



PANTHER

THIRD QUATERLY REPORT MARCH

2023

WHEELS OF THE
NATION
MOVING TOWARDS PROSPERITY



TO LISTEN PLEASE VISIT





ہر سفر۔۔۔ ہر منزل کا ساتھ

صَلِّ عَلَيَّ

BY PANTHER TYRES



PANTHER



COMMITTED To
QUALITY



VISION & MISSION STATEMENT



OUR VISION

To be the Leading and innovative Tyre Company of Pakistan, driving the Nation to achieve speed with safety by moving the wheels of economy towards shared Growth and Prosperity of all stakeholders.

OUR MISSION

To enable People and Businesses to realize their full potential and maximize Value to all stakeholders.



COMPANY INFORMATION



BOARD OF DIRECTORS

Mr. Mian Iftikhar Ahmed	Chairman/ Non-Executive Director
Mr. Mian Faisal Iftikhar.....	Chief Executive Officer
Ms. Ayesha Iftikhar.....	Executive Director
Mr. Zahid Mahmud	Non-Executive Director
Mr. Javed Masud	Independent Director
Mr. Asad Sultan Chaudhary.....	Independent Director
Mr. Iqbal Ahmad Khan	Independent Director



AUDIT COMMITTEE

Mr. Javed Masud	Chairman/Independent Director
Mr. Asad Sultan Chaudhary.....	Member/Independent Director
Mr. Iqbal Ahmad Khan	Member/Independent Director
Mr. Zahid Mahmud	Member/Non-Executive Director
Mr. Mohsin Muzaffar Butt.....	Secretary of Audit Committee



HR & REMUNERATION COMMITTEE

Mr. Asad Sultan Chaudhary.....	Chairman/Independent Director
Mr. Mian Faisal Iftikhar	Member/Chief Executive Director
Mr. Iqbal Ahmad Khan	Member/Independent Director
Mr. Mohsin Muzaffar Butt.....	Secretary of HR & R Committee



RISK MANAGEMENT COMMITTEE

Mr. Javed Masud	Chairman/Independent Director
Mr. Mian Faisal Iftikhar	Member/Chief Executive Director
Mr. Zahid Mahmud	Member/ Non-Executive Director
Mr. Mohsin Muzaffar Butt.....	Secretary of Risk Management Committee



NOMINEE COMMITTEE

Mr. Mian Iftikhar Ahmed	Chairman/ Non-Executive Director
Mr. Mian Faisal Iftikhar	Member/Chief Executive Director
Mr. Mohsin Muzaffar Butt.....	Secretary of Nominee Committee



CHIEF FINANCIAL OFFICER

Ghulam Abbas FCA FCMA



FACTORY ADDRESS

29.5 KM Lahore Sheikhpura
Road Sheikhpura



COMPANY SECRETARY

Mohsin Muzaffar Butt FCA CIA



BANKERS

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



HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt FCA CIA



AUDITORS

EY Fords Rhodes Chartered Accountants



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.



WEBSITE

www.panthertyres.com



PANTHER

برسفر --- بر منزل کا ساتھ

**PANTHER
LEVEL HE**



**HEAVY
DUTY**

**6 MONTHS / 10,000 km
WARRANTY**
FOR MANUFACTURING DEFECTS

TOP GRIP
ALL TERRAIN PERFORMANCE



R TYRES AUR HAI!



DIRECTORS' REVIEW

The Board of Directors of the Company are pleased to present the directors' review report and condensed interim financial statements of the company for the 3rd quarter and nine months period ended March 31, 2023.

OVERVIEW OF ECONOMY AND BUSINESS ENVIRONMENT

The ongoing financial year is turning out to be the most challenging year for the economy of Pakistan. Inflation has reached 48-years high level while dwindling forex reserves have depleted to multi-decade lows of \$4 billion. As a result, the SBP has raised the policy rate to an unprecedented level of 21%. The low foreign exchange reserves have put the pressure on exchange rate and rupee has dipped to 285 by posting a steep slide of 39% since the beginning of the financial year. These factors have affected businesses both directly and indirectly. Inflation has shrunk the buying power of the consumer which is then affecting the demand of the products whereas weak parity against green back accelerating the cost of production of businesses, since the demand is sluggish, the businesses are hardly been able to fully pass on this effect of cost escalation. To curb the imports, SBP has un-officially placed restrictions on imports. As per LCCI report, 9 out of 10 businesses are getting affected from this import rationing. This restriction causing a shortage of products in the market and un-necessarily flaring up the prices.

