



**PANTHER**  
برسفر --- برمنزل کاساتھ

QUARTERLY REPORT SEPTEMBER  
**2023**



**PANTHER**  
A TRUSTED COMPANION



**PANTHER**

**Panther Tyres Limited**

Panther House, 97-B, Aziz Avenue,

Jail Road, Lahore-Pakistan

UAN: +92 42 111 55 4444

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www.panthertyres.com





#LevelHeAurHai

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SABER ASAM  
*Saber Asam*

# CONTENTS

06	Company Information
07	Directors' Review Report
11	Condensed Interim Statement of Financial Position
12	Condensed Interim Statement of Comprehensive Income
13	Condensed Interim Statement of Changes in Equity
14	Condensed Interim Statement of Cash Flows
15	Notes to the Condensed Interim Financial Statements

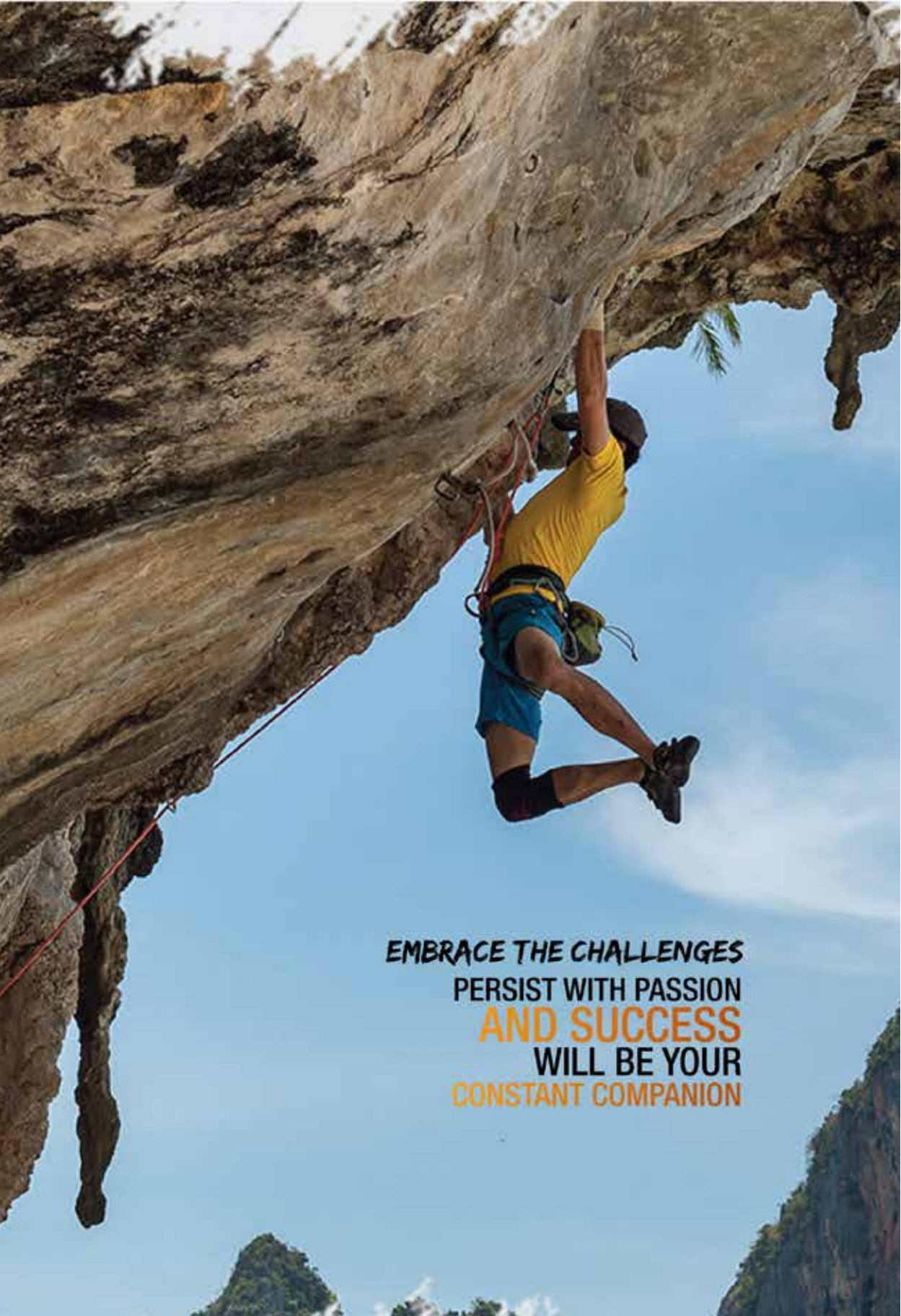


FROM LIGHTEST TO HEAVIEST  
*Excellence Delivered*



*Shahid Afridi*  
SHAHID AFRIDI





**EMBRACE THE CHALLENGES  
PERSIST WITH PASSION  
AND SUCCESS  
WILL BE YOUR  
CONSTANT COMPANION**

## 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 Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Habib Bank Limited  
Habib Bank Limited-Islamic  
Industrial and Commercial Bank of China Ltd.  
JS Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
National Bank of Pakistan-Islamic  
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.panthertyres.com](http://www.panthertyres.com)



HEAD OFFICE



FACTORY

# DIRECTORS' REVIEW

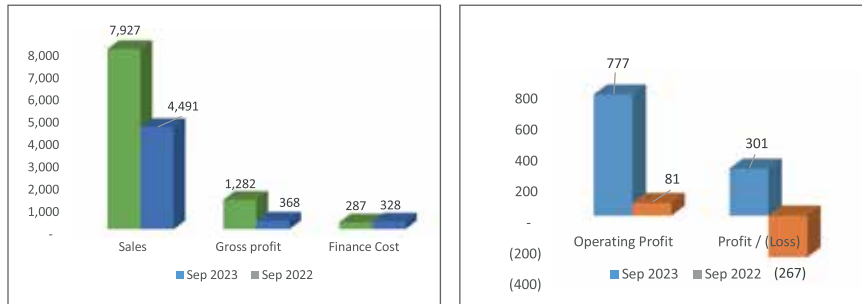
The Board of Directors of the Company is pleased to present before you the financial statements of the Company for the 1st quarter ended September 30, 2023.

