچھ پہلے ہی تجارتی اور فعال طور پر مارکیٹ میں دستیاب ہیں۔

اسٹیلنگ کو روکنے کے لیے حکومت کے ریگولیٹری اور انتظامی اقدامات حوصلہ افزاء ہیں۔ تاہم، اس عمل کو مستحکم رکھنے کی ضرورت ہے تاکہ ملک کے اقتصادی منظر نامے کو مزید مضبوط کیا جاسکے۔ انڈرانوائسنگ اور اسٹیلنگ نہ صرف مقامی صنعت کے لیے نقصان دہ ہے بلکہ حکومت کے لیے بھی اہم ٹیکس آمدنی میں کمی کا باعث بنتی ہے۔ ان اقدامات کے مسلسل نفاذ سے مقامی انڈسٹری کو مساوی مواقع ملیں گے اور ملازمتوں کی تخلیق میں مدد ملے گی۔

مشکل معاشی صورتحال اور مسابقتی دباؤ کے باوجود، ہمیں یقین ہے کہ ہم اپنے اسٹیک ہولڈرز کے عزم اور مستقل حمایت کے ساتھ ان مشکلات سے نکلیں گے۔ ہمیں یقین ہے کہ کاروبار کی طویل مدتی ترقی کی صلاحیت برقرار ہے۔

بورڈ اپنے تمام OEM اور RM کے صارفین کا کمپنی کی مصنوعات کی حمایت اور وفاداری کے لیے شکرگزار ہے۔

بورڈ اپنے مالیاتی اداروں کا بھی شکریہ ادا کرتا ہے جنہوں نے درخواست کیے جانے پر تعاون فراہم کیا۔ بورڈ مشکل معاشی وقت میں ملازمین اور انتظامیہ کی طرف سے پیش کی جانے والی خدمات کو بھی سراہتا ہے۔


منظور احمد
ڈائریکٹر



حسین خان
چیف ایگزیکٹو آفیسر
کراچی

19 فروری 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
GHANDHARA TYRE AND RUBBER COMPANY LIMITED**

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statements of financial position of **Ghandhara Tyre and Rubber Company Limited** (the Company) as at December 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the half year 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 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.

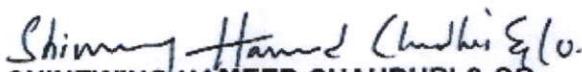
Conclusion

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

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Raheel Ahmed.


SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

KARACHI;

Date: February 26, 2026

UDIN: RR2025101053qXc0CUD9

Karachi Office:
Karachi Chambers,
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Tel: +92 21 32412754, 32424835
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7-Bank Square, Lahore.
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Email: lhr@hccpk.com

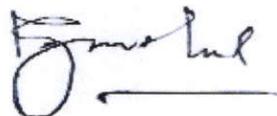
GHANDHARA TYRE AND RUBBER COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	Un-audited December 31, 2025	Audited June 30, 2025
----- (Rupees in '000) -----			
EQUITY AND LIABILITIES			
Equity			
Authorized capital			
125,000,000 (June 30, 2025: 125,000,000)			
ordinary shares of Rs.10 each		<u>1,250,000</u>	<u>1,250,000</u>
Issued, subscribed and paid-up capital			
121,933,350 (June 30, 2025: 121,933,350)		1,219,334	1,219,334
Revenue reserve - unappropriated profits		596,445	758,649
Capital reserves			
Reserve for capital expenditure		<u>1,000,000</u>	<u>1,000,000</u>
Surplus on revaluation of leasehold lands		<u>3,759,748</u>	<u>3,759,748</u>
		<u>4,759,748</u>	<u>4,759,748</u>
Total Equity		6,575,527	6,737,731
Liabilities			
Non current liabilities			
Long term finances		<u>240,104</u>	<u>289,850</u>
Staff benefits		<u>616,683</u>	<u>545,495</u>
Deferred liabilities		<u>63,935</u>	<u>78,006</u>
Liabilities under diminishing musharaka financing		<u>154,014</u>	<u>124,158</u>
Long term deposits from dealers		<u>18,030</u>	<u>15,730</u>
		<u>1,092,766</u>	<u>1,053,239</u>
Current liabilities			
Current maturity of long term finances		<u>133,183</u>	<u>133,183</u>
Current maturity of deferred liabilities		<u>33,139</u>	<u>35,914</u>
Current maturity of liabilities under diminishing musharaka		<u>32,337</u>	<u>23,336</u>
Short term finances	5	<u>4,775,021</u>	<u>3,897,849</u>
Running finances under mark-up arrangements		<u>4,613,390</u>	<u>4,707,447</u>
Trade and other payables	6	<u>3,478,616</u>	<u>3,757,243</u>
Unclaimed dividend		<u>22,221</u>	<u>22,221</u>
Accrued mark-up		<u>240,230</u>	<u>281,394</u>
Provisions		<u>776,519</u>	<u>776,519</u>
		<u>14,104,656</u>	<u>13,635,106</u>
Total Liabilities		15,197,422	14,688,345
Contingencies and commitments	7		
Total Equity and Liabilities		<u>21,772,949</u>	<u>21,426,076</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Chief Executive