These challenges has led to tightening of economic conditions which has had a negative impact on the business environment and can lead to reduced investments, higher borrowing cost and slower business activity. Reflecting the impact of tightening of economic conditions, the World Bank has lowered Pakistan's growth outlook from 2 percent to 0.4 percent during this fiscal year.

Moreover, repeated delays in the IMF bailout program in addition to political and economic turmoil are likely to push Pakistan towards a recession. In order to seal the IMF's bailout package, Pakistani authorities have already increased direct and indirect taxes, reduced energy subsidies and raised interest rates to a 25-year high to tamp down prices. This will again have its toll on business environment.

OPERATIONAL PERFORMANCE

During the challenging time, the first and foremost goal of the Company was to devise plans and strategies to sail through these times unhurt. So far, the Company has been able to withstand these challenges and has achieved sales of Rs.14.18 billion during the nine-months period ending on March 31, 2023, which is 1.9% higher than that of same period last year. Although, the sales to OEMs during the period dropped significantly yet the Company managed to off-set the deficit through local and export replacement markets. The exports of the Company have shown significant improvement and have witnessed decent growth of 63% on the back of weak rupee dollar parity.

Brief snapshot of the financial performance of the company is being given hereunder;

	Three Months			Nine Months		
	Mar-23	Mar-22	Change	Mar-23	Mar-22	Change
PKR in millions except EPS						
Revenue	4,881	4,427	10.2%	14,187	13,908	2.0%
Gross profit	814	448	82%	1,786	1,492	20%
Operating profit	530	227	133%	916	801	14%
Finance cost	258	175	47%	807	408	98%
Profit	237	10	2,229%	101	270	-62%
Earning per share	1.41	0.06	2,250%	0.60	1.61	-63%

The company earned gross profit of Rs. 1,785.54 million during the nine months period under discussion which is Rs.293 million higher than that of last year with almost the same topline. Resultantly, the gross margins remained at 12.59% as against 10.73% posted in same period last year. However, during the 3rd quarter ended on March 31, 2023, the company managed to earn gross margins of 16.67% on the back of lower raw material prices, better planning and stringent control over production costs apart from passing on the inflationary affect to customers.

Selling and distribution expenses have increased from 484.07 million to 603.68 million due to regular investment in sales and brand promotional activities.

Financial charges during the 9 months period have increased significantly from Rs.408.17 million to Rs.807.19 million mainly because of the sharp increase in policy rate to 20% and also from increase in average utilization of working capital limits in the first half of the current financial year. However, during the 3rd quarter ending on March 31, 2023, the Company initiated a drive to bring down working capital limits in order to arrest the galloping finance cost. Resultantly, the working capital limits reduced by Rs.1.2 billion that helped the Company to curtail financial cost to Rs.257 million during the 3rd quarter under discussion. The Company will follow the same policy in the ensuing times too to combat with higher policy rates.

During the 3rd quarter and 9 months periods of current financial year, the net profits of the Company remained at Rs.236.61 million and Rs.101.22 million respectively.

FUTURE OUTLOOK

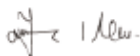
The management of the Company is closely monitoring the evolving economic situation, its impact on business environment and devising suitable strategies to steer through these tough times. Despite many challenges, there are still opportunities for growth in tyre industry; exports have become more competitive than ever before and new opportunities for import substitution are likely to emerge resulting from rupee depreciation and curbs on unnecessary imports. The management of the Company is closely monitoring the evolving economic situation and devising suitable strategies to capitalize on these forthcoming opportunities.

The management is also vigilantly monitoring the supply of raw materials and growing cost of doing business and is adopting all necessary measures to effectively tackle these challenges by leveraging its expertise and resources amidst most difficult time of Pakistan's economy.

