



Loads Limited

Manufacturers of Automotive Radiators, Exhaust Systems & Sheet Metal Components
Plot No. DSU-19, Sector II, Pakistan Steel Estate,
Bin Qasim, Karachi 75010, Pakistan.
Tel: (92-21) 34740100/03028674683-9
E-mail: loads@cyber.net.pk
Website: www.loads-group.pk



January 15, 2026

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

Subject: Declaration of Right Shares

Dear Sir,

In accordance with Sections 96 and 131 of the Securities Act, 2015, clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited and Regulation 3(1)(i) of the Companies (Further Issue of Shares) Regulations, 2020, we hereby convey the following information:

The Board of Directors of Loads Limited (the “**Company**”), in its meeting held on January 15, 2026 at 11:00 a.m., at the Company’s head office, has resolved to increase the paid-up share capital of the Company by issue of a further 120,000,000 (One Hundred and Twenty Million) ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) each, as Right Shares, to be offered to the members of the Company in the proportion of 1 Right Share for approximately every 2.0935 ordinary shares held i.e. approximately 47.761%, at a price of PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per Right Share (inclusive of a premium of PKR 2.50/- (Pak Rupees Two and Paisas Fifty) per Right Share).

The dates of closure of the Share Transfer Book of the Company, to determine the entitlement to the Right Shares, will be communicated in due course after finalization of the offer letter / document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.

Following details are enclosed:

- Statement with respect to the details of the Right Issue, including the quantum of the issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and its shareholders, risk factors, justification for the issue of shares at premium and minimum subscription amount (**Annexure A**).
- Certified True copy of the Extract of the Resolutions passed by the Board of Directors of the Company at its meeting held on January 15, 2026 with respect to the Right Issue (**Annexure B**).
- Draft copy of the notice of the Right Issue and book closure to the shareholders prior to its publication in the newspapers (**Annexure C**).



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You may please inform the TRE Certificate Holders of the Exchange accordingly.

For and on behalf of **Loads Limited**

Yours Sincerely,

Babar Saleem

Babar Saleem
Company Secretary



Enclosed: As above

Copy to:

The Commissioner

Corporate Supervision Department
Securities and Exchange Commission of Pakistan
Islamabad

Director / HOD

Surveillance, Supervision and Enforcement Department (SMD)
Securities and Exchange Commission of Pakistan
Islamabad



ANNEXURE A

LOADS LIMITED

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the shareholders, Risk Factors, Justification for issue of Shares at Premium, and Minimum Subscription Amount, under Regulation 3 of the Companies (Further Issue of Share) Regulations, 2020.

1. Quantum of Right Issue (i.e., as a percentage of existing paid-up capital)

The quantum of the Right Issue is approximately 47.761% of the existing paid-up capital of the Company i.e., 1 right share for approximately every 2.0935 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.

2. Issue Size

The Company shall issue 120,000,000 (One Hundred and Twenty Million) ordinary shares, at a price of PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share, aggregating to PKR 1,500,000,000/- (Pak Rupees One Billion and Five Hundred Million).

3. Issue Price Per Share

PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share (i.e., inclusive of a premium of PKR 2.50/- (Pak Rupees Two and Paisas Fifty) per share).

4. Purpose of Right Issue

The primary purpose of the Right Issue is to strengthen the Company's working capital base, including for increasing its raw material inventories, in order to ensure smooth business operations and sustain its growth momentum, with the aim of fortifying its financial position in order to enhance profitability and provide greater shareholder return. Over the past quarters, the Company has experienced a significant rise in customer orders, necessitating higher inventory levels and procurement of raw materials. The additional capital raised through this Right Issue will therefore enable the Company to efficiently manage its working capital cycle, maintain uninterrupted production, and capitalize on emerging business opportunities.

5. Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue shall primarily be utilized to augment the Company's working capital requirements (as further detailed below), with a major portion being allocated towards the enhancement of raw material inventories in response to the increasing demand from customers and the anticipated growth in production volumes. The funds will also be applied to meet operational overheads and other direct costs associated with the manufacturing process, thereby ensuring uninterrupted production and efficient utilization of capacity. Furthermore, the Company intends to strengthen its raw material base to adequately support aftermarket production, ensuring timely fulfilment of customer orders and maintaining supply chain stability.



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Activities classified as working capital.

Increasing stock-in-trade and consumable store levels to support rising OEM demand and expanding local and export aftermarkets.