Director

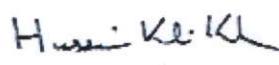


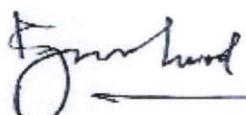
Chief Financial Officer

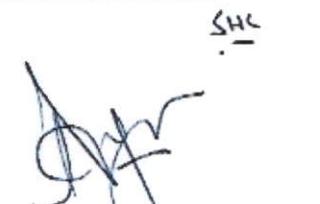
GHANDHARA TYRE AND RUBBER COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

		Un-audited December 31, 2025	Audited June 30, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Non current assets			
Property, plant and equipment	8	8,241,021	8,408,833
Intangible assets		218	685
Investment in an associated company		62,989	49,816
Long term loans and advances		4,213	2,315
Long term deposits		45,323	35,060
Deferred tax - net		68,600	101,978
		<u>8,422,364</u>	<u>8,598,687</u>
Current assets			
Stores and spares		816,067	838,632
Stocks	9	7,767,147	6,661,756
Trade debts		2,867,070	3,671,062
Loans and advances		88,920	65,790
Deposits and prepayments		96,200	32,287
Other receivables including sales tax refundable	10	494,006	299,744
Taxation - net		1,085,464	1,027,388
Cash and bank balances		135,711	230,730
		<u>13,350,585</u>	<u>12,827,389</u>
Total Assets		<u><u>21,772,949</u></u>	<u><u>21,426,076</u></u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chief Executive


Director

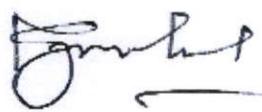
SHC

Chief Financial Officer

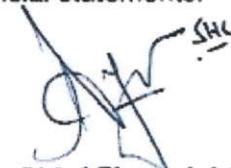
GHANDHARA TYRE AND RUBBER COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME - UN-AUDITED
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	Quarter ended		Half year ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Rupees in '000)					
Sales - net		4,457,576	5,138,696	8,206,431	9,003,635
Cost of sales	11	(3,918,222)	(4,493,882)	(7,073,139)	(7,730,022)
Gross profit		539,354	644,814	1,133,292	1,273,613
Administrative expenses		(187,586)	(133,710)	(287,607)	(223,385)
Distribution cost		(173,857)	(190,967)	(349,941)	(343,951)
Other income		48,581	35,548	70,851	72,146
Other expenses		1,522	(14,724)	(3,046)	(16,712)
Profit from operations		228,014	340,961	563,549	761,711
Finance cost		(295,279)	(339,875)	(597,426)	(733,333)
		(67,265)	1,086	(33,877)	28,378
Share of profit of an associated company		7,453	3,111	15,263	5,284
(Loss) / profit before income tax, revenue taxes and final taxes		(59,812)	4,197	(18,614)	33,662
Final tax	12.1	85	-	(302)	-
Revenue tax	12.2	(29,309)	(40,328)	(61,984)	(61,474)
Loss before income tax		(89,036)	(36,131)	(80,900)	(27,812)
Tax (charge) / reversal	12.3	(101,865)	40,192	(81,228)	53,014
(Loss) / profit for the period		(190,901)	4,061	(162,128)	25,202
Other comprehensive loss					
Share of other comprehensive loss of an associated company		(76)	(91)	(76)	(91)
Total comprehensive (loss) / income		(190,977)	3,970	(162,204)	25,111
		Rupees	Rupee	Rupees	Rupee
(Loss) / earning per share					
- basic and diluted	13	(1.57)	0.03	(1.33)	0.21