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 Board of Directors



Mian Faisal Iftikhar
Chief Executive Officer



Mian Iftikhar Ahmed
Chairman

Lahore: April 12, 2023

ڈائریکٹرز جائزہ رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2023ء کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کی مدت کے لیے ڈائریکٹرز کی جائزہ رپورٹ اور عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی اور کاروباری ماحول کا جائزہ:

رواں مالی برس پاکستان کی معیشت کے لیے مشکل ترین ثابت ہو رہا ہے۔ مہنگائی 48 سال کی بلند ترین سطح پر ہے جبکہ زرمبادلہ کے ذخائر گرنے کے بعد 14 ارب ڈالر کی کمی دباؤ کی کم ترین سطح پر پہنچ گئے ہیں۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان نے شرح سود کو 21 فیصد کی غیر معمولی سطح تک بڑھا دیا ہے۔ زرمبادلہ کے کم ذخائر نے شرح مبادلہ پر دباؤ ڈالا ہے اور پاکستانی روپیہ مالی برس کے آغاز سے 39 فیصد کی زبردست گراؤت سے 285 تک گر گیا ہے۔ ان عوامل نے کاروبار کو براہ راست اور بالواسطہ طور متاثر کیا ہے۔ مہنگائی نے صارفین کی قوت خرید کو کم کر دیا ہے جس سے مصنوعات کی مانگ متاثر ہو رہی ہے، مزید یہ کہ کاروباری لاگت بھی بڑھتی جا رہی ہے۔ چونکہ مصنوعات کی طلب سست ہے اس لیے کاروباری لاگت میں اضافے کے اثر کو پوری طرح سے منتقل نہیں کیا جاسکتا۔ درآمدات کو روکنے کے لیے اسٹیٹ بینک نے غیر سرکاری طور پر درآمدات پر پابندیاں عائد کر رکھی ہیں۔ ایل سی آئی کی رپورٹ کے مطابق اسٹیٹ بینک کی اس پالیسی کی وجہ سے 10 مئی سے 9 کاروبار متاثر ہو رہے ہیں۔ یہ پابندی مارکیٹ میں مصنوعات کی کمی کا باعث بن کر ان کی قیمتوں میں غیر معمولی اضافہ کا سبب بن رہی ہے۔ ان چیلنجز کے باعث معاشی حالات سخت ہو گئے ہیں جس نے کاروباری ماحول پر منفی اثر ڈالا ہے جس سے سرمایہ کاری میں کمی، قرضہ جات کی لاگت میں اضافے اور کاروباری سرگرمیوں میں سست روی ہو سکتی ہے۔ معاشی حالات کی سختی کے اثرات کی عکاسی کرتے ہوئے عالمی بینک نے رواں مالی برس کے دوران پاکستان کی شرح نمو کو 2 فیصد سے کم کر کے 0.4 فیصد کر دیا ہے۔

مزید برآں، سیاسی اور اقتصادی بحران کے علاوہ آئی ایم ایف کے نیل آؤٹ پروگرام میں بار بار کمی تاخیر سے پاکستان میں کساد بازاری پیدا ہونے کا خدشہ ہے۔ آئی ایم ایف کے نیل آؤٹ پیکیج کے لیے پاکستانی حکام نے پہلے ہی بلواسطہ اور بلاواسطہ ٹیکسوں میں اضافہ، توانائی کی سبسڈی میں کمی اور قیمتوں کو کم کرنے کے لیے شرح سود کو 25 سال کی بلند ترین سطح پر پہنچا دیا ہے۔ یہ سارے عوامل ایک بار پھر کاروباری ماحول پر اثر انداز ہوں گے۔

آپریٹنگ کارکردگی

ان مشکل حالات میں کمپنی کا پہلا اور سب سے اہم ہدف یہ تھا کہ وہ ان سے نہرو آ زما ہونے کے لیے جامع منصوبہ بندی اور حکمت عملی وضع کرے۔ اب تک کمپنی ان چیلنجز کا مقابلہ کرنے میں کامیاب رہی ہے اور 31 مارچ 2023ء کو ختم ہونے والی نو ماہی مدت کے دوران 14.18 ارب روپے کی مصنوعات فروخت کیں جو گذشتہ برس کی اسی مدت کے مقابلے میں 1.9 فیصد زیادہ ہے۔ اگرچہ اس عرصے کے دوران OEMs کو مصنوعات کی فروخت میں نمایاں کمی واقع ہوئی، تاہم، کمپنی مقامی اور درآمدی متبادل مارکیٹوں کے ذریعے خسارے کو کم کرنے میں کامیاب رہی۔ کمپنی کی درآمدات میں نمایاں بہتری آئی ہے اور پاکستانی روپے کی کمزور شرح مبادلے کے باعث اس میں قابل قدر 63 فیصد کی شرح نمو ہوئی ہے۔

