

Panther Tyres Limited

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

UAN: +92 42 111 55 4444
info@panthertyres.com

www.panthertyres.com



10 January, 2022

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Director / HOD,
Surveillance, Supervision and Enforcement Department,
Securities & Exchange Commission of Pakistan,
NIC Building, Blue Area, 63-Jinnah Avenue,
Islamabad.

Subject: Disclosure of Material Information – Change in Supplier of Machinery.

Dear Sirs

In accordance with the applicable provisions of the Securities Act, 2015 and Rule Book of the Pakistan Stock Exchange Limited, Panther Tyres Limited (the ‘**Company**’) is pleased to convey the following information.

“The Company was listed on the Pakistan Stock Exchange Limited pursuant to issue of Prospectus/Offer for Sale of Document issued by the Company on January 18, 2021 pursuant to approval of the SECP. It was disclosed in the Prospectus that one of the machineries for expansion - Banbury Tangential Mixer costing PKR 328.630 million will be purchased from M/s Farrel Limited, United Kingdom and the order will be placed for the said plant and machinery upon competition of book building process. It was, however, decided that the Banbury Tangential Mixer along with parts and accessories may be acquired from M/s Dalian Rubber & Plastics Machinery Co. LTD. (Dalian / DXS), China at a cost of PKR 327.97 million to save cost. In this regard, the following information is disseminated to the shareholders and market participants:

- (i) The shareholders’ approval through special resolution passed on 30 September, 2021 was obtained for the above change of supplier of one of the machineries - Banbury Tangential Mixer.
- (ii) The change in supplier of Banbury Tangential Mixer was made to save the cost which is being utilized for adding two essential parts i.e Pneumatic Conveying System (Material Handling System) and Master batch upstream system for Internal Mixer with in same budget.
- (iii) In terms of Section 16a of the PO Regulations an exit opportunity is offered in case of change of principal purpose of the issue as disclosed in the prospectus. As the company is not changing the principal purpose disclosed in the prospectus rather a change is being made in supplier of one of the machineries, therefore, Section 16a of PO regulations is not applicable in this case.
- (iv) Banbury Tangential Mixer will now be purchased from M/s Dalian Rubber & Plastics Machinery Co., Ltd (DXS), Founded in 1907, the state-owned enterprise of time-honored brand, known as the “cradle of China’s rubber and plastic machinery”. There are five (5) domestic and foreign subsidiaries with the international capabilities of R&D, manufacturing,

Page 1 of 3

h

Panther Tyres Limited

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

UAN: +92 42 111 55 4444
info@panthertyres.com

www.panthertyres.com



PANTHER

marketing and service. With an area of 530,000 square meters and 1,800 employees, the total assets of DXS are RMB 3.2 billion. DXS's products are widely used in the fields of automobiles, petrochemicals, agriculture, military, environment, aerospace, new materials etc. All the leading products have passed the Chartered Engineers certification, and are sold to more than 70 countries and territories all over the world. In recent years, six major business divisions are established. They are divisions of rubber machinery, petrochemical equipment, stretch film equipment, blown film equipment, special type equipment, and core components. Meanwhile, lifecycle services of products are provided in a professional, convenient, and intelligent way. DXS takes the lead in obtaining system certifications, such as of quality, environmental management, energy management etc. The superior product quality is always guaranteed by its robust capabilities in machining and top R&D design talents in the industry. DXS has always been in the forefront of the industry in terms of technology innovation, and has successively won 78 technological progress awards and 144 patents.

- (v) Quotation dated 25.09.2020 of Farrel Limited, UK.

Banbury Tangential Mixer

Price: 1,435,691

Currency: GBP

Amount including duties/taxes are PKR 328.63 million

Quotation dated 14.06.2021 of Farrel Limited, UK

Banbury Tangential Mixer

Material Handling System for Tangential Mixer

Price: 2,599,148

Currency: GBP

Amount including duties/taxes are PKR 628.99 million

- (vi) Additional Parts and accessories being quoted by Farrel Limited, UK.

Material Handling System for Tangential Mixer

- (vii) Proforma Invoice dated 06.09.2021 of Dalian, China.

Banbury Tangential Mixer (Internal Mixer) USD 605,000

Pneumatic Conveying System (Material Handling System) USD 461,000

Master batch upstream system for Internal Mixer USD 652,000

Price: CFR Karachi Port USD 1,718,000

Proforma invoice value including duties/taxes are PKR 327.97 million.

We have already purchased two mixers from the same supplier (Dalian, China); and with their online support commissioned the machinery through our engineering team. We have long term relationship with the supplier and there is a warranty period of one year after installation.

- (viii) **Implementation timelines:**

	Previous	New
Purchase and Installation:	2 Q FY 2022	2Q FY 2023

Panther Tyres Limited

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

UAN: +92 42 111 55 4444
info@panthertyres.com

www.panthertyres.com



PANTHER

- (ix) M/s Dalian, China, the supplier of Banbury Tangential Mixer is not a related party of the Company or its directors.
- (x) It is undertaken that the change in supplier would not negatively impact the quality of the products produced from Banbury Tangential Mixer.”

You may disseminate the above information to TRE Holders of your Exchange, accordingly.

Yours sincerely,

Mohsin Muzaffar Butt
Company Secretary