## OVERVIEW OF ECONOMY AND BUSINESS PERFORMANCE

As Pakistan entered the fiscal year 2023-24, it faced some tough challenges, characterized by soaring inflation and uncertainty in the economic and political landscapes. Inflation continued to surge as the government reduced energy-related subsidies. To curb this unabated inflation, SBP raised the policy rate to 22%. These factors together have affected the overall business environment of the country. However, restriction on un-necessary imports and crack down on smuggling has created business opportunity for tyre manufacturers.

Amidst these difficult conditions, your company showcased decent financial performance and continued the same momentum picked up since the fourth quarter of last financial year. This performance can be attributed to our commitment to financial discipline, rigorous cost control measures, and the implementation of diverse strategies, including focus on increasing exports, reducing reliance on borrowed money and optimizing plant operations with a specific focus on reducing operational costs. Furthermore, we've successfully navigated the impact of inflation by gradually adjusting our product prices. This all resulted into impressive financial performance in the quarter under review as detailed below: (Rs. In million)

Following are the key financial results of the company;



During this quarter, the company continued to experience the good demand of its products not only in local market but also in export markets as well. Sales to OEMs have shown uptick after pause of many months. Consequently, sales of the company grew by 76% from Rs.4,491 million to Rs.7,927 million in the three months period ended on September 30, 2023. Although this increase encompass the price escalation impact of 17%, yet major growth can be attributed to quantitative side.