کمپنی کے اہم مالیاتی نتائج کا خلاصہ ذیل میں ہے:

PKR in millions except EPS	Three Months			Nine Months		
	Mar-23	Mar-22	Change	Mar-23	Mar-22	Change
Revenue	4,881	4,427	10.2%	14,187	13,908	2.0%
Gross profit	814	448	82%	1,786	1,492	20%
Operating profit	530	227	133%	916	801	14%
Finance cost	258	175	47%	807	408	98%
Profit	237	10	2,229%	101	270	-62%
Earning per share	1.41	0.06	2,250%	0.60	1.61	-63%

کمپنی نے رواں نو ماہی مدت کے دوران 1,785.54 ملین روپے کا مجموعی منافع کمایا جو گذشتہ برس کی تقابلی مدت سے اسی ٹاپ لاکھین سے 293 ملین روپے زیادہ ہے۔ نتیجتاً مجموعی مارچن 12.59 فیصد رہا جو گذشتہ برس اسی مدت میں 10.73 فیصد تھا۔ تاہم، 31 مارچ 2023ء کو ختم ہونے والی تیسری سہ ماہی کے دوران، کمپنی خام مال کی کم قیمتوں، بہتر منصوبہ بندی اور پیداواری لاگت پر سخت کنٹرول کے علاوہ گرانی کے اثرات کو صافین تک منتقل کرنے کی وجہ سے 16.67 فیصد مجموعی منافع حاصل کرنے میں کامیاب رہی۔

مصنوعات کی فروختگی اور ڈسٹریبوشن کے اخراجات 484.07 ملین روپے سے بڑھ کر 603.68 ملین روپے ہو گئے۔ اس کی وجہ سیلز اور برانڈ پروموشن کی سرگرمیوں میں سرمایہ کاری تھی۔

زیرہ جائزہ نو ماہی مدت کے دوران مالیاتی اخراجات میں نمایاں اضافہ ہوا جو 408.17 ملین روپے سے بڑھ کر 807.19 ملین روپے ہو گئے۔ جس کی بنیادی وجہ شرح سود میں 20 فیصد تک تیزی سے اضافہ اور رواں مالی برس کی پہلی ششماہی میں ورکنگ کیپٹل کی limits کے اوسط استعمال میں اضافہ تھا۔ تاہم، 31 مارچ 2023ء کو ختم ہونے والی تیسری سہ ماہی کے دوران، کمپنی نے مالیاتی لاگت پر قابو پانے کے لیے ورکنگ کیپٹل کی limits کو کم کرنے کی پالیسی اپنائی۔ جس کے نتیجے میں ورکنگ کیپٹل کی limits میں 1.2 ملین روپے کی کمی ہوئی جس سے زیرہ جائزہ سہ ماہی کے دوران مالیاتی لاگت میں 257 ملین روپے کی کمی کرنے میں مدد ملی۔ کمپنی مستقبل میں بھی اسی پالیسی پر کاربند رہے گی تاکہ بلند شرح سود کے اثرات سے نمٹا جاسکے۔

رواں مالی برس کی تیسری سہ ماہی اور 9 ماہ کی مدت کے دوران کمپنی کا خالص منافع بالترتیب 236.61 ملین روپے اور 101.22 ملین روپے رہا۔

مستقبل کا منظر نامہ:

کمپنی کی انتظامیہ موجودہ معاشی صورتحال کے خدوخال، کاروباری ماحول پر اس کے اثرات اور ان مشکل وقتوں سے نبرد آزما ہونے کے لیے مناسب حکمت عملی اپنانے پر گہری نظر رکھے ہوئے ہے۔