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chief Executive


Director

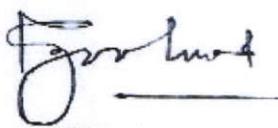

Chief Financial Officer

GHANDHARA TYRE AND RUBBER COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UN-AUDITED
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Issued, subscribed and paid- up capital	Capital reserve		Revenue reserve - unappropriated profits	Total
		Reserve for capital expen- diture	Surplus on revaluation of leasehold lands		
(Rupees in '000)					
Balance as at July 1, 2024 (Audited)	1,219,334	1,000,000	2,473,748	1,302,223	5,995,305
Total comprehensive income for the half year ended December 31, 2024					
Final cash dividend for the year ended June 30, 2024 @ Rs.1.87 per share	-	-	-	(228,015)	(228,015)
Profit for the period	-	-	-	25,202	25,202
Other comprehensive loss	-	-	-	(91)	(91)
	-	-	-	25,111	25,111
Balance as at December 31, 2024	1,219,334	1,000,000	2,473,748	1,099,319	5,792,401
Total comprehensive income for six months period ended June 30, 2025					
Loss for the period	-	-	-	(391,279)	(391,279)
Other comprehensive income	-	-	1,286,000	50,609	1,336,609
	-	-	1,286,000	(340,670)	945,330
Balance as at June 30, 2025 (Audited)	1,219,334	1,000,000	3,759,748	758,649	6,737,731
Total comprehensive income for the half year ended December 31, 2025					
Loss for the period	-	-	-	(162,128)	(162,128)
Other comprehensive loss	-	-	-	(76)	(76)
	-	-	-	(162,204)	(162,204)
Balance as at December 31, 2025	1,219,334	1,000,000	3,759,748	596,445	6,575,527

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chief Executive

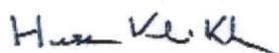

Director


Chief Financial Officer

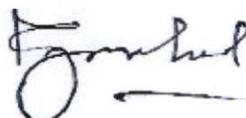
GHANDHARA TYRE AND RUBBER COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS - UN-AUDITED
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	Half year ended December 31,	
		2025 ----- (Rupees in '000) -----	2024 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	14	83,775	(249,156)
Staff retirement gratuity paid		(20,440)	(19,876)
Compensated absences paid		(6,933)	(2,570)
Long term deposits from dealers - net		2,300	2,200
Finance cost paid		(628,894)	(798,501)
Dividend received from associated company		2,014	-
Taxes paid / deducted at source		(168,212)	(66,422)
Long term loans and advances - net		(1,898)	1,349
Long term deposits - net		(10,263)	(16,732)
Net cash used in operating activities		(748,551)	(1,149,708)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of operating fixed assets		(44,733)	(78,888)
Proceeds from sale of operating fixed assets		11,794	18,618
Net cash used in investing activities		(32,939)	(60,270)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - repaid		(66,592)	(138,972)
Liabilities under diminishing musharaka - repaid		(30,052)	(2,771)
Short term finances - obtained		4,348,980	4,140,547
Short term finances - repaid		(3,471,808)	(2,629,575)
Dividend paid		-	(224,896)
Net cash generated from financing activities		780,528	1,144,333
Net decrease in cash and cash equivalents		(962)	(65,645)
Cash and cash equivalents at beginning of the period		(4,476,717)	(4,448,892)
Cash and cash equivalents at end of the period	15	(4,477,679)	(4,514,537)

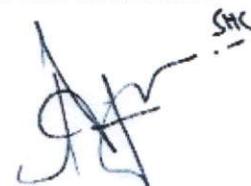
The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

GHANDHARA TYRE AND RUBBER COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UN-AUDITED
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1. LEGAL STATUS AND OPERATIONS

Ghandhara Tyre and Rubber Company Limited (the Company) was incorporated in Pakistan on March 7, 1963 as a private limited company, under the Companies Act 1913, repealed and replaced by the Companies Ordinance, 1984 which in turn got replaced by the Companies Act 2017, and was subsequently converted into a public limited company. The Company's shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi with regional offices at Lahore, Multan and Islamabad. The Company is engaged in the manufacturing and trading of tyres and tubes for automobiles and motorcycles. The Company had entered into technical assistance agreement with Shandong Huasheng Rubber Co. Ltd. (SHRC), a leading technology service provider in the tyre industry, having registered address at Daozhuang Industrial Park, Guangrao County, Shandong, China, effective from September 2024 for the period of seven (7) years.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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, directives and notifications issued under the Companies Act, 2017.