The company earned a healthy gross profit of Rs.1,282 million, marking a leap from the Rs.368 million reported during same period last year, resulting in an increase in gross margin from 8.19% to 16.17%. The surge in the product off take & top line helped the company to absorb the fixed overheads of factory and contributed towards the improvement in margin.

The Company continued spree of investing on marketing and branding activities. Resultantly, selling and distribution expenses experienced an increase of Rs.155 million. This investment will help the Company achieve its future sales targets.

During the period under review, financial charges have decreased from Rs.329.49 million to Rs.286.94 million. This decrease can be attributed to the financial discipline implemented by the company across its operations and effective utilization of working capital limits. During the quarter under review the Company

managed its operations with working capital loans of Rs.5,744 million as compared to that of Rs.7,617 million utilized during the comparable quarter last year.

Resultantly, the company was able to earn net profit of Rs.301 million as compared to net loss of Rs.267 million suffered during the same period last year.

## FUTURE OUTLOOK

Looking ahead, Pakistan's economy is expected to stabilize and consolidate in the fiscal year 2024. A crucial development in this regard was the USD 3 billion IMF bailout secured in July, 2023 which prevented an impending default and helped rebuild forex reserves, paving the way for further financial support from other lenders. Furthermore, the government has recently undertaken reforms in Afghan transit trade, smuggling, under-invoicing and also in energy sector. These reforms, if continue, will start bearing fruit soon. On the flip side, it is important to note that 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 is fully geared up to realize the growth opportunities that are likely to emerge due to tighter controls on unnecessary imports & smuggling of tyres. Further, by focusing on the production of high-quality products and pursuing vigorous marketing strategies, the Company is poised to fortify its market position, ensuring sustainable growth in the days ahead. At the same time, the management is actively harnessing its capabilities to expand the Company's presence in global markets.

## ACKNOWLEDGMENT

The Board would like to take this moment to convey our heartfelt gratitude to our dedicated employees, loyal customers, supportive banks, dependable suppliers, and all other stakeholders. Your unwavering confidence and trust in our company have been the cornerstone of our success, and we deeply appreciate your continued support.

For and on behalf of the Board

Mian Faisal Iftikhar  
Chief Executive Officer

Mian Iftikhar Ahmed  
Chairman

October 18, 2023  
Lahore

## ڈائریکٹرز جائزہ رپورٹ

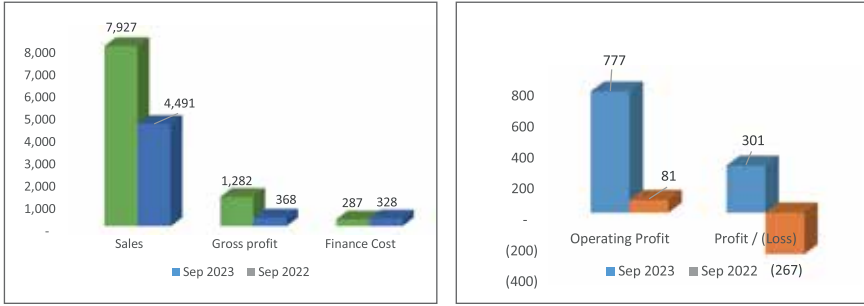
کمپنی کے بورڈ آف ڈائریکٹرز 30 ستمبر 2023ء کو ختم ہونے والی پہلی سہ ماہی کے لیے مالیاتی گوشوارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

معیشت اور کاروباری کارکردگی کا جائزہ:

پاکستان کو مالی برس 2023-24 میں داخل ہوتے ساتھ ہی بڑھتی ہوئی مہنگائی، معاشی اور سیاسی غیر یقینی صورتحال جیسے گھمبیر چیلنجز کا سامنا کرنا پڑا۔ حکومت کی جانب سے توانائی کے شعبے میں سبسڈی میں کمی اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں بہت زیادہ کمی سے افراط زر بڑھتا گیا۔ اس بے لگام مہنگائی کو روکنے کے لیے اسٹیٹ بینک آف پاکستان نے شرح سود کو 22 فیصد تک بڑھا دیا۔ ان عوامل نے ملک کے مجموعی کاروباری ماحول کو شدید متاثر کیا۔ تاہم، غیر ضروری درآمدات پر پابندی اور سنگلنگ کے خلاف کریک ڈاؤن جیسے اقدامات سے متاثر بنانے والی کمپنیوں کے لیے کاروباری مواقع پیدا ہوئے۔

ان تمام مشکلات کے باوجود آپ کی کمپنی نے بہترین مالیاتی کارکردگی کا مظاہرہ کیا اور مالی برس 2023ء کی آخری سہ ماہی کے بعد ترقی کی اس رفتار کو برقرار رکھا۔ کمپنی کی یہ کارکردگی مالیاتی نظم و ضبط، لاگت پر قابو پانے کے بہترین اقدامات اور دیگر حکمت عملیوں جیسا کہ برآمدات کو بڑھانے پر توجہ، قرضہ جات کے استعمال پر کم انحصار، آپریشنل اخراجات کو کم کرنے کے لیے پلانٹ کے آپریشنز میں بہتری کرنا، سے ممکن ہوئی۔ مزید برآں، ہم نے اپنی مصنوعات کی قیمتوں کو بتدریج ایڈجسٹ کرتے ہوئے افراط زر کے اثرات کو خاصی حد تک کم کیا۔ ان سب اقدامات کی بدولت زریہ جائزہ سہ ماہی میں آپ کی کمپنی متاثر کن مالیاتی کارکردگی دکھانے میں کامیاب رہی جس کی تفصیل ذیل میں ہے:

(پاکستانی روپے میں)



رواں سہ ماہی کے دوران، نہ صرف مقامی بلکہ برآمدی منڈیوں میں بھی کمپنی کی مصنوعات کی مانگ میں اضافہ جاری رہا۔ کئی ماہ کے قفل کے بعد OEM کی فروخت بھی بڑھی۔ جس کے نتیجے میں 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی میں کمپنی کی مصنوعات کی فروخت 76 فیصد اضافے کے ساتھ 4,491 ملین روپے سے بڑھ کر 7,927 ملین روپے ہو گئیں۔ اگرچہ یہ بڑھوتری قیمتوں میں اضافے کے صرف 17 فیصد اثرات کا احاطہ کرتی ہے لیکن پھر بھی مجموعی طور پر یہ ایک اچھی نمونہ ہے۔

کمپنی کے اہم مالیاتی نتائج کا خلاصہ ذیل میں ہے:

کمپنی نے زریہ جائزہ مدت کے دوران 1,282 ملین روپے کا قابل قدر مجموعی منافع کمایا جو گزشتہ برس اسی مدت کے دوران کمائے گئے مجموعی منافع سے 368 ملین روپے زیادہ ہے۔ اس طرح سے شرح منافع 8.19 فیصد سے بڑھ کر 16.17 فیصد ہو گئی۔ مصنوعات کے آف ٹیک اور ٹاپ لائن میں اس اضافے نے کمپنی کو فیکٹری کے فکسڈ اور ہینڈ کو جذب کرنے میں مدد دی اور شرح منافع کو بہتر بنایا۔

کمپنی نے اپنی مصنوعات کی برانڈنگ اور مارکیٹنگ کی سرگرمیوں پر سرمایہ کاری کا سلسلہ جاری رکھا جس کی وجہ سے مصنوعات کی فروخت اور تقسیم کے اخراجات میں 155 ملین روپے کا اضافہ ہوا۔ یہ سرمایہ کاری کمپنی کے مستقبل کے سبز اہداف کو حاصل کرنے میں مدد کرے گی۔