متنوع چینلجز کے باوجود، نائز انڈسٹری میں ترقی کے مواقع موجود ہیں۔ برآمدات پہلے سے کہیں زیادہ مسابقت میں آ رہی ہیں، روپے کی قدر میں کمی اور غیر ضروری درآمدات پر پابندی کے نتیجے میں درآمدات کے متبادل کے نئے مواقع پیدا ہونے کے قوی امکانات ہیں۔ کمپنی کی انتظامیہ ابھرتی ہوئی معاشی صورتحال پر گہری نگاہ رکھے ہوئے ہے اور اس سے پیدا ہونے والے مواقع سے فائدہ اٹھانے کے لیے مناسب حکمت عملی وضع کر رہی ہے۔

انتظامیہ خام مال کی فراہمی اور کاروباری بڑھتی ہوئی لاگت پر چوکسی سے نگرانی اور پاکستان کی معیشت کے مشکل ترین وقت میں اپنی مہارت اور وسائل کو بروئے کار لاتے ہوئے ان چینلجز سے موثر طریقے سے نمٹنے کے لیے تمام ضروری اقدامات کر رہی ہے۔

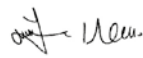
اظہار تشکر

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 شکر یہ ادا کرتا ہے۔

بورڈ کی جانب سے



میاں افتخار احمد
چیئر مین



میاں فیصل افتخار
چیف ایگزیکٹو آفیسر

لاہور 12 اپریل 2023ء



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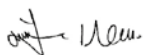


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	Note	Un-audited March 31, 2023	Audited June 30, 2022
NON CURRENT ASSETS			
Property, plant and equipment	5	10,092,166,028	8,977,076,235
Right-of-use assets		67,609,219	79,984,230
Intangible assets		3,029,177	4,165,119
Long term deposits and receivables		65,885,389	55,226,561
		10,228,689,813	9,116,452,145
CURRENT ASSETS			
Stores and spares		231,725,819	189,610,372
Stock in trade		4,141,964,366	4,340,368,037
Trade debts		2,828,775,275	4,298,059,971
Advances, deposits, prepayments and other receivables		1,068,643,324	736,800,810
Cash and cash equivalents		506,592,032	714,370,353
		8,777,700,816	10,279,209,543
TOTAL ASSETS		19,006,390,629	19,395,661,688
EQUITY AND LIABILITIES			
Authorized Share Capital 300,000,000 (30 June 2022: 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 2022: 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		2,886,737,316	2,911,101,732
Surplus on revaluation of property, plant and equipment		945,609,602	970,251,032
		6,806,780,576	6,855,786,422
NON CURRENT LIABILITIES			
Long term liabilities	6	1,889,092,396	1,603,538,653
Loan from directors	7	749,829,584	692,433,562
Deferred grant		76,293,339	135,785,007
Deferred taxation		447,831,004	656,154,055
		3,163,046,323	3,087,911,277
CURRENT LIABILITIES			
Trade and other payables		2,242,565,933	1,642,431,647
Current portion of long term liabilities		450,172,205	294,555,177
Accrued mark-up		396,866,122	299,479,274
Short term financing - secured	8	5,946,581,266	7,215,101,096
Unclaimed dividend		378,204	396,795
		9,036,563,730	9,451,963,989
TOTAL EQUITY AND LIABILITIES		19,006,390,629	19,395,661,688
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 15 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 NINE MONTHS ENDED MARCH 31, 2023