Basis of estimation of working capital requirement, along with relevant assumptions.

Reflecting the tentative OEM schedule for the current year and anticipated growth in the coming years, alongside plans for a stronger presence in both local and export aftermarkets.

Reasons for raising additional working capital, substantiating the same with relevant facts and figures.

An increase of nearly 25% in OEM demand has elevated the Company's working capital requirements, supported by efforts to strengthen its presence in the aftermarket for radiators and allied parts.

Total envisaged working capital requirement in a tabular form, the margin money thereof and the portion to be financed by any bank(s) or otherwise.

The Company is of the view that the following quantum of working capital will be required due to the increase in OEM demand.

Working capital required (Estimated)

Stock in trade in days	120
Trade debts in days	55
Trade creditors in days	(61)
Cash Conversion Days	114

Working capital required (PKR) 2,165,532,225/-

Financed by (PKR)

Banks	665,532,225/-
Right Issue	1,500,000,000/-
	<u>2,165,532,225/-</u>

Cash Conversion Cycle in Number of days for last three years (days inventory outstanding + days sales outstanding - days payables outstanding)

	2023	2024	2025
Inventory Days (Inventory ÷ COGS) x 365 (A)	101	96	61
Days Payable (Trade Creditors ÷ COGS) x 365 (B)	32	60	74
Days Receivable (Trade Debtors ÷ Sales) x 365 (C)	34	62	44
Cash Conversion Days (D) = A + C - B	103	98	31



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Working Capital Requirement = D x COGS/365 (E) (PKR Mn)	1,061	970	399
Outstanding Bank Borrowings as of June 30 (F) (PKR Mn)	1,879	979	2,016
Excess of Funds (F-E) (PKR Mn)	(818)	(9)	(1,617)

6. Benefits to the Company and Shareholders

The Right Issue shall serve to strengthen the Company's capital reserves and working capital base, thereby enhancing its overall financial stability and operational resilience. This strengthened capital position is expected to lead to favourable position and an enhanced financial strength, ultimately reinforcing the Company's solvency position. Consequently, these measures are anticipated to contribute positively towards the Company's profitability and to bolster shareholder confidence. For shareholders, the Right Issue presents an opportunity to participate in the future growth and expansion of the Company at a preferential price, while safeguarding the value of their existing investment through improved financial stability and enabling the Company to deliver sustainable and enhanced returns over the long term.

7. Risk Factors associated with the Right Issue, if any

The Right Issue has been announced at a price which is below the current share trading price in the market; hence there is minimal investment risk associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue will be fully underwritten as per the requirements under the applicable regulations. Normal risks associated with the business remain; however, the Company is well equipped and positioned in the market with a proven track record, which will help to mitigate such risk factors.

8. Justification for issue of shares at premium

The Right Issue is being carried out at a premium. Considering the current market price of the Company's shares, the premium charged over the par value is justified and is in line with market practice; in fact, the same constitutes approximately 22.57% discount on the last 6 (six) months volume weighted average price, and 28.94% discount on the break-up value of the shares.

9. Minimum Subscription Amount

Not Applicable





ANNEXURE B

Extract of the Resolutions passed by the Board of Directors of Loads Limited (the "Company") at its meeting held on January 15, 2026 at the registered office of the Company.

A meeting of the Board of Directors of the Company was held on January 15, 2026 at 11:00 a.m. at the registered office of the Company.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further share capital by the Company by way of right issue. The Board of Directors of the Company stated that all requirements of the Companies Act, 2017 and the Company (Further issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied with, by the Company.

For the purposes of the right issue, the management has received confirmations from the substantial shareholders and all the directors of the Company that they will (i) subscribe to the right shares offered to them (or shall arrange for the subscription thereof) and that they shall deposit the amount of their subscription in accordance with applicable laws; and (ii) ensure that the balance of the right issue, not being subscribed by the substantial shareholders and directors, will be adequately underwritten in accordance with the applicable laws. The substantial shareholders and directors of the Company shall issue the requisite undertakings in such respect.