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

These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of the Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2025.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2025. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements are in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgments 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 audited annual financial statements of the Company for the year ended June 30, 2025.

5. SHORT TERM FINANCES - Secured

	Un-audited December 31, 2025	Audited June 30, 2025
	— (Rupees in '000) —	
Conventional	2,258,119	1,547,875
Shariah compliant	2,516,902	2,349,974
	<u>4,775,021</u>	<u>3,897,849</u>

5.1 Short term finance facilities available from commercial and islamic banks aggregating Rs.6,096 million (June 30, 2025: Rs.4,548.53 million) and are secured against pari passu charge over fixed assets (excluding land and building), stocks and trade debts of the Company. The rates of mark-up of these facilities range from KIBOR plus 0.5% to 1.5% per annum. These facilities are expiring on various dates upto Septemebr 30, 2026.

6. TRADE AND OTHER PAYABLES

	Un-audited December 31, 2025	Audited June 30, 2025
	— (Rupees in '000) —	
Trade creditors	912,667	970,237
Bills payable	1,271,613	1,563,272
Accrued expenses	773,724	513,201
Royalty fee and technical assistance fee payable	59,954	113,640
Advances from customers	272,234	368,626
Staff provident fund	6,824	6,643
Staff retirement gratuity	84,801	105,373
Short term deposits	1,293	1,558
Workers' welfare fund	4,630	16,111
Payable to Waqf-e-Kuli Khan	-	5,726
Interest payable on custom duties	29,933	29,933
Others	60,943	62,923
	<u>3,478,616</u>	<u>3,757,243</u>

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 There is no significant change in the status of the contingencies as disclosed in note 18.1 to the audited financial statements of the Company for the year ended June 30, 2025.

	Un-audited December 31, 2025	Audited June 30, 2025
	— (Rupees in '000) —	

7.2 Commitments in respect of:

Guarantees issued by
commercial banks on behalf of the Company

<u>456,504</u>	<u>422,991</u>
----------------	----------------

Post dated cheques issued to the Collector of
Customs against duty on imported plant &
machinery, raw materials and stores & spares

<u>33,341</u>	<u>33,341</u>
---------------	---------------

	Note	Un-audited December 31, 2025 --- (Rupees in '000) ---	Audited June 30, 2025
Commitments in respect of:			
- letters of credit for capital expenditure		7,803	6,993
- letters of credit for purchase of raw material and stores & spares		1,689,781	1,839,987
- purchase orders issued to local suppliers for capital expenditure		115,330	206,228
- sales contracts entered into by the Company		543,552	607,036
- tentative schedules for supply of tyres		2,496,669	1,886,022
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	8,041,077	8,141,093
Capital work-in-progress		199,944	267,740
		8,241,021	8,408,833
8.1 Operating fixed assets			
Net book value at beginning of the period / year		8,141,093	7,137,840
Transfers / additions during the period / year	8.1.1	171,742	244,691
Revaluation surplus		-	1,286,000
Disposals costing Rs.25.979 million (June 30, 2025: Rs.27.202 million) - book value		(9,696)	(11,100)
Depreciation for the period / year		(262,062)	(516,338)
Net book value at end of the period / year		8,041,077	8,141,093
8.1.1 Details of transfers / additions to operating fixed assets during the period / year are as follows:			
Buildings on leasehold land		1,341	7,861
Electrical installations		5,576	113
Plant and machinery		17,678	13,737
Laboratory equipment		-	5,904
Boilers and accessories		-	37,195
Moulds		55,337	58,943
Factory and office equipment		208	4,714
Furniture & fixtures		1,586	321
Computer equipments		362	1,993
Assets under diminishing musharaka financing		89,654	113,910
		171,742	244,691

9. STOCKS

	Note	Un-audited December 31, 2025	Audited June 30, 2025
		— (Rupees in '000) —	
Raw materials			
- in hand		1,425,880	1,617,853
- in transit		602,162	713,166
		2,028,042	2,331,019
Work-in-process		358,047	364,438
Finished goods	9.1	5,381,058	3,966,299
		<u>7,767,147</u>	<u>6,661,756</u>

9.1 Finished goods include items costing Rs.565.840 million (June 30, 2025: Rs.420.253 million) which are stated at their net realisable values aggregating Rs.482.714 million (June 30, 2025: Rs.353.555 million). The aggregate amount charged in profit or loss in respect of stocks written down to their net realisable value is Rs.16.428 million (June 30, 2025: Rs.8.737 million).