زریہ جائزہ مدت کے دوران مالیاتی اخراجات 329.49 ملین روپے سے کم ہو کر 286.94 ملین روپے ہو گئے۔ ایسا ورکنگ کیپٹل کے limits کے موثر استعمال اور کمپنی آپریشنز میں نافذ کیے گئے نظم و ضبط کی وجہ سے ممکن ہوا۔ رواں سہ ماہی کے دوران کمپنی نے 5,744 ملین روپے ورکنگ کیپٹل قرضہ جات کے ساتھ اپنے آپریشنز کو چلایا جبکہ گزشتہ برس اسی مدت کے دوران یہ 7,617 ملین روپے تھے۔

اس سب کے نتیجے میں، کمپنی 301 ملین روپے خالص منافع کمانے میں کامیاب رہی جبکہ گزشتہ برس اسی مدت کے دوران کمپنی 267 ملین روپے کے نقصان کا سامنا کرنا پڑا تھا۔

مستقبل کا منظر نامہ:

آئندہ کے منظر نامے میں پاکستانی معیشت کے مالی برس 2024ء میں مستحکم ہونے کی توقع ہے۔ اس سلسلے میں ایک اہم پیش رفت جولائی کے مہینے میں آئی ایم ایف کا 3 ارب امریکی ڈالر کا تیل آؤٹ تکلیف تھا جس نے ملک کے دیوالیہ ہونے کے خطرے کو نالا اور زرمبادلہ کے ذخائر کی تعمیر نو میں مدد کی اور دوسرے قرض دہندگان سے مالی مدد کے لیے مزید آگے بڑھنے کی راہ ہموار کی۔ مزید برآں، حکومت نے حال ہی میں افغان ٹرانزٹ ٹریڈ، سنگلنگ، انڈرانوائٹنگ اور توانائی کے شعبے میں بھی اصلاحات کی ہیں۔ اگر یہ اصلاحات جاری رہیں تو جلد ہی ان کے اثرات آنا شروع ہو جائیں گے۔ دوسری جانب یہ بات بھی پیش نظر رہے کہ ملک کے اندر مہنگائی کا چیلنج برقرار رہنے کا امکان ہے اور اکثر معاشی ماہرین کے خیال میں رواں مالی برس کے اختتام تک ہی مہنگائی کم ہونا شروع ہوگی۔

کمپنی کو ترقی کے ان مواقع کا پوری طرح سے ادراک ہے جن کا تاثر کی غیر ضروری درآمدات اور سنگلنگ پر سخت کنٹرول کی وجہ سے اچھے کام کا امکان ہے۔ مزید یہ کہ، اعلیٰ معیار کی مصنوعات کی پیداوار پر توجہ مرکوز کر کے اور مارکیٹنگ کی متنوع حکمت عملیوں پر عمل کرتے ہوئے، کمپنی آنے والے دنوں میں پائیدار ترقی کو یقینی بناتے ہوئے، اپنی مارکیٹ کی پوزیشن کو مضبوط کرنے کے لیے تیار ہے۔ ساتھ ہی، انتظامیہ عالمی منڈیوں میں کمپنی کی موجودگی کو بڑھانے کے لیے اپنی صلاحیتوں کو بہترین انداز میں بروئے کار لارہی ہے۔

اظہار تشکر:

بورڈ اس موقع پر اپنے ملازمین، کسٹمرز، پیسٹیکول، 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۔ ہماری کمپنی پر آپ کا غیر متزلزل اعتماد اور بھروسہ ہماری کامیابی کا سنگ بنیاد ہے اور ہم آپ کے مسلسل تعاون کو دل کی گہرائیوں سے سراہتے ہیں۔