	Note	Three Months Period Ended		Nine Months Period Ended	
		31 March 2023 (Un-audited) Rupees	31 March 2022 (Un-audited) Rupees	31 March 2023 (Un-audited) Rupees	31 March 2022 (Un-audited) Rupees
Revenue from contracts with customers - net	10	4,880,959,107	4,427,377,486	14,186,627,802	13,908,330,430
Cost of sales	11	(4,067,146,635)	(3,979,529,383)	(12,401,086,098)	(12,416,071,551)
Gross profit		813,812,472	447,848,103	1,785,541,704	1,492,258,879
Selling and distribution expenses		(203,025,938)	(153,648,756)	(603,676,730)	(484,069,795)
Administrative expenses		(73,401,348)	(76,800,912)	(278,251,239)	(224,784,795)
Other operating expenses		(28,758,337)	(4,370,837)	(54,131,786)	(31,356,890)
Other operating income		21,212,239	14,158,769	66,129,845	49,052,538
Profit from operations		529,839,088	227,186,367	915,611,794	801,099,937
Finance cost		(257,937,337)	(175,046,662)	(807,187,045)	(408,165,556)
Profit before taxation		271,901,751	52,139,705	108,424,749	392,934,381
Taxation		(35,288,739)	(41,978,418)	(7,208,645)	(123,284,085)
Profit after taxation		236,613,012	10,161,287	101,216,104	269,650,296
Other comprehensive income					
Items to be reclassified to profit or loss in subsequent periods:		-	-	-	-
Items not to be reclassified to profit or loss in subsequent periods:					
Revaluation surplus on property plant & equipment - net of tax		5,274,089	2,644	17,778,102	11,483,258
Total other comprehensive income		5,274,089	2,644	17,778,102	11,483,258
Total comprehensive income		241,887,101	10,163,931	118,994,206	281,133,554
Earnings per share					
- Basic and diluted (Rs.)	12	1.41	0.06	0.60	1.61

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER

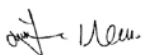

DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 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 2021 (audited)	1,400,000,000	1,574,433,658	854,801,883	2,747,555,295	6,576,790,836
Issuance of bonus shares for the year ended 30 June 21 at the rate 20%	280,000,000	(280,000,000)	-	-	-
Final dividend for the year ended 30 June 2021 at the rate of Rs. 2 per share	-	-	-	(280,000,000)	(280,000,000)
Profit for the period	-	-	-	269,650,296	269,650,296
Other comprehensive income - net of tax	-	-	-	11,483,258	11,483,258
Total comprehensive income for the period	-	-	-	281,133,554	281,133,554
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(30,802,198)	30,802,198	-
Balance as at 31 Mar 2022 (un-audited)	1,680,000,000	1,294,433,658	823,999,685	2,779,491,047	6,577,924,390
Balance as on 01 July 2022 (audited)	1,680,000,000	1,294,433,656	970,251,032	2,911,101,732	6,855,786,422
Profit for the period	-	-	-	101,216,104	101,216,104
Final dividend for the year ended 30 June 2022 at the rate of Rs.1 per share	-	-	-	(168,000,000)	(168,000,000)
Other comprehensive income - net of tax	-	-	-	17,778,102	17,778,102
Total comprehensive income for the period	-	-	-	(49,005,794)	(49,005,794)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(24,641,378)	24,641,378	-
Balance as at 31 March 2023 (un-audited)	1,680,000,000	1,294,433,656	945,609,654	2,886,737,316	6,806,780,628


CHIEF EXECUTIVE OFFICER


DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOW

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine Months Period Ended	
	March 31, 2023 Un-audited	March 31, 2022 Un-audited
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before taxation	108,424,749	392,934,381
Adjustment for non cash charges and other items:		
Depreciation - owned assets	268,686,411	235,153,949
Depreciation - right-of-use assets	12,375,006	23,123,814
Amortization	1,135,941	2,608,447
Grant income	(53,791,458)	(11,930,406)
Gain on sale of fixed assets	(6,195,245)	(11,014,304)
Provision for contribution to provident fund trust	18,078,218	16,836,452
WPPF provision	5,877,052	21,214,564
WWF provision	3,239,240	10,142,326
Allowance of expected credit loss	22,145,199	3,746,798
Reversal / provision for slow moving stock in trade	(4,813,845)	449,858
Income from TDR	(3,179,142)	(24,505,708)
Impact of IFRS-9 on employees loan	(12,380,528)	-
Impact of IFRS-9 on directors loan	57,396,022	-
Mark-up on WPPF loan	3,549,411	-
Mark-up on lease liabilities - rented premises	14,045,868	16,671,025
Mark-up on long term loans	100,742,438	62,762,743
Mark up on short term finances under mark-up arrangements	668,201,725	311,752,250
	1,095,112,313	657,011,808
Operating profit before working capital change	1,203,537,062	1,049,946,189
Adjustment for working capital items		
Increase in stores and spares	(42,115,447)	(33,280,921)
Decrease/(Increase) in stock in trade	203,217,516	(1,331,454,974)
Decrease/(Increase) in trade debtors	1,451,349,601	(478,817,295)
Increase in deposits, prepayments and other receivables	(280,824,573)	(148,929,745)
Increase in trade payables	630,869,262	218,447,548
	1,962,496,359	(1,774,035,387)
Cash generated from / (used in) operations	3,166,033,421	(724,089,198)
Contribution paid to provident fund trust	(18,668,050)	(15,954,689)
WPPF Paid	(40,161,439)	(61,013,216)
Mark-up paid	(604,504,853)	(212,940,677)
Income tax paid - net	(255,250,015)	(349,381,908)
Net cash generated from / (used in) operating activities A	2,247,449,064	(1,363,379,688)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,404,619,884)	(2,499,400,478)
Long term deposits	(23,039,356)	(23,043,475)
Sale proceeds from disposal of property, plant and equipment	27,038,873	14,875,000
Net cash used in investing activities B	(1,400,620,367)	(2,507,568,953)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loan obtained from financial institutions	300,000,000	1,062,396,568
Long-term loan repaid to financial institutions	(127,113,129)	(235,362,813)
Dividend paid	(168,018,591)	(280,000,000)
Short term running finance - net	(1,268,519,830)	3,066,574,779
Loan from directors - net	230,125,052	150,000,000
Lease rentals paid	(21,080,520)	(25,399,916)
Net cash (used in) / generated from financing activities C	(1,054,607,018)	3,738,208,618
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(207,778,321)	(132,740,023)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	714,370,353	806,059,464
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	506,592,032	673,319,441