Accordingly, the following resolutions were passed by the Board of Directors:

RESOLVED THAT the ordinary paid up share capital of the Company be increased from PKR 2,512,500,000/- (Pak Rupees Two Billion Five Hundred Twelve Million Five Hundred Thousand) to PKR 3,712,500,000/- (Pak Rupees Three Billion Seven Hundred Twelve Million Five Hundred Thousand) by issue of further 120,000,000 (One Hundred and Twenty Million) ordinary shares of the Company, having face value of PKR 10/- (Pak Rupees Ten) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as right shares) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share (i.e. inclusive of a premium of PKR 2.50/- (Pak Rupees Two and Paisas Fifty) per share), in the ratio of 1 right share for approximately every 2.09375 ordinary shares of PKR 10/- (Pak Rupees Ten) each held immediately prior to the book closure date (i.e. approximately 47.671%), against payment to the Company of the price of the shares subscribed, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company (the "Right Issue").

FURTHER RESOLVED THAT the following shall be the quantum, size, price and purpose of the Right Issue, along with utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with the Right Issue, the justification for the issue of shares at a premium, and the minimum subscription amount, in accordance with Regulation 3(1)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:

1. Quantum of Right Issue (i.e., as a percentage of existing paid-up capital)

The quantum of the Right Issue is approximately 47.761% of the existing paid-up capital of the Company i.e. 1 right share for approximately every 2.0935 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.



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2. Issue Size

The Company shall issue 120,000,000 (One Hundred and Twenty Million) ordinary shares, at a price of PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share, aggregating to PKR 1,500,000,000/- (Pak Rupees One Billion and Five Hundred Million).

3. Issue Price Per Share

PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share (i.e., inclusive of a premium of PKR 2.50/- (Pak Rupees Two Paisas Fifty) per share).

4. Purpose of Right Issue

The primary purpose of the Right Issue is to strengthen the Company's working capital base, including for increasing its raw material inventories, in order to ensure smooth business operations and sustain its growth momentum, with the aim of fortifying its financial position in order to enhance profitability and provide greater shareholder return. Over the past quarters, the Company has experienced a significant rise in customer orders, necessitating higher inventory levels and procurement of raw materials. The additional capital raised through this Right Issue will therefore enable the Company to efficiently manage its working capital cycle, maintain uninterrupted production, and capitalize on emerging business opportunities.

5. Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue shall primarily be utilized to augment the Company's working capital requirements (as further detailed below), with a major portion being allocated towards the enhancement of raw material inventories in response to the increasing demand from customers and the anticipated growth in production volumes. The funds will also be applied to meet operational overheads and other direct costs associated with the manufacturing process, thereby ensuring uninterrupted production and efficient utilization of capacity. Furthermore, the Company intends to strengthen its raw material base to adequately support aftermarket production, ensuring timely fulfilment of customer orders and maintaining supply chain stability.

Activities classified as working capital.

Increasing stock-in-trade and consumable store levels to support rising OEM demand and expanding local and export aftermarkets.

Basis of estimation of working capital requirement, along with relevant assumptions.

Reflecting the tentative OEM schedule for the current year and anticipated growth in the coming years, alongside plans for a stronger presence in both local and export aftermarkets.

Reasons for raising additional working capital, substantiating the same with relevant facts and figures.

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Financed by (PKR)	
Banks	665,532,225/-
Right issue	<u>1,500,000,000/-</u>
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Cash Conversion Cycle in Number of days for last three years (days inventory outstanding + days sales outstanding - days payables outstanding)

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The Right Issue shall serve to strengthen the Company's capital reserves and working capital base, thereby enhancing its overall financial stability and operational resilience. This



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strengthened capital position is expected to lead to favourable position and an enhanced financial strength, ultimately reinforcing the Company's solvency position. Consequently, these measures are anticipated to contribute positively towards the Company's profitability and to bolster shareholder confidence. For shareholders, the Right Issue presents an opportunity to participate in the future growth and expansion of the Company at a preferential price, while safeguarding the value of their existing investment through improved financial stability and enabling the Company to deliver sustainable and enhanced returns over the long term.

7. Risk Factors associated with the Right Issue, if any

The Right Issue has been announced at a price which is below the current share trading price in the market; hence there is minimal investment risk associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue will be fully underwritten as per the requirements under the applicable regulations. Normal risks associated with the business remain; however, the Company is well equipped and positioned in the market with a proven track record, which will help to mitigate such risk factors.

8. Justification for issue of shares at premium

The Right Issue is being carried out at a premium. Considering the current market price of the Company's shares, the premium charged over the par value is justified and is in line with market practice; in fact, the same constitutes approximately 22.57% discount on the last 6 (six) months volume weighted average price, and 28.94% discount on the break-up value of the shares.

