Loads Limited

Manufacturers of Automotive Radiators, Exhaust Systems & Sheet Metal Components
Plot No. 23, Sector 19, Korangi Industrial Area, Karachi-74900, Pakistan.
Tel : (92-21) 35065001 to 5, (92) 302-8674683 to 9
Fax : (92-21) 35057453 to 4
E-mail : loads@cyber.net.pk
Website: www.loads-group.com

March 9, 2021

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

Subject: **AUDITOR'S CERTIFICATE RIGHT ISSUE – LOADS LIMITED**

Dear Sir,

In compliance of clause 8 of "Procedure of Right Issue" provided to your letter No. PSX/C-302-2449 dated December 24, 2020, we hereby confirm that 1,962,972 unsubscribe right shares have been allocated by the Board of Directors of Loads Limited (the "Company") u/s 83(1)(iv) of the Companies Act, 2017 vide their resolution passed and proceeds of PKR 19,629,720/- have been received by the Company.

We enclose herewith the Certificate issued by our external auditors KPMG Taseer Hadi & Co., Chartered Accountants confirming the receipt of PKR 688,245,000/- through MCB Bank Limited and PKR 311,755,000/- adjustment through Director's loan, against subscription of 100,000,000 right shares having face value of Rs. 10/- each, resulting into total subscription of PKR 1,000,000,000/-.

You are therefore, requested to issue a No Objection Certificate ("NOC") in the name of MCB Bank Limited for release of subscription amount received in the bank maintained for the purpose of Right Issue at your earliest.

Yours Sincerely,
For Loads Limited

LOADS LIMITED.

Babar Saleem
Company Secretary

Enclosure: As above

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

The Board of Directors
Loads Limited
Plot No 23, Sector 19
Korangi Industrial Area
Karachi

Our ref KA-ZS-1310

Contact Muhammad Taufiq

9 March 2021

Dear Board Members,

Auditors' Certificate on Receipt of Full Amount of Subscription Money Against Issue of Right Shares

As requested, we have carried out certain procedures with respect to receipt of full subscription amount towards right shares issued by the Loads Limited ("the Company") as required by Pakistan Stock Exchange Limited (PSX) through its letter reference number PSX/C-302-2449 dated 24 December 2020.

Scope of Certificate

We understand that this certificate is issued in the capacity of statutory auditor of the Company and on the specific request of the management of the Company for onward submission to the PSX as required under procedure 8 of Annexure-II of the letter issued by PSX.

Management Responsibility

It is the management's responsibility to ensure that the right issue of share capital is made in accordance with the requirements of the Companies Act, 2017 and PSX, and that all requirements in this respect are fulfilled. The management's responsibility also includes to submit Form-3, i.e. return of allotment duly certified by the Companies Registration Office within 45 days of the last date of payment/renunciation. We have not checked the compliance of the aforementioned requirements in this respect, therefore we have not reported on the aforementioned compliance. This responsibility includes maintaining adequate records and internal controls as determined necessary to enable the preparation of the annexed statement such that it is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to certify the compliance with the requirement of PSX as required under clause 8 of Annexure-II 'Procedure to be complied with for issue of right shares of the Letter in accordance with the 'Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification were limited to the procedures as mentioned below:

1. Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of further 100,000,000 ordinary shares of the Company of PKR 10/-each to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder i.e. right issue at a price of PKR 10/-;

2. Obtained and checked copy of letter issued under Section 83 of the Companies Act 2017 for last date of payment / renunciation;

3. Reviewed resolution of the Board of Directors to confirm that 1,962,972 unsubscribed right shares having face value of Rs. 10 each of the Company at exercise price of Rs. 10 per share have been allotted at the discretion of the Board in accordance with the Companies Act, 2017 under section 83(1)(a)(iv);

4. Obtained the bank statement of the designated bank account of the Company maintained with MCB Bank Limited and checked that aggregate subscription of PKR 688,245,000 out of PKR 1,000,000,000 has been received into the Bank Account; and

5. Obtained management representation that all requirement concerning allotment of shares in the name of CDC have been fulfilled.

Certificate

Based on the procedures mentioned above, we certify that for subscription of 100,000,000 right shares the aggregate cash proceeds of PKR 688,245,000 has been received in the Designated Bank Account of MCB Bank Limited and aggregate loan from director amounting to PKR 311,755,000 has been adjusted as advance against subscription.

KPMG

KPMG Taseer Hadi & Co.

The details of right shares and money received there-against are as follows:

Subscribed by	Number of Shares	Amount in Rupees
Directors and sponsor of the Company	56,381,550	*563,815,500
General public	41,655,478	416,554,780
Unsubscribed shares allotted as detailed above	1,962,972	19,629,720

*including Rs 311,755,000 adjusted against loan payable by the company to a director.

Restriction on use and distribution

The certificate is being issued in capacity of statutory auditors of the Company, on the specific request of the management of the Company for onward submission to PSX as required under clause 8 of Annexure - II and is not to be used and / or distributed to any other party for any other purpose. The certificate is restricted to the facts stated herein.

Yours faithfully,

KPMG Taseer Hadi & Co.