بورڈ کی جانب سے

میاں فیصل افتخار  
چیف ایگزیکٹو آفیسر

میاں افتخار احمد  
چیئر مین

18 اکتوبر 2023ء

لاہور

**CONDENSED INTERIM  
STATEMENT OF FINANCIAL POSITION**  
AS AT SEPTEMBER 30, 2023

	Note	Un-audited September 30, 2023	Audited June 30, 2023
Rupees			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	10,458,714,303	9,618,216,023
Right-of-use assets		59,068,450	63,138,464
Intangible assets		2,271,883	2,650,530
Long term receivables		17,386,004	21,333,874
Long term deposits		31,310,389	31,310,389
		10,568,751,029	9,736,649,280
<b>CURRENT ASSETS</b>			
Stores and spares		254,999,491	226,406,185
Stock in trade		3,706,418,467	3,805,844,854
Trade debts		2,745,579,040	2,953,278,558
Advances, deposits, prepayments and other receivables		897,375,275	869,954,641
Cash and cash equivalents			
Short term deposits		57,455,000	25,455,000
Cash and bank balances		608,250,101	328,463,334
		8,270,077,374	8,209,402,572
<b>TOTAL ASSETS</b>		<b>18,838,828,403</b>	<b>17,946,051,852</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Share Capital</b>			
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		3,395,389,570	3,071,912,956
Surplus on revaluation of property, plant and equipment		591,837,862	596,727,263
		6,961,661,090	6,643,073,877
<b>NON CURRENT LIABILITIES</b>			
Long term liabilities	6	1,485,788,856	1,776,981,652
Loan from directors		770,000,000	770,000,000
Deferred grant		82,146,150	88,470,465
Deferred taxation		457,357,744	428,150,080
		2,795,292,750	3,063,602,197
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,470,599,841	2,108,011,878
Current portion of long term liabilities		470,782,509	278,767,478
Accrued mark-up		395,650,558	349,998,507
Short term financing - secured	7	5,744,531,192	5,502,287,452
Unclaimed dividend		310,463	310,463
		9,081,874,563	8,239,375,778
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,838,828,403</b>	<b>17,946,051,852</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		

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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Note	Three Months Period Ended	
		September 30, 2023	September 30, 2022
Rupees			
Revenue from contracts with customers - net	9	7,927,238,982	4,491,246,643
Cost of sales	10	(6,644,974,657)	(4,123,472,704)
<b>Gross profit</b>		<b>1,282,264,324</b>	<b>367,773,939</b>
Selling and distribution expenses		(365,508,112)	(210,706,459)
Administrative expenses		(115,940,158)	(92,164,446)
Other operating expenses		(37,940,591)	(6,245,935)
Other operating income		14,347,185	22,559,665
<b>Profit from operations</b>		<b>777,222,648</b>	<b>81,216,764</b>
Finance cost		(286,940,922)	(328,490,182)
<b>Profit / (loss) before taxation</b>		<b>490,281,726</b>	<b>(247,273,418)</b>
Taxation	11	(188,959,510)	(19,979,382)
<b>Profit / (loss) after taxation</b>		<b>301,322,216</b>	<b>(267,252,800)</b>
<b>Other comprehensive income / (loss)</b>			
Items not to be reclassified to profit or loss in subsequent periods:			
Revaluation surplus on property plant & equipment - net of tax		17,264,554	8,122,200
<b>Total other comprehensive income</b>		<b>17,264,554</b>	<b>8,122,200</b>
<b>Total comprehensive income / (loss)</b>		<b>318,586,770</b>	<b>(259,130,600)</b>
<b>Earnings / (loss) per share</b>			
- Basic and diluted (Rs.)	12	1.79	(1.59)