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



PANTHER



COMMITTED To
QUALITY



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 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 comprise the condensed interim statement of financial position of the Company as at March 31, 2023 and the related condensed interim statement of comprehensive income, the condensed interim statement of changes in equity and the condensed interim statement of cash flows together with the notes forming part thereof.

- These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017.
- 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 These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of June 30, 2022, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and related notes are extracted from condensed interim financial statements of the Company for the nine months period ended March 31, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 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 for the year ended June 30, 2022, except as mentioned in note 3.2.

- 3.2 The Company adopted following new amendments to the approved accounting standards which became effective during the period, however these are not considered to be relevant or have any significant effect on the financial statements:

New Standards, Interpretations and Amendments

IFRS 3	Reference to conceptual framework — (Amendments)
IAS 16	Property, plant and equipment: Proceeds before intended use — (Amendments)
IAS 37	Onerous contracts - costs of fulfilling a contract — (Amendments)
AIP IFRS 1	First-time Adoption of International Financial Reporting Standards — Subsidiary as a first-time adopter
AIP IFRS 9	Fees in the '10 per cent' test for derecognition of financial liabilities

- 3.3 Standards, interpretation and amendments to published approved accounting standards that are not yet effective:

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)	
IAS 1	Classification of liabilities as current or non-current — (Amendments)	January 01, 2023
IAS 8	Definition of accounting estimates — (Amendments)	January 01, 2023
“IAS 1 and IFRS Practice Statement 2”	Disclosure of accounting policies — (Amendments)	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction — (Amendments)	January 01, 2023
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its associate or Joint Venture — (Amendments)	Not yet finalized

The Company expects that such improvements to the standards will not have any material impact on the Company's condensed interim financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2022.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

	Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standard	July 01, 2009
IFRS 17	Insurance Contracts	January 01, 2023

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 2022.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited March 31, 2023	Audited June 30, 2022
Rupees			
Operating fixed assets		4,863,795,998	4,925,494,944
Capital work in progress	5.1	5,228,370,030	4,051,581,291
		<u>10,092,166,028</u>	<u>8,977,076,235</u>
5.1 Capital work-in-progress			
Opening book value		4,051,581,291	1,474,376,096
Addition during the period		1,362,426,047	3,198,385,300
Transfer during the period		(185,637,308)	(621,180,105)
Closing Book Value		<u>5,228,370,030</u>	<u>4,051,581,291</u>

	Note	Un-audited March 31, 2023	Audited June 30, 2022
Rupees			
6. LONG TERM LIABILITIES			
Loan from financial institutions - secured	6.1	2,072,355,592	1,913,766,889
Less: Deferred grant		(148,734,312)	(202,525,291)
Less: Current portion shown under current liabilities		(127,163,221)	(199,527,017)
		1,796,458,059	1,511,714,581
Lease liabilities - rented premises		113,077,296	120,111,948
Less: Current maturity shown under current liabilities		(20,442,959)	(28,287,876)
		92,634,337	91,824,072
		<u>1,889,092,396</u>	<u>1,603,538,653</u>

- 6.1 These represent long term loans from financial institutions bearing mark up at the rates ranging from 2.5% per annum to 19.74% per annum (30 June 2022: 2.25% per annum to 15.64% 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.