9. Minimum Subscription Amount

Not Applicable

FURTHER RESOLVED THAT the draft offer document / letter of offer presented to the Board of Directors be and is hereby approved, subject to the revision / finalization thereof by the authorized representative(s) of the Company, including taking into account any comments / observations received from the Securities and Exchange Commission of Pakistan ("SECP") and / or the Pakistan Stock Exchange Limited ("PSX") as may be deemed fit by the authorized representative(s), which final document shall be deemed to be approved. While the draft offer letter / document shall be placed on the PSX's and Company's respective websites, public comments on the same shall not be required to be solicited.

FURTHER RESOLVED THAT the letter of offer for right shares, as prescribed under Section 83(2) of the Companies Act, 2017, shall be jointly issued / signed by any 2 (two) directors of the Company, in compliance with the applicable laws.

FURTHER RESOLVED THAT Mr. M. Mohtashim Aftab and / or Mr. M. Mobin Akhter and / or Babar Saleem, be and are hereby severally authorized by all the directors of the Company to sign the circular accompanying the letter of offer, once finalized in accordance with the procedure stipulated under the applicable laws.



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FURTHER RESOLVED THAT all fractional entitlements, if any, will be consolidated in the name of the Company Secretary, as an agent (under trust), and unpaid letters of right in respect thereof shall be sold on the PSX, the net proceeds from which sale, once realized, shall be distributed / paid to the entitled shareholders in accordance with their respective entitlements, as per the applicable regulations.

FURTHER RESOLVED THAT that any unsubscribed shares may be offered and allotted (upon subscription thereof) to such persons as the directors may deem fit in accordance with Section 83(1)(a)(iv) of the Companies Act, 2017, including the sponsors / substantial shareholders, directors or associated undertakings of the Company or any third party, before calling upon the underwriters to subscribe to any unsubscribed shares.

FURTHER RESOLVED THAT the Chief Executive Officer and / or the Company Secretary and / or the Chief Financial Officer be and are hereby severally authorized, such that any one of them may do all or any of the following on behalf, and in the name, of the Company:

- (i) appoint / negotiate with consultants / advisors / auditors and underwriter(s) to the Right Issue, including to finalize terms and conditions and sign underwriting agreement(s), other documents and settle / finalize fees, underwriting commission, take up commission and third party expenses and / or any other expenses relating to the Right Issue;
- (ii) to finalize and submit the draft letter of offer / offer document with the SECP / PSX, along with other requisite documents, and revise the same as may be deemed fit, including based on the comments / observations of the SECP / PSX;
- (iii) to prepare the schedule for issue of right shares, including date of payment, and to make any amendment in the said schedule, appointment of banker(s) to the issue, announce (and amend) book closure dates, and to take all necessary actions, in this respect, required by SECP / PSX / Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority / body;
- (iv) to determine the entitlements of the shareholders of the Company with respect to the Right Issue;
- (v) to open, maintain, operate and close bank accounts for the purpose of amounts received from the subscription of right shares;
- (vi) to credit right shares, once allotted by the Board of Directors, and file returns / documents as required by SECP / PSX / CDC along with the auditor's certificates; and
- (vii) to take all other necessary steps, and do all other acts, deeds and things, to prepare / finalize the offer letter / document, circular and schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.



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Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of Loads Limited held at the registered office of the Company on January 15, 2026.

Babar Saleem

Babar Saleem
Company Secretary



January 15, 2026



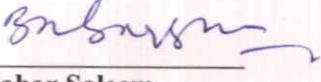
ANNEXURE C

LOADS LIMITED

NOTICE OF RIGHT ISSUE AND BOOK CLOSURE

Members are hereby notified that the Board of Directors of Loads Limited (the “**Company**”), in its meeting held on January 15, 2026, has decided to issue further capital by offering 120,000,000 ordinary right shares of PKR 10/- (Pak Rupees Ten) each, at a price of PKR 12.50/- (Pak Rupees Twelve and Paisas Fifty) per share (inclusive of a premium of PKR 2.50/- (Pak Rupees Two Paisas Fifty) per share), in the proportion of 1 right share for approximately every 2.09375 existing ordinary shares of PKR 10/- (Pak Rupees Ten) held (i.e. approximately 47.761%), against payment to the Company of the price of the shares subscribed by the shareholders, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company.

The dates of closure of the shares transfer books of the Company, to determine the entitlement of the right shares will be communicated in due course after finalization of the offer letter / document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.


Babar Saleem
Company Secretary