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

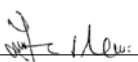
  
CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Capital Reserve			Revenue Reserve	Total
	Issued, subscribed and paid-up capital	Share premium	Revaluation surplus on property, plant and equipment	Unappropriated profit	
	-----Rupees-----				
<b>Balance as on 01 July 2022 (audited)</b>	1,680,000,000	1,294,433,656	970,251,032	2,911,101,732	6,855,786,422
Loss for the period	-	-	-	(267,252,800)	(267,252,800)
Other comprehensive income - net of tax	-	-	-	8,122,200	8,122,200
Total comprehensive income for the period	-	-	-	(259,130,600)	(259,130,600)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(8,500,564)	8,500,564	-
Balance as at 30 Sep 2022 (un-audited)	1,680,000,000	1,294,433,656	961,750,468	2,660,471,696	6,596,655,822
<b>Balance as on 01 July 2023 (audited)</b>	1,680,000,000	1,294,433,658	596,727,263	3,071,913,399	6,643,074,320
Profit for the period	-	-	-	301,322,216	301,322,216
Other comprehensive income - net of tax	-	-	-	17,264,554	17,264,554
Total comprehensive income for the period	-	-	-	318,586,770	318,586,770
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(4,889,401)	4,889,401	-
Balance as at 30 September 2023 (un-audited)	1,680,000,000	1,294,433,658	591,837,862	3,395,389,570	6,961,661,090

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

Note	Three Months Period Ended	
	September 30, 2023	September 30, 2022
	Un-audited	Un-audited
	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating profit before working capital changes	908,997,303	155,360,279
<b>Adjustment for working capital items</b>		
Increase in stores and spares	(28,593,306)	(26,669,287)
Decrease / (Increase) in stock in trade	99,426,387	(662,049,014)
Decrease in trade debtors	182,699,518	374,314,638
Increase in deposits, prepayments and other receivables	(56,610,456)	(109,218,058)
Increase in trade payables	336,273,814	310,817,063
	533,195,957	(112,804,658)
<b>Cash generated from operations</b>	1,442,193,261	42,555,621
Contribution paid to provident fund trust	(7,742,021)	(3,487,818)
Interest received from TDR	-	6,824,918
Mark-up paid	(208,927,200)	(196,935,967)
Income tax paid - net	(123,246,207)	(128,988,351)
<b>Net cash generated from / (used in) operating activities</b>	A 1,102,277,833	(280,031,597)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(932,190,136)	(649,989,177)
Long term deposits	3,947,870	(13,206,578)
Sale proceeds from disposal of property, plant and equipment	5,616,968	9,519,001
<b>Net cash used in investing activities</b>	B (922,625,298)	(653,676,754)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long-term loan repaid to financial institutions	(102,503,340)	(56,340,945)
Short term running finance - net	242,244,186	402,654,125
Lease rentals paid	(7,606,615)	(7,015,954)
<b>Net cash generated from financing activities</b>	C 132,134,231	339,297,226
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	311,786,767	(594,411,125)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	353,918,334	714,370,353
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	665,705,101	119,959,228

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



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 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 September 30, 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, 2023. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of June 30, 2023, 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 three months period ended September 30, 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, 2023, 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:

#### Standard or Interpretation

Standard or Interpretation	Effective date (annual periods beginning on or after)
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.

### 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	Audited
		September 30, 2023	June 30, 2023
Rupees			
Cost		12,885,667,301	11,959,112,744
Less: Accumulated depreciation		(2,426,952,998)	(2,340,896,721)
		<u>10,458,714,303</u>	<u>9,618,216,023</u>
<b>6. LONG TERM LIABILITIES</b>			
Loan from financial institutions - secured	6.1	1,930,746,310	2,033,249,650
Less: Deferred grant		(152,146,150)	(160,911,438)
Less: Current portion shown under current liabilities		(380,339,550)	(176,942,018)
		<u>1,398,260,610</u>	<u>1,695,396,194</u>
Lease liabilities - rented premises		107,971,205	110,969,945
Less: Current maturity shown under current liabilities		(20,442,959)	(29,384,487)
		<u>87,528,246</u>	<u>81,585,458</u>
		<u>1,485,788,856</u>	<u>1,776,981,652</u>

6.1 These represent long term loans from financial institutions bearing mark up at the rates ranging from 2.75% per annum to 25.06% per annum (30 June 2023: 2.75% 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.