	Note	Un-audited March 31, 2023	Audited June 30, 2022
Rupees			
7. LOAN FROM DIRECTORS			
Opening balance		770,000,000	620,000,000
Obtained during the period		246,000,000	150,000,000
		1,016,000,000	770,000,000
Repayment during the period		(15,874,948)	-
Current portion shown under current liabilities		(230,125,052)	-
		(246,000,000)	-
		770,000,000	770,000,000
IFRS-9 discounting impact		(20,170,416)	(77,566,438)
Closing balance		<u>749,829,584</u>	<u>692,433,562</u>

8. SHORT TERM FINANCING - SECURED

Short term finances aggregating to Rs. 8.373 billion (30 June 2022: Rs. 8.123 billion) are available from commercial banks and DFIs under mark up arrangements. The mark up is charged at the rates ranging from 3.00% per annum to 23.03% per annum (30 June 2022: 3.00% per annum to 16.74% per annum). The aggregate 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 2022.

COMMITMENTS

Commitments from various banks against letter of credit and letter of guarantees are Rs. 1,944.30 million (30 June 2022: 1,884.52 million) and Rs.199.72 million (30 June 2022: Rs. 178.34 million) respectively.

	Three-months period ended		Nine-months period ended	
	31 Mar 2023 (Un-audited) Rupees	31 Mar 2022 (Un-audited) Rupees	31 Mar 2023 (Un-audited) Rupees	31 Mar 2022 (Un-audited) Rupees
10 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET				
Local sales	4,027,051,615	4,013,988,533	11,985,926,125	12,560,407,013
Export sales	853,907,492	413,388,953	2,200,701,677	1,347,923,417
	4,880,959,107	4,427,377,486	14,186,627,802	13,908,330,430
11 COST OF SALES				
Cost of goods manufactured	4,047,347,011	4,149,822,179	12,519,596,254	13,065,892,658
Add: Finished goods - opening	2,203,752,607	1,702,249,129	1,759,156,475	974,174,228
	6,251,099,618	5,852,071,308	14,278,752,729	14,040,066,886
Add: Finished goods purchased	229,357,093	147,313,481	535,643,445	395,860,071
Less: Finished goods - closing	(2,413,310,076)	(2,019,855,406)	(2,413,310,076)	(2,019,855,406)
Cost of goods sold	4,067,146,635	3,979,529,383	12,401,086,098	12,416,071,551
12 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after taxation - Rupees	236,613,012	10,161,287	101,216,104	269,650,296
Weighted average number of shares	168,000,000	168,000,000	168,000,000	168,000,000
Earnings per share-Rupees	1.41	0.06	0.60	1.61

13 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:

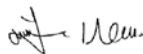
Name of Related Party	Nature of Transaction	Un-audited Nine months period ended	
		March 31, 2023 Rupees	March 31, 2022 Rupees
Mian Iftikhar Ahmed - Director	Rent of head office	19,765,350	17,968,500
Staff provident fund	Contribution to staff provident fund	18,078,218	16,836,452
Mian Iftikhar Ahmed - Director	Loan from director obtained	217,000,000	150,000,000
Mian Faisal Iftikhar - Director	Loan from director obtained	15,000,000	-
Ms. Samina Iftikhar - sponsor	Spouse of Mian Iftikhar (Director)	14,000,000	-
Mian Iftikhar Ahmed - Director	Markup on loan from director	28,901,370	39,512,417
Directors	Repayment of short term loan	15,874,948	-
Directors	Dividend Paid	125,132,300	201,558,000
Key Management Personnel	Loan advanced to the employee	10,000,000	30,000,000
	Loan repaid to the Company	3,500,000	1,500,000

14 Segment Reporting

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

15 GENERAL

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on April 12, 2023



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



PANTHER

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