10. OTHER RECEIVABLES INCLUDING SALES TAX REFUNDABLE

This includes cash guarantee margins held with Askari Bank Limited - a commercial bank amounting to Rs.200.247 million (June 30, 2025: Nil) against guarantee issued to govt. authorities on the behalf of the Company.

11. COST OF SALES

Note

For the quarter ended
December 31,

For the half year ended
December 31,

(Un-audited)

2025

2024

2025

2024

Rupees in '000

Opening stock of finished goods		4,999,864	3,906,960	3,966,299	2,537,646
Cost of goods manufactured	11.1	4,299,416	4,289,623	8,482,870	8,889,720
Finished goods purchased		-	2,394	5,028	7,751
		4,299,416	4,292,017	8,487,898	8,897,471
		9,299,280	8,198,977	12,454,197	11,435,117
Closing stock of finished goods		(5,381,058)	(3,705,095)	(5,381,058)	(3,705,095)
		<u>3,918,222</u>	<u>4,493,882</u>	<u>7,073,139</u>	<u>7,730,022</u>
11.1 Cost of goods manufactured					
Opening work-in-process		515,961	359,047	364,438	366,579
Raw material consumed and factory overhead		4,141,502	4,329,354	8,476,479	8,921,919
		4,657,463	4,688,401	8,840,917	9,288,498
Closing work-in-process		(358,047)	(398,778)	(358,047)	(398,778)
		<u>4,299,416</u>	<u>4,289,623</u>	<u>8,482,870</u>	<u>8,889,720</u>

12. LEVIES AND INCOME TAX

12.1 This represent final taxes paid under section 150 of the Income Tax Ordinance, 2001 (ITO, 2001) representing levy in terms of requirements of IFRIC 21 / IAS 37.

12.2 This represent minimum tax paid under section 113 of the Income Tax Ordinance, 2001 (ITO, 2001) representing levy in terms of requirements of IFRIC 21 / IAS 37.

12.3 TAXATION

	For the quarter ended December 31,		For the half year ended December 31,	
	(Un-audited)		(Un-audited)	
	2025	2024	2025	2024
	Rupees in '000			
Current tax charge / (reversal)				
- for the period including super tax	77,638	35,044	44,963	62,543
- prior year taxes	2,886	(15,475)	2,886	(15,475)
Deferred tax charge / (reversal)	21,341	(59,761)	33,379	(100,082)
	<u>101,865</u>	<u>(40,192)</u>	<u>81,228</u>	<u>(53,014)</u>

13. (LOSS) / EARNING PER SHARE (BASIC AND DILUTED)

13.1 Basic (loss) / earnings per share	2025	2024	2025	2024
(Loss) / profit after taxation	(190,901)	4,061	(162,128)	25,202
	(Number of Shares)			
Weighted average number of ordinary shares	<u>121,933,350</u>	<u>121,933,350</u>	<u>121,933,350</u>	<u>121,933,350</u>
	Rupees	Rupee	Rupees	Rupee
(Loss) / earning per share	<u>(1.57)</u>	<u>0.03</u>	<u>(1.33)</u>	<u>0.21</u>

13.2 Diluted earnings per share

There are no dilutive potential ordinary shares outstanding as at December 31, 2025 and 2024.

14. CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	For the half year ended December 31,	
		2025	2024
		(Un-audited)	
		Rupees in '000	
(Loss) / profit before taxation		(18,614)	33,662
Adjustments for non-cash charges and other items			
Depreciation on property, plant and equipment		262,062	257,506
Amortisation		467	467
Provision for staff retirement gratuity		60,007	63,395
Compensated absences charge made during the period		11,049	10,713
Provision for expected credit loss		71,921	18,549
Gain on sale of operating fixed assets		(2,098)	(11,747)
Finance cost		597,426	733,333
Share of profit of an associated company		(15,263)	(5,284)
Working capital changes	14.1	(883,182)	(1,349,750)
		<u>83,775</u>	<u>(249,156)</u>

14.1 Working capital changes

Decrease / (increase) in current assets:

	For the half year ended December 31,	
	2025	2024
	(Un-audited)	
	----- Rupees in '000 -----	
Stores and spares	22,565	(38,156)
Stocks	(1,105,391)	(1,771,430)
Trade debts	732,071	(210,568)
Loans and advances	(23,130)	(46,576)
Deposits and prepayments	(63,913)	(40,186)
Other receivables	(194,262)	(15,055)
	<u>(632,060)</u>	<u>(2,121,971)</u>

(Decrease) / Increase in current liabilities:

Trade & other payables and provision	(251,122)	772,221
	<u>(883,182)</u>	<u>(1,349,750)</u>

15. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

Running finances under mark-up arrangements	(4,613,390)	(4,655,388)
Cash and bank balances	135,711	140,851
	<u>(4,477,679)</u>	<u>(4,514,537)</u>

16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, companies in which directors are interested, staff retirement benefit funds, key management personnel and close members of the families of key management personnel. The Company in the normal course of business carries out transactions with various related parties.

16.1 Transactions with related parties are as follows:

	For the half year ended December 31,	
	2025	2024
	(Un-audited)	
	----- Rupees in '000 -----	
Associated companies / undertakings:		
Sale of goods	289,749	240,465
Insurance premium paid	7,778	-
Donation	-	630
Other related parties:		
Provision towards gratuity staff fund	11,072	10,016
Contribution towards employees provident fund	11,912	14,744
Salaries and other benefits to key management personnel	50,034	50,887
Meeting fees	11,100	5,350

16.2 Period / year end balances are as follows:

**Un-audited
December 31,
2025
--- (Rupees in '000) ---**

**Audited
June 30,
2025**

Payables to associated companies / related parties

Staff retirement gratuity	39,067	31,497
Trade and other payable	154	4,436

Receivables from associated companies / related parties

Loans and advances	361	444
Trade debts	86,378	21,595

**17. SHAHRIAH SCREENING
DISCLOSURE**

	Un-audited December 31, 2025		Audited June 30, 2025	
	Convent -ional	Shariah Compliant	Convent -ional	Shariah Compliant
	----- Rupees in 000 -----			
Long term finances	284,273	186,088	306,495	230,458
Short term borrowings	2,258,119	2,516,902	1,547,875	2,349,974
Running finances under mark-up arrangements	4,613,390	-	4,707,447	-
Liabilities under diminishing musharaka	-	186,351	-	147,494
Accrued mark-up	165,665	74,565	202,717	78,678
Investment in an associated company	-	62,989	-	49,816
Bank balances			210,447	19,375

	For the half year ended December 31, 2025		For the half year ended December 31, 2024	
	Convent -ional	Shariah Compliant	Convent -ional	Shariah Compliant
	----- Rupees in 000 -----			
Revenue	-	8,206,431	-	9,003,635
Share of profit from an associated company	-	15,263	-	5,284
Share of other comprehensive (loss) / from an associated company	-	(76)	-	(91)
Other income				
a) Profit on bank deposits	480	-	790	-
b) Sale of scrap	-	53,729	-	60,032
c) Gain on sale of operating fixed assets	-	2,098	-	11,747
d) Exchange gain on actual currency	-	-	423	-
Mark-up on:				
- running finances	297,026	-	469,561	-
- short term finances	117,272	146,228	47,696	193,433
- long term finances	5,096	3,040	9,861	4,418
- diminishing musharaka finances	-	9,696	-	-

The Company have banking relation with the following shariah-compliant financial institutions:

- | | |
|---------------------------------|--|
| a) Al Baraka (Pakistan) Limited | b) Dubai Islamic Bank Pakistan Limited |
| c) Faysal Bank Limited | d) MCB Islamic Bank Limited |

18. GENERAL

- 18.1 These condensed interim financial statements were authorised for issue on February 19, 2026 by the Board of Directors of the Company.
- 18.2 Figures have been rounded off to the nearest thousand of Pakistan rupees, unless otherwise stated.
- 18.3 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable.

SAC



Chief Executive


Director


Chief Financial Officer