#### 7. SHORT TERM FINANCING - Secured

Short term finances aggregating to Rs. 8.87 billion (30 June 2023: Rs. 8.37 billion) are available from commercial banks and DFIs under mark up arrangements. The mark up is charged at the rates ranging from 20.00% per annum to 25.71% per annum (30 June 2023: 3.00% per annum to 23.97% per annum). The aggregate finances are secured by joint pari passu charge on the current and fixed assets of the Company.

#### 8. CONTINGENCIES AND COMMITMENTS

##### CONTINGENCIES

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

##### COMMITMENTS

Commitments from various banks against letter of credit and letter of guarantees are Rs. 1,951.96 million (30 June 2023: 1,586.37 million) and Rs.259.79 million (30 June 2023: Rs. 208.44 million) respectively.

9. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	Un-audited	
	Three Months Period Ended September 30, 2023	September 30, 2022
Rupees		
Local sales	6,868,375,599	3,871,543,883
Export sales	1,058,863,382	619,702,760
	<u>7,927,238,982</u>	<u>4,491,246,643</u>

10. COST OF SALES	Un-audited	
	Three Months Period Ended September 30, 2023	September 30, 2022
Rupees		
Cost of goods manufactured	6,171,960,063	4,819,600,959
Add: Finished goods - opening	2,019,054,408	1,759,156,475
	<u>8,191,014,471</u>	<u>6,578,757,434</u>
Add: Finished goods purchased	124,524,762	203,752,280
Less: Finished goods - closing	1,670,564,576	2,659,037,010
	<u>6,644,974,657</u>	<u>4,123,472,704</u>
<b>11. TAXATION</b>		
Current tax	133,921,413	94,095,489
Prior year	8,565,877	5,372,789
Deferred tax	46,472,220	(79,488,896)
	<u>188,959,510</u>	<u>19,979,382</u>
<b>12. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED</b>		
Profit / (loss) after taxation - Rupees	301,322,216	(267,252,800)
Weighted average number of shares	168,000,000	168,000,000
	<u>1.79</u>	<u>(1.59)</u>
<b>13. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit / (loss) before taxation	490,281,726	(247,273,418)
<b>Adjustment for non cash charges and other items:</b>		
Depreciation - owned assets	88,917,381	89,568,019
Depreciation - right-of-use assets	4,070,009	4,125,007
Amortization	378,647	378,647
Grant income	(8,765,288)	(17,427,271)
Gain on sale of fixed assets	(2,842,493)	(884,968)
Provision for contribution to provident fund trust	7,668,721	6,269,468
WPPF provision	26,387,449	-
WWF provision	11,079,813	-
Allowance of expected credit loss	25,000,000	-
Reversal / provision for slow moving stock in trade	-	(4,813,845)
Income from TDR	(1,604,404)	(2,728,426)
Impact of IFRS-9 on employees loan	473,328	(12,380,528)
Impact of IFRS-9 on directors loan	-	18,626,463
Mark-up on lease liabilities - rented premises	4,607,875	4,681,956
Mark-up on long term loans	24,335,293	40,775,759
Mark up on short term finances under mark-up arrangements	239,009,245	276,443,416
	<u>418,715,577</u>	<u>402,633,697</u>
Operating profit before working capital changes	<u>908,997,303</u>	<u>155,360,279</u>

#### 14 TRANSACTIONS WITH RELATED PARTIES


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

##### Transactions with related parties:

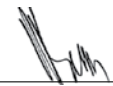
Name of Related Party	Nature of Transaction	Un-audited Three months period ended	
		September 30, 2023	September 30, 2022
Rupees			
Mian Iftikhar Ahmed - Chairman	Rent of head office	7,247,295	6,588,450
	Loan obtained	-	27,000,000
	Mark up on loan	42,523,409	19,408,219
Provident Fund	Company's Contribution to staff provident fund	7,668,721	6,269,468

#### 15. GENERAL

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on October 18<sup>th</sup>, 2023.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

